



# ANNIVERSARY

1938-2018

## 2018 ANNUAL REPORT

CELEBRATING 80 YEARS OF BETTER BANKING



**Business**



**Personal**



**Investments**



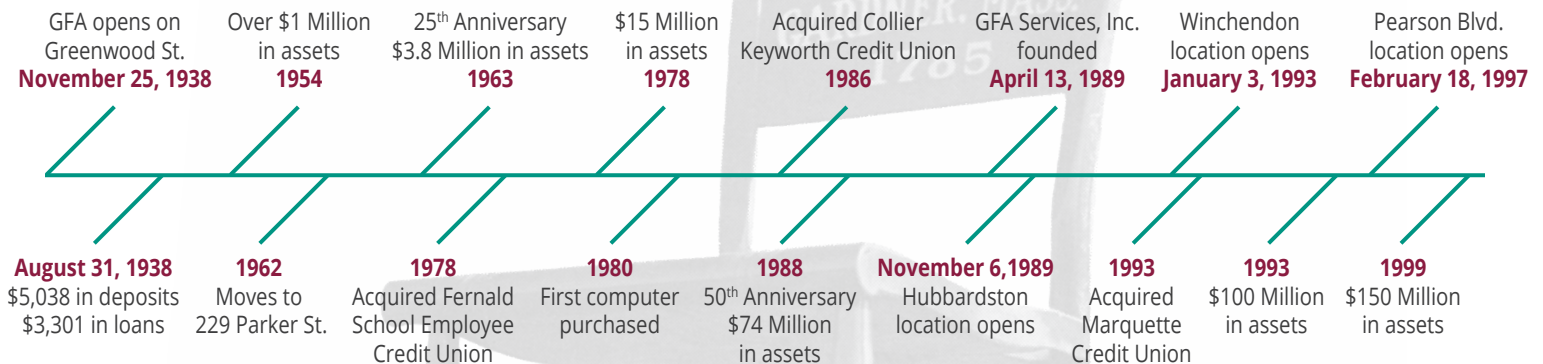
**Insurance**

# 80 Years of Serving our Community

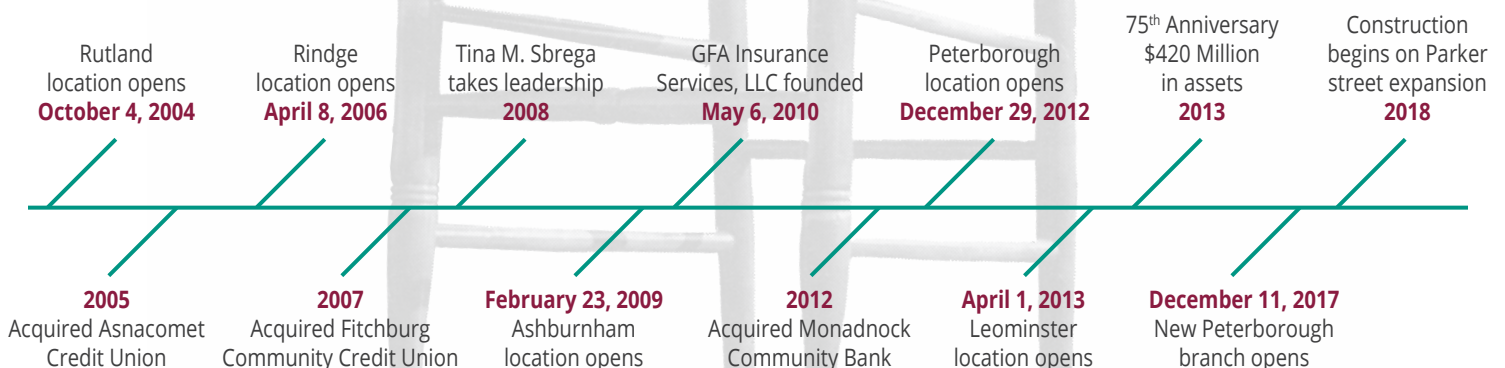
*"To earn the trusted position as your financial solutions partner...For all life's occasions... While remaining invested in our communities."* This is GFA's mission statement that has remained true for over 80 years. Our founding father's took a leap of faith investing their own money to build a credit union that continues to provide quality financial services today. Our evolution has brought members more services for consumer and business with the convenience of technology. Providing easy access to do transactions, even when you are not near a branch. "Better Banking" is a product of your valued loyalty and we thank you for allowing us to be your financial partner.

