

Comparative Financial Statement for 2016 Annual Meeting

| Assets | 12/31/15 | 12/31/16 |
|------------------------|-------------------|-------------------|
| Loans | 44,890,297 | 46,056,721 |
| Reserves for loan loss | (247,942) | (281,704) |
| Cash in Bank | 10,499,865 | 8,472,611 |
| Investments | 25,052,142 | 28,367,132 |
| Furniture & Fixtures | 250,849 | 437,114 |
| Building | 2,356,976 | 4,445,927 |
| Other Assets | 1,951,670 | 1,495,992 |
| Total | 84,753,857 | 88,993,793 |
| Liabilities | | |
| Deposits | 76,152,790 | 79,544,575 |
| Accounts Payable | 421,356 | 874,043 |
| Reserves | 476,763 | 476,763 |
| Other Reserves | 0 | 0 |
| Undivided Reserves | 7,702,949 | 8,098,412 |
| Total | 84,753,857 | 88,993,793 |
| No. Of Members | 17,011 | 15,709 |
| No. Of Loans | 3,778 | 3,581 |
| Loans YTD | 23,467,544 | 22,302,737 |
| Amount of Charge Offs | 248,846 | 313,685 |
| Dividends Paid | 116,779 | 100,996 |

Audit Committee Report

The verification of accounts by the audit committee was performed in March 2016. The next audit is scheduled for March 2018.

In addition, the firm of McGladrey LLC conducted their annual audit and covered period 4/1/2015 - 3/31/2016. Their report was presented to the Board of Directors with no material exceptions.

Audit Committee Chairman
/s/ Sandra Harmon

RGVCU

Your Financial Helping Hand

Federally Insured by NCUA

RGVCU Board and Committee Members

| Board Member | Expiration of Term |
|----------------------------------|--------------------|
| Emma McCall - 3 Year Term | 2018 |
| Sherilyn Goad - 3 Year Term | 2018 |
| Imelda Hernandez - 3 Year Term | 2018 |
| Sherilyn Durham - 3 Year Term | 2019 |
| David Jones - 3 Year Term | 2019 |
| Joyce Aguirre - 3 Year Term | 2019 |
| Carl Leatherman - 1 Year Term | 2017 |
| Joe Montemayor - 3 Year Term | 2017 |
| Elizabeth Martinez - 3 Year Term | 2017 |

Audit Committee

Sandra Harmon
Nancy Thompson
David Batot

Appeals Committee

Cesar Morales
Michael Buck

Nominating Committee

Marvin Huckle
Anna Llanes
Susan Davis



63rd Annual Meeting

RGVCU

1221 Morgan Blvd. - Harlingen

Tuesday, April 4, 2017

1. Invocation - Janie Sandoval
 2. Call to Order, Introduce Board Members - David Jones
 3. Minutes of Previous Meeting* - David Jones
 4. Elections - Marvin Huckle
 5. Reports*
 - A. Chairman of the Board - David Jones
 - B. President - Missy Morrow
 - C. Audit Committee - Sandra Harmon
 6. New Business
 7. Drawing for Door Prizes - Board Members
 8. Adjourn
- *These items Printed Herein

Board of Directors' and Management's Annual Report to the Membership

What a difference a year makes!

In 2016, we were diligently working to get our new main office completed and open for business. We opened on January 17, 2017 and what a beautiful building we have. We have to thank all of our members that stood by us as we worked out the kinks of a new office, but it was well worth it. There is plenty of space for employees and members and we are extremely pleased.

Our Lyford branch, which was opened in 2016, continues to grow and prosper and serves an underserved population in Willacy County. The 83 branch and San Benito branch continue to experience new membership and new loans and we are very grateful for that.

With the news of Capital One closing all of their branches in the valley, this is an excellent opportunity for the credit union to offer our great services to those customers and bring them over to the credit union way of life. Please share with your friends and family about the success you have experienced with RGVCU. You are not just a member with us, we treat you like family. We try to look at your total financial picture and find ways that we can enhance your financial well-being.

