



**WELCOME TO OUR
86th ANNUAL MEETING**

**Driven by
*Community***

putting CDFI to action



Our agenda for this evening is as follows

Welcome and Call to Order

Ascertainment of Quorum

Introductions

Minutes of 2021 Annual Meeting

Chairman's Report

President's Report

Treasurer's Report

Supervisory Committee Report

Call for Old Business

Call for New Business

INTRODUCTIONS

reference P3 in Appendix

2021 MINUTES

Call to Order: The 85th Annual Meeting of River City Federal Credit Union was held on March 24th, 2022 at 6pm CST at the YWCA (503 Castroville Rd. San Antonio, TX 78237).

In Attendance:

Board Members: Jeannette Carnevale, Vice Chair; William Bruce Ashton, Glen A. Glass, Stephen S. Skloss, Frank Juarez, Dori Oliveri and Glen Gonzales.

Supervisory Committee: Sandra Jasso, Committee Chair; Kim Arispe, Francesca Rattray, Veronica Arizpe

Absent: Kevin Rasco; Chair, Sandra Jasso

Welcome and introductions: Jeannette Carnevale, Vice Chair, officially called the meeting to order at 6:09 p.m. Carnevale explained the credit union building a better tomorrow by using our products to help underserved communities and then began to review virtual guidelines. She welcomed everyone to the 83rd Annual Membership Meeting on behalf of the Board of Directors and the Supervisory Committee. She stated we have met our quorum requirements of 15 members in attendance as required in the Credit Union Bylaws. She recognized the volunteers who were charged with the oversight of the credit union's operations and management. These individuals make up the Board of Directors. Kevin Rasco, Chair; Jeanette Carnevale, Vice Chair; Eli Carmona, Secretary/Treasurer; William Bruce Ashton, Glen A. Glass, Stephen S. Skloss, Frank Juarez, Dora Oliveri, and Glen Gonzales. Next, she introduced the Supervisory Committee volunteers starting with Sandra Jasso (not able to attend), Chair; Veronica Arizpe, Francesca Rattray, Kim Arispe and proceeded to welcome River City FCU leadership team.

Mrs. Carnevale presented the 2021 Annual Meeting Minutes and requested a motion to accept the minutes as submitted in the 2021 Annual Report hand out. Mike Sanchez gave the first motion and Chris Robles gave the second.

Chair's Report: Mrs. Carnevale presented the Chair's report for Kevin Rasco. She explained how this past year has been the most successful despite challenges, due to the board for their dedication, our staff, and our members. River City FCU continues to fulfill our promise of serving the underserved with our distinctions as an (CDFI), (LID), and (MDI) institution. She also discussed how our products and services continue to push into new markets and avoid reduced people to a credit score.

Mrs. Carnevale concluded saying she was pleased to call upon Jeff Ivey, our River City Federal Credit Union President and CEO to deliver his President's Report.

President's Report: Jeff Ivey, President/CEO, welcomed all attendees and thanks them for their membership. Mr. Ivey addresses how in 2021 although the pandemic impacted many greatly, we prioritized serving our members. River City FCU did this by developing new loan products and expanding our small business lending program.

Mr. Ivey highlighted the success of living up to River City FCU's mission with participation in a Paycheck Protection program that generated over 35 million in small businesses loans and 2,500 local jobs saved.

The success of the credit union the past 3 years also allowed us to create a debt relief signature loan with a fixed interest rate regardless of credit score. Mr. Ivey continues to discuss that with our first CDFI grant, as well as \$14 million in capital from the Treasury Department, will expand our branch footprint and secure our financial position for years to come. Mr. Ivey concludes by highlighting the significance of our growth in membership, total assets, and capital ratio as a large positive impact on the San Antonio community.

Mr. Ivey then personally thanked individual staff for their help and role in River City FCU's success and concluded by calling upon Elia Carmona

Treasurer's Report: Mrs. Carmona called for attendees to review the Treasurer's Report on their screens and age 6 in the hand-out shared a reminder that there will be a consent agenda at the end of the meeting. She then requested a motion to accept the 2021 Financial Report as submitted in the 2021 handout. Debra Hill gave the first motion, John Mendez gave the second. Mr. Carmona then explained she will be reading the Supervisory Committee Report for Sandra Jasso (not able to attend).

Supervisory Committee Report: Elia Carmona presents the Supervisory Committee Report and emphasizes how outstanding it is that all our audits and examinations the credit union received came back with no deficiencies or areas of concern. She then thanks members entrusting our personal assets and information and called for a motion to accept the report. The first motion was from Brianna Segura, and the second by Jessica Perez

Call for Old Business: Jeannette Carnevale called for any old business. No old business.

Call for New Business: River City FCU awarded three \$1500 scholarships to Reina Saldivar, Gia Perez, and Michael Valdez. She then explained the scholarship essay prompt, wished them success, and called the attending winners up for congratulations.

