



**John L. Bissell**

*President and  
Chief Executive Officer*

## Message from the President

The cover of Greylock's Annual Report shows a collection of redwoods reaching toward the sky in unison.

It's an impressive sight. I was reminded of how the redwood harnesses its strength. On the surface, this massive creation would appear to be self-sufficient. In reality, however, redwoods intertwine their roots beneath the ground, enabling each tree to grow to tremendous heights and stand tall even during punishing weather. The redwood cannot go it alone.

Much like the redwood, Greylock's collective strength is a direct reflection of our more than 100,000 Members who have chosen us to be their financial institution, and the many community partnerships that enrich our core mission of widening the pathway to financial access and opportunity.

Our strength also derives from our tested and proven resiliency. For more than 80 years, Greylock has been a mainstay in our community. During this time, we've experienced the Great Depression and encountered multiple

A white rectangular box containing the text 'ANNUAL REPORT' in green, underlined, followed by '2023' in a larger green font. The background of the entire page is a low-angle photograph of tall redwood trees reaching towards a bright sky.

ANNUAL  
REPORT  

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2023

STRENGTH



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recessions. Through it all, even in today's ever-changing economic landscape, Greylock remains a safe, sound, and secure financial harbor.

In 2023, we saw a year filled with continuous progress, advancement, and deepened partnerships in the communities that we serve.

Here are a few highlights that reflect this vital work:

- Homeownership is a cornerstone to supporting financial wellness and building generational wealth. I'm proud to share that in 2023 alone, 240 first-time homebuyers worked with Greylock to access their dream of homeownership, with 28 percent of new homeowners identifying as persons of color.
- We enriched the Member experience through the deployment of eight Video Teller Service (VTS) machines, bringing the total to 10, allowing for direct access to a live teller, increasing access and convenience for our Members.
- The 2023 renovation of the Adams branch provides an inclusive experience for all of our Members with a tech bar, Video Teller Service at our ATM, and full ADA accessibility.
- With the increased number of Certified Credit Union Financial Counselors to 38, community members had expanded access to free and confidential financial coaching sessions.
- Lastly, we were honored to receive the Juntos Avanzamos designations for our Kellogg and Greenport-Hudson branches from our friends at Inclusiv, bringing our total designations to four. This prestigious recognition reflects the passion and dedication by our Greylock Team to assist members from our Hispanic and immigrant communities.

*When you choose  
Greylock, you are  
reinvesting to keep  
your community  
strong, accessible,  
and welcoming.*

As we look forward to the year ahead, I am truly inspired by one of our younger Members, 13-year-old Reina Jara. In the fall of 2023, Reina, along with her fellow scholars through the Rites of Passage and Empowerment (R.O.P.E.) Program, attended a financial wellness session at Greylock's Community Empowerment Center.

In the wake of her visit to Greylock, Reina shared her thoughts on her experience:

*"After the financial education class with Greylock, I know now how important it is to have a bank account and different ways to save money. Thank you, Greylock, for helping me learn to manage my money now and into the future."*

To Reina and all our Members, thank you for choosing Greylock.





**Peter T. Lopez**

*Chairperson  
Board of Directors*

## Report of the Chairperson

In August of 2023, Greylock had the distinct privilege of welcoming Rodney E. Hood, past chair of the National Credit Union Administration (NCUA) Board, to our Greenport-Hudson branch in Columbia County, NY.

For those who may not know, the NCUA is an independent federal agency, which regulates credit unions like our own. As Greylock is one of only three Massachusetts credit unions to have the Community Development Financial Institution (CDFI) designation—something which enables us access to additional resources to better serve our Members—Mr. Hood’s visit was significant and I was honored to be among the contingent that met with him that day.

It was a pivotal encounter on many levels. Over the course of an hour in the branch’s community room, the former chairman heard stories from the Greylock team and some of our community development partners as to initiatives around financial inclusion.

The former chair was clearly pleased with what he heard—and expressed

just that. But more so, he encouraged Greylock to lean into sharing these efforts.

I hope hearing this news makes you proud to be a Member. It’s certainly why I, along with my fellow volunteer Board of Directors, choose to serve.

2023 was a year marked by Greylock’s ongoing commitment to financial inclusion.

Community members from all backgrounds moved one step closer to their financial goals thanks to 1,611 free financial coaching sessions conducted by 38 Greylock employed Certified Credit Union Financial Counselors.