## A Look Back

### 1938 - 1999



### 2000 - 2018



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President and  
Chief Executive Officer

**Tina M. Sbrega**

Amongst our successes last year, we celebrated our 80th anniversary. GFA stands as one of the last original financial institutions in the Gardner area. There is a lot to be said about the foundation of an organization that stands the test of time. Our institution was founded back in 1938 by a group of individuals who supported the Gardner community. They provided financial options to those who were underserved and overlooked, today that still holds true. Whether it is through providing guidance to those starting on their financial journey, finding ways to prepare for retirement, or to help grow your business to its full potential, we have stood by our members throughout the years.

As our mission we pledge a commitment to our community as well as our members. GFA Federal Credit Union invested in our communities with partnership donations to the Quabbin Retreat in Petersham and to the Peterborough Library, as well as many other sponsorships to non-profit organizations. Our employees also volunteered their time to the United Way Day of Caring, the Greater Gardner Relay For Life, as well as clothing and food drives. Our credit union will continue to support the communities in which we serve to help the people that need it most.

Our team is committed to delivering Better Banking, that means providing quality, personalized service to our members. For the thirteenth consecutive year, members have ranked GFA with an overall satisfaction in service of more than 90 percent. We are proud to have achieved that and so much more over the past 80 years. All our accomplishments are because of your loyalty to GFA.

We would like to thank you for your pledge to GFA and choosing us as your financial provider. Our Credit Union has stood the test of time for over 80 years. We will continue to serve our members with quality and personalized services for another 80.

Effective March 1, 2019 Cheshire County Federal Credit Union operates as a division of GFA Federal Credit Union in Keene, NH. The same familiar faces and great products will continue at the Cheshire location with more “Better Banking” products available to members. This will be GFA’s tenth location, and third in New Hampshire. This acquisition brings \$19 million in assets and over 3,300 members to the credit union.

GFA rose above the curve with \$500 million in assets by strategizing for the unknown and moving with a changing environment. Your credit union lent more than \$96 million in loans, helping members buy their first home, pursue continuing education, and purchase or refinance their car. Through continued strategic efforts, our regulatory capital ratio remains strong at 10.61%.

Construction is well underway at our main office on Parker Street. Once complete our team members will enjoy many technological and environmental improvements, including Call and Training Centers. These improvements will streamline operations, and create better collaboration between departments. We look forward to sharing this state-of-the-art building with our members in 2020. Our website keeps you informed about construction alerts and shows photos of the progression of the new building on our blog.

The Peterborough branch celebrated it’s first year in the new location, giving members more opportunity to engage with our Better Banking team members for a more personalized experience. The branch has shown growth in deposits, loans, and market share.

Technology is continuously evolving, and our credit union is dedicated to staying ahead of the technological curve. We launched eOpen at the end of 2018 to enable new and existing members to open accounts online. You can skip the drive to the branch, simply open an account on your tablet or smart phone. Ensuring your most valuable financial information is protected, we continue to enhance and upgrade our security. Our data security exceeds the industry standards and received one of the highest scores. This is quite an accomplishment with the changing security landscape and challenges.



**Chief Governance Officer**  
**Gerald L. Bankowski, CPA**

On behalf of the Board, we want to thank our members for placing their trust in us, and to our staff and management for upholding a legacy of dedication, quality service, and member satisfaction.

*Tina M. Sbrega*  
Tina M. Sbrega  
President & CEO

*Gerald L. Bankowski*  
Gerald L. Bankowski, CPA  
Chief Governance Officer



# YEAR IN REVIEW

GFA introduced new technology this year to make banking and investing even easier.

eOpen was launched, now new members can open accounts from the comfort of their couch, or while they are on the soccer field. It's about convenience and banking on your time.

GFA joined the CO-OP Shared Branching network. Members now have access to banking services at over 5,000 credit unions and nearly 30,000 surcharge-free ATMs nationwide.

Our wealth management division launched Robo Advisor. This new tool is for those looking to invest in their future with a new online platform that combines the benefits of a personal financial advisor with sophisticated technology.



## SATISFACTION

Member satisfaction score of 96%!