Election of Directors: Jeannette Carnevale, Vice Chair, announced this year we had two seats on the Board of Directors up for election. We did not receive any nominations for Board of Directors. The nominating committee presents a slate for the following nominees: Incumbent returning board members: Glen Glass, and William Bruce Ashton.

Mrs. Carnevale asked for a motion to accept these candidates presented by our nominating committee for acclimation. Armando Perez gave the first, and Sonia Imperial gave the second. Mr. Ivey then administered the Oath of Office to the following Board of Directors: William Bruce Ashton and Glen Glass. All Directors responded "I do". Mr. Ivey then welcomes both of them back to the Board of Directors.

Call for Questions: Mr. Ivey asked members to use Q&A feature for any questions. No questions were asked from the floor.

Adjournment: There being no further business, Mrs. Carnevale called for a motion to adjourn. Marcella Dalmau made the first motion and Cynthia Gutierrez made the second to adjourn the meeting. All were in favor and the motion carried. Meeting adjourned at 6:30pm.



CHAIRMAN'S REPORT

This past year has been an exciting time for our credit union!

We continue to build on the successes achieved over the last few years and we ended 2022 in the strongest financial condition in our organization's history. The dedication of the Board of Directors, Jeff, and our staff, have made a huge difference in our financial results. We have been able to return value to our members in the form of increased dividends, reduced fees, and favorable loan rates, which speaks volumes about where we are financially. Your membership and loyalty to the credit union is why we do what we do.

River City FCU continues to demonstrate service to you through several designations. We are a Community Development Financial Institution (CDFI), Low Income Designated (LID), a Minority Depository Institution (MID), and a Juntos Avanzamos credit union. Also, our community partners play a huge role in what we do, including Family Services, the YWCA, United Way, RAICES, and the City of San Antonio. These partnerships are vital to our mission, and we are honored to partner with them all.

I am very optimistic for what our future holds for our credit union and membership. As we enter our 87th year of serving Bexar County, we will continue to look for new locations and products to serve existing as well as future members. Our commitment has never been stronger! As always, we look forward to partnering with you for all of your financial needs.

Kevin Rasco, Chair of River City FCU Board of Directors

A glance at our 2021...

861

**Signature
Loans funded.**

Adding to more than \$4.5 million distributed amongst San Antonio households with an average credit score of 613.

258

**MyCash PALs
funded.**

Our MyCash PAL helped San Antonians save over \$116,800 in interest to payday lenders.

An average Payday Loan in Texas has an Annual Percentage Rate of 96%.

\$477,641

in affordable auto loans.

Our Dependable Drive, Reliable Ride and First-Time Buyer auto loans, make owning a car a reality for individuals in different financial situations like low credit score, overpriced older vehicles, and more.

\$15,582,475

in small business loans.

Over 1,100 loans were funded to local San Antonio small businesses with 100 or less employees.

**SBA PPP loans included*



LETTER FROM OUR CEO

2022 was a monumental year in the history of our credit union.

We received a \$14 million investment from the U.S. Treasury as part of the Emergency Capital Investment Program, created to encourage low - and moderate - income community financial institutions to augment their efforts to support small businesses and consumers in their communities. We were one of only five credit unions in Texas to receive this investment, and the only one in San Antonio. This capital will be used over the next decade to help increase our reach into our community and be able to offer additional products and services to our members. It also solidified our capital position. We started 2022 with a capital ratio of 9.70% and ended 2022 at 17.63%. The NCUA considers anything above 7% well capitalized.

An immediate impact of this investment was to increase dividends to our members, and to reduce and eliminate some of the fees that we have. It is our way of rewarding members for being a part of the credit union. For example, we cut our overdraft fees substantially, from \$35 to \$15, and eliminated other fees that we determined were not providing value to our members. It is my intention that the credit union is profitable by making good loans to our members, and not by charging fees.

We renewed our Community Financial Development Institution (CDFI) status, which makes us eligible for additional grants. We currently have two grant applications pending approval by the CDFI Fund, which will be used to bolster our provision for loan losses and expand our ability to book more loans. We had outstanding loan growth in 2022, increasing our loan portfolio by over 26%, and increased membership by over 4%, both more than other credit unions in our peer group.

We'll be opening our new Edison location in 2023, located at the corner of Blanco and Fresno Roads. We have an exciting partnership with Edison High School that will be launched as well, with a student-run credit union being part of those plans.

In December, we opened our first micro-branch, located in the Family Services Neighborhood Place building. Our partnership with Family Services has been an important one for us, as we work closely with their financial counselors and their clients for deposit accounts and loans. Also, this is our third year of being the primary financial partner for the VITA income tax program, and this location plays a key role in that process. We're looking for more community centers in which to place these full-service branch locations. We believe that this fits our mission perfectly.

