



89TH ANNUAL REPORT

2024

April 18th 6PM

AGENDA

2023 ANNUAL MEETING

- I.** Pledge of Allegiance
- II.** Invocation
- III.** Call to Order
- IV.** Introduction of Board of Directors
- V.** Introduction of Supervisory Committee
- VI.** Certification of Quorum
- VII.** 88th Annual Meeting Minutes
- VIII.** Message from the Board
- IX.** Supervisory Committee Report
- X.** President's Report
- XI.** Election Report
- XII.** Unfinished Business
- XIII.** New Business
- XIV.** Adjournment

March 23, 2023

MINUTES

88TH ANNUAL MEETING

I. Pledge of Allegiance

Erica Lozano, Funding Supervisor, led the membership in reciting the Pledge of Allegiance.

II. Invocation

Isabel G. Martinez, Collection Supervisor led the membership in the invocation.

III. Call Meeting to Order

The Annual Membership Meeting of the Valley Federal Credit Union was held via Zoom, on March 23, 2023, at 6:37p.m. The meeting was called to order by Board of Directors, Chairman, Michael Forbes.

IV. Introduction of the Board of Directors

Chairman Michael Forbes introduced the Board of Director's Refugio Covarrubias-Vice Chairman, Norma V. Watkins-Secretary, Marc Hernandez-Vice Secretary, Gilbert Sanchez, Jr.-Treasurer, John Hernandez-Director, and Felipe Saenz-Director Interim.

V. Introduction of the Supervisory Committee Members

Chairman, Michael Forbes introduced the members of the Supervisory Committee introduce themselves: Anthony Lopez-Chairman, Eddie Martinez-Vice Chairman, Felipe Saenz-Secretary, Clifford Rowell, Daniel Lopez.

March 23, 2023

MINUTES

88TH ANNUAL MEETING

VI. Certification of a Quorum

Chairman Michael Forbes asked Board of Director's Secretary Norma V. Watkins if there was a quorum of members present, to which she responded. "Yes, there is a quorum present".

VII. Approval of Minutes of Annual Meeting Held on March 24, 2022

Refugio Covarrubias, made a motion to approve the minutes of the Membership meeting held on March 24, 2022 "Annual Report". Marc Hernandez seconded the motion. The motion was approved unanimously.

VIII. Board of Directors Report

Chairman Michael Forbes referred members to the copy of the "2023 Board of Directors Report" as presented in the "2023 Annual Report". Chairman Michael Forbes recognized the employees of Valley Federal Credit Union for their excellent service.

IX. Supervisory Report

Chairman, Anthony Lopez referred members the copy of the "2023 Supervisory Report. Chairman Anthony Lopez recognized Claudia Lozano, Internal Auditor for her dedicated performance and the employees of the Valley Federal Credit Union for their service.

X. President's Report & Graph Presentation

Executive Vice President Norma Jasso referred members to the copy of the "2023 President's Report" as presented in the "2023 Annual Report".

March 23, 2023

MINUTES

88TH ANNUAL MEETING

XI. Nominating Committee Report

Chairman Michael Forbes introduced the Nominating Committee: Chairman, Espiridion Aldape Jr., Ricardo Cornejo, Eladio Jimenez and Adan Gonzales. He then presented the results of the election of officers for 2023-2024 Board of Director's positions. There were four (4) applicants for three (3) Board of Director positions. Gilberto Sanchez, Jr., Norma V. Watkins, Felipe Saenz and Marcelina Torres. The Nominating Committee was called to Order on 12/19/22, the Committee voted for Felipe Saenz, Gilbert Sanchez, Jr. and Norma V. Watkins for a three-year term. The meeting was adjourned at 6:06 p.m.

Liz Covarrubais moved to approve the minutes of the Nominating Committee and Bonnie Mejia seconded the motion. The motion was approved.

XII. Unfinished Business

There was no unfinished business to be considered.

XIII. New Business

There was no new business to be considered.

XIV. Adjournment

Having no further business, Gilbert Sanchez, Jr., moved to adjourn the meeting and Bonnie Mejia seconded the motion. The motion was approved unanimously. The meeting was adjourned at 6:56 p.m.

Norma V. Watkins

Secretary, Board of Directors

BOARD OF DIRECTORS

Chairman

Marc Hernandez

Vice Chairman

Refugio "Cookie" Covarrubias

Board Members

Michael A. Forbes

Secretary

Norma V. Watkins

Vice Secretary

Felipe Saenz

Out going - Retiring

John Hernandez

Treasurer

Gilbert Sanchez Jr.

