

Statement of ConditionsDecember 31, 2008

Assets	
Loans.....	\$81,115,749
(Allowance for Loan Loss).....	-\$425,639
Cash.....	\$3,368,014
Investments.....	\$29,734,708
Fixed Assets.....	\$3,594,599
Prepaid / Receivables.....	\$4,016,382
All other Assets.....	\$946,962
Total	\$122,350,775

Liabilities and Equity	
Accounts Payable	\$1,031,870
Share Savings.....	\$24,042,655
Share Draft Checking.....	\$15,126,133
Money Market Accounts.....	\$21,961,472
Certificates.....	\$46,205,742
Other Savings.....	\$2,335,082
Reserves / Undivided Earnings.....	\$11,647,821
Total	\$122,350,775

Statement of Income	December 31, 2008
Interest on Loans	\$5,414,873
Investment Income.....	\$1,174,459
Other Operating Income	\$2,019,326
Total	\$8,608,658

Distribution of Income	December 31, 2008
Compensation	\$1,754,146
Employee Benefits	\$912,122
Office Occupancy	\$291,535
Operational Expense.....	\$1,124,681
Education & Promotion.....	\$231,201
Loan Servicing.....	\$276,382
Provision for Loan Loss.....	\$241,000
Member Deposit Insurance.....	\$713,352
Other Expenses.....	\$386,493
Total Expenses	\$5,930,912
Dividends Paid.....	\$2,444,515
Dividend Bonus - Loan Rebate.....	\$170,411
Increase To Equity.....	\$62,820
Total Distribution of Income	\$8,608,658

Financial Notes

Contingency Liability For Unused Credit Limits.....	\$15,719,697
Business Loans / Participation	\$6,786,283
Market Value of Hold to Maturity Securities.....	\$738,929

Subsequent Events

On January 29, 2009, the National Credit Union Administration Board approved a series of actions that are designed to support a corporate credit union system that is facing significant strains on liquidity and capital, due to the current economic climate.

The expense of these actions will be passed on proportionately to all federally insured credit unions. As such, that portion of the deposit is considered impaired as of December 31, 2008.

The impact on the credit union's 2008 financial statement has been recorded as members deposit insurance.

Supervisory Committee Report

The Supervisory Committee is appointed by the Board of Directors to represent the membership. As your representative the committee attends Board meetings, meets with our regulatory examiner, conducts and/or causes internal audits, reviews internal controls, and hire and independent firm to conduct an external audit of the credit union.

The committee is pleased to report a comprehensive scope of review by our internal and external auditor found no major areas of financial or regulatory concern.

We appreciate the opportunity to be of service to the membership. The committee commends management, staff and the Board of Directors for a job well done.

Respectfully Submitted,
James Humphrey • Mitchell Amado • Frank Mazza

Our focus is YOU!



2008 Annual Report

Our focus is you!

GPO
FEDERAL CREDIT UNION

Board of Directors Report

Despite the many economic challenges, **2008 was a very good year for GPO.** While most of the financial world was focused on acquisitions, growth and profits, at **GPO our focus is always you, the member.** We continue to focus on meeting the financial needs of our members, and providing products at the best price with a high level of service.

By staying member focused and making sound business decisions, **your credit union experienced strong growth in assets, shares, loans and membership.**

- *Asset growth of \$13,891,924, a change of **12.72%***
- *Share growth of \$12,702,002, a change of **13.10%***
- *Loan growth of \$10,044,589, a change of **14.13%***
- *Net new Membership growth of 908, a change of **4.77%***

In addition to our excellent growth, **the financial results allowed us to pay a Dividend Bonus and Interest Rebate to our member / owners for the third straight year.**

One of the most important aspects of membership and ensuring the long-term growth and stability of your credit union is building relationships. In 2008 we provided enhanced value to those with checking account and credit card relationships by **adding reward programs to both products.** We also rewarded our relationship members with **higher certificate and lower loan rates.** Our products per member ratio continues to grow, ending the year at **3.73 products for each member.**

We recognize that keeping our staff well-informed and educated about credit union offerings is key to our success. **We added the position of training and compliance director** to ensure that all credit union staff keep pace with changing technologies, compliance concerns and are able to effectively present and promote credit union products and services. Some examples of these efforts include the launching of virtual item processing, credit life and disability insurance training, monthly branch visits to conduct one-on-one training on a variety of topics and much more. These training efforts have also been reinforced by our **assistant vice president of branch operations, another newly-established position.**

We also continue to recognize our position within the communities we serve. **We have made efforts to give back to our local communities** by taking an active role in service organizations such as the Rotary, Chambers of Commerce, and others. In addition, **we are committed to supporting many worthwhile causes through our sponsor employer group affiliations.** These range from Faxton-St. Luke's Healthcare's Children's Miracle Network fundraisers to Hospice sponsorships to the wheelchair event of the Boilermaker to events sponsored by the American Heart Association. We support community organizations like Oneida Healthcare. **Not only do we provide financial support, but our staff take part by volunteering at various events and by playing an active role in the communities we serve,** like the Iliion Days Celebration, and the VITA Program (Volunteer Income Tax Assistance).

The Board commends our outstanding team for providing our members a **high level of service and efficient operation.** We are proud of their dedication and hard work. As Chairman, I acknowledge the Board and Committee members for their allegiance and leadership provided.

Your Board expects our nation's current economic problems to continue into 2009. **With a strong capital position, a sound business plan and by "Focusing On What Matters," we are prepared to handle the calamities of the credit markets.**

Thank you for your continued support and use of YOUR credit union.

Respectfully submitted,

GPO Federal Credit Union Board of Directors

Leo Callari, Chairman
Nicholas Mayhew, Vice Chairman
Rocco Russo, Secretary
John Prumo, President & CEO
Ercole Ventura
Victor Costello
Patsy Canarelli
James Humphrey
Dewey Rowlands