

# 2024 Annual REPORT



## PRESIDENT'S REPORT

Rally Credit Union ended 2024 in a strong financial position, with total assets growing to \$4.5 billion. The credit union now serves more than 225,000 members who trust Rally to meet their financial needs and goals.

In 2024, Rally continued improving lives and driving possibilities. We funded \$1.2 billion in loans, helping thousands of members buy homes, secure transportation, and grow their businesses. We launched innovative products to meet their unique needs, including VA loans and the Liberty high yield savings account.

Rally is dedicated to delivering safe, easy, and convenient financial services. For members who chose to visit our branches in 2024, we completed more than 1.3 million teller transactions. An additional 1.6 million transactions were conducted at Interactive Teller Machines. The opening of new branches in Palmhurst and Harlingen demonstrated our continued commitment to providing in-person services to members across South Texas.

For members who prefer to bank by phone or online, Rally continued investing in technology projects to deliver modern digital banking services, secure and flexible funds transfer services, and greater choice in member communication via phone, text, chat, and video options. Rally members completed more than 50 million debit card purchases and over 3.5 million online banking transactions in 2024. Rally agents answered 500,000 inbound member phone calls, and we recently installed an updated telephone system to ensure the quality of our phone service continues.

More than 800 employees at Rally Credit Union are united each day to serve our members and improve the financial wellness of our communities. In 2024, these employees donated 5,000 hours of their personal time as volunteers helping fellow South Texans. In a year when many companies pulled back monetary support, Rally continued to invest in our communities by donating to more than 400 local organizations.

Rally's partnership with the Texas Consumer Council (TXCC) opened access to members across the state of Texas. This means our Texas-based family and friends can become Rally members - even if they live, work, worship, or attend school outside the eight counties we served in the past. The TXCC is a non-profit, consumer-focused organization offering resources to help members secure their financial futures. Joining is free for current and new members.

Preventing fraud remains a top priority at Rally Credit Union. The threats are evolving, and fraud prevention requires ongoing vigilance. In 2024, we continued to invest heavily in technology and training to protect member data and prevent fraud. One of our most effective tools in the fight against fraudsters is member education, so we routinely communicated the importance of safeguarding accounts and provided Rally members with security tips and advice.

As members of Rally Credit Union, you can take pride in your ownership interest in the 5th largest credit union in Texas. In 2024, Rally was honored as one of America's Best Banks and Credit Unions by Newsweek. The credit union also received a 2024 Gallagher Award as a Best-In-Class Employer.

In a year of great change and economic challenges, Rally continued to put members first and make a difference in the lives of our neighbors across South Texas. Rally's financial condition remains strong, and the credit union is well-positioned for continued success and growth in 2025.

The Board, management, and staff thank you.

➤ **Dana Sisk, President/CEO**



## CHAIRMAN'S REPORT

2024 was a year of BIG changes. One of our biggest accomplishments was opening Rally membership to the GREAT STATE OF TEXAS through our "association" eligibility. NOW, we serve 254 counties!

Our new CEO, Dana Sisk, completed her first year in the seat. Dana hit the ground running and never looked back.

The "Not-So-New-Anymore" name and brand, RALLY, will be officially two years old in 2025. Hard to believe that it has been two years. The brand remains strong and true - we RALLY for our members, our employees and our community.

We opened new branches in Palmhurst, Harlingen and Rockport this year. In 2025, we plan to open a branch in Alamo, expanding the footprint even more in the Rio Grande Valley. Once completed, we will have 24 branches throughout South Texas.

We continue to improve our core systems, digital solutions and staff development to provide a professional and exceptional member experience.

Finally, it is an honor and privilege to serve on your Board of Directors and we want to thank you for your continued trust in your Rally Credit Union. Please be assured that we are committed to meeting the financial goals and needs of you, our member-owners. Thank you,

➤ **John Chapman, Chairman**



## TREASURER'S REPORT

Rally Credit Union completed another successful year. Our assets now total over \$4.5 billion which is an annual increase of nearly 5%. Our return on assets was 0.61%. Our net worth is 13% of total assets which indicates a strong financial position. Our annual audit was completed in accordance with generally accepted auditing standards. Upon completion of the audit, Rally was issued an "unqualified opinion" which means that the financial reports are presented fairly with no material exceptions and meet the standards of generally accepted accounting principles.

