



**Whitefish
CREDIT UNION**

2020 ANNUAL REPORT

Federally Insured By NCUA

JOINT REPORT FROM THE BOARD CHAIRMAN AND PRESIDENT & CEO

Despite a challenging year for Montana and our country, we are pleased to report that Whitefish Credit Union has continued to grow, make enhancements to improve our member experience, and produce strong financial results. Our results, along with the operational changes made throughout 2020, were influenced by the human and economic impacts of the national pandemic. Businesses closed, unemployment increased sharply, and people in our community battled illness. In response, the Credit Union immediately performed all necessary actions to both preserve the continuity of our operations and safeguard the assets of our members. A stronger and more flexible Credit Union arose as a byproduct of these actions, one that is well-positioned for the challenges ahead.

Operating Through A Pandemic

On March 18, 2020, in response to emergency orders from health officials, Whitefish Credit Union's Senior Management Team and the Board of Directors made the difficult and unprecedented decision to close all branch lobbies to the general public. Throughout the year, we served our members through our drive-thru tellers, telephone call center, and website. In time, we welcomed members back into our facilities by appointment, following all recommended sanitation and safety procedures to mitigate the spread of COVID-19.

Our public-facing response to the pandemic underscores the tremendous effort from all of our support departments to maintain critical operations and support our members facing hardships. This included transitioning some positions to temporary remote work, reconfiguring office space to accommodate for social distancing, and developing new procedures to ensure safety measures were met. Additionally, we created a financial assistance loan product to provide emergency funds for our members, waived fees, and deferred loan payments to support members experiencing financial hardships. The ability of our team to adapt to a rapidly

changing environment while maintaining all core services is a significant accomplishment of 2020.

Expanding Services & Growing Our Team

The Credit Union further expanded its services, most notably through our ability to serve our members remotely. Long-planned updates to our online loan application software were completed, and we launched a new application to open memberships online. These enhancements significantly contributed to the nearly 3,600 net new accounts opened last year.

Expanding our services also meant growing our team to provide timely assistance and to expand our hours of operation. Flathead Valley branch locations extended drive-thru teller hours to 7:30 A.M. to 6:00 P.M. and our call center increased its hours of operation. Due to the increased call volume during the pandemic, we added five new full-time positions to the Digital Services Department who helped support over 500 calls received each business day. By the end of the year, Whitefish Credit Union employed 187 people with a majority in member service departments.

Strong Financial Performance

The Board of Directors continued to provide prudent operational oversight in 2020, ensuring that the Credit Union exercised disciplined expense management, delivered profitable growth, and maintained an above-market dividend return for our members. Their sound guidance helped the Credit Union remain well-capitalized, ending the year with a net worth ratio of 12.64%. In recognition of our operational performance, strong financial performance, and positive outlook, the Credit Union's Board of Directors declared dividends of 1.05% and 0.85% in June and December of 2020, respectively. These rates are more than double the national average for a 1-year certificate of deposit rate as of the end of 2020.

Whitefish Credit Union delivered exceptional financial results across all lending portfolios in 2020 with the most notable demand coming from residential real estate. We funded more than \$285 million in new home loans, representing a 28.2% year-over-year growth in originations. Total residential real estate loan and home equity line of credit balances grew by more than \$60 million and ended the year with a combined portfolio balance of more than \$700 million. This growth was due in part to the high demand for housing in Northwest Montana combined with rising real estate prices.

Our commercial lending group experienced a comparable increase in loan production, driven by an increased demand for commercial real estate. Loan originations exceeded \$51.4 million, an increase of more than 32.7% from 2019. The commercial loan portfolio now exceeds \$145 million.

Our consumer lending finished 2020 with more than \$50.1 million in loan originations. This production is a notable accomplishment as loan applications originated mostly online due to the pandemic-related closures of our branch lobbies. The loan production was supported by a strong demand for vehicle loans during the summer months as members looked to purchase used cars and recreational vehicles. Consumer loans increased by \$1.5 million from the previous year, representing a 3.0% growth from 2019.