ITINs, or Individual Taxpayer Identification Numbers, open the door to financial resources. Last year, 602 people took part in the U.S. financial system for the first time with the help of Greylock’s Certified IRS ITIN Agents. Our agents provided services for all of Greylock’s branches in Berkshire County as well as Hudson, NY.

Additionally, thanks to an ITIN, these Members are protected from predatory loans, and have access to tailored products such as the Borrow and Save loan to initiate their credit journey. From this start, Members are able to secure funding for autos, and ultimately, get on the path for homeownership.

It’s equally vital that we equip our youth with the right tools to better understand and manage their finances. In 2023, thanks to Greylock’s free online and in-class learning tools, 5,462 area students learned how to develop strong personal habits with their money.

We know that behind each of these numbers is a person whose life has been enriched by the work that we do, and that’s what I call a powerful ‘why.’

We hope you think so, too.



**Michael R. Stoddard**

*Executive Vice President and  
Chief Financial Officer*

## Report of the Chief Financial Officer

Greylock's balance sheet growth in 2023 was driven primarily by another good year of loan activity as loans

increased by \$76 million or 6.2% over 2022. We experienced an increase in every major category, pushing our total loans at year end up to \$1.3 billion.

On the other hand, 2023 also saw deposit balances decline by \$33 million or 2.3%, the first full-year dip in deposits since 2015. Declining deposit balances represented an industry trend as consumers utilized more of their funds to meet higher living costs. At the end of 2023, Greylock deposit balances equaled \$1.4 billion.

With the decline in deposits during 2023, borrowings and cash flow from the investment securities portfolio were utilized to fund the loan growth. \$23 million of this funding came in the form of subordinated debt from the US Treasury as part of the Emergency

### FINANCIAL STATEMENT HIGHLIGHTS

- Assets grew by 3% in 2023 after being relatively flat during 2022
- Loans grew by \$76 million or 6%, which was lower than the 12% from 2022
- For the first time since 2015, deposits declined—down 2% as compared to growth of 1% during 2022
- Regulatory capital increased from 10.74% to 12.14%
- Net interest margin improved from 3.05% to 3.08%
- 60-day past due loans increased slightly from 0.46% to 0.56% of total loans
- Net loan charge-offs increased from 0.04% to 0.12% of total loans
- Net income equaled \$4.9 million, which equals a return on assets of 0.32%



*Financial information contained in this report may be subject to adjustments following the completion of Greylock's annual audit.*

Capital Investment Program (ECIP). This low interest funding was made available to Community Development Financial Institutions (CDFIs), like Greylock, to help meet the borrowing needs of low to moderate income borrowers.

The quality of our loan portfolio remained strong. Our delinquent loans of 60 days or more increased from last year but continued at a low level of 0.56% of total loans; our net loan charge-offs as a percentage of average loans was also low at 0.12%. In 2023, we adopted the new accounting standard, Current Expected Credit Losses (CECL), which resulted in a one-time increase to our allowance for credit losses and a direct reduction to capital of \$2.1 million.

Our regulatory capital ratio increased from 10.74% to 12.14%. In addition to our net income, the long-term ECIP funding, described above, also qualifies as capital leaving us in a very healthy capital position.

Net income for 2023 equaled \$4.9 million, which is down from \$9.4 million in 2022. The primary reason for the lower earnings result was due to a \$1.4 million increase in provision for credit losses, which is rising back to more normal levels, and a 10% increase in expenses due to rising labor costs.

As we look ahead into 2024, our capital, liquidity and loan quality are at very strong levels. We are actively looking to improve income and reduce expenses to bring our net income more in line with the levels we have experienced over the past few years.

## STATEMENTS OF CHANGES IN EQUITY

*Dollars in Thousands*

	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Total Equity
<b>Balance at December 31, 2021</b>	<b>\$ 156,308</b>	<b>\$ (2,330)</b>	<b>\$ 153,978</b>
Net income	9,421		9,421
Change in net unrealized loss on securities available for sale		(31,521)	(31,521)
<b>Balance at December 31, 2022</b>	<b>\$ 165,729</b>	<b>\$ (33,851)</b>	<b>\$ 131,878</b>
Net income	4,945		4,945
Adjustment for adoption of Current Expected Credit Losses (CECL)	(2,092)		(2,092)
Change in net unrealized loss on securities available for sale		5,304	5,304
<b>Balance at December 31, 2023</b>	<b><u>\$ 168,582</u></b>	<b><u>\$ (28,547)</u></b>	<b><u>\$ 140,035</u></b>

