

2022

ANNUAL REPORT

WELCOMING **GENERATIONS**
BUILDING MEMORABLE **PARTNERSHIPS**
CREATING **OPPORTUNITIES**

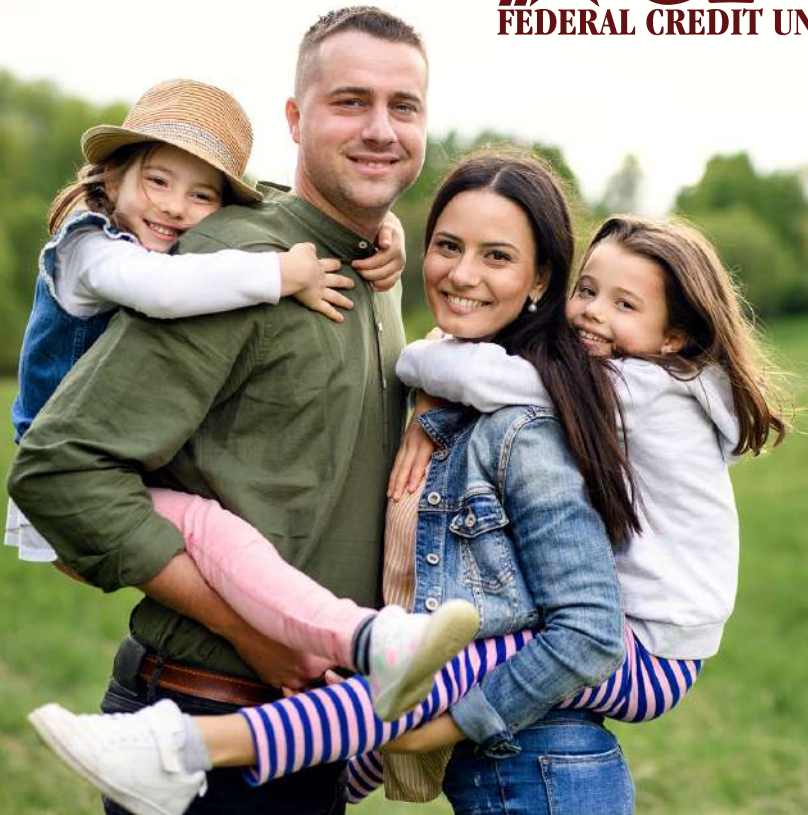


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MESSAGE FROM LEO CALLARI, BOARD CHAIRMAN & NICHOLAS MAYHEW, PRESIDENT & CEO

In 2021, GPO Federal Credit Union began a journey to build and develop a new brand identity. As the 90th anniversary of being in business passed, 2022 saw the commencement of an exciting new era. Ahead of its official unveiling, staff were informed about the evolution of GPO during its 2022 Employee Annual Meeting - from a postal employee credit union to now being a community credit union. The purpose was so that each person could become familiar with the brand vision and values: "welcoming Generations, building memorable Partnerships, creating Opportunities" for those we serve. To mark its arrival on the scene, employees celebrated with a branded "spirit week" and members had the opportunity to enter a competition via social media depicting how GPO had impacted their lives financially. One such submission came from Diedre M. of Utica *"GPO has become a trusted pillar in the generations of our family. I remember opening an account, with the help of my mom, upon receiving my first scholarship to college 15 years ago. I recently opened an account for my daughter a few months after she was born so she can start building a financial foundation to help fund her future dreams and opportunities."* Families like Diedre's are the main reason why it is important to define GPO's brand values and goals. This is not only so that we can grow closer with our community of users, but also to help provide them with fiscal solutions for future generations. As part of this process, in October GPO overhauled its website and gave it a new look along with improved navigation mechanics. One of the primary objectives when planning out this update was to ensure that all content on the page could be translated into various languages, giving everyone access to financial advice and options.

To better reflect its brand and membership in 2022, GPO introduced the Warm Home Loan, created with winter's ever-increasing length in mind during that record-cold year. This loan offered financing specifically to relieve heating expenses for members who rent or own. Another improvement was the Teen Checking account, which allowed members aged 13-17 easy access to financial freedom while still providing comfort and security through lower limits and controls.