Service with a Purpose

Investing in the communities we serve is essential to our mission of helping members and their families thrive. While many non-profits canceled fundraisers and events due to the pandemic, we supported causes and organizations dedicated to improving the lives of Northwest Montanans through sponsorships, scholarships, and charitable donations totaling more than \$200,000. We supported local food banks with more than \$40,000 in donations to help those in need.

We also donated more than \$11,000 to local high schools through our High School Spirit Debit Card program, which made a direct positive impact on local students and educators.

Steadfast Through Uncertain Times

As Montana begins to recover from the impact of the pandemic, we know that the financial consequences of 2020 may be felt for years to come. For this reason, our governing philosophy of prudence and caution, which is required as part of our fiduciary responsibilities in safeguarding the assets of our members, will continue to serve as our guiding principle. Even as Montana moves to remove COVID-19 related restrictions, our strategic approach will ensure that we not only weather economic challenges, but that we are still able to return a substantial value to our members in the form of above-market dividends and lower-than-market interest rates on loans.

We are steadfast in our belief that the strongest credit union is the one that plans for the downturns in our economy by saving during times of economic prosperity. This approach has allowed us to become the largest credit union in Montana while being one of the most financially strong in the country.

Thank you for choosing to do business with Whitefish Credit Union and for your continued support during the pandemic. We are honored to have your trust and it is our privilege to help you reach your financial goals.

With gratitude,

James Kenyon

President / Chief Executive Officer

Lyle Phillips

Chairman of the Board

SUPERVISORY REPORT

The responsibility of the Supervisory Committee is to monitor the financial safety and soundness of Whitefish Credit Union and to ensure its compliance with all financial and regulatory requirements.

To accomplish this, the Supervisory Committee oversees the internal audit department and retains a variety of external auditors where appropriate. We meet with auditors and the management team on a regular basis to review internal and external audit reports, financial statements, information technology security, potential fraud issues, risk assessments, and internal control practices. The Committee also reviews results from Federal and State examinations of the Credit Union.

The Internal Audit team performed numerous audits throughout 2020 to ensure that Whitefish Credit Union maintained proper controls across the organization. These audits assessed security, risk, and compliance issues throughout the Credit Union.

As in years past, we engaged the public accounting firm Moss Adams LLP to perform our annual financial statement audit and our annual verification of member accounts for the year ending December 31, 2020. Moss Adams issued an “unqualified opinion” in their Report of Independent Auditors. In other words, the financial statements present fairly, in all material respects, the financial position of Whitefish Credit Union Association as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

In the Committee’s opinion, Whitefish Credit Union continues to conduct business in a fiscally sound manner in accordance with applicable federal and state regulations, and the Whitefish Credit Union bylaws.

The Supervisory Committee appreciates its working relationships with staff, management, and the Board of Directors who assist us in the performance of our duties. As always, we value the opportunity to serve you and look forward to doing so again in 2021.

Rex Harris
Supervisory Committee Chair

“ Whitefish Credit Union continues to conduct business in a fiscally sound manner in accordance with applicable federal and state regulations, and the Whitefish Credit Union bylaws.



DEPOSIT ACCOUNTS

Supported with a new online membership application that launched in February 2020, our membership increased by nearly 1,700 net new members and opened nearly 3,600 net new accounts. We further expanded online services and extended drive-thru teller hours to support our members through the pandemic. This helped support more than \$252.7 million in deposit growth with total deposits now totaling \$1.6 billion.

\$252.7M
IN DEPOSIT GROWTH

NET NEW
MEMBERS IN 2020
1,676

TOTAL MEMBERS AS
OF DECEMBER 31, 2020
59,010

NET NEW DEPOSIT
ACCOUNTS OPENED
3,596



COMMERCIAL LENDING

At the heart of serving our community is supporting our local businesses. Whitefish Credit Union funded more than 163 commercial loans in 2020, providing the ability for businesses to purchase new equipment, lower loan payments through refinancing opportunities, and supplying working capital lines of credit to sustain operations through the pandemic.

