



2020 ANNUAL REPORT





TABLE *of* contents

Letter from the CEO & the Chairman	4-5
Philanthropy	6-7
Awards	8
Innovation	9
Leadership Team	10-13
Financial Statements	14-15

LETTER FROM the CEO

Looking back on 2020, in a year full of changes and challenges, I could not be prouder. Credit unions were created to serve members of our community in uncertain times and 85 years later, this remains true for GTE Financial.

The credit union spirit of “people helping people” was truly alive and well as I watched employees support members and each other. There was a genuine concern for others’ well-being and a desire to help others survive what we were all going through together.

Our priority is, and always will be, our members. GTE Financial offered safe access to our centers, while always providing uninterrupted and enhanced virtual services. We continued to lend with quick turnarounds and, at the same time, offered payment assistance on loans when members were concerned about their financial situation. Even with the pandemic challenges, we had our highest member satisfaction.

Through this, we never took our focus off innovation. It’s how we ensure that your credit union is continuously improving – offering new products, developing new services, and making banking with us super convenient. We launched Zelle, an easy person-to-person payment tool, we added over 50 new auto dealership partners, enhanced capabilities within Online Banking, and developed an amazing new mobile app that allows you to replace your GTE card in a few clicks!

Last, but certainly not least, this year continued to be a year of philanthropy for GTE Financial. We awarded 24 scholarships to deserving students who were not only academic standouts but also volunteered and gave back to each one of their communities. We raised \$140,000 for our monthly charities, bringing our total donated to \$442,000. In a year when it was needed most, GTE continued to show its charitable heart.

Thank you so much for your membership and allowing GTE to be there for you, especially this year. We remain committed to serving our members and our community, and never take for granted the trust you have put in us as your financial institution. Thank you for your unwavering support.

Sincerely,



Brian Best,
President & CEO



LETTER FROM the Chairman

Looking ahead, our credit union is well-positioned to fulfill its mission statement: to be the preferred financial service provider and employer in our marketplace, especially during these difficult and unprecedented times. We have exciting things planned for the new year: more growth, more experience enhancements, more innovation, and more giving.

GTE Financial is proud to support the growing Hispanic community in Tampa Bay. In 2020 we welcomed over 4,500 new Hispanic members. It is our goal to support them by making it easier than ever to connect with us. This year we will release a newly designed Online Banking tool that will be offered in Spanish. And with just a click of a button, you can read our entire website in Spanish, as well as conduct your banking in Spanish via our new mobile app.

The new mobile app has also brought with it a faster, smoother experience, more personalization, and the ability to immediately replace your GTE card should it be lost or stolen. It underscores our commitment to innovation and our continued quest to make banking easier and more convenient.

Along with our membership, we are also growing our Community Financial Centers as well. We will be opening our Lakewood Ranch location in the Spring. This will enhance our market area in the south and offer a very convenient location for both new and current members.

We know you have lots of options for your banking and do not take it lightly that you choose GTE Financial. We are always striving to increase the value back to the membership. One of the ways we are going to do that is to enhance our Go Points loyalty program and offer new options such as pay with points at checkout. We want you to love banking with GTE!

As we move forward, I want to truly thank you for your continued membership and promise you that we will always work hard to earn your business and loyalty.

Sincerely,



Art Fuente,
Chairman



GTE has proven that we'll always be there for our valued employees, members and the community - NO MATTER WHAT

At GTE Financial, we look at philanthropy as our responsibility to the community and our very reason for existing. So, even in a year of unprecedented challenges, we still put “people helping people” first. And we made it our mission to benefit those in our community who need it most through our passionate support of local philanthropies, organizations, charities and initiatives.

MONTHLY Charities

JANUARY	SOUTHEASTERN GUIDE DOGS
FEBRUARY	JUNIOR ACHIEVEMENT
MARCH	TIGHTEN THE DRAG
APRIL	YMCA
MAY	LIFELINK
JUNE	AUTISM SPEAKS
JULY	BOYS AND GIRLS CLUB
AUGUST	UNITED WAY
SEPTEMBER	CRISIS CENTER OF TAMPA BAY
OCTOBER	AMERICAN HEART ASSOCIATION
NOVEMBER	FEEDING TAMPA BAY
DECEMBER	WHEELS FOR SUCCESS

Despite working much of the year from home, our employees continued to donate their own time, monies and support to monthly charities and raised a total of **\$140,000** in 2020

CAREER BUILDING Scholarships

Awarded **24 STUDENTS** with \$2,500 scholarships, for a total of **\$60,000**



Hosted a **SCHOLARSHIP SCRAMBLE** with **110 PLAYERS** and raised over **\$58,000**



GAVE BACK TO THE Community

We have not wavered in our mission to support our community and have donated a total of **\$442,000** through grants and various support.



Being part of the GTE family has its rewards

At GTE, we've made it our mission to do whatever it takes to best assist members, support employees and give back to the community. This year was no exception and such selfless efforts were made even sweeter by a variety of distinguished awards and honors.

Top Workplaces
2020 *from* TAMPA
BAY TIMES

2020

Aetna Workplace
WELL-BEING
GOLD WINNER

2020
MAKING
A DIFFERENCE
Workplace Well-being
GOLD WINNER
aetna

Best Places to work
from
**TAMPA BAY
BUSINESS
JOURNAL**

1

CUNA
DIAMOND
AWARD *for* Plastic
Access Card Design

CUNA
EXCELLENCE
AWARD *for* Employee
Engagement

1st Place in Ragan's
**EMPLOYEE
COMMUNICATIONS
AWARDS:
CHANGE
MANAGEMENT**

#1

Honorable Mention
in Ragan's Employee
Communications Awards:
**EMPLOYEE
COMMUNICATIONS
CAMPAIGN of the YEAR**

Nothing can stop our innovative technology enhancements

At GTE, we're constantly finding ways to innovate products and services that truly enhance every member's experience and deliver a whole new level of convenience and value.

