

# AHEAD OF THE CURVE

Welcome to Better Banking.

2013  
ANNUAL  
REPORT



Personal



Business



Investments



Insurance

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

# Message from the Chief Governance Officer and President & Chief Executive Officer



Tina M. Sbrega, President & Chief Executive Officer



Douglas R. Delay, Chief Governance Officer

We report on 2013 with tremendous pride. Our celebrated 75th anniversary and delivery of Better Banking resulted in another successful year for your credit union.

The key to your credit union's success is the focus on providing value to our Membership as a financial solutions partner while remaining invested in our communities. We welcomed 4,000 new Members through the Monadnock Community Bank acquisition. Now 29,000 members strong, we can help each other achieve dreams such as pursuing college, purchasing a home, having a wedding and enjoying retirement!

The relocation of our Fitchburg branch to Leominster proved to be successful. The new location serves Members 7 days a week, and is

easy access from Route 2. The Leominster branch grew to over \$9 million in deposits and \$8.5 million loans, helping members achieve financial dreams. The Credit Union also celebrated its one-year anniversary in Peterborough. Like all of our towns, community engagement in Peterborough was a top priority. Our employees are active volunteers for organizations and leading financial literacy events.

Although growing in size, GFA has stayed a true local financial institution; where staff greet you by name and there is an understanding of our local economy. The Credit Union offers a full suite of financial solutions in the areas of Personal, Business, Investments and Insurance. In 2013, your credit union lent more than \$66 million in loans to help members purchase homes, attend college, own new vehicles, and start businesses. One of the popular products, Tranquil, helps members pay off loans before retirement and lower monthly payments. This solution was awarded Best Lending Promotion, a national award provided by the National Association of Federal Credit Unions.

Members ranked GFA overall satisfaction of more than **90%**

Banker & Tradesman recognized GFA as one of the Fast 50

We are committed to the delivery of Better Banking while meeting the financial needs of our Members. For the 8th consecutive year, Members ranked GFA with an overall satisfaction in service of more than 90 percent. The reputable Banker & Tradesman recognized GFA as one of the Fast 50 growing mortgage

lenders in 2013. Through continued fiscal prudence, our regulatory capital ratio remains strong at 10.71%.

Members continue to take advantage of our wealth management through GFA Financial Group. Having grown in size to \$65 million in assets under management; LPL Financial ranked GFA Financial Group 17th out of 700 for Individual Advisory Production. We also expanded our wealth management services adding a full time registered representative in Peterborough, NH. Through GFA Insurance Services, LLC, Members and businesses realized an average savings of \$442 on auto and homeowner policies, and businesses realized even more savings on commercial insurance premiums. Additionally, we now offer Members a discounted proactive solution for identity protection through nationally known LifeLock.

GFA Financial Group  
**17<sup>th</sup>**  
out of 700 for  
Individual  
Advisory Production

Our mission is to earn the trusted position as your financial solutions partner for all life's occasions, while remaining invested in our communities. We accomplish this mission by remaining true to our core values: member-owned, secure, value, service, community, commitment, integrity. GFA is invested in our

communities through volunteerism, financial donations, and civic engagement. In 2013, GFA Federal Credit Union contributed time, talents, and treasures to more than 68 organizations and made community focus a key area in celebrating our 75th anniversary. Additionally, the credit union re-launched the People Helping People campaign inspiring hundreds of random acts of kindness such as opening a door for a stranger and buying a cup of coffee for the next car in line.

This year of success and celebration would not be possible without our Members. Your trust, loyalty and commitment to our cooperative is what has made our mission possible. Thank you for allowing your credit union to offer financial solutions, grow, participate in community enrichment, and provide better banking. We celebrate our success with you. We will continue to lead ahead of the curve and be your cure for common banking.