COMMERCIAL LOAN PRODUCTION

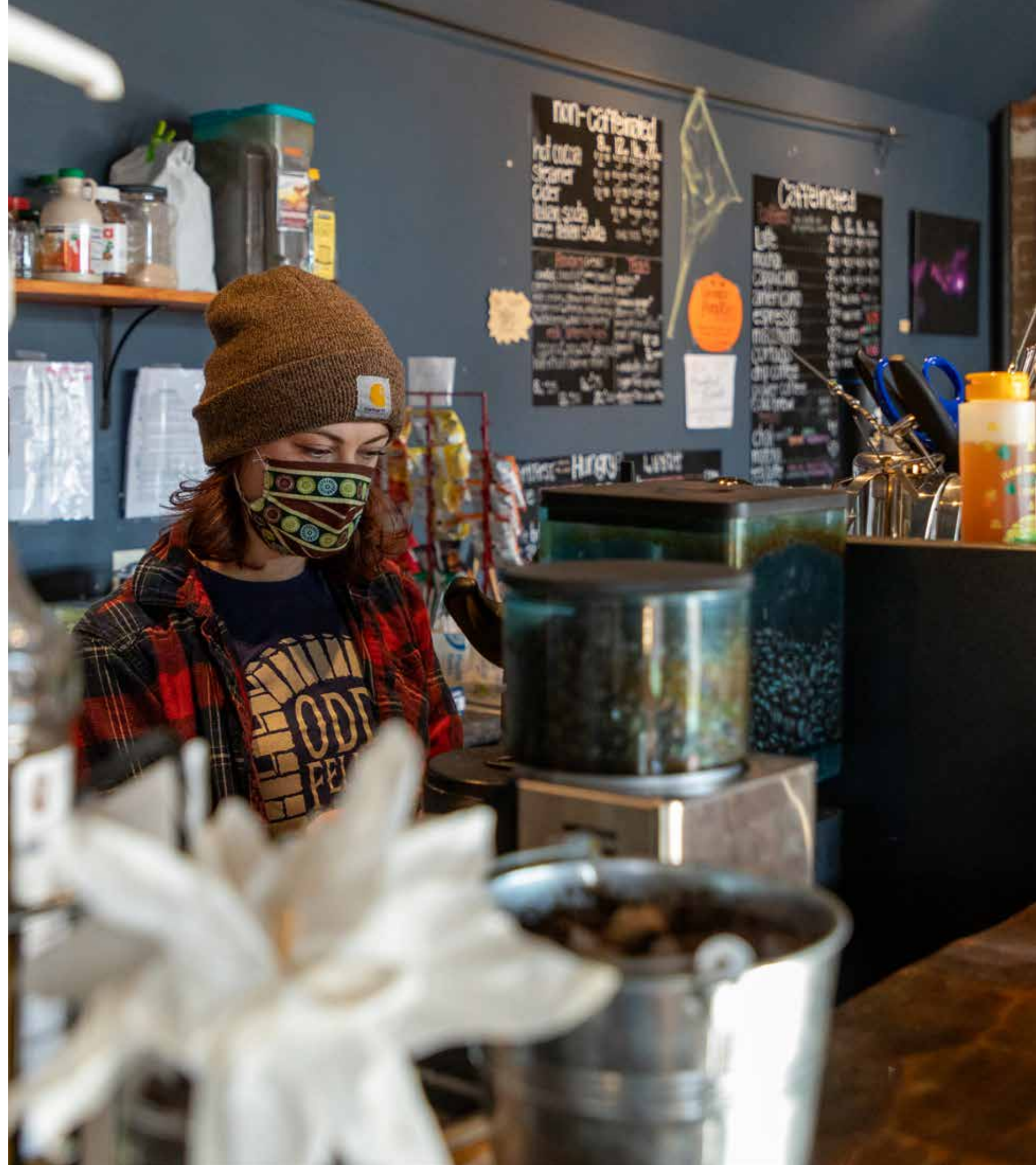
\$51.4M

COMMERCIAL LOANS FUNDED

163

YEAR-OVER-YEAR GROWTH IN COMMERCIAL LOAN PRODUCTION

32.7%



CONSUMER LENDING

Whitefish Credit Union has a long legacy of providing critical financial services to Montanans. This mission became more vital as the pandemic forced businesses to close and lay off workers. We took immediate action by offering emergency relief loans, deferring payments, and working with each borrower who asked for help. In total, we funded more than \$312,000 in assistance loans supporting more than a hundred families.

