



JSC

FEDERAL CREDIT UNION

ANNUAL REPORT 2014

P.O. Box 58346, Houston, Texas 77258
1330 Gemini, Houston, Texas 77058
281.488.7070 • 800.940.0708
www.jscfcu.org

Letter from the Chairman

To Members and Friends,

It is my privilege to present the 2014 Annual Report for JSC Federal Credit Union (JSC FCU). The Credit Union has had another exceptional year full of accomplishments. JSC FCU experienced remarkable growth in 2014 with 11,668 new members with growing assets by \$60,424,913. Within the membership, there are a total 2,282 Community Business Partners. These partners are diverse as the community we serve, from home owners association to churches and businesses small and large. Our Community Business Partners continue to be valuable, providing opportunities to work with the community in a variety of ways in addition to being essential source of membership.

As our world continues to become more technological, JSC FCU strives to improve the ways in which we communicate and interact with our members. In July 2014, a new website was launched, complete with improved site navigation, expanded products and services, and an updated graphic design. The new website utilizes a responsive design, making navigation easier regardless of the mobile device being used. Members can also access detailed descriptions of products, services, and procedures offered by the Credit Union. Dedicated to providing easy access for our members, the Credit Union now offers complete product and services requests online in addition to the more traditional in-person methods.

In March 2014, JSC FCU officially merged with Champions Federal Credit Union, which served the Pasadena community. As a result, the credit union now has a total of 20 branch locations, including the first branch in Pasadena. This new addition has tightened the location gap that existed between the Deer Park and Houston areas, increasing convenience for all of our members.

JSC FCU understands the importance of financial education and is committed to financial literacy within our community. By utilizing our ongoing partnership with the Clear Creek Independent School District (CCISD), JSC FCU has expanded the Financial Literacy Plan to include all high schools within CCISD. Additionally, the credit union works to increase the financial literacy of our younger community members as well. By partnering with area organizations and elementary schools, we are able to support events designed to get our younger members excited and prepared for their financial future.

The credit union's outreach extends beyond the school campus. Opportunities are offered to members, as well as non-members, via regular seminars. A variety of important topics for adults are covered, such as the home buying process, understanding credit, and identity theft and prevention. Free access is also provided with our MoneyFIT (Financial Independence Tools) program. MoneyFIT is a web-based program providing an online resource for adult education in addition to the face-to-face resources.

In closing, I am pleased to report to our membership that your Credit Union is financially safe, sound, well capitalized, and prospering in all the ways we hold valuable. In its 53rd year of business, your Credit Union continues to be a resource for its members and to the greater community it serves. We realize you have many options when choosing a financial service provider, and we appreciate your choice of JSC Federal Credit Union as your financial institution.

Sincerely,

David W. Whittle

David W. Whittle

Chairman

JSC Federal Credit Union Board of Directors

JSC Federal Credit Union

Consolidated Statements of Financial Condition

As of December 31, 2014

Assets	2014	2013	2012
Total Loans	469,717,515	448,163,057	414,771,799
Less: Allowance for Loan Loss	(1,429,717)	(1,448,626)	(1,407,350)
Net Loans	468,287,798	446,714,430	413,364,449
Cash & Investments	1,323,806,987	1,285,053,475	1,227,836,219
Other Assets			
Fixed Assets	18,859,503	19,597,878	19,003,679
NCUA Share Insurance Deposit	15,616,651	15,066,270	14,271,443
Other Assets	5,877,439	5,591,412	14,792,119
Total Assets	\$1,832,448,380	\$1,772,023,468	\$1,689,213,909
Liabilities, Shares & Equity			
Total Liabilities	6,403,916	5,316,847	1,882,113
Total Shares & Deposit	1,638,626,589	1,590,977,220	1,520,969,887
Total Equity	187,417,875	175,729,399	166,361,909
Total Liabilities, Shares & Equity	\$1,832,448,380	\$1,772,023,467	\$1,689,213,909
Consolidated Statement of Income	2014	2013	2012
Operating Income			
Total Interest on Loans to Members	17,663,252	17,812,216	18,778,950
Income from Investments	14,332,204	13,305,711	13,952,095
Fee and Other Operating Income	13,447,605	13,869,027	12,750,284
Total Gross Income	45,443,063	44,986,955	45,481,329
Total Operating Expense	\$26,918,097	\$26,243,312	\$25,249,706
Income (Loss) From Operations	18,524,965	18,743,643	20,231,623
Less: Provision for Loan Losses	(1,447,140)	(1,550,998)	(1,052,866)
Non Operating Gain (Loss)	2,000	(1,079)	65,844
Total Cost of Funds	(6,623,451)	(7,824,074)	(9,096,153)
Adjusted Net Income (Loss)	\$10,456,373	\$9,367,490	\$10,148,448

