

Statement of Conditions • December 31, 2014

ASSETS

Loans	\$134,026,980
Allowance for Loan Loss	\$970,322
Cash	\$2,775,398
Investments	\$62,955,576
Fixed Assets	\$5,021,610
Prepaid/Receivables	\$6,046,792
NCUSIF.....	\$1,880,581
Total	\$211,736,616

LIABILITIES AND EQUITY

Accounts Payable	\$1,964,054
Share Savings.....	\$56,338,596
Share Draft Checking	\$28,298,859
Money Market Accounts	\$43,138,232
Certificates	\$55,936,379
Other Savings	\$4,013,107
Reserves/Undivided Earnings	\$22,047,389
Total	\$211,736,616

STATEMENT OF INCOME

Interest on Loans	\$6,646,566
Investment Income	\$753,617
Other Operating Income	\$3,950,456
Total	\$11,350,640

DISTRIBUTION OF INCOME

Compensation	\$2,636,724
Employee Benefits	\$537,818
Office Occupancy	\$460,420
Operational Expense	\$1,644,131
Education & Promotion	\$251,297
Loan Servicing	\$868,951
Provision for Loan Loss	\$924,000
Professional Services	\$243,125
Other Expenses	\$263,916
Total Expenses	\$7,830,382

Dividends Paid	\$1,057,291
Increase To Equity	\$2,462,968
Total Distribution of Income	\$11,350,640

Financial Notes

Contingency Commitments For All Loans	\$32,381,702
Business Loans/Participations	\$22,316,708
Fair Value of Securities Held to Maturity	\$10,453,990

Key Operating Highlights

	2014	2013	Change	GPO Growth	Peer Group Growth
Assets	\$211,736,616	\$202,121,246	\$9,615,370	4.76%	4.25%
Shares	\$187,725,173	\$180,377,797	\$7,347,376	4.07%	3.63%
Loans	\$134,026,980	\$122,092,600	\$11,934,380	9.77%	7.50%
Members	26,218	25,087	1,131	4.51%	1.34%
Reserves	\$22,047,389	\$19,584,421	\$2,462,968	12.58%	6.50%

Supervisory Committee Report

The Supervisory Committee is appointed by the Board of Directors to represent GPO members. As your representative, the committee attends Board meetings, meets with our Federal regulatory examiners, conducts internal audits, reviews internal controls and hires an independent firm to conduct an audit of the credit union.

The Supervisory Committee, in conjunction with our internal auditor, completed a comprehensive scope and review of the credit union's operation. No major areas of concern were found.

In addition, our 2014 independent CPA audit was performed. The findings indicated that GPO's financial statements are presented fairly and in all material respects, the financial position of the credit union and its operations are in conformity and are within generally accepted accounting principles.

We appreciate the opportunity to be of service to GPO members and commend management, staff and the Board of Directors for a job well done.

RESPECTFULLY SUBMITTED,

GPO's Supervisory Committee

James Humphrey, Mitchell Amado, Allan Cornell

Our focus is YOU!

2014 Annual Report



Our focus is you!

GPO
FEDERAL CREDIT UNION

Board of Directors Report

DEAR MEMBERS,

In 2014, your credit union reached new milestones ranging from asset and loan growth to a record number of new credit union members. And though the numbers tell about GPO's financial stability and soundness, they are only part of the picture. We want to share some details about real, tangible milestones that mean so much more to our members than just numbers.

REALLY, TRULY HELPING OUR MEMBERS ...

It seems like month after month when we sit down to discuss the financials and plan upcoming ways to meet our strategic goals, the conversation turns back to our membership. Questions are posed like "what does our membership want?" or "how will this benefit our members?" Unlike for-profit financial institutions, GPO is guided by our members' needs – because at the end of the day, the month, the year – GPO is member-owned, so of course our mission is to serve our members. Makes sense, right?

So by putting our members first, our biggest accomplishments are the "things" we've done for our members. Here's what we are most proud of ...

In 2014, we saved our members on interest payments – in a very big way. Nearly ten years ago, we launched multiple refinanced loan campaigns whereby we encouraged members to bring us their existing loans from other financial institutions. We knew we could bring down the amounts they were paying in interest – and we were right! In ten years, we saved our members more than \$10 million in interest payments. Think about that ... \$10 million extra dollars in the pockets of our members.

We're giving members more options in how they can "bank" at GPO. Technology moves fast and at GPO, we're keeping

up. Many, many years ago, we were one of the first financial institutions in the area to offer telephone banking 24/7. Times certainly have changed – now, we offer members online banking, mobile banking and the ability to deposit checks from a mobile application. What does this mean? Our members truly have their credit union at their fingertips from virtually anywhere in the world at any time. There are new technology options in the works too – it's exciting to see the convenience and access we can bring our members!

There are so many individual stories our members tell us every day – from parents who are able to send their children to college with a student loan from GPO to a first-time homebuyer who brings in pictures of their new home to new citizens who have established a first-time ever account at an American financial institution. It's heart-warming and makes us proud to be a part an organization that helps so many.

FINANCIAL PERFORMANCE ...

GPO's been around for nearly 85 years. In an era where banks are merging or leaving the area, we – here at GPO – are proud to remain a credit union serving our friends, co-workers and neighbors in our Mohawk Valley community. We monitor our key operating areas on a regular basis to ensure that we are achieving our financial objectives. In 2014, our assets grew by 4.76%. Our shares grew by 4.07%. Our Loans grew by 9.77% . And GPO added 1,131 new members which was a 4.51% increase. We are very pleased to report that we continue to out-perform our peers and exceed expectations.

COMING SOON ...

At GPO, we don't rest on our laurels. In addition to technology, we are pleased to report that officially ground has been broken in Barneveld for a long-anticipated new branch opening. Construction is expected to be completed in the Fall and we'll be celebrating the opening of GPO's

seventh branch location with credit union-wide specials and festivities. No matter which branch you call your own – we want all members to join in the fun!

SAFETY AND SECURITY ...

It seems like every day, we hear about data breaches and security compromises. We would be remiss if we didn't stress that GPO takes member privacy and security seriously. We are doing all we can to ensure that there are no compromises – there is nothing more important to us than keeping our members' information in a secure and protected environment.

IN OUR COMMUNITY ...

GPO's not just your credit union, we're a part of the community. We believe in giving back to our community. In 2014, we participated in events like the Heart Run and Walk, Making Strides for Breast Cancer, the Relay for Life, 100-Year Utica Zoo festivities, the AHA's Kids' Walk, Ilion's Volcano Run and more. We not only donate to worthy causes, but our staff and Board of Directors take active roles in serving on boards and volunteering for events that make our community so great.

A SPECIAL THANK YOU ...

As we conclude our 2014 annual report, our members deserve a big thank you for allowing GPO the privilege of helping you meet your financial objectives. We hope to do so for many years to come.

Leo Callari
Chairman, Board of Directors

Nicholas Mayhew
President and CEO

Dewey Rowlands
Vice Chairman

Frank Mazza
Secretary

John Prumo
Director

Patsy Canarelli
Director

James Humphrey
Director

Patrick Buckley
Director