

BOARD OF DIRECTORS

David W. Whittle, *Chairman*
Term Expires 2012

Curtis C. Collins, *Vice Chairman*
Term Expires 2010

Peggy A. Zahler, *Secretary*
Term Expires 2012

James H. Ragan, *Treasurer*
Term Expires 2010

Deborah A. Conder, *Director*
Term Expires 2011

Randy Stone, *Director*
Term Expires 2011

John J. Thiel, *Director*
Term Expires 2011

Grady Perdue, *Director*
Term Expires 2012

Harry Guss, *Director*
Term Expires 2010

JSC FCU BRANCH LOCATIONS

Bay Colony Branch
2461 FM 646 W
Dickinson, Texas 77539

Clear Lake/Main Office
1330 Gemini
Houston, Texas 77058

Deer Park Branch
120 East 8th Street
Deer Park, Texas 77536

Ellington Branch
404 FM 1959
Houston, Texas 77034

Friendswood Branch
1320 S. Friendswood
Friendswood, Texas 77546

Galveston Branch
2121 Market Street
Galveston, Texas 77550

La Porte Branch
607 West Fairmont Parkway
La Porte, Texas 77571

League City Branch
501 FM 270
League City, Texas 77573

League City West Branch
3612 W. Main Street, Suite 400
League City, Texas 77573

Mainland Branch
2300 Gulf Freeway
Texas City, TX 77591

Monument Branch
2200 East 13th Street
Deer Park, Texas 77536

Park Place Branch
8424 Park Place
Houston, Texas 77017

Pearland Branch
9101 Broadway
Pearland, Texas 77584

Seabrook Branch
2900 NASA Parkway, Suite 310
Seabrook, Texas 77586

Texas Avenue Branch
220 Texas Ave.
Texas City, TX 77590

SUPERVISORY COMMITTEE

Joe Olivarez, *Chairman*

JSC FCU MANAGEMENT

Michael G. Brown, *President*

Becky Lanclos, *Chief Operations Officer*

JSC FCU CONTACT INFORMATION

Mailing Address:
P.O. Box 58346
Houston, Texas 77258

Main Office Address:
1330 Gemini
Houston, Texas 77058

Phone Numbers:
281.488.7070
800.940.0708

Website:
www.jscfcu.org

2009 ANNUAL REPORT



MISSION: *Possible*

Making Our Member's Financial Mission Possible

Letter from the Chairman

JSC Federal Credit Union Consolidated Statements of Financial Condition

To Members and Friends:

I am proud to present the 2009 Annual Report for JSC Federal Credit Union (JSC FCU). The Credit Union has had another year of excellent accomplishments, just as we have done in past years. JSC FCU experienced exceptional growth in 2009, adding more than 10,050 new members and growing in assets by \$222,410,208. In addition to these results, JSC FCU added 128 new partner affiliations to its field of membership, which now brings the total to over 1,300 ways a person can become a Credit Union member. These affiliations continue to be a vital source of Credit Union membership opportunities to the communities we serve.

The Credit Union's growth is an important measure of member satisfaction. To expand the prospect for growth in 2009 and beyond, JSC FCU made it a top priority to explore and create products and services to meet the needs of not only current members, but also for the next generation of members. As such, in February 2009, JSC FCU launched a brand new product line called energy, which is a collection of financial products and services designed especially for this upcoming group of tech-savvy members. By combining customized products and services with online financial education tools, JSC FCU has set the stage to welcome, educate and empower this next generation of members, enabling them to discover the Credit Union difference and become life-long members of JSC FCU.

In an ongoing partnership with the Clear Creek Independent School District (CCISD), JSC FCU opened the first ever CCISD in-school branch at Clear Springs High School on February 2nd 2009. This new branch successfully demonstrates JSC FCU's objective to provide financial education to students, and allows the Credit Union to achieve its stated goal of promoting financial literacy and stability within the communities it serves. In addition, this new branch has also given the school system an avenue to address the individual needs of its students, upgrade the school's curriculum and increase school spirit, all at no cost to the school district. The Credit Union is proud to announce that in the fall of 2010, the second JSC FCU in-school branch will open in Clear Falls High School. This new branch will be located in the brand new CCISD Education Village, which is a unique school concept that will house three levels of school including elementary, intermediate and high school, all on one state-of-the-art campus. This new branch will offer the same advantages of financial literacy to the students of not only Clear Falls High School, but to the entire campus of schools, giving CCISD another resource for its students, faculty and staff.

JSC FCU continues to be a good corporate citizen within the communities it serves. The Credit Union donated monies and personal time to many charitable and community development organizations in 2009. The Credit Union also continues to offer financial and volunteer support for multiple outreach organizations whose efforts directly benefit the members of our community with modest means. In terms of direct involvement, the Credit Union offers financial education opportunities to members and nonmembers alike by sponsoring free seminars on such topics as Homebuying, Identity Theft and Understanding Credit as well as partnering with organizations like the local YMCA, the Seniors Program at College of the Mainland, and area elementary schools that host events designed to enhance financial literacy, wellness and education to all ages.

In closing, I am pleased to report to our membership that your Credit Union is financially safe and sound, well capitalized, and prospering in all the ways we hold valuable. Your Credit Union continues to be an important asset to its members and to the greater communities it serves and supports. We realize that you have many options when choosing a provider for financial needs, and we appreciate your choice of JSC Federal Credit Union as your financial service provider.

Sincerely,

David W. Whittle

Chairman, JSC Federal Credit Union Board of Directors

As of December 31, 2009

Assets	2009	2008	2007
Total Loans	382,243,727	374,459,719	369,116,091
Less: Allowance for Loan Loss	(1,726,050)	(1,393,010)	(1,390,277)
Net Loans	380,517,677	373,066,709	367,725,814
Cash & Investments	934,969,410	726,489,660	547,706,978
Other Assets			
Fixed Assets	17,614,570	16,324,076	16,263,380
NCUA Share Insurance Deposit	11,008,183	1,943,190	7,462,832
Other Assets	15,923,837	19,799,834	18,668,840
Total Assets	\$1,360,033,677	\$1,137,623,469	\$957,827,844

Liabilities, Shares & Equity

Total Liabilities	6,457,121	11,442,116	10,573,306
Total Shares & Deposit	1,215,887,770	1,005,737,210	831,545,619
Total Equity	137,688,786	120,444,143	115,708,919
Total Liabilities, Shares & Equity	\$1,360,033,677	\$1,137,623,469	\$957,827,844

Consolidated Statement of Income	2009	2008	2007
Operating Income			
Total Interest on Loans to Members	23,987,144	25,010,632	24,197,447
Income from Investments	23,270,512	26,081,634	23,899,736
Fee and Other Operating Income	11,073,821	9,990,612	9,876,223
Total Gross Income	58,331,477	61,082,878	57,973,406
Total Operating Expense	\$25,079,913	\$31,057,493	\$19,861,804
Income (Loss) From Operations	33,251,564	30,025,385	38,111,602
Less: Provision for Loan Losses	(1,913,663)	(1,477,538)	(1,028,022)
Non Operating Gain (Loss)	8,911,305	519,401	5,000
Total Cost of Funds	(20,912,193)	(24,332,024)	(23,085,700)
Adjusted Net Income (Loss)	\$19,337,013	\$4,735,224	\$14,002,880