Despite the pandemic, we continued to produce consumer loans. This resulted in more than 3,033 new consumer loans funded, including 1,952 in vehicle loan financing.

Support for this growth came from enhancements to our digital loan application, which greatly improved the speed and efficiency of our consumer lending. As our branch lobbies closed due to the pandemic, our team modified operations to allow for contactless loan funding without the need to visit a branch.

CONSUMER LOAN PRODUCTION
\$50.3M

CONSUMER LOANS FUNDED

3,014

YEAR-OVER-YEAR GROWTH IN CONSUMER LOAN PRODUCTION

2.4%



REAL ESTATE LENDING

Supported by a booming real estate market in Northwest Montana, Whitefish Credit Union opened more than 1,000 new residential real estate loans in 2020. We consistently ranked as one of the top lenders throughout the region with over \$247.9 million in loan volume.

Whitefish Credit Union provides unparalleled support for Montana homeowners. We have never sold our loans to a third-party servicers which means members work with us for the entire life of their mortgage. We offer low rates, flexible terms, no lender originations fees, and dedicated service from lenders based in the communities we serve.



\$247.9M

IN NEW RESIDENTIAL REAL ESTATE FINANCING

1,044 | 28.5%
TOTAL LOANS | ANNUAL GROWTH

\$27.7M

IN NEW HOME EQUITY LINES OF CREDIT

196 | 130%
LOANS FUNDED | INCREASE IN PORTFOLIO SIZE

\$38.0M

IN NEW JUMBO LOAN FINANCING

31 | 129%
LOANS FUNDED | GROWTH

\$16.0M

IN NEW CONSTRUCTION LOAN FINANCING

39 | 26.1%
LOANS FUNDED | GROWTH

\$17.8M

NEW INVESTMENT LOANS FINANCED

82 | 15.4%
LOANS FUNDED | ANNUAL GROWTH

\$13.0M

IN NEW CONDOMINIUM FINANCING

45 | 229%
LOANS FUNDED | GROWTH

BALANCE SHEET

As of December 31, 2020 & 2019

Assets	Notes	2020	2019
Cash and Cash Equivalents		\$ 181,521,568	\$ 32,960,840
Securities Available for Sale, at Fair Value		548,054,041	502,174,772
Loans, Net	1	1,035,030,200	950,102,976
Federal Home Loan Bank Stock		1,852,800	1,758,300
National Credit Union Share Insurance Fund (NCUSIF) Deposit		12,917,896	11,818,889
Other Real Estate Owned, Net	2	1,224,000	4,482,000
Property and Equipment, Net		16,968,883	16,829,634
Accrued Interest Receivable		4,765,945	4,676,128
Other Assets		20,253,324	19,120,245
Total Assets		\$ 1,822,588,657	\$ 1,543,923,784
Liabilities and Members' Equity			
Members' Shares		\$ 1,584,978,799	\$ 1,332,229,397
Other Liabilities		7,185,362	6,007,241
Total Liabilities		1,592,164,161	1,338,236,638
Regular Reserve, Substantially Restricted		0	20,351,361
Undivided Earnings		219,479,500	183,705,429
Accumulated Other Comprehensive Income		10,944,996	1,630,356
Total Members' Equity		230,424,496	205,687,146
Total Liabilities and Members' Equity		\$ 1,822,588,657	\$ 1,543,923,784

1) Net of allowance for loan losses of \$2,237,040 and \$1,486,205 for 2020 and 2019, respectively

2) Net of valuation allowance of \$0 and \$280,000 for 2020 and 2019, respectively