Even though it has been a tough financial journey over the last few years, with interest rates being so low, for those that have a need to borrow funds, it has been a blessing. Our loan rates are at a historical low right now, but we don't know how long they will be this low. Now is the perfect time to purchase a house. Mortgage rates are still extremely low and you should take advantage of that if you are in a position to do so.

We offer an amazing bill pay program that is so easy to use and we will help you get set up! We have home banking and we offer that free of charge. We want you to use those programs, they will make your financial life so much easier. We plan to continue to discover ways that we can help you financially.

Thank you again for a great year! We look forward to seeing what 2017 offers.

/s/ Chairman of the Board /s/ President
David Jones Allyson "Missy" Morrow

Minutes of the 2016 Annual Meeting April 9, 2016

Invocation given by Janie Sandoval. After the meal, D. Jones, board president called the meeting to order at 6:45 pm.

Introduction of Board Members

The following directors were present: J. Aguirre; S. Goad; D. Jones; E. McCall; J. Montemayor; I. Hernandez; S. Durham and A. Morrow, President. C. Leatherman and E. Martinez were absent.

Introduction of members of the Audit, Appeals and Nominations Committees.

Minutes of the 2015 Annual Meeting

The minutes of the 2015 meeting were presented to the members. With no corrections they will be filed as presented.

Elections

Marvin Huckle from the nominating committee recommended the following slate for election: Sheri Durham, David Jones and Joyce Aguirre for a 3 year term and Carl Leatherman for a 1 year term by acclamation. David Jones declares the nominees are elected.

Reports

David Jones – noted the joint report in the program. Missy Morrow - Gave her "State of the Credit Union" address. She recognized staff and committee members and thanked them for their continued service.

Recognition award presented to David Batot for his time of service on the board.

Audit Committee report is printed in the program.

Drawing for Door Prizes

Drawing was held for the door prizes.

Adjournment

Meeting was adjourned at 7:45 pm.

Drawing for Door Prizes The attached list of members were the recipient of a \$50.00 bill.

| | |
|-------------------------|-------------------------|
| 1. Beyda Ramirez | 21. Patricia Guajardo |
| 2. Juan Correa | 22. Derek Silva |
| 3. Moises Tamayo | 23. Oralia Cortez |
| 4. Ofelia Ortiz | 24. Ed Becho |
| 5. Criselda Saucedo | 25. Lillian Ortega |
| 6. Yvonne Gonzales | 26. Greg Hernandez |
| 7. Elvira Balado | 27. Sara Garcia |
| 8. Enedina Zavala | 28. Dominique Rodriguez |
| 9. Viola Chavez | 29. Mary Reza |
| 10. Erika Ramirez | 30. Magda Gonzalez |
| 11. Rene Cardona | 31. Lisa Sanchez |
| 12. Dolores Becho | 32. Joe Villarreal Jr. |
| 13. Susana L. Cruz | 33. Oscar Cano |
| 14. Manuel Reyes | 34. Yolanda Morales |
| 15. Patricia Perez | 35. Alexandria Ramirez |
| 16. Mary Alice Atkinson | 36. Elias Guevara |
| 17. Jose L. Cantu | 37. Maria C. Tamayo |
| 18. Maria G. Gonzalez | 38. Victoria Guajardo |
| 19. Orlando Espindola | 39. David Cabrera |
| 20. Jose A. Martinez | 40. Mary Correa |

Additional Door Prizes

Igloo Cooler - Katherine Taylor
Luby's Gift Card - Josefina Martinez
Pool & Mats - Adrian Perez Jr.
Cannon Camera - Rosaura Aguilar
Luby's Gift Card - David Llanes
Shredder - La Ree Morrow
Cracker Barrel Gift Card - Nestor Atkinson
Cracker Barrel Gift Card - Martin Chavez
Cracker Barrel Gift Card - Pedro Calderas
SBHS Flamenco Ensemble CD - Sandra Harmon
\$50 Gift Card - Paula Delgadillo
\$50 Gift Card - Marvin Huckle
\$50 Gift Card - Irene Fiscal
\$50 Gift Card - Naomi Ramirez