Sincerely,

Douglas R. Delay  
Chief Governance Officer

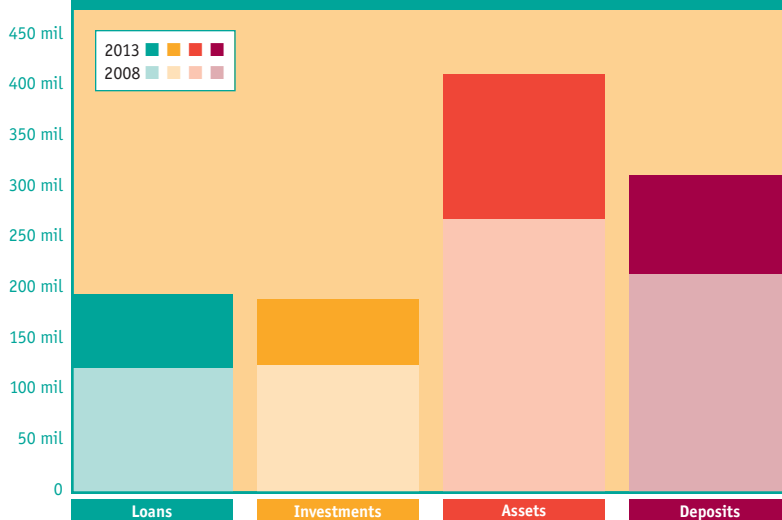
Tina M. Sbrega  
President & Chief Executive Officer

# GFA Federal Credit Union and Subsidiary

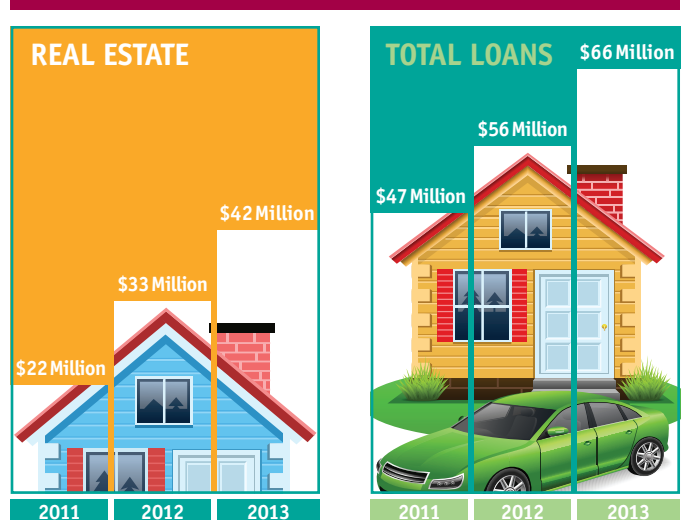
## GFA Federal Credit Union and Subsidiary Consolidated Balance Sheets (unaudited) December 31

	2013	2012
<b>Assets</b>		
Cash and interest bearing deposits due from banks	\$5,346,400	\$11,044,204
Federal funds sold	3,939,679	13,642,517
<b>Total cash and cash equivalents</b>	<b>\$9,286,079</b>	<b>\$24,686,721</b>
Certificates of deposit	7,060,000	12,462,000
Investment securities		
Available-for-sale, at fair value	174,861,476	174,366,266
Held-to-maturity, at amortized cost	527,838	636,281
Loans receivable, net	196,401,395	186,371,664
Accrued interest receivable	1,318,986	1,395,837
Other real-estate owned	365,378	1,095,325
Premises and equipment, net	6,240,057	6,228,793
NCUSIF deposit	3,049,455	2,665,318
EasCorp membership deposits	169,133	169,133
FHLB stock, restricted, at cost	4,225,400	4,476,400
Prepaid expenses and other assets	1,031,646	735,156
Goodwill	5,187,137	5,187,137
	<b>\$409,723,980</b>	<b>\$420,476,031</b>
<b>Liabilities and Members' Equity</b>		
Members shares and savings accounts	\$312,445,933	\$315,698,838
Mortgagors' escrow accounts	785,179	653,957
Borrowed funds	55,048,289	57,673,868
Other liabilities	2,605,396	3,328,172
<b>Total liabilities</b>	<b>\$370,884,797</b>	<b>\$377,354,835</b>
<b>Commitments and contingencies</b>		
Members' Equity - Substantially Restricted		
Unappropriated earnings	40,064,229	38,862,634
Regular reserves	3,853,115	3,853,115
Accumulated other comprehensive income	(5,078,161)	405,447
	<b>38,839,183</b>	<b>43,121,196</b>
	<b>\$409,723,980</b>	<b>\$420,476,031</b>