INCOME STATEMENT

For the years ended December 31, 2020 & 2019

	2020	2019
Interest Income		
Loans	\$ 40,103,822	\$ 37,431,023
Investments	11,139,569	13,792,873
Deposits with Financial Institutions	308,687	671,778
Total Interest Income	51,552,078	51,895,674
Interest and Dividend Expense		
Members' Shares	13,718,066	20,164,149
Federal Home Loan Bank Advances	0	10,250
Total Interest and Dividend Expense	13,718,066	20,174,399
Net Interest Income	37,834,012	31,721,275
(Provision for) Recapture of Loan Losses	(947,669)	128,871
Net Interest Income After (Provision For) Recapture of Loan Losses	36,886,343	31,850,146
Noninterest Income		
Member Service Fees	1,215,212	929,575
Net Gains on Sales of Securities Available for Sale	101,616	25,508
Net Gains (Losses) Deferred Compensation Investments	(45,558)	889,634
Net Gains On Sales of Other Real Estate Owned	797,457	5,284
Other Income	430,938	457,691
Total Noninterest Income	2,499,665	2,307,692
Noninterest Expenses		
Salaries and Benefits	15,741,281	14,050,328
Equipment and Occupancy	2,314,236	2,690,828
Professional and Legal Fees	662,955	678,176
Marketing	1,378,853	1,107,050
Loan Expense	239,025	128,674
Software and Data Processing	1,599,775	1,377,579
Other Real Estate Owned, Net	153,032	583,693
Other Expense	1,874,141	2,289,947
Total Noninterest Expenses	23,963,298	22,906,275
Net Income	\$ 15,422,710	\$ 11,246,279

FINANCIAL PERFORMANCE RATIOS

	WCU 2020	Peer Group 2020	WCU 2019	Peer Group 2019
Return on Average Assets	0.92%	0.68%	0.72%	0.90%
Equity / Total Assets	12.64%	--	13.32%	--
Gross Income / Average Assets	3.18%	4.88%	3.59%	5.42%
Cost of Funds / Average Assets	0.81%	0.66%	1.34%	0.83%
Net Margin / Average Assets	2.37%	4.23%	2.25%	4.59%
Operating Expenses / Average Assets	1.45%	3.21%	1.55%	3.41%
Operating Expenses / Gross Income	45.51%	65.44%	42.99%	62.15%
Net Operating Expenses / Average Assets	1.40%	2.66%	1.48%	2.73%
Loan / Share	65.44%	75.70%	71.43%	86.01%
Borrowers / Members	22.49%	56.12%	21.60%	58.85%
Members / Full-Time Employees	317.26	388.48	347.48	383.97
Average Shares / Member	\$26,860	\$14,204	\$23,237	\$12,434
Average Loan Balance	\$78,155	\$20,221	\$76,837	\$18,935
Loan Growth (Annual Rate)	9.00%	6.54%	10.28%	6.93%
Asset Growth (Annual Rate)	18.05%	18.56%	5.37%	8.40%



SENIOR MANAGEMENT



James A. Kenyon

President & Chief Executive Officer

Jim has over 25 years of executive management experience in the credit union industry, including over 10 years serving as President and Chief Executive Officer for Whitefish Credit Union. He has resided in Montana for most of his adult life and is a graduate of the University of Montana with a bachelor of science in business management. A strong advocate for the credit union movement, Mr. Kenyon currently serves on the Board of Directors for the National Association of Federally-Insured Credit Unions (NAFCU) and is a past director of Montana's Credit Unions. He has also served locally on the Whitefish Community Foundation board and was Co-Chairman for the North Valley Food Bank Fundraising Committee.



Michael Blubaugh

Senior Vice President & Chief Financial Officer

Mike, an Ohio native, received his bachelor of science in business administration in accounting from Franklin University in Columbus, Ohio. He was subsequently licensed as a Certified Public Accountant while employed as a small business specialist with Deloitte Touche. Mr. Blubaugh has served in senior management roles for over 40 years across a variety of industries, including more than 30 years in the financial services industry. It was during this time that he earned a graduate degree in banking from the University of Colorado. He also holds certifications as a Credit Union Enterprise Risk Management Expert and Certified Credit Union Investments Professional.



Colleen Murphy

Senior Vice President of Operations

Colleen grew up in western Washington and moved to Montana in 1989, where she began work in the credit union movement that same year. She has an operational background in the teller area, branch management, consumer and real estate lending, credit and debit card departments, collections, and commercial credit committee. Ms. Murphy is a 2005 graduate of Western CUNA Management School. She joined Whitefish Credit Union in July of 2015 after serving nearly 26 years with a Missoula based credit union.