## STATEMENTS OF CONDITION

*Dollars in Thousands*

### ASSETS

<i>At December 31,</i>	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 24,386	\$ 32,983
Investment securities	237,642	254,243
Loans held for sale	753	105
Loans	1,290,918	1,215,261
Less: Allowance for credit losses	<u>(6,837)</u>	<u>(5,366)</u>
Loans, net	1,284,081	1,209,895
Property and equipment, net	20,236	17,853
Other assets	37,965	36,462
<b>Total Assets</b>	<b><u>\$ 1,605,063</u></b>	<b><u>\$ 1,551,541</u></b>

### LIABILITIES AND EQUITY

<i>At December 31,</i>	<u>2023</u>	<u>2022</u>
Deposits	\$ 1,368,641	\$ 1,401,514
Borrowings	77,000	250
Accrued expenses and other liabilities	<u>19,387</u>	<u>17,899</u>
Total liabilities	1,465,028	1,419,663
Total equity	140,035	131,878
<b>Total Liabilities and Equity</b>	<b><u>\$ 1,605,063</u></b>	<b><u>\$ 1,551,541</u></b>

## STATEMENTS OF INCOME

*Dollars in Thousands*

<i>Years ended December 31,</i>	<u>2023</u>	<u>2022</u>
Interest and dividend income:		
Loans	\$ 56,944	\$ 43,879
Investments and Fed Funds	<u>5,621</u>	<u>5,359</u>
Total interest and dividend income	62,565	49,238
Interest expense:		
Deposits	13,824	3,658
Borrowings	<u>1,420</u>	<u>5</u>
Total interest expense	15,244	3,663
Net interest income	47,321	45,575
Provision for loan losses	868	(510)
Other income	17,867	17,551
Operating expenses:		
Salaries and employee benefits	35,831	32,227
Occupancy (includes depreciation expense)	4,966	4,867
Loan servicing	2,579	2,021
Data processing	8,511	8,226
Other general and administrative	<u>7,488</u>	<u>6,873</u>
Total operating expenses	59,375	54,214
<b>Net Income</b>	<b><u>\$ 4,945</u></b>	<b><u>\$ 9,422</u></b>

## Greylock Federal Credit Union Volunteer Board of Directors

Peter T. Lopez  
*Chairperson*

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*Vice Chairperson*

Krystle A. Blake  
*Secretary/Financial Officer*

JamieEllen Moncecchi  
*Assistant Clerk/  
Recording Officer*

Gerard E. Burke

Tyrone A. Jackson

Sheila A. LaBarbera

John C. Law

Brett Random

Stanley B. Walczyk

## Supervisory Committee

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*Chairperson*

Lori E. Broderick-Bean

Joseph R. Baker

Catheryn Chacon Ortega

Peter T. Lopez

## Directors Emeriti

Angelo Borsello

Ann Deely

Richard DeFazio

Jean Doak

Daniel Donovan

J. Paul Dube

Anthony Rinaldi, Jr.

Alfred Shogry

Marilyn Sperring

## Greylock Branch & ATM Locations

Please visit [www.greylock.org/locations](http://www.greylock.org/locations) for current hours of operation.

Greylock now offers Video Teller Services at 10 ATM locations. Please check our website for the location and hours of our Video Teller Services. [www.greylock.org/VTS](http://www.greylock.org/VTS)

### PITTSFIELD, MA

150 West St. • (413) 236-4000

71 Elm St. • (413) 997-4400

75 Kellogg St. • (413) 443-5114

5 Cheshire Rd., Ste. 26 • (413) 445-5555

Berkshire Medical Center

725 North St. • (413) 997-6300

General Dynamics (*employees only*)

100 Plastics Ave. • (413) 443-0554

### ADAMS, MA

2 Park St. • (413) 743-7333

### GREAT BARRINGTON, MA

250 Stockbridge Rd. • (413) 644-9234

### LANESBOROUGH, MA

1664 North St. • (413) 997-4888

### LEE, MA

43 Park St. • (413) 243-2121

### LENOX, MA

68 Main St. • (413) 637-4999

### NORTH ADAMS, MA

131 Ashland St. • (413) 664-4477

### WILLIAMSTOWN, MA

455 Main St. • (413) 458-4441

### GREENPORT/HUDSON, NY

464 Fairview Ave. • (518) 660-7650

## Additional Greylock ATM Locations

**Pittsfield** • 188 Elm St.

**Pittsfield** • 777 North St.

**Dalton** • 633 Main St.

**Great Barrington** • 29 Lewis Ave.

**Lenox** • 444 Pittsfield Rd.

**North Adams** • 71 Hospital Rd.



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