

## BOARD OF DIRECTORS

**David W. Whittle**, *Chairman*  
Term Expires 2012

**Curtis C. Collins**, *Vice Chairman*  
Term Expires 2013

**James H. Ragan**, *Treasurer*  
Term Expires 2013

**Peggy A. Zahler**, *Secretary*  
Term Expires 2012

**Deborah A. Conder**, *Director*  
Term Expires 2011

**Harry Guss**, *Director*  
Term Expires 2013

**John J. Thiel**, *Director*  
Term Expires 2011

**Grady Perdue**, *Director*  
Term Expires 2012

**Randy Stone**, *Director*  
Term Expires 2011

## SUPERVISORY COMMITTEE

**Jose Olivarez**, *Chairman*

## JSC FCU MANAGEMENT

**Michael G. Brown**, *President*

**Paul Maslonka**, *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.jsfcu.org](http://www.jsfcu.org)

## JSC FCU BRANCH LOCATIONS

**Bay Colony Branch**  
2461 FM 646 West  
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, Texas 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

**Tuscan Lakes Branch**  
1280 East League City Parkway  
League City, Texas 77573

# 2010 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:

It is my privilege to present the 2010 Annual Report for JSC Federal Credit Union (JSC FCU). The Credit Union has had another year of outstanding accomplishments. JSC FCU experienced remarkable growth in 2010, adding more than 6,500 new members and growing in assets by \$110,539,717. In addition to these results, JSC FCU added 109 new partner affiliations to its field of membership, which brings the total to over 1,400 ways a person can qualify to be a Credit Union member. These affiliations continue to be a vital source of Credit Union membership opportunities in the communities we serve.

As technology advances, JSC FCU continues to take steps toward improving the ways in which we communicate and interact with members. In January 2010, JSC FCU launched a brand new website, complete with visually appealing graphic designs, improved site navigation, and expanded products and services information to better educate users about everything that the Credit Union offers. New features include financial podcasts and videos, an interactive newsletter, and much more. In addition to the new website, JSC FCU's online home banking platform was upgraded with a more user-friendly interface, and includes new features such as external account transfers and email/text message account alerts. This upgrade also gave the Credit Union the ability to offer mobile banking, which was implemented in March 2010, and allows members convenient access to their accounts anywhere their mobile device takes them. To further expand our technology reach, JSC FCU dove into the social media pool with the launch of our official Facebook page in December 2010. By using this social media platform, the Credit Union is able to reach out to numerous members and consumers.

An important measure of member satisfaction is growth, and in August 2010, JSC FCU opened a new branch office in the community of Tuscan Lakes, further expanding our geographic service area to members in this fast growing community. This new branch also tightened the location gap that existed between branches in the League City area, creating more convenience for the entire JSC FCU membership.

In an ongoing partnership with the Clear Creek Independent School District (CCISD), JSC FCU continues to operate the first ever CCISD in-school branch at Clear Springs High School. 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. The Credit Union is proud to announce that in 2011, 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.

Financial education for all ages is a particularly large part of JSC FCU's commitment to serving our members. To further expand this commitment, the Credit Union implemented our home-grown Financial Education Package called MoneyFIT (Financial Independence Tools) in October 2010. The MoneyFIT program includes quarterly Financial Education Seminars, monthly Classroom Financial Workshops, Online Education Modules and a debt analysis tool called Debt in Focus. JSC FCU believes that these programs, along with our full line of financial products and services, will help give members the power to take control of their financial life and succeed in all of their financial goals.

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 2010. 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 Home Buying and Understanding Credit, free access to our new MoneyFIT Program, 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. Your Credit Union continues to be a vital 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, 2010

<b>Assets</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Total Loans	354,041,500	382,243,727	374,459,719
Less: Allowance for Loan Loss	(1,831,988)	(1,726,050)	(1,393,010)
<b>Net Loans</b>	<b>352,209,512</b>	<b>380,517,677</b>	<b>373,066,709</b>
<b>Cash &amp; Investments</b>	<b>1,072,294,075</b>	<b>934,969,410</b>	<b>726,489,660</b>
<b>Other Assets</b>			
Fixed Assets	18,008,503	17,614,570	16,324,076
NCUA Share Insurance Deposit	12,618,850	11,008,183	1,943,190
Other Assets	15,442,454	15,923,837	19,799,834
<b>Total Assets</b>	<b>\$1,470,573,394</b>	<b>\$1,360,033,677</b>	<b>\$1,137,623,469</b>

## Liabilities, Shares & Equity

Total Liabilities	5,123,061	6,457,121	11,442,116
Total Shares & Deposit	1,319,115,121	1,215,887,770	1,005,737,210
Total Equity	146,335,212	137,688,786	120,444,143
<b>Total Liabilities, Shares &amp; Equity</b>	<b>\$1,470,573,394</b>	<b>\$1,360,033,677</b>	<b>\$1,137,623,469</b>

## Consolidated Statement of Income

	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>Operating Income</b>			
Total Interest on Loans to Members	22,310,595	23,987,144	25,010,632
Income from Investments	18,226,870	23,270,512	26,081,634
Fee and Other Operating Income	12,040,396	11,073,821	9,990,612
<b>Total Gross Income</b>	<b>52,577,861</b>	<b>58,331,477</b>	<b>61,082,878</b>
<b>Total Operating Expense</b>	<b>\$26,876,805</b>	<b>\$25,079,913</b>	<b>\$31,057,493</b>
<b>Income (Loss) From Operations</b>	<b>25,701,056</b>	<b>33,251,564</b>	<b>30,025,385</b>
Less: Provision for Loan Losses	(1,735,935)	(1,913,663)	(1,477,538)
Non Operating Gain (Loss)	(294,424)	8,911,305	519,401
Total Cost of Funds	(15,024,271)	(20,912,193)	(24,332,024)
<b>Adjusted Net Income (Loss)</b>	<b>\$8,646,426</b>	<b>\$19,337,013</b>	<b>\$4,735,224</b>