Steven L. Moss

Senior Vice President & Chief Lending Officer

Steven is a native of Peekskill, New York. He graduated from Carroll College in Helena, with a bachelor of science in accounting in 1994. While attending college, he began working for Mountain West Bank, NA. That career, lasting roughly 18 years, was focused primarily on commercial lending and it brought him to the Flathead Valley in 2002. Mr. Moss has been with Whitefish Credit Union since 2011, and prior to being named the Chief Credit Officer in early 2015, he was the Commercial Lending Manager for four years. Mr. Moss is a 2002 graduate of the Pacific Coast Banking School and has been involved with various local non-profit organizations, most notably the Humane Society of Northwest Montana.



Stephen W. Haugen

Senior Vice President & Chief Information Officer

Steve is a native Montanan, born in Missoula and raised in Libby. After graduating from Libby Senior High, he studied mechanical engineering and computer science at the University of Idaho. Having bounced between Moscow, Boise, Portland, and finally Seattle, Mr. Haugen took a position at Microsoft Corporation in 1994, providing technical support for Windows and Windows NT. In 1996, he transferred to Microsoft's MSN division to build and manage the IT systems for the then-start-up website Expedia.com. After eight years of designing, building, and managing what still ranks as some of the most sophisticated and complex high volume transactional systems in the world, Mr. Haugen retired from Expedia, Inc. and joined Whitefish Credit Union.



Allison Deaver

Senior Vice President of Human Resources

Allison is a graduate of Northwestern University and received her MBA from the University of Montana. She has earned certifications as a Professional in Human Resources (PHR) and Society for Human Resources Management (SHRM-CP), served in various leadership roles in local and state human resources councils, and is scheduled to graduate from Western CUNA Management School, a credit union executive leadership program. She moved to Whitefish in 1995 and has volunteered with the Whitefish Winter Carnival for more than 20 years.

BOARD OF DIRECTORS



Lyle Phillips

Chairman of the Board

A Whitefish native, Mr. Phillips retired as Manager of Human Resources for Columbia Falls Aluminum Company after 42 years of service. He has served on the board since 1986, and is currently Board Chairman. Mr. Phillips is also the past Board Chairman of North Valley Hospital Foundation, past member of the Board of Directors of Flathead Business and Industry Association, and past Chairman of the Business and Educational Council at Flathead Valley Community College. He has served as a past member of the Board of Directors of Montana West Economic Development (MWED), eventually becoming the President and CEO of both MWED and Flathead County Economic Development Authority. Mr. Phillips has also served as a member and Chairman of the Whitefish School Board, and at the state level as a member of the State Workforce Investment Board. Mr. Phillips was Chairman of the Job Service Employers Committee, a graduate of Leadership Flathead class of '95, served as a member of the Community Advisory Council to the Board of Directors of Kalispell Regional Hospital, served on the Board of Directors of Immanuel Lutheran Communities, served as a Whitefish volunteer fireman. He is a lifelong member of Christ Lutheran Church, serving on the church council as a member and President, and also chairing other committees within the church.



Frank Barnes

Vice Chairman of the Board

Mr. Barnes was born and raised in Whitefish, graduating from Whitefish High School in 1978. He attended Montana Tech and received degrees in petroleum engineering and business administration finance. He is currently the owner of Westside Gas and Grocery in Whitefish. He has a certification as a subject matter expert in Enterprise Risk Management from the Credit Union National Association. Mr. Barnes serves on the E.A. Hinderman Scholarship Committee, the Jean Carter Foundation Board, and the Whitefish Credit Union Asset Liability Committee and Member Business Loan Committee. Frank is married to Naomi and they have three girls Breanna, Brittany and Bethany.



Charlene Lytle Rygg

Secretary Treasurer

A Whitefish native and graduate of Whitefish High School, Ms. Rygg attended college at Montana State University, Kinman Business University, and Flathead Valley Community College. Char retired from a career in real estate and title insurance, including 23 years as an owner of Sterling Title Services. She has been a WCU Board Director since 2004. Char has been an active volunteer in the community and now spends her retirement caring for and playing with her four grandchildren.



