

“ Online banking makes keeping track of my finances easy. ”



## Proudly Better Banking

“ I can go virtually anywhere and have no fees when using ATMs. ”

I was approved for my loan in minutes. The process couldn't have been easier.

You can't beat GFA's rates and most of all their member service. ”



**GFA**<sup>TM</sup>  
FEDERAL CREDIT UNION  
Better Banking.

2015 Annual Report

# A Message

from the Chief Governance Officer  
and Chief Executive Officer



We are pleased to report this past year, 2015, as another year of success. The delivery of Better Banking remained our priority. Our equation for success was simple, people plus service plus technology equals Better Banking. Our year focused on enhancing our multichannel platforms, while simultaneously offering personalized service to deliver convenient anytime, anywhere accessible financial solutions.

Our year of Better Banking meant continuing to offer personalized solutions to our members without the big box store treatment but with the big box store features. People available seven days a week but not requiring you to call an anonymous 800 number to speak with one of them. It also meant no fees checking unlike those bigger shops. Yet, our Better Banking enhancements also meant upgrading our free mobile banking with remote deposit and our expansion to nearly 30,000 surcharge-free ATMS nationwide. Membership saw the benefits of free and anywhere checking as our balance sheet reflects a 14% increase in checking deposits.

Our Better Banking year also delivered programs such as 100% real estate financing assisting first-time homebuyers achieve the dream of homeownership. We also launched lease-like lending helping families afford a quality vehicle with options to lease, purchase or return it at the end of the agreement hassle-free and penalty-free. Our enhanced online loan application helped members apply for a car loan and be preapproved within minutes. Benefiting from low interest rates, members turn to GFA Federal Credit Union in numbers to reduce their monthly loan payment expanding the Credit Union's auto loan portfolio. Local servicing of all loans combined with the enhanced online channels resulted in 10% loan growth.

The people part of our equation meant we are not too big to help our members or business members. Whether a start-up, 5th generation company, DBA or non-profit, we gladly assisted our business owners with online solutions to manage their daily business needs.

Our focus on enhancing our delivery channels included upgrading features for your daily online banking transactions. Submit a name change, swipe for a fast account balance or freeze a debit card in just seconds. Enhancing our online services also led to the introduction of our virtual concierge; a GFA person dedicated to serving your online banking needs.

We delivered Better Banking in the details. For the tenth consecutive year, members ranked GFA with an overall satisfaction in service of more than 90 percent. And for the third consecutive year, the reputable Banker & Tradesman recognized GFA as one of the fast 50 growing lenders. The results of 2015 included asset growth of \$31 million while maintaining a strong capital position of 10.58%, well above the regulatory requirement of 7% which the National Credit Union Administration considers as well capitalized. Our asset growth reinforces our ability to help members achieve their diverse and personalized financial dreams.

We extended our delivery of Better Banking through community contributions with more than \$70,000 in donations to community organizations. As well as through volunteerism to dozens of organizations in the Southern New Hampshire and Central Massachusetts regions and through hundreds of hours teaching financial literacy to high school students.

Whether in person or on the go, we are a partnership, proud to meet your Better Banking needs. Know there is a premiere, member-owned, community-based financial institution ready to deliver that personalized service and to help you manage your every day, everything.

Sincerely,

A handwritten signature in black ink that reads "Tina M. Sbrega".

Tina M. Sbrega  
Chief Executive Officer & President

A handwritten signature in black ink that reads "Gerald L. Bankowski".

Gerald L. Bankowski, CPA  
Chief Governance Officer

## 2015 Financial Highlights

- Total assets \$454 million, a \$31 million increase over the prior year
- Member checking account balances increased by over 14%
- Member deposits increased by 9%
- Loan originations increased by 22% over the prior year

“ So love the new depositing checks with cell phone!! So easy! ”

# Proudly Better Banking



“ They are always looking for ways to make my life easier. ”

## Convenience Banking

Trusted people to meet your needs with the convenience of Anywhere Banking in the palm of your hands.

A superior suite of anytime anywhere banking tools including:

- FREE Debit Card with access to 30,000 surcharge free ATMs nationwide
- FREE Online Banking
- FREE Bill Pay
- FREE Mobile Banking
- FREE Mobile Checking Deposit

A variety of Free Checking Accounts that can offer:

- Premium rates of interest
- No minimum balance requirement
- No monthly service charge fees
- No per check fees



## Community Lending

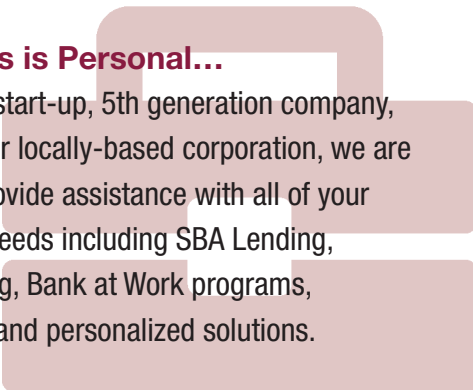
### You're at Home...