In coming - New Board

Alonzo Cavazos

SUPERVISORY COMMITTEE

Chairman

Daniel N. Lopez

Vice Chairman

Eddie Martinez

Secretary

Anthony Lopez

Vice Secretary

Sergio Moore Jr.

Member

Clifford Rowell

MANAGEMENT

EXECUTIVE

President/CEO

Norma Jasso

Executive Vice President

Patsy Hinojosa

Chief Financial Officer

Rachel Saucedo

MANAGERS

VP of Member Service

Ileana Alaniz

Business Development

Bonnie Mejia

Operation

Erika Lozano

Accounting

Veronica Avila

Internal Auditor

Claudia Lozano

VFCU SUPERVISORS

Funding

Dorina Rebolledo

Collections

Isabel Martinez

Call Center

Iliana Quinonez

Brownsville Tellers

Krystal Shears

Harlingen Tellers

Amber Araiza

MESSAGE FROM THE BOARD

Welcome to the 89th. Annual Meeting of Valley Federal Credit Union. Our success depends on the involvement of our member owners, we appreciate each and everyone of you. In 2023, our Credit Union started a new chapter, with our CEO Olga Villarreal retiring and the promotion of Executive Vice President Norma Jasso as our new CEO. Our new CEO brings our members new ideas, new plans and a new vision. As we continue to adjust to an ever changing financial world, VFCU continues to rate high, for Fiscal Year 2023/2024. Your Board of Directors approved upgrades to our Main Office and our Branch Office, in Harlingen, Texas, to better serve you, our members.

Valley Federal Credit Union, our Financial Institution is growing but with growth brings more challenges. Your Board of Directors, together with our CEO are working hard to meet the financial demands, but more importantly to prevent any and all threats that our Credit Union may encounter. You, our Members can rest assured that your Board of Directors, together with our CEO and her staff, will always look at ways to improve Member Services in a secure way. I'd like to express my deepest confidence in the leadership of our CEO Norma Jasso, the wisdom and guidance of our Board of Directors, the Supervisory Board and the commitment of our dedicated VFCU Staff and more importantly the support and loyalty of you, our members. Thank You.

Marc Hernandez

Chairman of the Board

SUPERVISORY REPORT

The Valley Federal Credit Union navigated the dynamic financial environment of 2023-2024 with exceptional results. This success is a testament to the exemplary leadership and unwavering dedication of our staff, all committed to your financial well-being. Leadership encouraged the Supervisory Committee to pursue additional training for the benefit of all members and staff. This training is already paying dividends.

On behalf of the Supervisory Committee at Valley Federal Credit Union, we are pleased to express our sincere gratitude. "We extend our deepest appreciation to our valued members for their continued trust and confidence in Valley Federal Credit Union. We also warmly welcome our newest members and look forward to serving your financial needs."

The Supervisory Committee is a volunteer body of five members appointed by the Board of Directors. We work collaboratively with our internal auditor, Claudia Lozano, who liaises with both the Supervisory committee and Management to ensure the financial integrity of the credit union.

Sincerely,

Your Valley Federal Credit Union Supervisory Committee:

Daniel N. Lopez, Chairman

Sergio Moore, Vice-Chairman

Anthony Lopez, Secretary

Clifford Rowell, Member

Eddie Martinez, Member



PRESIDENT'S REPORT

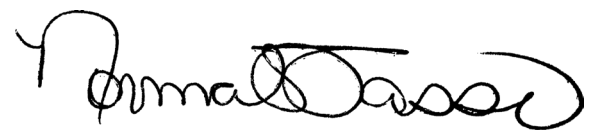
As I complete my first year as CEO of Valley Federal Credit Union I want to express my gratitude and appreciation of your trust in me to manage your credit union. I am very proud to inform our members of our accomplishments in 2023. We continue to enhance our financial technology delivery systems. Ensuring that our members have the most UpToDate technology at their fingertips. Our focus continues to be operating efficiently while continuing to build capital, maintain sufficient liquidity and minimizing risk in all areas while offering members the best rates available in the local area and helping our members reach their goals of financial well being.

2023 Financial Highlights

- Total Assets reached \$101.5 million at year end – an increase of 0.38% increase for the year
- Member Loans grew by 4.42% – to \$61.3 million outstanding at year end; a net increase of \$2.5 million for the year
- Member shares are now at \$88.3 million; deposits grew by \$912,218; for an increase of 1.04%
- Total Capital maintains a healthy level of 13.01%

I am profoundly grateful for the contributions of our Staff, Supervisory Committee and Board of Directors as we proceed to travel this journey together. We will continue to put your financial wellness at the fore front of everything that we do. We want to **Thank You** our members because without you none of this could be possible. On behalf of VFCU's staff we send you our heartfelt appreciation and thanks.