Leadership

Board of Directors

David W. Whittle, Chairman
Term Expires 2015

Curtis C. Collins, Vice Chairman
Term Expires 2016

James H. Ragan, Treasurer
Term Expires 2016

Deborah A. Conder, Secretary
Term Expires 2017

John J. Thiel, Director
Term Expires 2017

Peggy A. Zahler, Director
Term Expires 2015

Harry Guss, Director
Term Expires 2016

Grady Perdue, Director
Term Expires 2015

Natalie Saiz, Director
Term Expires 2017

Supervisory Committee

Jose Olivarez, Chairman

Joseph Pat McCormack

Teming Tse

Northern Advisory Board

Timothy Dagget
Branch 1 Clear Lake/Main Office
Branch 18 Clear Lake City Blvd

Shawn Chittum
Branch 3 Ellington

Gregorio Jaramillo
Branch 8 Park Place

Brett Burns
Branch 10 Pearland
Branch 19 Pearland Parkway

James Oyler
Branch 11 Seabrook

Glenn Perk
Branch 13 Monument

Tim Bounds
Branch 20 Pasadena

Southern Advisory Board

Dion McInnis
Branch 1 Clear Lake/Main Office
Branch 18 Clear Lake City Blvd

Ann Paulissen
Branch 2 League City

Gerald Stacy
Branch 4 Friendswood

Dorethea Wynn
Branch 5 Galveston

Leo Rudd
Branch 6 Tuscan Lakes

William Reid
Branch 7 Mainland

Louis Decker
Branch 9 Bay Colony

Fay Hogg
Branch 12 League City West

Nancy Mallini
Branch 16 Clear Springs High School
Branch 17 Clear Falls High School

JSC FCU MANAGEMENT

Michael G. Brown
President

Paul Maslonka
Chief Operations Officer

Debra Reeder
Chief Financial Officer

Thomas Hast
Chief Lending Officer &
Vice President of Marketing

JSC FCU BRANCH LOCATIONS

Clear Lake - Main Office
1330 Gemini
Houston, Texas 77058

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

La Porte
607 West Fairmont Pkwy
La Porte, Texas 77571

Pearland - Broadway
9101 Broadway
Pearland, Texas 77584

**Clear Falls
High School Branch**
4380 Village Way
League City, TX 77573
*Access restricted to CFHS
students and staff*

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

League City
501 FM 270
League City, Texas 77573

Pearland Parkway
1849 Pearland Pkwy, Ste. 102
Pearland, Texas 77581

Clear Lake City Blvd
1600A Clear Lake City Blvd
Houston, Texas 77062

Dickinson - Bay Colony
2461 FM 646 West
Dickinson, Texas 77539

League City - Tuscan Lakes
1280 East League City Pkwy
League City, Texas 77573

Seabrook
2900 NASA Pkwy, Ste. 310
Seabrook, Texas 77586

**Clear Springs
High School Branch**
501 Palomino Lane
League City, TX 77573
*Access restricted to CSHS
students and staff*

Ellington
404 FM 1959
Houston, Texas 77034

League City - West
2660 West Main Street
League City, Texas 77573

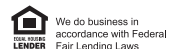
Texas City - Mainland
2300 Gulf Freeway
Texas City, Texas 77591

Friendswood
1320 S. Friendswood
Friendswood, Texas 77546

Park Place
8424 Park Place Blvd
Houston, Texas 77017

Galveston
2121 Market Street
Galveston, Texas 77550

Pasadena North
303 W. Shaw
Pasadena, Texas 77506



We do business in
accordance with Federal
Fair Lending Laws



Federally
Insured by
the NCUA