

Condensed Statements of Financial Condition

Assets

Years Ended December 31,	2009	2008
Cash and Cash Equivalents	\$ 7,693,093	\$ 10,595,328
Loans and Leases to Members, Net	257,353,067	271,952,936
Investments	188,000,525	124,958,003
Property and Equipment	2,850,664	3,168,070
National Credit Union Share Insurance Fund Deposit	3,661,349	2,698,878
Other Assets	5,965,617	3,975,456
Total Assets	\$465,524,315	\$ 417,348,671

Liabilities and Members' Equity

Years Ended December 31,	2009	2008
Members' Share Accounts	\$413,848,875	\$ 368,319,909
Accrued Dividends and Other Liabilities	3,075,617	2,931,849
Total Liabilities	416,924,492	371,251,758
Total Members' Equity	48,599,823	46,096,913
Total Liabilities and Members' Equity	\$465,524,315	\$ 417,348,671



Condensed Statements of Income

Years Ended December 31,	2009	2008
Interest Income		
Interest on Loans	\$ 16,526,360	\$ 16,699,099
Interest on Investment	2,916,527	3,667,614
	19,442,887	20,366,713
Interest Expense		
	6,128,364	8,653,547
Provision for Loan and Lease Losses		
	1,988,932	2,018,414
Net Interest Income after Provision Expense	11,325,591	9,694,752
Non-Interest Income		
	7,391,194	5,492,851
Non-Interest Expense		
Compensation and Benefits	7,868,785	7,496,176
Office Operation	3,110,612	3,183,535
Other	5,170,445	2,469,050
	\$ 16,149,842	\$ 13,148,761
Net Income	\$ 2,566,943	\$ 2,038,842

These condensed financial statements do not constitute a complete presentation. The complete set of audited financial statements, including the statements of cash flows and changes in members' equity, and notes to the financial statements, are available at the Credit Union office during normal hours of operation or through our Web site at: www.usffc.org/financials.

Report of Independent Auditors



To the Supervisory Committee of
the United States Senate Federal Credit Union

We have audited the accompanying statement of financial condition of the United States Senate Federal Credit Union as of December 31, 2009, and the related statements of income, comprehensive income, members' equity, and cash flows for the year then ended. These financial statements are the responsibility of the Credit Union's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the United States Senate Federal Credit Union as of December 31, 2008, were audited by other auditors whose report dated March 16, 2009, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to here present fairly, in all material respects, the financial position of the United States Senate Federal Credit Union as of December 31, 2009, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Orth, Chakler, Murnane & Company
Certified Public Accountants

United States Senate Federal Credit Union

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www.usffc.org



United States Senate Federal Credit Union Annual Report 2009



*Stable.
Strong.
And Growing.*



United States Senate FCU Executive Report 2009

2010 dawns on the 75th year of our Credit Union and we are proud to report to our members that we are still stable; strong and growing; and still dedicated to the same principals of top notch member service upon which our credit union was chartered in 1935.

2009 was an unprecedented year of challenges in financial services with corporate stabilization, the continuation of pressures in the housing market and soaring unemployment. Yet despite these challenges your credit union grew over \$45 million in deposits and lent over \$52 million to members to end 2009 with total assets of \$465.5 million and 10.35% capital.

We continued our focus on strengthening infrastructure and service delivery with changes and improvements to our core banking system and communications between our branches, operations center and our business continuity sight in Staunton, Virginia. Seizing the opportunity created by the current media focus on credit cards we restructured our credit card program and introduced the simple yet sophisticated Visa Smart Rate and Smart Rewards cards. Committed to helping our members be informed financial consumers, the Credit Union enhanced its member education offerings with onsite seminars as well as with development of the Financial Education Center on the Web site. We invite you to explore our broad range of articles, calculators, podcasts, tools, resources and more at www.ussfcu.org/education. Finally, we enhanced availability and convenience to our members with the launch of a 24/7 call center and Visa assistance services.

Unfortunately, housing and employment concerns did affect our membership in 2009. We remain committed to working with members who are in distress and helping them through rough times while keeping the organization safe, sound and strong.

On behalf of the Board of Directors, we would like to thank the volunteers and staff, past and present, of the United States Senate FCU whose tireless dedication has kept the Credit Union equipped to meet your financial services needs for 75 years.