The Board of Directors continues to work to maintain a sound financial position for the credit union by approving and monitoring the long-range strategic plan. Our goal is to provide a proper balance of loans, assets and deposits with compliance and safety.

Through our stellar Leadership Team, the Board also works to provide products and services that help meet the financial needs of our members.

I want to take this opportunity to thank my fellow Board members, management, staff, and of course, you, our members, for your collaboration in making Rally Credit Union a continuing success in South Texas.

➤ **Kendra Kinnison, Board Treasurer**

# Board of *DIRECTORS*

**THE BOARD OF DIRECTORS** serve in a capacity to set policy, plan the course, make sure the credit union maintains sound financial condition, keep communication open to educate members on services and review management's progress in achieving goals and objectives.

**Specific duties include, but are not limited to, the following:**

- Work with the President to develop objectives and goals.
- Adhere to pertinent laws, regulations and sound business practices.
- Maintain a sound financial condition, and protect assets against unauthorized or illegal acts.
- Designate depositories, authorize borrowing and investing, and provide for bonding and other security factors, including internal control procedures.
- Approve interest rates, dividends and refunds.
- Approve loan limits and savings minimums.
- Establish policies and approve them for all programs and activities, i.e., investments, loans, savings, personnel, collections.
- Approve the budget.
- Hire the President, define the scope of the job and review management's progress in attaining goals and objectives.
- Strive to keep educationally up to date with current business practices and education.
- Do all the things necessary to carry out the purpose and powers of the credit union, subject to the regulations issued by the Texas Credit Union Department and the National Credit Union Administration.
- Director Fees paid in 2024 were \$124,950 and \$136,899 is scheduled (budgeted) for 2025.

The present Board of Directors and nominated members represent a group of dedicated individuals with the necessary background to ensure the credit union's direction and continued existence.

## Board of *DIRECTORS*

John Chapman	Chair (elected 2/2023-2/2026)
Gerald Villarreal	Vice Chair (elected 2/2024-2/2027)
Kendra Kinnison	Treasurer (elected 2/2022-2/2025)
Tess Gonzales	Secretary (elected 2/2023-2/2026)
Thelma Mandel	(elected 2/2023-2/2026)
Sylvia Y. Martinez	(elected 2/2022-2/2025)
Pedro Rivera, Jr.	(elected 2/2022-2/2025)
Bryan Stone	(elected 2/2024-2/2027)
Bob Westrup	(elected 2/2023-2/2026)

## Advisory *DIRECTORS*

Bobby Calvillo	(appointed 2/2024-2/2025)
Matt Garcia	(appointed 11/2024-11/2025)
Drue Jones	(appointed 2/2024-2/2025)
Mary Salinas	(appointed 2/2024-2/2025)

## Senior *MANAGEMENT*

- Dana Sisk-President/CEO
- Cyndy Ramos-EVP/COO
- Carrie Rice-CFO
- Shannon Srp-CTO
- Ashley Smith-CMO
- Virginia Whitham-CHRO
- Dan Dibble-CLO
- Roman Escobar-CLO
- Anita Cadena, CRO

Changes to Management in 2024: We added a VP of Branch Operations and a VP Home Loan Origination, to replace the departure of the SVP Mortgage Lending. The SVP Operations Technology retired and this role was assumed by our AVP Business Solutions, VP of Infrastructure and Operations, and VP of Digital Services.



# 2025 Board CANDIDATES

## **Nomination and election of members to serve on the Rally Credit Union Board of Directors is governed by the credit union's Bylaws and Policies & Procedures.**

The Board of Directors selects a Nominating Committee which then proposes individuals for upcoming Board nominations. Members are allowed to petition for nomination prior to the Annual Meeting to have their name placed on the ballot at the Annual Meeting.

The petition must be signed by a minimum of 500 members who are in good standing, designated as the "Primary Owner" on the account, and at least 18 years old.

