



the road ahead

2010 Annual Report



Chairman's Report

Camino Federal Credit Union started 2010 with an encouraging outlook and finished with a strong financial position and the successful completion of several strategic initiatives.

The marketplace continued to suffer throughout the year. The financial industry lost more institutions to closings, acquisitions, or regulatory control. Credit remained tight in many sectors just as the unemployment numbers rose nationally and regionally. Consumer confidence suffered and the housing market did not rebound. In an effort to shore up the larger issue of the corporate credit union system, NCUA levied additional assessments against all credit unions creating additional pressure to the balance sheet.

As a testament to the power of the cooperative and our commitment to our members, Camino Federal Credit Union experienced positive growth in spite of the economic conditions. Assets grew over \$2.5 million dollars for a 2.39% increase and Regular Shares grew by nearly one million. The acquisition of Alisos Federal Credit Union in the second half of 2009 continued to supplement our member growth resulting in 1,091 new members joining by year-end. Our Asset Growth paired with the increase in Net Income contributed to another year of positive ROA, a measure of real stability. Camino FCU can also take pride in accomplishing several major strategic initiatives throughout the year. A new incentive plan for tellers, a project management system, and improvements in cross training for business continuity will all further strengthen our credit union infrastructure to ensure a successful future.

Going forward into 2011, Camino FCU is poised to demonstrate the value of credit union membership more than ever before. With new leadership and a renewed commitment to member service, the Board, the Management team, and talented staff will rededicate ourselves to deepening our relationship with you and sustaining your financial well-being. We will rally our remarkable team to stand beside you and help you reach your goals, to surpass your highest expectations, and to hold ourselves accountable to achieve those promises.

We look forward to being your trusted, financial partner and remaining a strong credit union focused on you and your family. It truly is a privilege to serve you.



Board of Directors

Don McOwen Chairman

A retired administrator from Montebello Unified School District, McOwen has served as a credit union Board member for 30 years and currently serves as Chairman of the Board.



Andres Castillo Vice Chairman

A credit union member since 1985, Castillo has a Business Administration degree with a concentration in Marketing and works for the Montebello Unified School District.



LaVonne Sherman Secretary/Treasurer

Sherman serves on the Supervisory Committee and the Board of Directors.



Maria Elena Alvarez Director

Previously serving four years on the Supervisory Committee, Alvarez brings 27 years of experience to the Board as a retired Coordinator of Community Affairs for the Montebello Unified School District.



Dorothy Denning Director

A member of the credit union for 35 years, Denning has served on the Board of Directors for the past 21 years, working on the Credit Committee and two years as Board Chairman. Denning was an accountant supervisor at the Montebello Unified School District office for over 17 years.



Eugene Malinzak Director

An Army veteran and retired educator after 38 years, Malinzak served on the Supervisory Committee before joining the Board.



Virgil Downs Director

Retired from Montebello Unified School District after 27 years, Downs has served on the Board of Directors at the credit union for over 18 years.



Fran Mondaca Director

A member of the credit union for 48 years, Mondaca retired from the Montebello Unified School District after 40 years of service as a teacher, librarian, and project coordinator. Before joining the Board, Mondaca also volunteered on the Credit and Supervisory Committees.



Mary Walsh Director

A member of the Board of Directors for over 20 years, Walsh retired from Montebello Unified School District in 1994 after 27 years employment.

Senior Management

Ernesto Flores President/CEO

Edgar Barraza Senior Vice President/CFO

Acacia Phillips Vice President/Sales & Service



Balance Sheet

Assets

Loans to Members	\$56,402,412
Allowance for Loan Losses	(\$442,160)
Cash	\$1,210,655
Investments	\$45,089,625
Fixed Assets	\$3,402,357
Pre-Paid Expenses	\$465,853
Other Assets	\$732,028
Total Assets	\$106,860,770

Liabilities

Non-Interest Bearing Liabilities	\$511,676
Interest Bearing Liabilities	\$0
Share Accounts	\$68,896,075
Share Certificates	\$26,024,073
Total Equity	\$11,428,946
Total Liabilities and Equity	\$106,860,770

**Today we are \$107,276,637 million in assets
and 13,964 members strong.**

Credit Committee Report

The Credit Committee is responsible for monitoring that the Credit Union processes all loan applications quickly and efficiently, and in the best interest of the Credit Union and the member. In 2010, the Credit Committee worked with loan officers to approve 850 new loans totaling \$13,257,964.55. Total outstanding loan balances for the year were \$56,402,412 and our loan delinquency rate of .54% is well below industry norms.

Credit Committee

Karen Gonzales	Staff
Kathy Ready	Staff
Cathy Nevarez	Staff
Rose Sortillon	Staff

Supervisory Committee Report

The Supervisory Committee ensures that the Credit Union is complying with all applicable state and federal laws and adhering to all regulations set forth by the National Credit Union Administration (NCUA). The Supervisory Committee also oversees the financial management of the credit union and meets quarterly with Credit Union management to review operations. Annually, the Supervisory Committee will work with an independent accounting firm to audit the Credit Union's financial records and review the internal controls and procedures for safety and soundness. Committee members attend training and conferences to stay current on industry trends and learn efficient ways to manage and assess risk. Safeguarding the Credit Union and its members is the primary responsibility of the Supervisory Committee. This Committee deems the Credit Union healthy and financially sound.

Supervisory Committee

Sterling Schubert	Chairman
Olivia Cervantes	Member
Mike Newton	Member
William Nighswonger	Member
Frank Ogaz	Member
Les Leahy	Member

Income Statement

Year Ending December 31, 2010

Income

Interest on Loans	\$4,062,036
Investment Income	\$1,115,720
Total Interest Income	\$5,177,756
Non-Interest Income	\$1,404,590
Total Gross Income	\$6,582,346

Expenses

Salaries and Benefits	\$2,064,674
Office Operations and Occupancy	\$1,415,809
Professional and Outside Services	\$115,782
Marketing	\$185,354
Other Expenses	\$520,788
Total Operating Expenses	\$4,302,407
Provision for Loan Losses	\$438,775
Cash Over/Short	(\$608)
Dividends to Members	\$707,820
Corporate CU Stabilization	\$128,036
Other Non Operating Exp	\$71,759
Net Income	\$934,157



www.caminofcu.org



Montebello Branch
520 N. Taylor Avenue

Norwalk Branch
13704 Clarkdale Avenue