Judy Kimmitt Rainey,
Chairman of the Board


Susan R. Enis,
President and Chief Executive Officer

Treasurer's Report 2009

I am pleased to report that the financial performance of your Credit Union during 2009 continued to be exceptional during this rather adverse financial cycle.

As of December 31, 2009, total assets had increased to \$465.5 million.

Our net loan portfolio ended the year at \$257.4 million and \$54.2 million in loans were granted to our members. Sound lending remains a core strategic goal.

During 2009, deposits increased a significant \$45.5 million and ended the year at \$413.8 million. We continue to extend our thanks to USSFCU members for placing their trust in the safety and soundness of USSFCU.

Your board continues to measure the strength of our financial institution in the amount of capital accumulated year over year. The USSFCU maintained its capital position at 10.35% of assets or \$48.6 million for year-end. These reserves are substantial and will serve USSFCU through means of a strong foundation during periods of adverse conditions.

Additionally, management's determination of the Credit Union's allowance for loan loss was reviewed by our external audit firm and regulatory agency and they have both indicated that the allowance is adequate to meet potential loan losses as of December 31, 2009.

To maintain our financial soundness, the Asset Liability Committee continues to monitor loan, investment and deposit activities on a monthly basis. The Committee uses an external and independent model to determine risk with respect to return and volatility over various rate cycles. The Committee remains diligent in supporting the primary goals of the Credit Union and these include competitively priced loans and deposits while guiding the Credit Union's long-term vision via its strength. We believe that we have accomplished this task again in 2009.

Management is responsible for the accuracy and integrity of the statements and accompanying footnotes and they were prepared in conformity with U.S. generally accepted accounting principles. The Credit Union's independent auditors, Orth, Chakler, Murnane and Company, CPAs have audited our financial statements and their opinion, along with audited 2009 financial statements can be found on our Web site at www.ussfcu.org/financials.


Illeana Garcia
Treasurer/Secretary

Supervisory Committee Report 2009

The US Senate Federal Credit Union Supervisory Committee consists of five volunteers appointed by the Board of Directors. In accordance with the Federal Credit Union Act and Article IX of the USSFCU Bylaws, the Supervisory Committee oversees the audit function of the Credit Union to ensure that members' deposits and privacy are protected, that the Credit Union complies with governing directives established by the National Credit Union Administration (NCUA), and that the Credit Union's audited financial statements provide an accurate representation of its financial condition.

This year the Supervisory Committee engaged the services of the independent accounting firm of Orth, Chalker, Murnane & Company to render an opinion as to the fair presentation of the USSFCU's financial condition. The resulting unqualified opinion independently attests to the fair representation, in all material respects, of the financial position of the Credit Union's financial statements for the year ended December 31, 2009. The financial statements as of December 31, 2008, were audited by other auditors whose letter dated March 16, 2009, expressed an unqualified opinion on those statements.

USSFCU management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded against loss or unauthorized use. Under the direction of the Supervisory Committee, the accounting firm of LarsonAllen LLP assists in the monitoring and evaluation of these controls. In regular meetings and reports LarsonAllen provides suggestions for continued improvement, but its work has not raised any significant question as to the financial soundness and operational effectiveness of the Credit Union.

The Supervisory Committee thanks the Board of Directors and the Credit Union staff for supporting our mission to maintain fiscal soundness for the benefit of the members. We are proud to volunteer our time to serve the owner/members of the US Senate Federal Credit Union.


Jon Tarnow
Chair, Supervisory Committee

Board of Directors

Judy Kimmitt Rainey, *Chair*
Christopher Dey, *Vice Chair*
Illeana Garcia, CPA, *Secretary/Treasurer*
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Bertie Bowman, *Director*
Denis P. O'Donovan, *Director*
Margaret P. (Margo) Rushing, *Director*
Christopher D. Shunk, *Director*
Anthony J. "Tony" Zagami, *Director*
Penelope A. Gross, *Recording Secretary*

Supervisory Committee

Jon Tarnow, *Chair*
Roy McElwee
Rosalyn Millman
Deborah Yarborough

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Susan R. Enis, *President and CEO*
John Hayes, *Executive Vice President and COO*
Dennis Will, *Senior Vice President and CFO*
Wendell Bailey, *Vice President, Information Technology*
Kimberly S. Mueller, *Vice President, Marketing*
Donald Provencher, *Vice President, Member Services*
James Lee, *Director, Lending Services*