## LOAN GROWTH

\$29 Million net loan growth in 2018



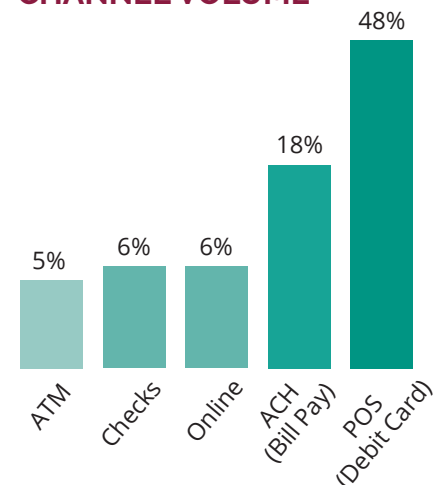
## ASSET GROWTH

GFA's assets broke the \$502 million dollar mark

## ● STATISTICS

- Loans grew from \$284 million in 2017 to \$313 million in 2018.
- With the shift of technology becoming a part of our everyday lives, we've seen an increase in how members use it for their banking needs.

## CHANNEL VOLUME



# A LOOK AT 2018

GFA is committed to helping our members reach their financial goals, whether they are starting a new business, purchasing their very first car, or financing their dream home. We are there every step of the way, providing you with the means to make those goals a reality.



## ● 2018 BETTER BANKING CHAMPION

Gina Vecchi, Retail Mortgage Originator has been with GFA for five years. She is the second employee to receive the “Better Banking” Champion award. This prestigious award is presented to employees who exhibit core values (integrity, commitment, community, member owned, value, service, and security) everyday. Gina is a team player and always does what is best for members.

## ● 6<sup>TH</sup> ANNUAL GARDNER HIGH SCHOOL REALITY FAIR

Approximately 120 juniors participated in this years Reality Fair. Prior to the fair students participated in a literacy program where they learned about savings, checking, credit scores, and budgeting. Attending students selected a career and were given a starting salary. Local businesses volunteered to pose as vendors at which students visited to find housing, utilities, transportation, food, and clothing. The goal is to make sure they can live on their budget while having some savings. Credit Counselors make sure they were successful or advised them on how to get their budget back on track.



## ● NEW DEBIT CARD FEATURES

- A new card services section has been added to our mobile banking app. Members can now see debit card transactions, set spending limits, restrict certain merchant or transaction types, be alerted when their card has been declined, and set regions where their card may be used.
- Instant Issue was launched this year allowing members to walk into any branch and have a new debit card created on the spot.

# BETTER BANKING MOMENTS

Our members are our most valued asset at GFA. We would like to thank our legacy members for their years of commitment to GFA Federal Credit Union.

## ● Corinne - Member for over 30 years

*"I've always had a good experience with GFA. Whenever I come into the branch, they know who I am. If I ever have a question I know they'll take the time to answer it for me. When I first came to Paul Fitzpatrick over 20 years ago, I didn't know anything about investing. I feel at ease with him, Paul takes the time to talk to me, explaining everything so I understand it and never speaks over my head. I'm very happy with GFA and have never had a problem. It's so convenient. I've never had a reason to switch."*



## ● Steven - Member for 40 years

*"My parents opened my first account when I was young. When I moved to Boston I chose to stay with GFA, there was no reason to leave. It's the member service, competitive rates, and commitment to personalization that have kept me here. With the expansion of more locations, GFA has stayed a community based, and honest credit union. Gardner is a changing community that has adapted and modernized but still remained the same. GFA has been right there with them, they have the services of big time bank, with a small town feel. It's worry-free banking for me."*

## ● Michael - Member for 23 years

*"I've been a member of GFA for as long as I can remember. My Grandmother opened my first account when I was very young. When I was a student at Holy Rosary, GFA employees would visit and teach us about finances and the importance of saving. When Gardner High formed the first Student Advisory Board, I joined because it was a great opportunity to learn and seemed fun. It helped me learn how to dress professionally and the importance of governance, which helped lead me to my current position as Town Administrator for Rutland."*





● **Allen - Member for 29 years**

*"When it came to choosing a location for Agway's banking needs, I knew I could trust GFA. Other institutions charge per deposit and nickel and dime you, with GFA I don't get killed with fees for simple things.*

*I'm very happy with the member service, the Board of Directors, and CEO. If I ever have a problem, I know I can call and get it squared away without issue.*

*Being a local business owner, community is important to me. GFA is always supporting our community by either making a donation or volunteering time. I often see board members out and about, they're all locals. They stop to say hello because they know who I am. Their backgrounds in the community lend to how they help members.*