LAUNCHED A NEW MOBILE APP IN English and Spanish



Seamlessly integrated cards, payments and money management for a fast, convenient personalized experience



Designed to enhance speed and efficiency



Developed groundbreaking Virtual Card where members can now replace and use a new credit or debit card in seconds

OTHER EXCITING Advances



Created a credit card annual summary



Future change charity integration into payments and transfers



Bill pay security upgrade



Digital banking login protection

Introduced A Comprehensive, New Spanish Website



It's a testament to the commitment GTE has to the Hispanic community in Tampa Bay.

EXECUTIVE Management Team



Brian Best
President and Chief Executive Officer



Brad Baker
EVP, Chief Financial Officer



Jasiel Legon
SVP, Chief Talent Officer



Jennifer Maxfield
SVP, Chief Strategy Officer



Chad Burney
EVP, Chief Operating Officer



Pedro Diaz
SVP, Chief Experience Officer



Dona Svehla
SVP, Chief Lending Officer



Mandy Zurbrick
SVP, Chief Marketing Officer

BOARD OF Directors



Art Fuente
Chairman



Jimmy Debose
1st Vice Chairman



Paula Jurgenson
2nd Vice Chairman



Vickie Thompson
Secretary/Treasurer



Charlie Beauchamp
Director



Rick Hagan
Director



Shaine Mobley
Director



Matt White
Director



Jeff Pinkstaff
Director

SUPERVISORY Committee



Andrew Fussner
Chairman



Tina Fischer
Committee Member



Eunice Hutto
Committee Member



Courtney McClure
Committee Member



Tonya Rivera
Committee Member

The Supervisory Committee, an impartial Board-appointed committee, is responsible for ensuring that the credit union's accounts and records are accurate and current, and that adequate controls are in place to protect its assets. To fulfill this obligation, the Supervisory Committee engaged the accounting firm of Doeren Mayhew to perform an independent audit of GTE Financial's financial statements as of December 31, 2020. We are pleased to report that we received an unmodified opinion.

The outside audit is the culmination of the committee's year-long efforts to monitor the processes and controls of GTE Financial. They review reports used to support the annual audit, oversee the activities of the internal audit function, verify member share accounts and loan balances, and help ensure compliance with applicable laws and regulations. In summary, it is the opinion of the Supervisory Committee that the financial condition of GTE Financial is strong.

FINANCIAL Statements

GTE Financial and Subsidiaries

Summary consolidated statements of financial
condition as of December 31 (unaudited)

2020

2019

(in thousands)

ASSETS

Cash and Cash Equivalents	\$ 121,059	\$ 197,640
Loans Receivable, Net	1,911,477	1,664,313
Investments	296,657	164,037
FHLB Stock	1,985	1,879
Interest Receivable	5,428	5,093
Premises and Equipment, Net	54,362	56,833
NCUSIF Deposit	20,267	17,767
Other Assets	95,095	98,620
TOTAL	\$ 2,506,330	\$ 2,206,182

LIABILITIES AND MEMBERS' EQUITY

Certificates	552,867	550,190
Money Market Accounts	298,573	280,114
Member Savings Deposits	742,653	592,485
Share Checking Accounts	528,629	399,017
Individual Retirement Accounts	146,418	162,082
	2,269,140	1,983,888
Dividends and Interest Payable	560	546
Other Liabilities	37,017	36,747
	37,577	37,293

MEMBERS' EQUITY

Regular Reserve	53,796	53,796
Undivided Earnings	147,946	138,408
Accumulated Other Comprehensive Loss	171	(4,903)
Miscellaneous Equity	(2,300)	(2,300)
Total Members' Equity	199,613	185,001
TOTAL	\$ 2,506,330	\$ 2,206,182

GTE Financial and Subsidiaries

Summary consolidated statements of operations
for the years ending December 31 (unaudited)

2020

2019

(in thousands)

Interest Income	\$ 79,317	\$ 83,654
Dividend and Interest Expense	17,708	18,780
Net Interest Income	61,609	64,874
Provision for Loan Losses	15,461	12,442
Net Interest Income after Provision for Loan Losses	46,148	52,432
Service Fees and Non-Interest Income	50,905	64,503
Non-Interest Expense		
Compensation and Benefits	42,494	47,398
Product Servicing	14,845	17,888
Occupancy and Equipment	16,016	15,651
Administrative and Other Operating Expense	14,159	17,381
Total Non-Interest Expense	87,515	98,318
NET INCOME	\$ 9,538	\$ 18,617

GTE Financial and Subsidiaries

Summary consolidated statements of members' equity (unaudited)

Members' Equity

(in thousands)

Balance at January 1, 2019	\$ 166,304
Net income for 2019	18,617
Other Comprehensive Income	
Net Pension Losses and Unrealized Gains on Securities	80
Total Equity at December 31, 2019	185,001
Net income for 2020	9,538
Other Comprehensive Loss	
Net Pension Gain and Unrealized Gains on Securities	5,074
Total Equity at December 31, 2020	\$ 199,613