In the year 2022, GPO demonstrated a commitment to our community initiatives through numerous events and financial sponsorships. These endeavors included annual events that needed a brand refresh, as well as several new projects like Tap Into STEAM at Copper City Brewing in collaboration with Project Fibonacci. GPO awarded four college-bound students with scholarships totaling \$3,300. Hosted the second annual Veterans Day football game partnered with Sitrin & Utica University Football. To celebrate Thanksgiving, GPO provided supplies to the Rome Rescue Mission and donated groceries to a local family and continued Turkey Tuesday's for a third year with the Utica Fire Department. Additionally, GPO honored three professions in 2022 highlighting National Nurses Week was recognizing and spoiling "rock star nurses" from various healthcare centers around the area. Local teachers were also honored on National Teacher Appreciation Day with Visa Gift Cards - one for themselves and one for their classroom. Last but certainly not least, GPO honored National Postal Worker Day with one local Postal Worker winning a Visa Gift Card.

As we look to the future, GPO will strive to have an even greater impact on member service than ever before. Amidst changing market trends, it's the quality of our service that will set us apart from the competition. Built on a solid foundation of nearly one hundred years of experience and endowed with guiding principles and vision for success, GPO looks forward to making members not just satisfied, but loyal!

Respectfully,

Leo Callari
Board Chairman

Nicholas Mayhew
President & Chief Executive Officer

BOARD OF DIRECTORS

- ★ **Leo Callari**, Chairman *(Term expires 2024)*
- ★ **Nicholas Mayhew**, President and Chief Executive Officer *(Term expires 2025)*
- ★ **Dewey Rowlands**, Vice Chairman *(Term expires 2024)*
- ★ **Frank Mazza**, Secretary *(Term expires 2025)*
- ★ **John Prumo**, Director *(Term expires 2024)*
- ★ **Patsy Canarelli**, Director *(Term expires 2025)*
- ★ **James Noon**, Director *(Term expires 2023)*
- ★ **Andrew Biernat**, Director *(Term expires 2023)*
- ★ **Dominick Manfredo**, Director *(Term expires 2023)*

SUPERVISORY COMMITTEE

- ★ **Dominick Manfredo**, Chairman
- ★ **Mary Bogdan**
- ★ **Mitch Amado**

SENIOR LEADERSHIP TEAM

- ★ **Nicholas Mayhew**, President & Chief Executive Officer
- ★ **Robert Bradley**, Executive Vice President of Finance & IT
- ★ **Gary Roback**, Executive Vice President of Member Services
- ★ **Amy Fierro**, Vice President of Lending
- ★ **Tricia Kocyba**, Vice President of Branch Operations
- ★ **Courtney Walchusky**, Vice President of Marketing & Business Development
- ★ **Laura Williams**, Vice President of Human Resources & Compliance
- ★ **Michelle Coe**, AVP of Deposit Operations
- ★ **Jon Fredericks**, AVP of IT
- ★ **Sue LaRock**, AVP of Project Development
- ★ **Felix Mendez**, AVP of the Member Service Center
- ★ **Graeme Watson**, AVP of Asset Recovery

MEMBERSHIP GROWTH



1,492

new members were **welcomed** to GPO.

CREDIT CARD LOANS

880



new Visa's
with a
credit
limit of

\$2.3m



VEHICLE LOANS



1,567

Loans funded

\$11.4m

Total Value

HOME LENDING (Mortgage & Equity)

475

Loans funded



\$22.4m

Total Value



ANNUAL GIVING



\$149k

was donated to various local organizations.

ICAN

Integrated Community Alteration Network

\$75,000

was donated to benefit ICAN's new Family Resource Center. GPO will be named as the sponsor of the balcony area of the new facility, which will overlook a glass rotunda serving as the main entrance.



IT'S COOL TO BE KIND

GPO is proud to partner with Kiss FM for "It's Cool To Be Kind" challenge that allows us to build memorable partnerships with the little ones in our community!

TURKEY TUESDAY

30 turkeys totaling \$500 were **donated** to local food pantries for Thanksgiving.