The journey home begins at GFA Federal Credit Union. Whether you are a first-time homebuyer or shopping for a second home, we welcome the opportunity to help.

- Pre-qualify in less than an hour
- 100% financing programs available
- Personalized service
- Local loan servicing
- Competitive terms
- Online loan application option
- Programs available with no PMI

### Where Business is Personal...

Whether you are a start-up, 5th generation company, a DBA, non-profit, or locally-based corporation, we are here to help. We provide assistance with all of your business banking needs including SBA Lending, Commercial Lending, Bank at Work programs, merchant services and personalized solutions.



### Auto Shopping Services

At GFA Federal Credit Union we have made the purchase of a new or used vehicle easy. We put you in the drivers seat fast – from shopping to financing – and even insurance.

Turn to an experienced, non-biased Auto Advisor through GFA's Concierge Auto Program. Use this valet service to select, purchase and own your vehicle. It can help you save time and money throughout the process. Let your GFA Auto Advisor work on your behalf to help you get the best deals from the best dealers.



## Investments and Insurance

### Insurance Services

With GFA Federal Credit Union's wholly owned subsidiary, GFA Insurance Services, LLC we can provide you and your business with affordable comprehensive coverage. GFA Insurance Services saved Members an average of \$568 annually for home and auto insurance.\* Make sure you and your employees are protected. We offer insurance for liability, business auto, property, life, key man insurance, as well as other plans.

### GFA Financial Group

GFA Financial Group\*\* has assisted members in preparing for a more secure financial future. GFA Financial Group is ranked 17th out of 700 national firms for Individual Advisory Production by LPL Financial. GFA Financial Group offers custom financial planning for you, your business and your employees. A financial professional can help you develop a customized investment strategy as well as insight on how to plan for the future.

If you have not yet begun an investment program, or would like to review your current investments, your experienced GFA Financial Group professional is ready to help you plan your future.

### Investment Services:

- 401k Rollover
- 403b Plans
- Annuities
- Asset Allocation Planning
- Bonds
- Capital Gains Tax Strategies
- Direct Investments
- Education & College Planning
- Estate Planning
- Long Term Care
- Municipal Bonds
- Mutual Funds
- Client Portfolio Management
- Retirement Planning
- Roth IRAs
- Stocks
- Tax Deferred Investments
- Tax Exempt Investments
- Tax Strategies
- Traditional IRAs

\*The figure of \$568 is a national average savings number from January 2015 – December 2015 of auto, homeowners, and packaged policyholders' savings when compared to the policyholders' former premiums, individual premiums and savings will vary.

\*\*Securities and advisory services offered through LPL Financial, a registered investment advisor, Member FINRA/SIPC. Insurance products offered through LPL Financial or its licensed affiliates, GFA Financial Group and GFA Federal Credit Union are not registered broker/dealers and are not affiliated with LPL Financial.

Insurance and investment products which are available are not deposits of GFA Federal Credit Union and are not protected by any type of deposit insurance and are not insured by any federal government agency, are not obligations of or guaranteed by GFA Federal Credit Union, and may be subject to risk. Any insurance required as a condition of the extension of credit by GFA Federal Credit Union need not be purchased from GFA insurance Services, LLC but may, without affecting the approval of the application for an extension of credit, be purchased from an agent or insurance company of the Member's choice.



“ I love GFA Federal Credit Union because they care about me as a member. ”

“ I am a loyal GFA customer, because GFA has been loyal to me. Thank you so much for always being there for me. ”



Anywhere Anytime Banking

# Our Mission

To earn the trusted position as your financial solutions partner for all life's occasions while remaining invested in our communities.