*I'm a creature of habit, but have stayed with GFA because they treat their members as they want to be treated."*



## CELEBRATING 80 YEARS OF BETTER BANKING

● **Marcelle & Ronald - Members for 53 years**

**Marcelle** - *"We first met when I worked for GFA at the original, Allain house location. I was able to attend Fitchburg State and work part-time for the credit union. I loved working there, I could speak French to all the members that were immigrants from Canada."*



**Ronald** - *"GFA has always treated us well, we are happy with the services and quality that GFA is known for. We have followed GFA and they have followed us, with our mortgages and auto loans throughout the years. They're always trying to be on the forefront of banking and we've been satisfied with the confidence that our money is safe. As a local Gardner resident and city council member, I'm happy to have seen GFA grow in the area, yet never forget their local roots. We are very impressed with the changes GFA has made in the 53 years of our membership. Expansion creates more stability and credit unions are being gobbled up all around us. In order to stay in business, you need to grow."*



## LEADERSHIP TEAM

- Edmond Perry, 1st VP/Real Estate Sales Development Officer
- Paul Fitzpatrick, SVP/GFA Financial Group
- John Colantino, 1st VP/ Chief Technology Officer
- Lynn Hebert, VP/Member Engagement
- David C. Bojarczuk, Executive VP/ Chief Financial Officer
- Susan Franklin, VP/Marketing & Community Relations
- John Downs, VP/Business Relationship Officer
- Joshua Brier, EVP/ Chief Operating Officer
- Jon Wyman, VP/ Construction Manager
- Joan Moran, SVP/Chief Lending Officer
- Tina M. Sbrega, President & CEO
- Pamela Genelli, 1st VP/Culture Officer
- Kimberly Quinn, 1st VP/Operations Officer

## BRANCH MANAGERS

- Rochelle Butler - Parker St., Gardner & Hubbardston
- Jaime Brewer - Pearson Blvd., Gardner
- Rebecca Caranci - Ashburnham
- Zachary Silverman - Leominster
- Ying Simpson - Peterborough
- Gabriel Pratts - Rindge
- Tracy Sasseville - Rutland
- Nicole Blais - Winchendon

## SUPERVISORY COMMITTEE



- Elizabeth Kazinskas
- Heather Isaacs
- James O. Garrison, Chairman
- Dr. Daniel M. Asquino
- Winfield S. Brown

The Supervisory Committee oversees the safety and soundness of the credit union's financials and member information security. This committee is comprised of individuals from the community who volunteer their time to make sure members' funds and interests are protected.



# MEET OUR TEAM

## GFA BOARD OF DIRECTORS

- Allen T. Goguen
- Elaine Fluet
- Mayor Mark P. Hawke, Clerk
- Michael T. Horrigan
- JoAnne Parks
- Tina M. Sbrega, President & Chief Executive Officer
- Charles P. Bowles
- Gerald L. Bankowski, CPA, Chief Governance Officer
- Andrew N. Boucher, Vice Chair
- Douglas R. Delay

GFA's Board of Directors is comprised of committed individuals who volunteer their time to assure that our members receive the best products and services that bring them the most convenience and value.



Omer Cormier,  
Director Emeritus



# ADVISORY BOARDS

## Ashburnham Advisory Group

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Joanne Catlin  
Ronald Newman

## Cheshire Advisory Group

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Jim Belden  
Earnest Champney  
Eileen Frigon  
Terri Frigon  
Jessica Howard  
W.T. Matson  
David Perry  
Linda Price

## Hubbardston/Rutland Advisory Group

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Ed Blanchard  
Michael Caruso  
Joyce Green  
Brian Stidsen

## Fitchburg/Leominster Advisory Group

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Leonard Croteau  
Peter Lahtinen  
Richard Leger  
Warren Legsdin  
Stephen Masiello

## Monadnock Advisory Group

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Laura Gingras  
Samuel Hackler  
Timothy Kolk  
Thomas LaFortune  
Barbara Miller

## Gardner High School Student Advisory Board

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Christine Belitsky, Chairperson  
Elijah Cormier, Vice-Chairman  
Cameron Davis, Treasurer  
Erin Malloy, Secretary  
Emily Fluet  
Megan Haley  
Kayla Keenan  
Becca Lashua  
Justin Nguyen  
Annie Robinson