To summarize, your credit union has never been in a stronger financial position. It is my honor to work with our outstanding staff to help deliver our financial products to our members. And while I said this last year, it is definitely true again - our future has never looked brighter. Thank you to all our members for being a part of our credit union.

Jeff Ivey, President / CEO of River City Federal Credit Union

The impact we had during 2022...

+310
from 2021

1,171

**Signature
Loans funded.**

2022 saw \$6.4 million distributed amongst San Antonio households with an average credit score of 599.

11% of loans were used for debt relief purposes.

+243
from 2021

501

**MyCash PALs
funded.**

In 2022, MyCash PAL helped members save over \$214,000 in interest to payday lenders.

An average Payday Loan in Texas has an Annual Percentage Rate of 96%.

+ \$ 508,435 from 2021

\$986,076

in affordable auto loans.

Our Dependable Drive, Reliable Ride and First-Time Buyer auto loans, make owning a car a reality for individuals in different financial situations like low credit score, overpriced older vehicles, and more.

\$2,776,100

in small business loans.

Over 181 loans were funded to local San Antonio small businesses with 100 or less employees.

**SBA PPP loan program ended in 2021*



“I opened an account at their new branch inside The Neighborhood Place. I chose them because they offer fee-free accounts.”

- Reyna's Restaurant



TREASURY REPORT

	December 31, 2022
Net Loans	\$ 113,214,807
Cash	\$ 1,827,466
Net Investments	\$ 21,729,000
Fixed Assets	\$ 2,931,013
Other Assets	\$ 9,706,592
Total Assets	\$ 149,408,878
Total Liabilities	\$ 4,450,522
Share/savings	\$ 119,810,119
Regular Reserve	\$ 4,258,926
Secondary Capital	\$ 14,400,000
Undivided Earnings	\$ 8,446,587
Equity Acquired in Mergers	\$ 169,873
Investment Adjustment	\$ (2,127,149)
Total Equity	\$ 25,148,237
Total Liabilities & Equity	\$ 149,408,878
Income Statement	
Gross Revenues	\$ 10,053,903
Cost of Funds	\$ (425,408)
Operating Expenses	\$ (8,646,711)
Provision for Loan Losses	\$ (1,813,700)
Non-Operating Income/(Expenses)	\$ 1,707,818
Total Income	\$ 875,902



Supervisory Committee Report

In 2022, we concluded another strong year for the credit union. As we helped our members navigate through the end of the pandemic, their health and that of our staff continued to be an important initiative. I am proud to report that, just like 2021, with all the audits and examinations that the credit union conducts on an annual basis, we had one issue that was corrected immediately.

The attention to detail that the staff takes is critical to our success as we continue to stay on top of regulatory changes. We also updated several of our internal policies and procedures to make sure we continue to stay compliant and offer our members the highest level of service that we can. I want to thank the credit union staff for their hard work and all of our members for their continued faith in the credit union. We are here for you!

Section 115 of the Federal Credit Union Act states that the Supervisory Committee is responsible for the credit union's audit. To assist us with this in 2022 we partnered with Doren Mayhew CPAs to perform our independent audit. The goals of this audit are to determine the reliability and integrity of the financial and operating information and determine compliance with accounting principles. The audit also accounts for included member verification. We also partnered with Harold Antao & Company LLC to perform Bank Secrecy, Office of Foreign Assets Control, Customer Identification Program, and Automated Clearing House Audits. The intent of these audits is to ensure the high areas of risk are compliant with laws and regulations. The credit union's Compliance and Risk Department performs monthly reviews of internal controls, member loans and other assets of the credit union. TraceSecurity was engaged to conduct the FFIEC Information Security Audit for 2022.

Serving in the Supervisory Committee requires dedicated credit union members to volunteer their time to River City Federal Credit Union and you, our members. We complete training programs, attend the monthly Board meetings, and hold quarterly committee meetings to ensure the credit union is meeting their responsibilities to its members. One of our duties is to maintain a fiduciary responsibility to our members by ensuring this institution reports accurate financials, follows standard internal control procedures, and remains compliant with regulatory procedures.

Sandra Jasso, Chair of River City FCU Supervisory Committee

A look ahead

- The opening of our Edison Branch at 3009 Blanco Road.
- An increase on our deposit rates.
- A decrease in fees
- Mission-driven River City FCU staff
- Continue to grow our efforts as a CDFI.



call for old business

call for new business

RCITY SCHOLARS

Jacob Luna Calderon - Civil Engineering at A&M College Station

Sofia Fletcher - Psychology at Texas A&M University

election of directors

Election



Kevin Rasco
*Incumbent
(returning)
board member*



Elia Carmona
*Incumbent
(returning)
board member*



Jeanette Carnevale
*Incumbent
(returning)
board member*

oath of office

any questions?

RIVER CITY
FEDERAL CREDIT UNION

thank you