Respectfully,



President & CEO

EXPENSES

Balance & Statements

BALANCE SHEET

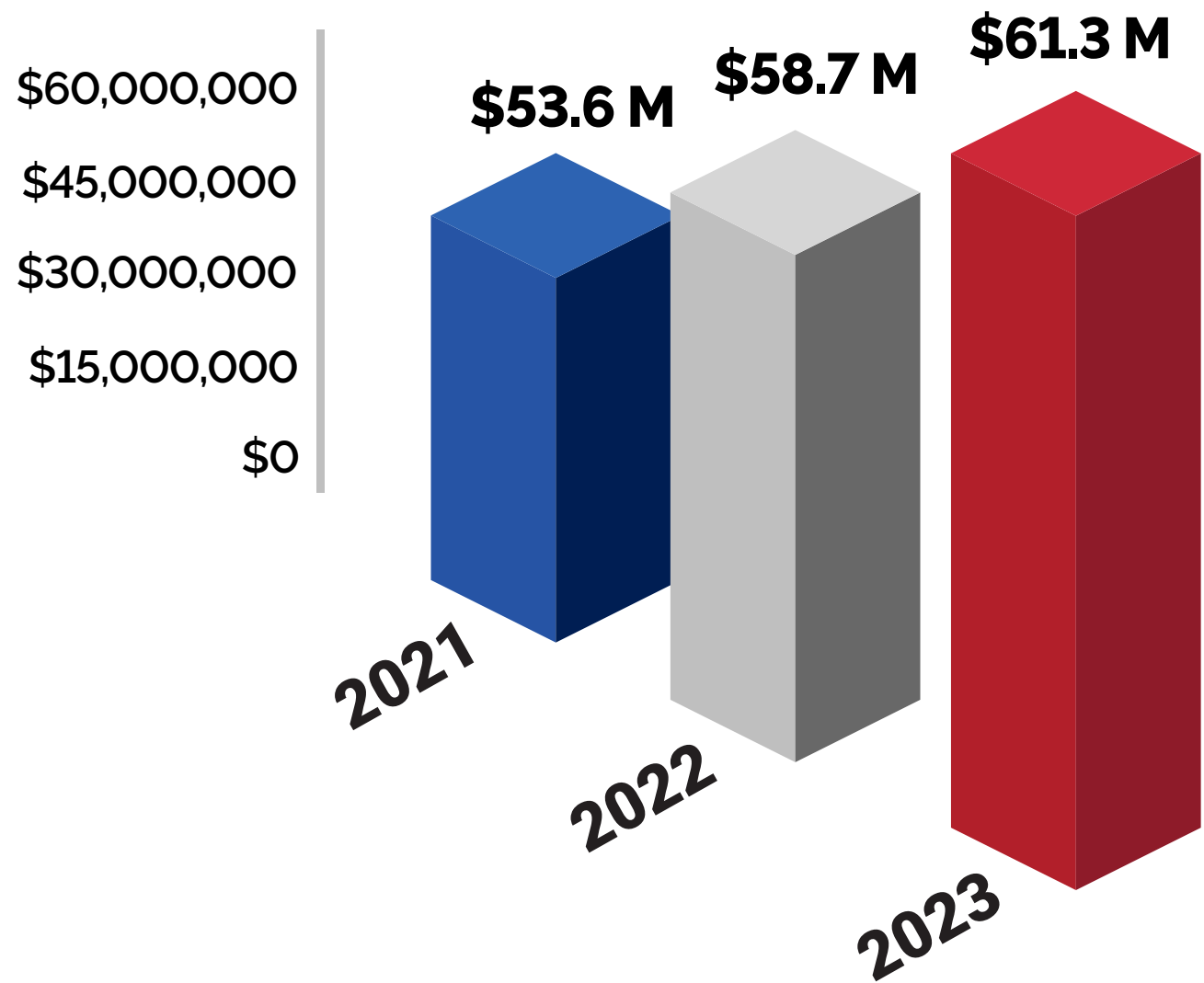
<i>Assets</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>
Loans to Members	53,641,312	58,702,585	61,298,617
Loan Losses	-234,962	-140,163	-388,474.49
Investments	26,881,000	31,861,000	24,888,000
Cash	15,063,835	2,512,655	7,417,819.5
Other Assets	8,408,838	8,625,323	8,727,872
TOTAL ASSETS	\$103,760,023	\$101,561,400	\$101,943,834
<i>Liabilities & Equity</i>			
Member Shares (Dep)	89,941,931	87,344,590	88,256,808
Reserves	1,101,314	0	0
Member Equity	11,677,942	13,229,764	13,266,984
Other Liabilities	1,038,836	987,046	420,042
TOTAL LIABILITIES & EQUITY	\$103,760,023	\$101,561,400	\$101,943,834