# FINANCIAL STATEMENT 2018

GFA Federal Credit Union and Subsidiary  
Consolidated Balance Sheets  
December 31

<b>ASSETS</b>	<b>2018</b>	<b>2017</b>
Cash and interest bearing deposits due from banks	\$ 16,730,613	\$ 6,503,071
Federal funds sold	-	7,046,653
Total cash and cash equivalents	<b>16,730,613</b>	13,549,724
Certificates of deposit (Note 2)	<b>9,822,000</b>	12,750,000
Investment securities (Note 3)		
Available-for-sale, at fair value	<b>136,266,937</b>	162,501,308
Held-to-maturity, at amortized cost	<b>468,156</b>	534,409
Loans receivable, net (Note 4)	<b>312,984,061</b>	284,736,048
Accrued interest receivable	<b>1,319,823</b>	1,320,588
Premises and equipment, net (Note 6)	<b>11,086,048</b>	8,538,550
NCUSIF deposit (Note 7)	<b>3,562,638</b>	3,591,134
EasCorp membership deposits (Note 7)	<b>169,133</b>	169,133
FHLB stock, restricted, at cost (Note 7)	<b>4,151,100</b>	3,962,900
Prepaid expenses and other assets	<b>711,894</b>	956,154
Goodwill	<b>5,187,137</b>	5,187,137
Total Assets	<b>\$ 502,459,540</b>	<b>\$ 497,797,085</b>
<b>Liabilities and Members' Equity</b>		
Members' shares and savings accounts (Note 8)	<b>\$ 380,556,169</b>	369,103,514
Mortgagors' escrow accounts	<b>1,193,492</b>	1,161,275
Borrowed funds (Note 9)	<b>66,704,941</b>	73,965,316
Other liabilities	<b>3,415,110</b>	3,451,379
Total Liabilities	<b>451,869,712</b>	447,681,484
<b>Commitments and Contingencies (Notes 10, 13 and 16)</b>		
Members' Equity - Substantially Restricted (Note 14)		
Unappropriated earnings	<b>50,243,898</b>	48,251,280
Regular reserves	<b>3,853,115</b>	3,853,115
Accumulated other comprehensive loss (Note 3)	<b>(3,507,185)</b>	(1,988,794)
	<b>50,589,828</b>	50,115,601
Total Liabilities and Surplus	<b>\$ 502,459,540</b>	<b>497,797,085</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 | email: dbojarczuk@gfafcu.com

# OUR COMMUNITY



## ● A Bed for Every Child

For two weeks this past September, GFA was home to Tuck, a traveling teddy representing A Bed For Every Child. Started by the Massachusetts Coalition for the Homeless and fostered by the Cooperative Credit Union Association, the initiative is to provide beds and bedding to children in underprivileged areas who may otherwise not have a bed to sleep in each night. GFA helped to provide bedding and supplies to children in low income families in MA who are at risk of being homeless.

## ● Peterborough Library

GFA contributed \$10,000 to the Peterborough Library Campaign. The current 10,000 square foot location will be renovated and expanded to a 17,000 square foot facility, featuring more flexible space, community meeting rooms of various sizes, cutting-edge technology, and dedicated space for teens, children and families.



## ● Greater Gardner Relay for Life

The GFA team (Going Forward Against Cancer) participated in the 25th annual Greater Gardner Relay for Life held at Mount Wachusett Community College June 8th & 9th. Walking as a team for 24 hours, they raised \$4,100 to benefit the American Cancer Society and celebrated cancer survivors in one of the largest relays in the country!



## ● Thanks "GIVING"

To give back during the holiday season, GFA asked members to nominate deserving families from their local community who could use a little help putting a Thanksgiving meal on the table. GFA was able to provide meals to nine families during our Thanks "GIVING".



## SPONSORSHIPS

- Boys & Girls Club of Fitchburg & Leominster
- Hubbardston Lions Club
- Rutland 4th of July
- Day of Caring
- Our Father's House, Inc.
- Rutland Fire Brigade
- Shelter from the Storm
- The Park Theatre
- Veterans Inc.
- Leominster Crime Stoppers
- ...and many more

**\$64,000** was donated to local organizations in need within our footprint, as well as over 200 hours of volunteer community service from GFA Team members.

**80**  
ANNIVERSARY  
1938-2018



**INVESTING IN OUR COMMUNITY  
& GROWING TOGETHER.**

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Personal



Business



Investments



Insurance