STATEMENT OF FINANCIAL POSITION

ASSETS	2022	2021
Loans	\$256,772,611	\$228,662,638
Allowance for Loan Loss	-\$2,164,631	-\$1,792,715
Cash	\$5,205,054	\$3,866,962
Investments	\$195,095,148	\$174,934,897
Fixed Assets	\$11,501,884	\$11,317,633
Prepaid/Receivables	\$5,944,762	\$6,789,228
NCUSIF	\$3,906,100	\$3,615,460
Total	\$476,260,929	\$427,394,103

LIABILITIES AND EQUITY		
Accounts Payable	\$4,353,069	\$2,783,193
Share Savings	\$147,781,607	\$139,824,627
Share Draft Checking	\$85,043,590	\$80,837,015
Money Market Accounts	\$90,687,800	\$84,767,860
Certificates	\$90,682,853	\$66,995,890
Other Savings	\$9,526,970	\$9,630,297
Reserves/Undivided Earnings	\$48,185,039	\$42,555,221
Total	\$476,260,929	\$427,394,103

STATEMENT OF INCOME		
Interest on Loans	\$11,454,398	\$10,042,412
Investment Income	\$2,681,947	\$1,838,036
Other Operating Income	\$8,805,982	\$8,639,510
Total	\$22,942,327	\$20,519,958

DISTRIBUTION OF INCOME		
Compensation	\$5,798,579	\$5,075,010
Employee Benefits	\$1,479,671	\$1,170,154
Office Occupancy	\$941,441	\$748,499
Operational Expense	\$3,246,296	\$2,969,096
Education & Promotion	\$777,949	\$582,501
Loan Servicing	\$1,462,687	\$1,355,585
Provision for Loan Loss	\$960,000	-\$250,000
Professional Services	\$432,315	\$237,452
Other Expenses	\$322,355	\$320,705
Total Expenses	\$15,421,294	\$12,209,001

Dividends Paid	\$1,891,215	\$1,544,173
Increase To Equity	\$5,629,819	\$6,766,784
Total Distribution of Income	\$22,942,327	\$20,519,958

FINANCIAL NOTES		
Contingency Commitments For All Loans	\$77,745,122	\$74,831,917
Business Loans/Participations	\$3,489,015	\$4,199,787
Fair Value of Securities Held to Maturity	\$120,411,640	\$91,103,588

★ **Asset growth of \$48,866,826**

11.43% growth compared to our peer's growth of 3.91%

★ **Savings growth of \$41,667,131**

10.91% growth compared to our peer's growth of 3.15%

★ **Loan growth of \$28,109,973**

12.29% growth compared to our peer's growth of 16.87%

★ **Net new membership growth 1,492**

4.25% growth compared to our peer's growth of 2.15%

★ **Reserves growth of \$5,629,819**

13.23% growth compared to our peer's growth of 11.33%

GPO Federal Credit Union is active and changing — and has been since its creation. With an eye to the future we never lose sight of our origins dedicated to the basic fundamentals of service and people helping people. By living our brand vision of **"Welcoming Generations, Building Memorable Partnerships, Creating Opportunities"** our members will understand we are not just any ordinary financial institution. We have tradition and depth. We are the hometown credit union that takes care of it's hard-working members and fights to put money back into their pockets by doing things for our members that no other financial institution will do.

GPO Federal Credit Union must remember that successful brands are built by people: by visionary leaders, by engaged employees and by loyal members.

"The true measure of success is how well we serve our membership" -**John Prumo, former GPO President & CEO**



SUPERVISORY COMMITTEE REPORT

The Supervisory Committee is appointed by the Board of Directors to represent GPO members. In this capacity, the committee attends board meetings, meets with our Federal regulatory examiners from the National Credit Union Administration, conducts internal audits, reviews internal controls and hires an independent firm to conduct regular audits of the credit union.

The Supervisory Committee, in conjunction with our internal auditor, completed a comprehensive scope and review of the credit union's operations. No major areas of concern were found. The NCUA conducted their last exam of the credit union in the first quarter of 2022 with no significant findings. Based on our 18-month auditing schedule, our next audit will occur at the end of 2023.

In addition, our 2022 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 during the 2022 fiscal year.

Respectfully submitted,

GPO's Supervisory Committee, Dominick Manfredo



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