

# Financial Current

A PUBLICATION OF *Kitsap Credit Union*

APRIL 2009

## CEO Update

As the first quarter of 2009 comes to an end, I'm happy to report that Kitsap Credit Union remains on a steady course during this time of uncertainty in our nations' economy.

We continue to loan at record numbers and have realized very significant share savings growth so far in '09.

In fact, we recorded an all time high month of vehicle

loan originations (\$25 million) in January. Meanwhile, members invested over \$32.8 million of new funds in our various federally insured savings accounts during the first two months of the year.

***"...Kitsap Credit Union remains on a steady course during this time of uncertainty..."***

3. We are blessed with a resilient economy. The housing industry has been affected, of course, but the strength and increased workforce at

Naval Base Kitsap plus military funding in the region supports us and our membership with employment and contract business.

Why is KCU having such a positive experience? I attribute this strong lending and share growth, in part, to three factors:

1. We are locally based – in Kitsap County and now in the Puget Sound Region. We know our members – you know us. Being locally based insulates us from the turbulence of national and international credit markets.

2. We run your Credit Union with care and conservatism. We underwrite every loan. We manage the balance sheet of your Credit Union

using sound underwriting principles. Thanks to the members' support of our 2007 state charter vote, we have been able to diversify our loan sources and lower economic risk.

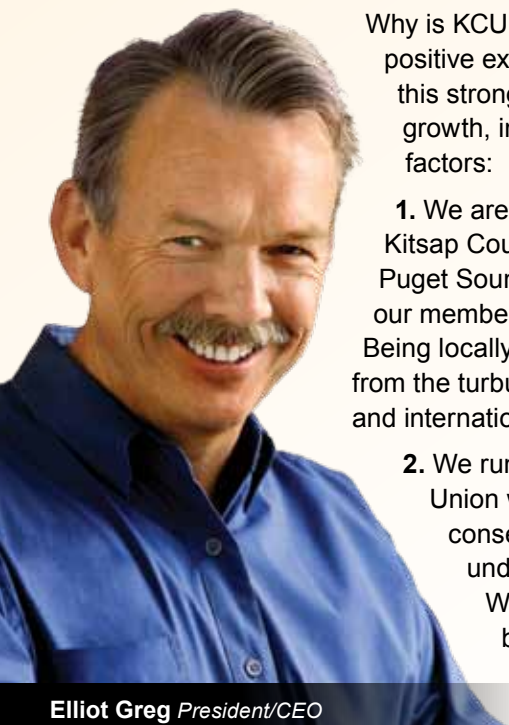
Kitsap Credit Union is financially strong. Our board of directors and management perform ongoing reviews of the Credit Union's financial position.

The primary measurement of financial strength is the level of capital reserves or net worth. We also refer to this indicator as our rainy day fund that could be used for unexpected events or assessments that may materialize. An example would be larger than expected loan losses and lower earnings.

As of February 28, 2009, our net worth was a strong 9.99% of assets (or a little over \$81 million) which is one of the highest percentages among our peers.

In closing, we will continue to manage Kitsap Credit Union and exercise our fiduciary responsibility in the same Safe, Sound and Secure manner that has been our philosophy for nearly 75 years.

As always, I thank you for your continued membership. It's valued!



Elliot Greg President/CEO

## Maritime Gig Festival is Almost Here!

Voted the "The Best Annual Event" and "Best Family Event" in Gig Harbor, the Maritime Gig Festival is a celebration surrounding the rich heritage of commercial fishing in the community and is hosted by the Gig Harbor/Peninsula Area Chamber of Commerce. The Commodore Sponsor for this year's festival is Kitsap Credit Union.

The festival, which is held the first weekend in June, starts on Saturday morning with a pancake breakfast, followed by a high energy parade which includes 80 to 90 entries from the community and surrounding

areas. This year's parade theme is "Pirates of the Peninsula, Yo Ho Harbor" featuring the Seattle Seafair Pirates. Each year, the Maritime Gig features live music from local school bands and professional entertainers. There is also a children's fair, farmers market, car show, a Round Rock Contest along with, a business fair, Antique & Classic Yachts on display, scrumptious food, 5K and 10K run and the Blessing of the Fleet.

The Chamber wants everyone to take away fond memories of the day's activities, but especially the younger ones. That is why there are always so

many fun activities designed just for them. Everything from a fishing pond, a pirate named Captain Arrrr, face painting and a tooth fairy, all of these and more will be on hand for the interactive shows and booths. Come see why the "GIG" is so popular with parents and children alike.

This year, the Maritime Gig will be held on June 6th and 7th. For more information and a schedule of the events, call the Gig Harbor Chamber of Commerce at (253) 852-6865, or visit [www.maritimegig.com](http://www.maritimegig.com).

**Kitsap Credit Union**



# Annual KCU Ed Grants Recipients Announced

Five area students will receive \$2,000 post secondary education grants from the KCU Educational Grants Foundation for the upcoming 2009-2010 school year.

Klahowya senior Aimee Gray was awarded the Diane E. Sugzda grant named after the retired Kitsap Credit Union President/CEO. This grant honors a student displaying outstanding community service as well as academics. Aimee carries a 4.0 Grade Point Average and volunteers for many community organizations or events including the Humane Society, the Central Kitsap Super Saturday clean-up event and an area food bank.

Olympic senior Nicole Smith received the Bill Stremel grant named after a former KCU Board member. It is awarded to a student who will continue his or her education at a vocational school. Nicole plans to attend the Northwest College of Art in Poulsbo.

The other three grant recipients are Bremerton graduate Krystle-Mari Andersson Membrere who will continue her education at the University of Washington; Chimacum senior Jaime Alison Friedrich who will also attend UW and Port Townsend senior Emily Kunz who will decide among four colleges to attend.

We congratulate Aimee, Nicole, Krystle, Jaime and Emily and wish them well as they continue their education.

We invite you to make it possible for even more students to defray post-secondary education expenses by making a tax-deductible contribution. Please make your check payable to the KCU Educational Grants Foundation and mail it to P.O. Box 990, Bremerton, WA 98337.

The KCU Educational Grants Foundation does not discriminate on the basis of race, color, religion, sex, national origin, age or marital status.

## Branch Updates

**Kingston Branch** has new operating hours.

Monday-Friday 10:00 a.m. to 7:00 p.m.  
Saturdays 10:00 a.m. to 4:00 p.m.

**Westpark Branch** has closed to assist with the Westpark community redevelopment project.

**Silverdale Highlands Location** - Opening soon.

Construction is scheduled to be completed this July on KCU's second Silverdale branch. The Silverdale Highlands location facility will be located at Ridgetop Blvd. and Myhre Road. It will house a full service branch, our home loan and member business lending departments.

We will announce the grand opening date in this newsletter and on our web site.



Silverdale Highlands location construction as of March.

## Kitsap Credit Union In The Community

at the following events!

**April 4**

Military Appreciation Day

**April 14**

Varsity Checking Workshop

**April 14 & 15**

AARP Driver's Safety Class

**April 25**

AARP Driver's Safety Class

## Changing Jobs?

If you have or will be changing jobs and have left behind a 401(k) or other qualified retirement plan, you could be neglecting one of your most important assets.

With a qualified retirement plan rollover to an IRA account your retirement money continues to receive tax-deferral and you do not have a tax liability.

Our LPL Financial representatives can help you with an IRA rollover, making it easier to manage and monitor your investments, consolidating paperwork, and helping to align your retirement savings with your overall financial goals.

Schedule a no-cost, no-obligation consultation with our LPL Financial representatives today.

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