

BOARD OF DIRECTORS:

Joann Handeland – Chairman
Janice Clark-Higuera – Vice Chairman
Mike Myers – Treasurer
Dave Barrett – Secretary
Teresa Sizemore

SUPERVISORY COMMITTEE:

Peggy Breeden – Chair
Timothy Neipp
Sarelle Eddins
Michael Pierce

MANAGEMENT:

Eric A. Bruen – President/CEO
Dana Beene – Vice President/CFO

STAFF:

Amy Nelson – Operations Supervisor
Shannon Eierman – Teller
Adam Everitt - Teller
Cindy Blanton – Lead Teller
Tonja Lavarreda – Electronic Specialist
Cindee Llewellyn – Loan Fulfillment
Kristy Myers - Teller
Lorena Reveles – Teller
Dana Sandoval – Lead Teller
Marilyn Simmons – Senior Teller
Robert Tulao – Loan Officer

BRANCH LOCATIONS:

Mailing Address:

P.O. Box 367
Ridgecrest, CA 93556

Indian Wells Valley Branch:

100 E. Ward Ave.
Ridgecrest, CA 93555
Ph: (760) 446-3500
Fax: (760) 446-6904

Searles Valley Branch:

13225 Market St.
Trona, CA 93562
Ph: (760) 372-4001
Fax: (760) 372-4447

24Hr Audio Response:
(760) 499-7072

Website: www.myhomecu.com

E-Mail: desertvalleys@iwvisp.com

Our 64th Annual Meeting is
scheduled for 04/27/2010 at
6:00 p.m. at the Trona Senior
Center in Trona, CA.



**2009 ANNUAL
REPORT**

&

**STATEMENT
OF FINANCIAL
CONDITION**

President's Annual Report

2009 was a challenging year for Desert Valleys as well as our entire national economy. Declining home values, a weak dollar, historically low interest rates, and rising unemployment has affected us all. Despite these challenges, Desert Valleys has continued to serve our members and worked to provide the service you have come to expect from our credit union.

We made several improvements to the credit union over 2009 including the introduction of e-statements and enhance bill pay services. We are continuing to improve our technology infrastructure to limit the impact to members.

The credit union had significant losses over the course of 2009 due to heightened regulator expenses to ensure the member insurance and stabilize the credit union system. Loan losses were another struggle as many members have suffered in this economy. Desert Valleys has reserved a significant amount of our capital in order to absorb these losses and future issues.

We will continue to work diligently to ensure the delivery of services that you expect and deserve in the future. On behalf of all the volunteers and staff, we thank you, our members, for letting Desert Valleys FCU be your choice for financial services.

Eric A. Bruen
President/CEO

Balance Sheet

Assets	
Loans	\$ 11,461,874
Acct Rec	549,793
Investments	3,839,247
Fixed Assets	2,927,355
Acc Loan Int.	52,365
Acc. Investments	10,124
NCUSIF	166,529
Prepaid/Def	43,110

Total Assets \$ 19,050,397

Liabilities & Equity

Liabilities:

Accts Payable	\$ 2,378
Acc Liabilities	6,923
Total Liabilities	9,301

Equity:

Shares	18,004,904
Reg. Reserves	789,877
Undivided Earnings	246,315

Total Liab & Eq 19,050,397

Income Statement

Income

Interest on Loans	\$ 913,297
Invest. Income	98,094
Fee Income	274,674
Lease Income	90,518
Other Oper Income	41,847

Total Gross Income \$ 1,418,430

Expenses

Compensation	468,020
Travel & Conf	5,993
Assoc Dues	8,635
Off Occup Exp	146,604
Off Oper Exp	289,153
Ed & Promotion	32,958
Loan Expense	14,333
Legal Expense	19,298
Board Expenses	2,552
NCUA Oper Fees	4,061
NCUA Mbr Insurance	142,405
Prov Loan Loss	270,219
Misc Expenses	<u>8,345</u>

Total Oper Expense 1,412,576

Non-Oper Gain 74,518

Dividends 242,066

Net Income \$ -161,694