

Statement of Conditions • December 31, 2015

ASSETS

Loans	\$146,120,764
Allowance for Loan Loss	-\$3,772,977
Cash	\$3,900,942
Investments	\$68,954,643
Fixed Assets	\$5,967,724
Prepaid/Receivables	\$3,958,422
NCUSIF.....	\$1,934,255
Total	\$227,063,771

LIABILITIES AND EQUITY

Accounts Payable	\$1,926,857
Share Savings.....	\$63,119,701
Share Draft Checking	\$34,790,580
Money Market Accounts	\$46,946,332
Certificates	\$53,594,102
Other Savings	\$4,236,430
Reserves/Undivided Earnings	\$22,449,769
Total	\$227,063,771

STATEMENT OF INCOME

Interest on Loans	\$7,049,803
Investment Income	\$864,143
Other Operating Income	\$4,469,140
Total	\$12,383,086

DISTRIBUTION OF INCOME

Compensation	\$2,944,705
Employee Benefits	\$723,173
Office Occupancy	\$492,188
Operational Expense	\$1,788,557
Education & Promotion	\$246,362
Loan Servicing	\$983,703
Provision for Loan Loss	\$3,400,000
Professional Services	\$248,476
Other Expenses	\$184,312
Total Expenses	\$11,011,475

Dividends Paid	\$969,231
Increase To Equity	\$402,380
Total Distribution of Income	\$12,383,086

Financial Notes

Contingency Commitments For All Loans	\$35,985,431
Business Loans/Participations	\$22,926,670
Fair Value of Securities Held to Maturity	\$8,028,608

Key Operating Highlights

	2015	2014	Change	GPO Growth	Peer Group Growth
Assets	\$227,063,771	\$211,736,616	\$15,327,155	7.24%	5.80%
Shares	\$202,687,146	\$187,725,173	\$14,961,973	7.97%	5.77%
Loans	\$146,120,764	\$134,026,980	\$12,093,784	9.02%	8.11%
Members	27,658	26,218	1,440	5.49%	2.09%
Reserves	\$22,449,769	\$22,047,389	\$402,380	1.83%	5.94%

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 2015 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, Allan Cornnell, JP Kidwell

Our focus is YOU!

2015 Annual Report



Our focus is you!

GPO
FEDERAL CREDIT UNION

Board of Directors Report

DEAR GPO MEMBERS,

A year ago, we reviewed all the milestones GPO hit in 2014 and in 2015 that momentum continued. Asset and loan growth continued to reach new heights; membership numbers soared; and a long-awaited branch in Barneveld opened for business. It was a tremendous year. But as we've mentioned before, GPO's biggest milestones are ones you can't necessarily measure in an annual report – though we have included a section on our financial results. What we take the most pride in, are the things we do to help our members each and every day and this is what we want to share.

A CHANGING FINANCIAL CLIMATE ...

In the not-so-distant past, the Mohawk Valley was home to many locally-run and locally-owned financial institutions. Most local banks are gone and have been replaced by big – sometimes really big – banks. Their commitment to the area is fleeting, at best. Because GPO is member-owned with most of our members living and working in the Mohawk Valley, GPO's focus has never changed.

First and foremost, comes the needs of our members. On a daily basis we work to ensure our members receive the best service and the best products available. Evidence of this is a way-of-life in our branches. We don't sell products to reach our goals. We offer products to members to help them achieve their goals. We strive to always deliver on our mission of "Our Focus is You."

Our second commitment is to our community and this means so much to our volunteer board, our management team and our staff. After all, we don't just work here – we live here. This area is called "home" and we want

to be sure GPO is a great community partner. Some examples of things we do to enhance the quality of life in the Mohawk Valley include being the presenting sponsor of the American Cancer Society's Making Strides for Breast Cancer campaign. Our commitment was financial – because yes, we made a corporate donation. But also staff from every branch and from our headquarters actively participated raising money and walking. It was a great effort for a very worthy cause. GPO is a major sponsor of the CMN Miracle Home for the Mohawk Valley Health Systems; we had our largest contingent of GPO walkers who participated in the American Heart Association's Greatest Heart Run & Walk; and we supported many charities and causes at a very local level in the communities we serve.

Finally, we want to ensure GPO is not just here for the short-term – but here for the long haul. GPO's been around since 1931. While only a handful of members may remember those early days, the Mohawk Valley has certainly seen the ebb and flow of economic growth and decline. These days, the Mohawk Valley seems poised on the edge of greatness again. There's chatter about new technologies, new jobs, new businesses are cropping up and spirits seem lifted. GPO's always been on the forefront of technology and convenience-driven products and that's not going to change. Whenever, however and whatever the demands are – GPO's committed to pragmatically looking at member needs and striving to meet those needs. This commitment has been a key ingredient in our success – and that's not ever going to change.

So while some institutions come, merge or leave the area, GPO won't.

FINANCIAL PERFORMANCE ...

On the subsequent pages, there's a complete snapshot

of GPO's financial success in 2015. Some highlights include asset growth of 7.24 percent; share growth of 7.97 percent; loan growth of 9.02 percent; and membership growth of 5.49 percent. Those numbers may not mean much to a layperson – but compared with our credit union peers, GPO outpaced peers in every single category. EVERY. SINGLE. CATEGORY.

LOOKING AHEAD ...

After a busy and successful 2015, management and staff are looking ahead to making 2016 another stellar year at GPO. New technologies have already been adopted – like chip cards with the Visa credit card (debit cards most likely will transition to the chip technology in the third quarter). New ATMs have been added to our networks. And we've offered members amazingly great rates through our March Flash Sale – we've never seen so many members refinance and save so much as was accomplished with that sale! And there's more to come, so stay tuned!

A HEARTFELT THANKS ...

Everything we do at GPO is for our members. It's our focus. We never forget that this institution exists for the membership so thank you for entrusting us.

RESPECTFULLY SUBMITTED,

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

Mitch Amado
Director