

CHAIRMAN'S REPORT

Fellow TCC Members:

Once again, in 2010 your credit union focused on two things: **Safety and Soundness.**

Safety in investments that were 100% guaranteed in principal and interest, resulting in no losses to capital.

Soundness in prudent lending practices that aided our members, and assisting our members with their financial challenges in these difficult economic times.

Your Board of Director, along with the staff, undertook a top down analysis of the operation of the credit union and reduced expenses and increased efficiency and production. Many credit unions, including the TCC, lost deposits at their Corporate Credit Union as well as being assessed fees from the National Credit Union Administration. These NCUA assessments will continue through 2021. We all have felt the financial drain of these losses, however, with the internal changes put into place, the TCC will weather the storm.

The Fort Worth office has completed its first year in the new office and membership and loan activity continues to increase every month. If you find yourself in that area of the Metroplex, please stop in and say hello.

In closing, your Board of Directors and the staff are working diligently to ensure the continued strength and viability of the TCC Credit Union for years to come. Our mission remains clear: To deliver on the promise to you, the member-owners, that we will provide quality financial products and services, provide for the safety and soundness of your hard-earned money, and embrace the Credit Union motto of "People Helping People."

The Board is honored to serve the best interests of the member-owners of the TCC Credit Union.

Best Regards,

Robert Sweitzer

Robert Sweitzer
Chairman

Operating Statement

(Year end Dec. 31, 2010 ,unaudited, prepared by Credit Union staff)

	2010	2009
Income		
Loan Income	\$ 1,040,508	\$ 1,123,206
Investment and Fee Income	\$ 523,183	\$ 542,727
Total Income	\$ 1,563,691	\$ 1,665,933
Operating Expenses		
	2010	2009
General and Administrative	\$ 1,539,383	\$ 1,647,003
Provision for Loan Loss	\$ 106,712	\$ 79,370
Cost of Funds	\$ 114,090	\$ 222,145
Total Income (Loss) Oper.	\$ (196,494)	\$ (282,585)
Gain (Loss) Investments	\$ (132,832)	\$ (117,690)
Non Operating Income Exp	\$ -	\$ 95,260
Total Income (Loss)	\$ (329,326)	\$ (305,015)

AUTO LOAN RATES AS LOW AS 2.97% ANNUAL PERCENTAGE RATE! FOR NEW OR USED CARS BACK TO 2006! THIS RATE IS GOOD FOR PURCHASE OR REFINANCE! IF YOU HAVE A CAR FINANCED ELSEWHERE AT A HIGHER RATE, CALL US TODAY!

Statement of Financial Condition

Year end Dec. 31, 2010, unaudited, prepared by Credit Union staff.

Prepared by Credit Union staff

	2010	2009
Assets		
Loans (net of allowances)	\$ 16,142,940	\$ 16,560,904
Cash & Investments	\$ 8,272,629	\$ 7,731,178
Insurance & Reserves	\$ 185,667	\$ 141,025
Fixed & Other Assets	\$ 2,302,935	\$ 1,985,690
Total Assets	\$ 26,904,171	\$ 26,418,797
Liabilities		
Account Payables	\$ 3,202	\$ 2,638
Other Liabilities	\$ 141,990	\$ 216,961
Total Liabilities	\$ 145,192	\$ 219,599
Equity		
Share Accounts	\$ 10,246,172	\$ 8,830,410
Share Drafts	\$ 5,032,449	\$ 5,327,789
Money Markets	\$ 2,787,533	\$ 2,718,485
IRA's	\$ 426,602	\$ 467,692
Certificates of Deposits	\$ 6,374,960	\$ 6,644,528
Reserves	\$ 627,120	\$ 627,120
Undivided Earnings	\$ 1,264,143	\$ 1,583,174
Total Equity	\$ 26,758,979	\$ 26,199,198
Total Liabilities & Equity	\$ 26,904,171	\$ 26,418,797



BOARD OF DIRECTORS

Robert B. Sweitzer, Chairman

TCC Credit Union board member since 1996. Term expires 2011

Robert Buchheit, Vice Chairman

TCC Credit Union board member since 2000. Term expires 2013

Charlie Walter, Treasurer

TCC Credit Union board member since 1998. Term expires 2011

Michael McGinnis, Secretary

TCC Credit Union board member since 2009. Term expires 2013

Bill Biermann, Board Member

TCC Credit Union board member since 2009. Term expires 2012

David C. Haney, Board Member

TCC Credit Union board member since 1999. Term expires 2011

Rev. Hector Medina, Board Member

TCC Credit Union board member since 2010. Term expires 2013

Scott Thompson, Board Member

TCC Credit Union board member since 2009. Term expires 2012

Raymond J. Vasinda, Board Member

TCC Credit Union board member since 1999. Term expires 2012

MEMBERSHIP AND SERVICES

As of 12/31/2010, TCC Credit Union served 8,966 members with the following services:

Regular Share Accounts	Personal loans
Free Checking Accounts	New Vehicle loans
Money Market Accounts	Used Vehicle loans
Certificates of Deposit	Extended warranties
Christmas Club Accounts	GAP insurance
Roth Individual Retirement Accounts (IRA)	Credit Life insurance
Regular Individual Retirement Accounts (IRA)	Credit Disability insurance
SEP Accounts	Home Equity loans
Business Checking Accounts	Credit Establishment loans
Direct Deposit	Recreational Vehicle loans
24-Hour Night depository (both locations)	Guaranteed School Tuition loans
MasterMoney® Debit Cards	Free home banking
Coverdell Education Accounts	Free check imaging
Free ATM service through Allpoints ATM network	Credit Re-Establishment loans
Drive-thru lanes (both locations)	New and used boat loans

SUMMARY OF 2010 AGREED-UPON PROCEDURES

As of June 30, 2010, Fox, Byrd & Company, P.C. performed certain agreed-upon procedures to the accounting records of TCC Credit Union. In performing the agreed-upon procedures, some matters were mentioned to credit union management and officials that, while not involving material weaknesses in internal accounting control, are opportunities for strengthening internal controls and operating efficiency. Credit Union staff and management have incorporated those recommendations into day to day operating procedures.

President's Message

Welcome to the "New Normal". There have been challenges during my twenty-two years as your president, but these past two years have been like nothing I can remember. The combination of lower loan demand, non-existent overnight rates, and the unexpected hits from all directions has taxed everybody to the fullest. Add in the general economic condition of the country and we are all on an uphill trek.

The last four months of 2010 did see some turn-around in loan demand and favorable bottom line results. The pieces are in place for this to continue into 2011 with a much improved year-end black number anticipated. Many thanks are offered to all involved in the effort to strengthen the TCC CU, especially the dedicated staff and Board of Directors. With everybody on the same page, your credit union will weather this storm.

The Board of Directors working with the staff, continue to seek ways to reduce costs without adversely affecting member services. During those times when the workload has been at its highest, we appreciate our members who patiently understand the tasks we all are facing.

Your continued support of your TCC Credit Union is our best assurance of success and we all look forward to serving you and fulfilling your financial needs.

Submitted:

Ronald M. Powers

Ronald M. Powers
President