

PROGRAM

Call to Order

Ascertain a Quorum

Minutes

Chairman's Comments

President's Report

Treasurer's Report

Unfinished Business

New Business

Election of Directors

Announcements

Adjournment

Bingo & Door Prizes

Statement of Financial Condition

ASSETS	12/31/10	12/31/09
Loans to Members	\$ 8,026,431	\$ 8,552,647
Cash	391,631	230,741
Investments	8,755,719	8,318,295
Land and Building	973,176	745,111
Fixed Assets	75,713	25,784
Other Assets	248,793	184,575
Allowance for Loan Loss	(153,660)	(155,047)
Total Assets	\$ 18,317,803	\$ 17,902,106
LIABILITIES AND MEMBER'S EQUITY		
Accounts Payable	\$ 165,686	\$ 31,482
All Other Liabilities	17,388	10,382
Total Liabilities	\$ 183,074	\$ 41,864
Member Deposits	\$ 15,925,315	\$ 15,645,048
Reserve Funds	271,601	271,601
Undivided Earnings	1,937,813	1,943,593
Other Reserves(Mkt Adj)		
Total Member's Equity	\$ 18,134,729	\$ 17,860,242
Total Liabilities and Member Equity	\$ 18,317,803	\$ 17,902,106

Serving Members and their Families for 50 Years!



Statement of Income and Expense

INCOME	12/31/10	12/31/09
Interest on Loans	\$ 491,419	\$ 550,312
Interest on Credit Cards	79,661	73,508
Income from Investments	220,084	227,446
Other Operating Income	140,618	156,589
Total Income	\$ 931,782	\$ 1,007,855
EXPENSE		
Employee Wage & Benefits	\$ 273,213	\$ 221,480
Travel and Conference	7,230	4,005
Office Occupancy	67,609	45,849
Office Operations Expense	114,514	91,330
Provision for Loan Loss	16,800	35,185
Annual Operating Fees	5,499	4,012
Loan Servicing Expense	4,002	4,110
Association Dues	8,243	7,654
Professional Services	72,548	53,093
Member Benefits	10,663	6,322
Misc. Operating Expense	6,865	21,866
Advertising	19,005	24,439
Credit Card Expense	29,686	24,902
NCUA Stabilization/Member Ins. Expense	40,614	
Total Expenses	\$ 676,491	\$ 544,247
Net Operating Income	\$ 255,291	\$ 463,608
Non-Operating Gains/Losses	\$ (76,213)	\$ (49,414)
Adjusted Net Income	\$ 179,078	\$ 414,194

DISTRIBUTION OF NET INCOME

Dividends on Shares	\$ 184,858	\$ 261,661
To Reserves and Undivided Earnings	\$ (5,780)	\$ 152,533

FedStar Credit Union
Building Member Relationships for Life

The Board of Directors and Management of FedStar Credit Union thank you for the opportunity to celebrate fifty years of continuous service to members.

We would like to thank our members for their loyalty and confidence in the philosophy of a financial cooperative, and for making FedStar and all of its member-owners a success.

We are committed to providing you with excellent member service, innovative products and promotions that serve a wide range member needs.

We are excited to embark on another 50 years of growth and stability, and hope that you are too!

We are proud of our credit union heritage, and now more than ever believe in the cooperative ideals of

**“Not for profit, not for charity,
But for Service.”**

Minutes of the FedStar Credit Union Annual Meeting of April 22, 2010

Chairman Davis called the 49th Annual Meeting to order at 6:35 p.m. The meeting was held at the College Station Conference Center in College Station. President Mary Beth Borroni certified a quorum of at least 25 credit union members.

A motion was made by Tom McGrath to dispense with the reading of the minutes from the last Annual Meeting. The motion was seconded by Lyn Scott, and the motion passed unanimously. Chairman Davis introduced Board Members and Credit Union employees who were present. They were: Juan Lopez, Pat Buck, Jim Mallett, Tom McGrath and Nancy Granovsky.

Chairman Davis presented the Chairman’s Report and discussed the purchase of the new building and proposed services that the credit union will soon be able to offer.

President Borroni presented the Report of the President. In it, she noted statistics of the Statement of Financial Condition. She discussed the current situation with the NCUA and Southwest Corporate FCU and the mandate for all insured and member credit unions to replenish the funds used to strengthen the share insurance fund and the corporate credit unions. Additionally, she reported on the balance sheet implications with the purchase of the new building, adding that we need more members to continue our growth. A Power Point presentation highlighted the annual statistics. President Borroni thanked the Board of Directors and other volunteers. She introduced Board Member Pat Buck who gave the Report of the Treasurer.

Chairman Davis proceeded on the Agenda. There was no unfinished business and no new business brought before the membership. He then introduced Nominating Chairperson Nancy Granovsky who read the Nominating Committee’s report. The committee consisted of Harry Andersson and Daniel Kropp. The committee proposed the following Nominations:

Position 3	Patricia A. Buck
Position 4	Juan Lopez, Jr.
Position 5	Karen M. Hannan

There were no nominations from the floor. All nominations were then closed. A motion was made by Nancy Granovsky to accept the nomination slate as presented. The motion was seconded by Tom McGrath and the motion passed unanimously. Jim Mallett moved that the meeting be adjourned and Charles Ray seconded the motion and it carried. The meeting adjourned at 7:21 p.m.

Members proceeded to play BINGO and door prizes were awarded.



**50th Annual
Membership Meeting**

Thursday, April 14, 2011

2010 – 2011 Board of Directors

Darrel A. Davis
James I. Mallett
Pat A. Buck
Juan D. Lopez, Jr.
Nancy L. Granovsky

Officers and Staff

Mary Beth Borroni, President/CEO
Penny Kornegay, Office Manager
Jenny Chollett, Loan Processing
Travis Guthrie, Membership Specialist
Joan M. Lenz, Lead MSR
Haley Pereira, MSR/Marketing
Leigh Schwartz, MSR
Debbie Dunlap, Audit/Documentation

