Another fiscal year has come and gone, and it's time again to take stock of the past and look to the future. Grand openings of two new buildings, one in Richland and one in Kennewick, illustrate that we're keeping pace with our members' needs. The region continues to grow rapidly, and Gesa is matching that growth. Gesa is doing more than just matching facilities to an expanding population, however. We're also meeting the rapidly changing needs of our community with new services, technologies and business models.

The past year saw several new product lines launched at Gesa. We introduced commercial lending and business services. Now businesses large and small have a partner to help to meet their needs, whether they are a start-up exploring new markets or a well-established business.

The launch of Gesa Financial Solutions also occurred in 2009. This service offers a complimentary, no-fee consultation with a registered Financial Consultant who can work with members to identify and achieve their long-term financial goals and provide an array of investment and insurance options.

Through our commitment to offer valuable services at the lowest possible cost to our members, Gesa continues to offer free savings and checking products. We are planning major system enhancements to improve efficiencies, to enhance the member experience, and to streamline operational procedures. Training programs for front-line staff have been expanded, resulting in a higher level of expertise, which makes doing business with Gesa even easier.

While the numbers show that we had a very good year, that's not the whole story. In 2009 we also demonstrated that being part of the financial education of our youth remains a top priority at Gesa. Since 2000, our commitment to providing credit union branches in high schools remains strong. With three high school branches in Benton and Franklin counties, in 2009 we added a fourth school...Pasco's Chawaiya High. In the fall of this year, we will add three Kennewick high schools to our program.

Commitment to our members does not end at providing superior services for your financial needs, but also includes being a good steward of our environment and contributing to the well-being of the communities where we live and do business. As we build new branches, they will be LEED certified (Leadership in Energy and Environmental Design). We encourage our members to use statements and online services to reduce paper usage, which also helps the environment. Small changes that our employees and members make in the way we conduct business are making a positive impact on our environment. Over time these will add up to big results.

Gesa is proud to be "Your Sustainable Resource.”

Christina C. Brown
President/CEO

Gesa is proud to be
"Your Sustainable Resource.”

President’s Report

For more information, contact the Marketing Department, (509) 946-1611 ext. 3201, or visit the Gesa Credit Union web site at www.gesa.com.

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Your Sustainable Resource

2009 Annual Report

It's not where you bank. It's where you belong.

Supervisory Committee

It is the responsibility of the Supervisory Committee of Gesa Credit Union to monitor the financial safety and soundness of the credit union and to oversee compliance with various financial and regulatory requirements.

In the opinion of the Committee, Gesa Credit Union has conducted business in a fiscally sound manner in accordance with applicable federal regulations and Washington State law relating to credit unions and the Gesa Credit Union bylaws.

In the process of reaching this opinion, we engaged the services of the independent public accounting firm of Clifton Gunderson LLP. They performed an opinion audit of Gesa Credit Union’s financial statements, as of September 30, 2009. Copies are made available upon request. The firm tests whether the financial statements are free of material misstatement, assesses accounting principles used, evaluates the overall financial statement presentation, and reviews internal controls. A key component of the internal control is the internal auditors.

The internal auditors meet with the Supervisory Committee monthly to review internal audit reports, financial statement trends, information protection status, potential fraud issues, risk assessments, and internal control practices. The Committee also closely monitors the results of the regular state examination.

The support and cooperation from the Board of Directors, management and staff has assisted us in the performance of our duties and is greatly appreciated. It has been a privilege to serve as chairperson of the Supervisory Committee.

Respectfully submitted,
Kyle Willers, Chairperson

Supervisory Committee
Change. If there were one word to describe 2009, it would be change. Change at Gesa
s a u d i t e d
(Complete copies of audited financial statements are available upon request.

Accumulated other comprehensive income (loss)
Undivided earnings
Regular reserve
Held-to-maturity
Other investments
Federal Home Loan Bank stock
Loans held-for-sale
Loans to members, net of allowance for loan losses
Loans held-for-sale
Accrued interest receivable
Premises and equipment, net
Accrued interest payable
Held-to-maturity
Available-for-sale
NCUSIF premium assessment
Deferred compensation investments
Other assets
TOTAL LIABILITIES & MEMBERS’ EQUITY

LIABILITIES & MEMBERS’ EQUITY

AFFER PROVISION FOR LOAN LOSSES

PROVISION FOR LOAN LOSSES
5,848,208
3,202,435

INTEREST INCOME

Statemensagem 2009 and 2008
ASSETS
YEARS ENDED SEPTEMBER 30, 2009 and 2008
INTEREST INCOME

Members’ share and savings accounts
NCUSIF premium assessment
Advertising and promotions
Loan servicing
Impairment of Corporate Credit Union capital accounts
Other expense
TOTAL NON-INTEREST INCOME

NON-INTEREST EXPENSE

Provision for loan losses
Bad debts
Depreciation
Loans to members, net of allowance for loan losses
Accrued interest receivable
Premises and equipment, net
Accrued interest payable
Held-to-maturity
Available-for-sale
NCUSIF premium assessment
Deferred compensation investments
Other assets

TOTAL LIABILITIES & MEMBERS’ EQUITY

MEMBERS’ EQUITY (substantially restricted)

TOTAL MEMBERS’ EQUITY

TOTAL LIABILITIES & MEMBERS’ EQUITY

Chairman’s Report

Robert K. Follett
Chair

Robert K. Follett
Chairman