

# STATEMENT OF FINANCIAL CONDITION

For Years Ended December 31, 2009 & 2008

Assets	2009	2008
Cash	\$ 2,294,262.00	\$ 1,885,359.00
Loans to Members	\$ 49,737,588.00	\$53,661,493.00
Investment securities	\$ 51,846,225.00	\$35,443,006.00
Accrued income receivable	\$ 401,677.00	\$ 350,363.00
Fixed assets	\$ 734,716.00	\$ 571,136.00
Prepaid expenses & Other Assets	\$ 98,338.00	\$ 117,479.00
<b>TOTAL ASSETS</b>	<b>\$105,112,806.00</b>	<b>\$92,028,836.00</b>
<b>LIABILITIES &amp; MEMBERS EQUITY</b>		
Member Share & Savings Account	\$ 92,975,288.00	\$80,353,047.00
Notes Payable	\$ -	\$ -
Accounts Payable & Other Liabilities	\$ 455,097.00	\$ 329,976.00
Accrued Expenses	\$ 220,905.00	\$ 185,057.00
<b>MEMBERS EQUITY</b>	<b>\$ 93,651,290.00</b>	<b>\$80,868,080.00</b>
Members Equity, partially restricted	\$ 11,461,516.00	\$11,160,756.00
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$105,112,806.00</b>	<b>\$92,028,836.00</b>

# STATEMENT OF INCOME

For Years Ended December 31, 2009 & 2008

	2009	2008
<b>Interest Income:</b>		
Loans to members	\$ 3,393,985.00	\$3,833,414.00
Investment Securities	\$ 1,180,691.00	\$1,417,859.00
Total Interest Income	\$ 4,574,676.00	\$5,251,273.00
<b>Interest Expense:</b>		
Members Share & Savings Accounts	\$ 1,538,021.00	\$1,747,935.00
Interest on Borrowed funds	\$ 17.00	\$ 1,729.00
<b>Total interest expense</b>	<b>\$ 1,538,038.00</b>	<b>\$1,749,664.00</b>
Net interest income, before provision	\$ 3,036,638.00	\$3,501,609.00
Less: Provision for loan losses	\$(1,076,040.00)	\$ (700,682.00)
Net interest income after provision loan losses	\$ 1,960,598.00	\$2,800,927.00
<b>Non-Interest Income</b>		
Fee, Charges & other operating income	\$ 2,832,308.00	\$2,362,491.00
Gain on sale of investments	\$ -	\$ -
Total non-interest income	\$ 2,832,308.00	\$2,362,491.00
<b>Non-Interest Expense:</b>		
Employee compensation & benefits	\$ 1,974,140.00	\$1,837,357.00
General & administrative expenses	\$ 2,264,566.00	\$2,148,518.00
Federal operating & accounting fees	\$ 150,838.00	\$ 503,287.00
Association dues	\$ 23,500.00	\$ 21,138.00
Miscellaneous Expense	\$ 45,797.00	\$ 120,818.00
Total non-interest expense	\$ 4,458,841.00	\$4,631,118.00
<b>NET INCOME</b>	<b>\$ 334,065.00</b>	<b>\$ 532,301.00</b>

### Mailing Address

DVA Federal Credit Union  
P.O. Box 50617  
Washington, DC 20091-0617  
800.822.6875 or 202.737.6969

Please use this number if calling from the D.C. metropolitan area.

### CU Call Telephone Audio Response

202.371.0151 or 800.CU CALLS (800.282.2557)

### Central Office

810 Vermont Avenue, NW, Room C-27  
Washington, DC 20420  
800.822.6875 or 202.737.6969

### Tech World Office

800 K Street, NW, Suite #66  
Washington, DC 20001  
202.737.6969, Ext. 304

### G Street Office

1800 G Street, NW, Room 438B  
Washington, DC 20420  
202.408.7811

### Brooklyn VA Medical Center Office

800 Poly Place, Room 1110  
Brooklyn, NY 11209  
718.492.0600

### Ft. Hamilton Office

U.S. Army Garrison, Fort Hamilton  
114 White Avenue, Room 117  
Fort Hamilton, NY 11252  
718.748.8010

### St. Albans Office

VA Extended Care Center  
179th Street & Linden Boulevard  
St. Albans, NY 11412  
718.526.1000, Ext. 2173