Sue Brown

Born in Dickinson, North Dakota, Ms. Brown holds a bachelor's degree from Eastern Montana College and a master's degree from the University of Montana. Ms. Brown retired after 40 years of teaching at Flathead High School in June of 2017. During her career, Ms. Brown chaired the English Department and received a number of honors, including – Montana Forensics Educators' Hall of Fame, Montana Reading Council Teacher of the Year, Lifetime Achievement Award in Education at Flathead High School, and the NW Montana Reading Council Lifetime Achievement Award. In retirement, Sue remains active in volunteer efforts with the schools and her church.



Tom Cullen

Born and raised in Great Falls, Montana, Mr. Cullen graduated from the University of Montana in 1982 with a bachelor of science degree in business administration. He was employed in public accounting from 1984 to 1988. From 1993 to 1999, he was employed by Winter Sports, Inc. From 1999 to 2019, he was the Financial Controller for Iron Horse Golf Club and is currently employed as the Club Controller at Makena Golf and Beach Club. Mr. Cullen has been a member of the Whitefish Credit Union Board of Directors since 2006.



John Snyder

Dr. Snyder is a retired professor of business from Colorado State University (CSU). A Montana native, he received his bachelor of science and master of science in applied economics from Montana State University. He then worked for the Montana State Legislature for three years before returning to school for his doctorate in economics. Most of Dr. Snyder's academic career was at CSU's College of Business. In the 1980's, Dr. Snyder served on the Supervisory Committee at Norlarco Credit Union.



Leo Tracy

Mr. Tracy was born in Florida, received a bachelor of arts in economics from Bowdoin College in Brunswick, Maine, and received his Juris Doctorate from Boston College Law School. He served as a Captain in the U.S. Marine Corps, including a year in Vietnam. Mr. Tracy is licensed to practice law in Montana and Massachusetts, and has been a practicing attorney in Whitefish since 1975. He is a former Whitefish City Attorney, former member of the Whitefish Board of Adjustments, former President and founding member of Whitefish Hockey, Inc., former trustee on the Whitefish School Board, former member of the Board of Directors of North Valley Music School, and former member of the Glacier Symphony Orchestra, in which he played violin.

SUPERVISORY COMMITTEE



Rex Harris
Chairman

A life-long resident of the state, Mr. Harris was born in Roundup and grew up in Havre. In 1987, he went into the securities business with Edward Jones after graduating from Whitman College in Walla Walla, Washington. In 1991, he started his own firm, Harris Financial Services, Inc. in Whitefish and incorporated the business in 2001. More than 30 years later, Mr. Harris continues to help people make wise financial decisions.



Susan Naive
Secretary

Ms. Naive is the owner of Swift Creek Capital in Bigfork. While she has been in the investment business for over 30 years, 2021 marks the year of retirement! Ms. Naive has always been active in the volunteer community having been a board member of the Bigfork Center for the Performing Arts Center Foundation, the Bigfork Chamber of Commerce and the Glacier Symphony and Choral. She currently is involved with Home Options/Hospice. Susan is pleased to continue her commitment to the Whitefish Credit Union and the supervisory committee. With more time now she is able to devote new energy to learning activities such as weaving and foreign languages.



Jeff Doorn

Mr. Doorn moved to Whitefish in 1988, from Nampa, Idaho. He graduated from the College of Idaho in 1984 with a degree in business administration and worked in public accounting for four years before moving to Montana to work for Plum Creek Timber Company in their IT Department. Mr. Doorn spent 29 years with Plum Creek / Weyerhaeuser in various IT leadership roles before retiring in 2017. Mr. Doorn is a Board Member of the Whitefish Lake Golf Club and helps coach the Whitefish High School golf team; he also volunteers for Whitefish Young Life and Christ Lutheran Church. Mr. Doorn and his wife, Joyce, have two children.



Mike Rossi

From 2005-2012, Mr. Rossi served as the executive vice president and chief financial officer at NexBank Capital, Inc. where he managed a consolidated financial services and banking organization with over 125 employees. Mr. Rossi was directly responsible for all aspects of accounting, finance, human resources, compliance, risk management, bank operations, business strategy, and IT. There he also served on several boards of directors and as the corporate secretary for all entities. Mr. Rossi and his family moved to Whitefish in 2012, and he is a shareholder at Whitefish Tax & Consulting PC. Mr. Rossi is a CPA, licensed in both Texas and Montana. He holds a BBA and an MPA in Accounting, both from the University of Texas at Austin.