STATEMENT OF INCOME

<i>Income</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>
Loan Interest Income	3,473,320	3,700,570	4,364,233
Investment Income	207,221	381,558	665,156
Other Income	2,231,047	2,051,197	2,107,787
TOTAL INCOME	\$5,911,588	\$6,133,325	\$7,137,176
<i>Expenses</i>			
Operating Expenses	5,100,856	5,454,249	6,186,670
Dividends Paid	297,521	283,951	538,819
Non-Operating Expenses	0	-55382	-5192
Required Reserves	0	0	0
TOTAL EXPENSES	\$5,398,377	\$5,682,818	\$6,720,297
NET INCOME:	\$513,211	\$450,507	\$416,879

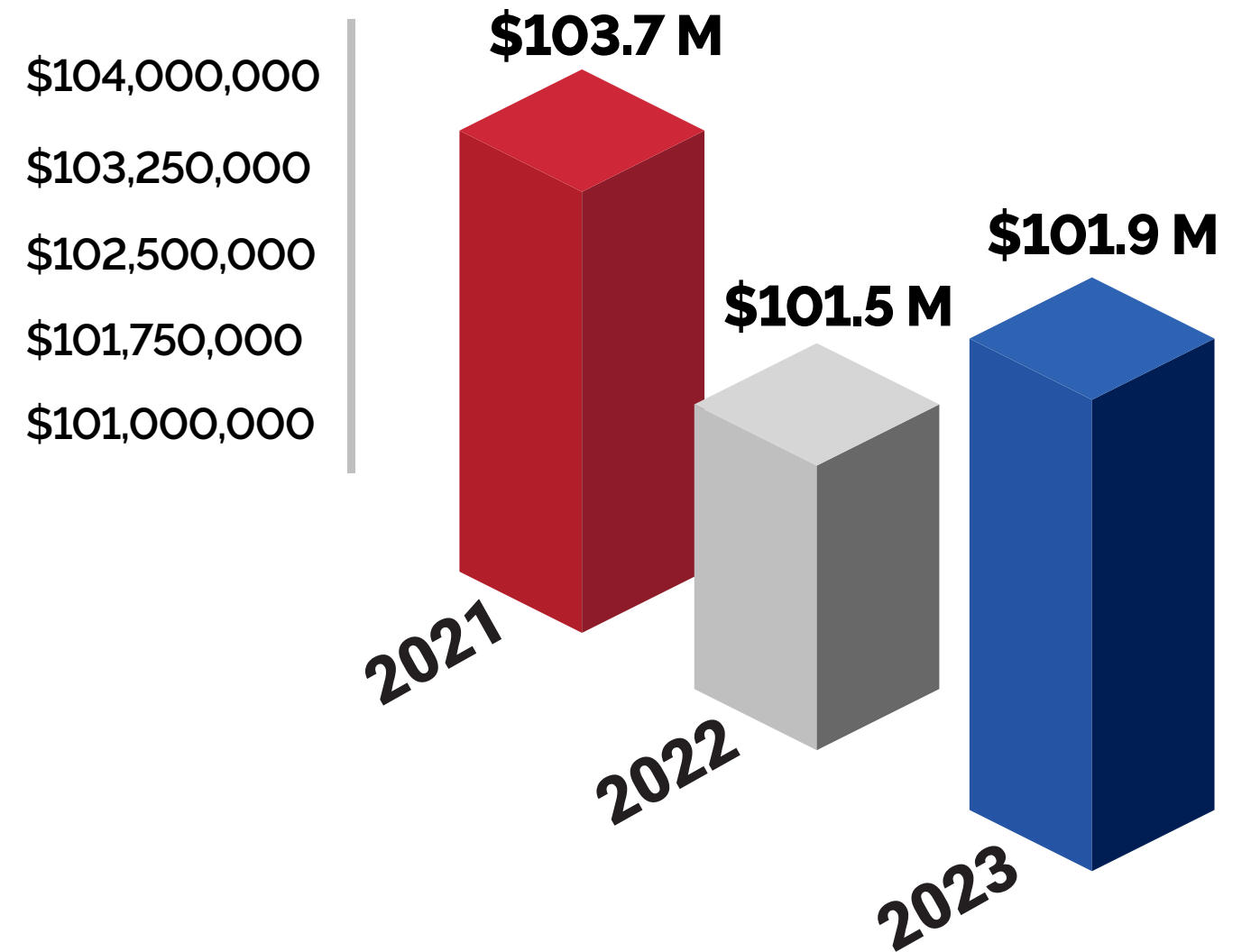
2021-2023

TOTAL LOANS



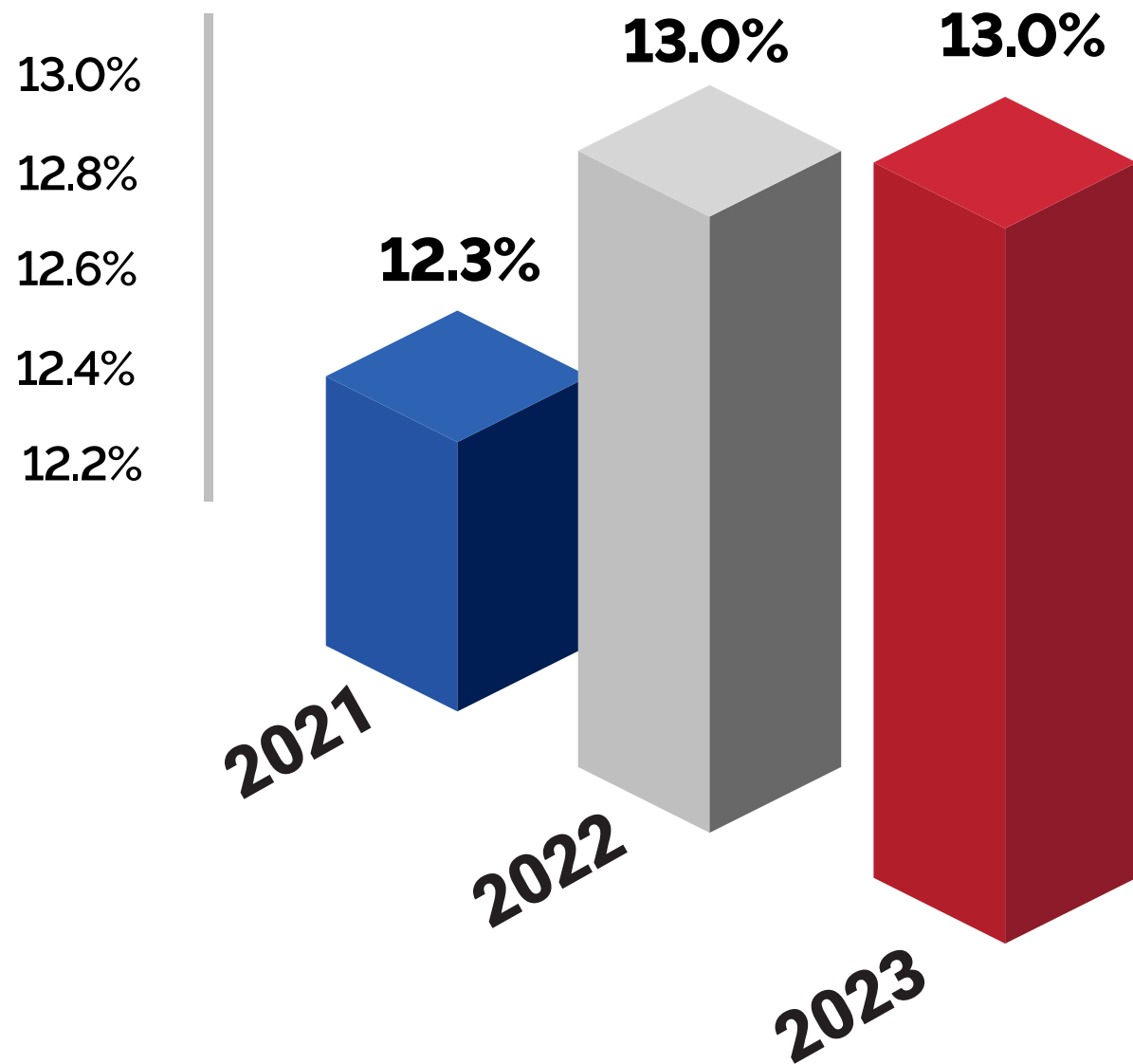