### Albany VA Medical Center

113 Holland Avenue  
Albany, NY 12208  
518.465.4211

### Philadelphia VA Regional Office

5000 Wissahickon Avenue  
Philadelphia, PA 19144  
215.842.2000, Ext. 4478



www.dvafcu.org



# ANNUAL REPORT 2009



COMMITTED

TO YOUR FINANCIAL

GROWTH

## MESSAGE FROM THE CHAIRMAN

On behalf of the DVA Federal Credit Union Board of Directors, it is my pleasure to welcome you to the 79th Annual Meeting of Members of DVA Federal Credit Union. This past year presented some challenges associated with the continued national economic downturn. We were able to hold our bottom line steady when so many other financial institutions struggled. DVA FCU was able to continue to offer competitive rates and even open a new branch office in 2009.

Moving forward in 2010, we will continue to create and deliver an environment of excellence for our members, our staff, and our community. We will do everything we can to continue offering competitive rates and the great service you have come to expect from DVA FCU.

As a credit union member, I encourage you to utilize the wide array of products and services your Credit Union has to offer. We are all co-owners of the Credit Union, which means that when we strengthen our reserves, the institution not only becomes stronger, but we also receive higher dividend rates and lower loan rates in return.

The Board of Director and the staff would like to thank you for allowing us to serve you.

Gregory Hosmer  
Chairman

## MESSAGE FROM THE PRESIDENT & CEO

We had exceptional accomplishments in 2009. The year ended with \$105,112,806 in assets, growing \$13,083,970 from 2008. This is a milestone for our Credit Union and we could not have done it without the loyalty and support of our membership. In 2009 we all kept a close eye on the condition of the financial industry and we would like to reassure you that your Credit Union remains financially secure.

Our biggest achievement was the long anticipated opening of our U.S. Army Garrison branch in Ft. Hamilton, New York in July. This full service branch services the men and women of the U.S. Army Garrison base and their family members.

Many new products and services debuted in 2009. DVA Federal Credit Union recognized the need to have coverage that is more diverse on our consumer loan products. This led us to begin offering Debt Protection, which includes Involuntary Unemployment and Family Leave coverage, on our consumer loan and Visa® credit cards. Debt Protection Coverage gives our members the peace of mind when purchasing a new automobile or taking out a signature loan. It assures payments are covered if they lose their job or have to stay home to take care of a family member in need. Through the Allpoint network, we are able to offer surcharge-free ATMs in an additional 5,000 locations and include Target, Costco, Rite Aid, CVS and 7-11 convenience stores nationwide. This addition brings the total of surcharge free ATMs up to 37,000.

We are thrilled to launch our Going Green initiative in 2010 and invite our membership to be part of its success. We are making strides to reduce our carbon footprint and encouraging our members to do the same.

Many thanks to The Board of Directors and credit union staff for their hard work and dedication. Thank you to the members, we appreciate your membership and strive to meet all your financial needs.

Oma L. George  
President/CEO



## MESSAGE FROM THE SUPERVISORY COMMITTEE

The Supervisory Committee is appointed by the Board of Directors to help guide the direction of the credit union. Our committee consists of individuals who report to the membership on the financial soundness and integrity of their credit union. Each year, the committee reviews the financial reports of the credit union and arranges for an independent accounting firm to conduct an audit verification of member's accounts.

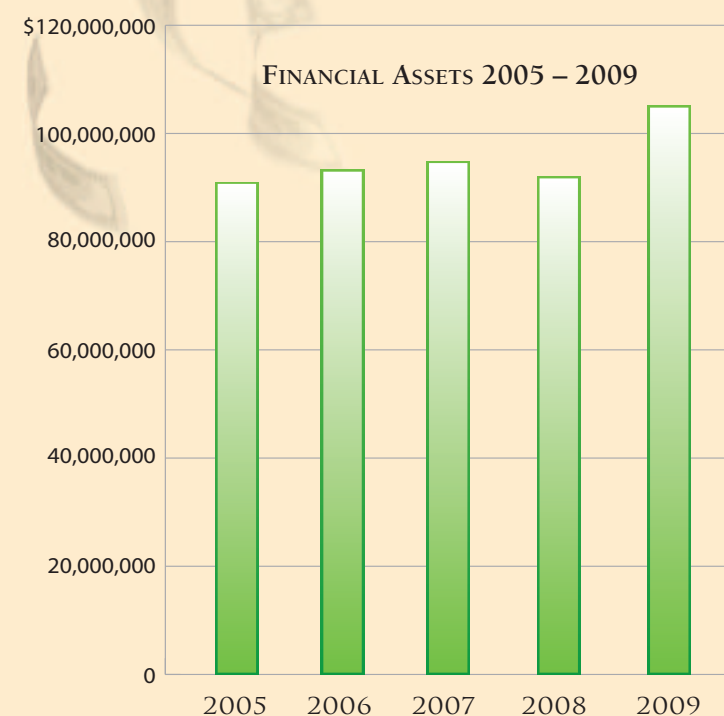
This year, the committee again authorized DeLeon & Stang to perform an audit of the credit union's financial statements, account records, policies and procedures. We are pleased to report that the affairs of the credit union during 2009 have been conducted in a most satisfactory manner and in accordance with all rules and regulations. The NCUA also supported these findings.