On October 1, 2024, petition packets were made available to be picked up, signed by members and returned to Rally by 5 pm (CST) on November 1, 2024.

As of November 1, 2024 (5 pm), there were no packets submitted for nomination to the board. Therefore, the three candidates that will be voted on are those selected by the Nominating Committee.

The Nominating Committee consists of the following members: Tess Gonzales, Chair, Bryan Stone, Gerald Villarreal, and Thelma Garza Mandel. The positions, open for election to the Board, are for a three-year term.

## **The Nominating Committee has placed the following individuals up for nomination:**



**KENDRA KINNISON**

Elected 2/2022 to 2/2025

Kendra L. Kinnison, MBA, CPA, is the Managing Partner for Ruble, Leadbetter & Associates, LLC. Over the last two decades, Kendra has served in leadership positions in a number of community service organizations. Holding an MBA and BBA from Texas A&M University – Corpus Christi, Kendra is the youngest MBA graduate in the school's history. She is also a graduate of Leadership Corpus Christi Class XXX and was the Steering Committee Chair for Class XXXV. Kendra was an inaugural selection to Corpus Christi's Top 40 Under 40 list in 2006 and was a Y Women in Careers Honoree in 2005.



**SYLVIA MARTINEZ**

Elected 2/2022 to 2/2025

Sylvia Martinez was elected to the Board of Directors in February of 2007. She was a member of the Supervisory Committee for 15 years, serving as chairman for her last five years. She served for 19 years as the Deputy Comptroller for the Naval Hospital, Corpus Christi and retired after 34 years of civil service. She has completed the Volunteer Achievement Program training courses. She has received the Friedrich W. Raiffeisen Award in the VAP; Filene and Tech awards and pins; and the Financial Literacy award and certification.



**PETE RIVERA**

Elected 2/2022 to 2/2025

Pete Rivera retired after 37 years of federal service. He is a graduate of Texas A&I University with a BBA in Accounting, and Syracuse University's Advanced Financial Management School. He maintains certifications in Information Technology/ Infrastructure Library, Six Sigma and AGILE Methodology and is a consultant for Booz Allen Hamilton out of Washington.



# Financial STATEMENT

## Annual GROWTH 2024 YEAR-END REVIEW

### ASSETS \$4,502,405,665



### LOANS \$3,943,408,586



### MEMBERS 228,572



### NET WORTH \$593,883,076



### DEPOSITS \$3,757,674,742



## Income STATEMENT

INCOME STATEMENT	12/31/2023	12/31/2024
Interest on Loans	209,115,673	245,931,235
Investment Income	22,417,564	21,482,913
Total Interest Income	231,533,237	267,414,148
Dividends on Member Deposits	76,277,556	110,964,180
Interest on Borrowed Money	7,442,392	7,719,596
Total Dividend and Interest Expense	83,719,948	118,683,776
Net Interest Income	147,813,289	148,730,372
Provision for Loan Loss	36,374,803	58,397,001
Non-Interest Income	63,865,325	64,934,838
Non-Interest Expense	121,542,017	128,452,109
Net Income	53,761,794	26,816,100

### Assets (12.31.2024)

Loans to Members	\$3,943,408,586
Less Allowance for Loan Losses	(-\$70,094,553)
Net Loans Outstanding	\$3,873,314,033
Cash on Hand and in Bank	\$443,627,803
Net Investments	\$9,427,122
Other Assets	\$176,036,707
<b>TOTAL ASSETS</b>	<b>\$4,502,405,665</b>

### Liabilities & Capital

Accounts Payables/Other Liabilities	\$12,841,906
Dividends Payable	\$234,407
Borrowed Money	\$135,000,000
Shares	\$3,757,674,742
Regular Reserves	\$0
Undivided Earnings	\$593,883,076
Unrealized Gain (Loss) on Available for Sales Securities	\$0
Other Comprehensive Inc-Pension Plan	\$2,771,534
<b>TOTAL LIABILITIES &amp; CAPITAL</b>	<b>\$4,502,405,665</b>