### 5 YEAR TREND



### LOANS GRANTED ANNUALLY





**BOARD OF DIRECTORS** (left to right) — Charles P. Bowles, Mark P. Hawke, Gerald L. Bankowski, CPA, Vice Chairman, Allen T. Goguen, Omer J. Cormier, Michael T. Horrigan, Douglas R. Delay, Chief Governance Officer, Tina M. Sbrega, President & Chief Executive Officer, Andrew N. Boucher, Secretary.

*Not pictured:* Charles E. Langlois, Director Emeritus, Henry L. Robichaud, Director Emeritus

**OFFICERS**

Tina M. Sbrega, President & Chief Executive Officer  
 David C. Bojarczuk, Senior Vice President/Director of Corporate Finance & CFO  
 Linda J. Carmichael, Senior Vice President/Director of Member Resources & Technology  
 David P. Cedrone, Senior Vice President/Director of Retail Banking & Lending  
 Paul E. Fitzpatrick, Senior Vice President/GFA Financial Group  
 Kelli A. Mason, Vice President/Sales & Service  
 Joan E. Moran, Vice President/Lending  
 Rachel O’Leary, Vice President/Business Development  
 Lisa F. Lastella, Marketing Director  
 Amy L. Robbin, Employee Relations Officer

**ASSISTANT VICE PRESIDENTS AND BRANCH MANAGERS**

Lynn Hebert, Assistant Vice President/Branch Manager, Rindge  
 Debra May, Assistant Vice President/Member Resources Manager  
 Edmond Perry, Assistant Vice President/Branch Manager, Parker Street, Gardner  
 Janice Tiilikkala, Assistant Vice President/Controller  
 Tammy Garcia, Branch Manager, Pearson Boulevard, Gardner  
 Elisa Gonzalez, Branch Manager, Rutland  
 Carrie Monk, Branch Manager, Leominster  
 Kelly Sevigny, Branch Manager, Ashburnham  
 Rachel Theriault, Branch Manager, Hubbardston

*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**

(left to right)  
 Albert J. Gingras  
 James O. Garrison,  
 Chairman  
 Elaine T. Fluet  
 Dr. Daniel M. Asquino  
 Wendy Wiiks



**ADVISORY GROUPS**

**Ashburnham Advisory Group**

Joanne Catlin  
 Stan Herriott  
 Joseph McPeak

**Fitchburg/Leominster Advisory Group**

Leonard Croteau  
 Albert Gingras  
 Peter Lahtinen  
 Richard Leger  
 Stephen Masiello

**Student Advisory Board**

Mark Carpentier, Chairman  
 Jackie Nicholson, Vice Chair  
 Rebecca Dorval, Treasurer  
 Skyla Johnson, Secretary  
 David Belitsky  
 Ben Caron

**Hubbardston/Rutland Advisory Group**

Ed Blanchard  
 Michael Caruso  
 Joyce Green  
 Brian Stidsen

**Monadnock Advisory Group**

Samuel Hackler  
 Laura Gingras  
 Thomas LaFortune  
 Barbara Miller  
 Edward Shea

Allison Cheney  
 Kendra Keenan  
 Christoph Knoll  
 Kyle Weidler  
 Troy Yacyshyn



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