It is the judgment of the Supervisory Committee that your credit union continues to be financially sound, and is operated and managed for the best interest of its members.

Wayne Simpson  
Supervisory Committee Chairman

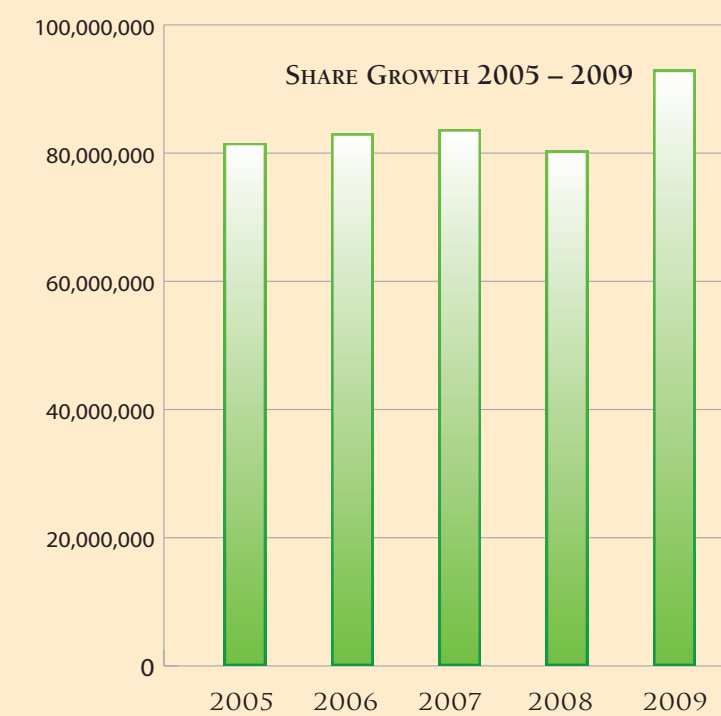
## MESSAGE FROM THE TREASURER

At the end of 2009 our total assets were \$105,112,806 compared to \$92,028,836 at the end of 2008. Our total outstanding loans to members were \$49,737,588 in 2009 compared to \$53,661,493 in 2008. Our net income for 2009 was \$334,065 as compared to \$532,301 at the end of 2008.



During a time of great uncertainty in the financial industry, DVA Federal Credit Union continues to be a sound financial organization. We value our membership and continue to strive to provide the members with competitive financial products and services.

Donald Walsh  
Treasurer



## BOARD MEMBERS

Gregory Hosmer, Chairman  
Paul Chang, Vice-Chairman  
Donald Walsh, Treasurer

Beth MacLean, Secretary  
Wayne Simpson, Director

Marcelle Habibion, Director  
Charles McCarron, Director

### MISSION STATEMENT

TO PROVIDE MEMBERS WITH **QUALITY, TIMELY, COST-EFFECTIVE, AND PERSONALIZED** FINANCIAL SERVICES THAT CONTRIBUTE TO THEIR **ECONOMIC WELL-BEING;** WHILE MAINTAINING THE CREDIT UNION'S FINANCIAL **SOUNDNESS AND STABILITY.**

## HELP US GO GREEN

As an ongoing effort to reduce our carbon footprint, we are communicating to our members in more environmentally friendly ways. We're communicating news, information and promotions through our website and via email. We also use recycled paper for our printed communications. Help us reduce our carbon footprint by signing up for environmentally friendly services such as eStatements and sign up for our email list to stay in touch with us the environmentally friendly way.