## Supervisory Committee Members

*Left to right*  
Wendy Wiiks  
Winfield S. Brown  
JoAnne Parks  
Dr. Daniel M. Asquino  
James O. Garrison, Chairman



## ▲ Board of Directors

*Front*

Michael T. Horrigan, *Director*  
Tina M. Sbrega, *President & Chief Executive Officer*  
Gerald L. Bankowski, *CPA, Chief Governance Officer*  
Elaine T. Fluet, *Director*

*Back*

Allen T. Goguen, *Director*  
Mark P. Hawke, *Clerk*  
Andrew H. Boucher, *Vice Chairman*  
Charles P. Bowles, *Director*

*Not pictured*

Douglas R. Delay, *Director*

## Senior Management

Tina M. Sbrega, *President and Chief Executive Officer*  
David C. Bojarczuk, *Executive Vice President/Chief Financial Officer*  
Linda J. Carmichael, *Senior Vice President/Enterprise Risk Management Officer*  
Paul E. Fitzpatrick, *Senior Vice President/GFA Financial Group*  
Joan E. Moran, *Senior Vice President/Chief Lending Officer*  
John J. Colantino, *Vice President/Chief Technology Officer*  
Pamela A. Genelli, *Vice President/Culture Officer*

## Director Emeritus

Omer Cormier  
Charles Langlois  
Henry Robichaud



Personal



Business



Investments



Insurance

Ashburnham | Gardner | Hubbardston | Leominster  
Peterborough | Rindge | Rutland | Winchendon



FEDERAL CREDIT UNION  
**Better Banking.**

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FEDERALLY INSURED BY NCUA

# Financials

## GFA Federal Credit Union and Subsidiary Consolidated Balance Sheets (audited) December 31

	2015	2014
<b>Assets</b>		
Cash and interest bearing deposits due from banks	\$6,179,641	\$6,869,724
Federal funds sold	7,597,467	7,599,810
<b>Total cash and cash equivalents</b>	<b>\$13,777,108</b>	<b>\$14,469,534</b>
Certificates of deposit	11,808,000	5,756,000
Investment securities		
Available-for-sale, at fair value	179,897,886	174,601,561
Held-to-maturity, at amortized cost	602,173	638,093
Loans receivable, net	227,545,811	206,390,805
Accrued interest receivable	1,210,591	1,172,647
Other real-estate owned	271,553	291,829
Premises and equipment, net	6,437,280	6,852,311
NCUSIF deposit	3,112,073	3,038,957
EasCorp membership deposits	169,133	169,133
FHLB stock, restricted, at cost	4,019,700	4,225,400
Prepaid expenses and other assets	484,906	565,339
Goodwill	5,187,137	5,187,137
	<b>\$454,523,351</b>	<b>\$423,358,746</b>
<b>Liabilities and Members' Equity</b>		
Members' shares and savings accounts	\$345,200,637	\$318,006,684
Mortgagors' escrow accounts	949,897	832,706
Borrowed funds	59,295,174	56,471,246
Other liabilities	2,494,333	2,604,855
<b>Total liabilities</b>	<b>\$407,940,041</b>	<b>\$377,915,491</b>
<b>Commitments and contingencies</b>		
Members' Equity - Substantially Restricted		
Unappropriated earnings	44,237,475	42,328,889
Regular reserves	3,853,115	3,853,115
Accumulated other comprehensive income	(1,507,280)	(738,749)
	<b>46,583,310</b>	<b>45,443,255</b>
	<b>\$454,523,351</b>	<b>\$423,358,746</b>

For a copy of our full financial statement, please contact: David C. Bojarczuk, Executive Vice President/ Chief Financial Officer  
GFA Federal Credit Union | 229 Parker Street, Gardner, MA 01440 | (978) 632-2542 or email [dbojarczuk@gfafcu.com](mailto:dbojarczuk@gfafcu.com)

# Proudly Better Banking

We extend our thanks to our volunteers including those who serve on our Advisory Groups

#### Ashburnham Advisory Group

Joanne Catlin  
Ronald Newman  
Joseph McPeak

#### Fitchburg/Leominster Advisory Group

Leonard Croteau  
Peter Lahtinen  
Richard Leger  
Warren Legsdin  
Stephen Masiello

#### Hubbardston/Rutland Advisory Group

Ed Blanchard  
Michael Caruso  
Joyce Green  
Brian Stidsen

#### Monadnock Advisory Group

Laura Gingras  
Samuel Hackler  
Timothy Kolk  
Thomas LaFortune  
Barbara Miller



Gardner High School Students with Gardner Mayor Mark Hawke at a recent Student Advisory Board Meeting.

Jonathan Chipman, President

Ava Cormier, Vice President

David Belitsky, Treasurer

Miranda Raimon, Secretary

Kieley Benton

Kendra Keenan

Christoph Knoll

Heather Malloy

Emma Mierzewjewski

Emily Moyen

Hans Rosin

Joel Santiago



**Celebrate Your Membership**  
*invite your friends, family and neighbors  
to join GFA today!*

## Our Mission

To earn the trusted position as your financial solutions partner...for all life's occasions, while remaining invested in our communities.