2021-2023

TOTAL ASSETS



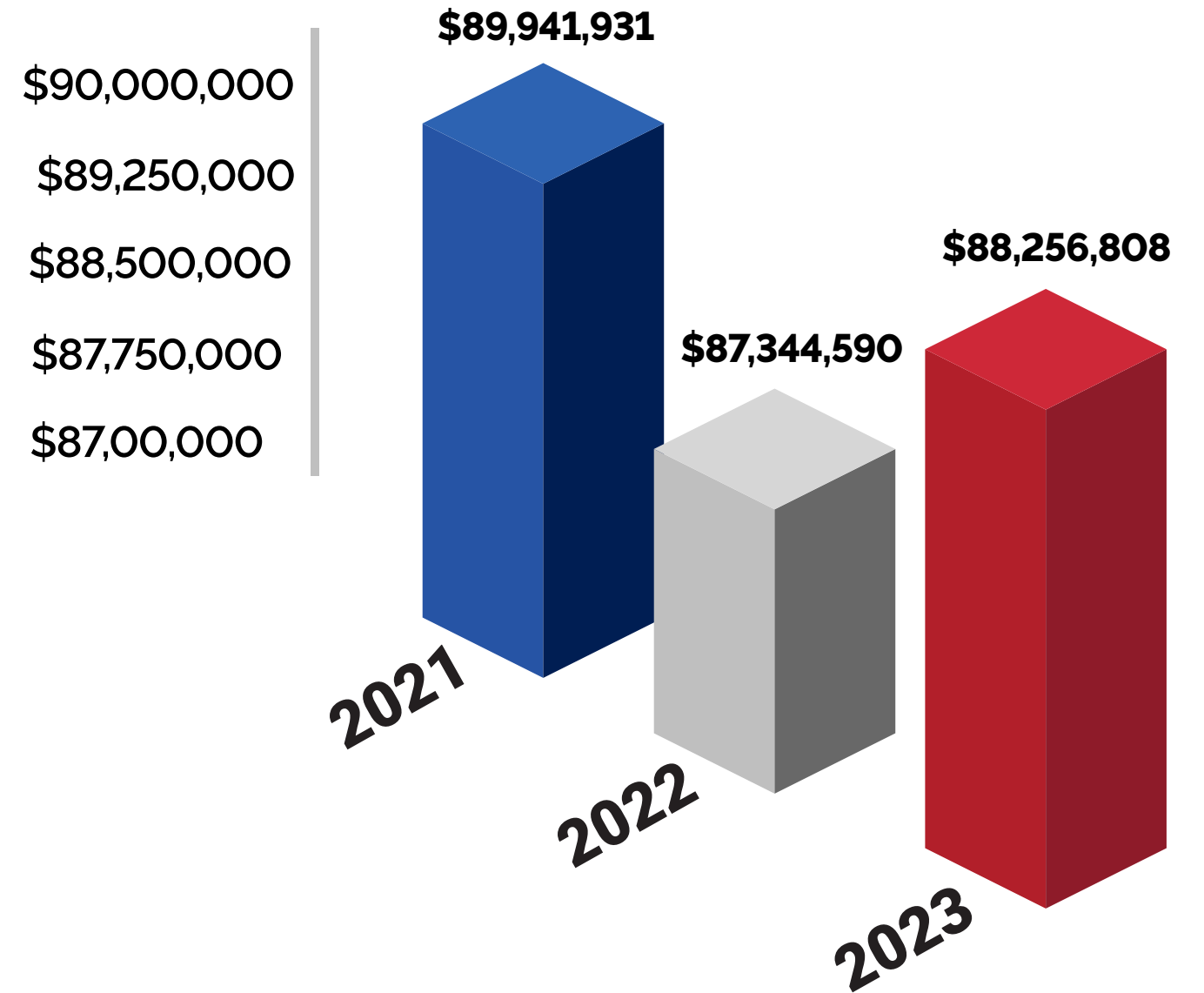
2021-2023

TOTAL CAPITAL



2021-2023 Deposits

TOTAL SHARES



MISSION STATEMENT

*OUR COMMITMENT TO CONTINUE TO GIVE
PERSONALIZED FINANCIAL SERVICES IN THE BEST
INTEREST OF OUR MEMBERS AND DIVERSE
COMMUNITIES WE SERVE.*

PEOPLE HELPING PEOPLE