Michael Viscomi

Mr. Viscomi and his wife, Ann, moved to Whitefish in 1998 from West Palm Beach, Florida. He graduated from the University of Florida Law School in 1982 and was an active trial attorney handling civil cases until the end of 2017. Since then, Mr. Viscomi has limited his law practice to alternative dispute resolution, specifically mediations, arbitrations, and Special Master court assignments. He practices law in Whitefish as a partner in the law firm of Viscomi, Gersh, Simpson & Joos, PLLP. He is a Board Certified Civil Trial Advocate, Senior Specialist, by the National Board of Trial Advocacy and a member of the Montana Trial Lawyers Association. Additionally, Mr. Viscomi is a member of the National Academy of Distinguished Neutrals and a full member of the Montana Mediation Association. Mr. Viscomi and his wife, Ann, have two children, Brendan and Lindsey.

SUMMARY OF THE 85TH ANNUAL MEETING

Held June 13, 2020 • 10:00 a.m. Via telephone conference • Whitefish, MT

Jim Kenyon, Chief Executive Office of Whitefish Credit Union, welcomed those on the phone to Whitefish Credit Union's 85th Annual Meeting of the Members and explained the format of the meeting conducted by phone.

Lyle Phillips, Chairman of the Board of Directors, called the meeting to order at 10 a.m. Rex Harris, Chairman of the Supervisory Committee, ascertained a quorum was present with 52 members as tallied by Arkadin phone conference service, which included Management and Volunteers present in the Whitefish Credit Union Boardroom. Jackie with Arkadin moderated the meeting.

Chairman Phillips requested a vote of approval for the April 27, 2019, Annual Meeting Minute Summary posted on the Whitefish Credit Union website. After a motion and second, the moderator announced the minutes were approved unanimously.

Mr. Phillips gave the report of Directors, which explained the Board's responsibilities throughout the year, including oversight of the credit union. Mr. Phillips reported that in 2019, the Board declared member dividend payments totaling more than \$20 million. He further reported on the Board's role in governing credit union policies and reiterated the Credit Union's commitment to helping members build a strong and secure financial future.

Chairman Rex Harris of the Supervisory Committee was called to give the Supervisory Report. Mr. Harris reported their committee oversees the internal audits of the credit union. Mr. Harris stated that the Credit Union continues to conduct business in a fiscally sound manner in accordance with applicable Federal and State regulations, and the Whitefish Credit Union bylaws.

Michael Blubaugh, Chief Financial Officer of Whitefish Credit Union was introduced and gave the financial performance for the Credit Union for the 2019 fiscal year. Mr. Blubaugh explained his report included a review of the balance sheet, income statement, and select performance ratios. Mr. Blubaugh reported

total assets increased by \$78.7 million, gross loans outstanding grew \$88.7 million. Net income was \$11.2 million, which is slightly less than 2018's performance. Mr. Blubaugh noted the safety and soundness of the Credit Union's balance sheet, which continues to be an industry leader.

Mr. Kenyon gave the president's report and acknowledged the unprecedented times in keeping staff and members safe by restricting public access to branch lobbies due to the pandemic.

Mr. Kenyon reported that donations and scholarships totaled over \$200,000, which benefited local communities. He addressed proposed bylaw changes to include incorporating five new counties to the Whitefish Credit Union Field of Membership.

Mr. Kenyon answered questions and concerns from the members, including members as joint owners not listed on a statement and pandemic related lobby closures. Mr. Kenyon answered a question related to the Annual Report's availability online.

Chairman Phillips stated there is no old business.

Chairman Phillips called for the vote on bylaw changes adding Missoula, Ravalli, Broadwater, Lewis and Clark, and Gallatin counties to the field of membership. After a motion and a second, the bylaws changes were approved by a majority of the membership in attendance.

Chairman Phillips called for the election of volunteers. Lyle Phillips, Sue Brown, and John Snyder were elected to a three-year term on the Board of Directors and Rex Harris and Jeff Doorn were elected to serve a two-year term on the Supervisory Committee.

With no other business from the floor, the meeting adjourned at 10:54 am.

Respectfully Submitted,

Charlene Lytle Rygg
Secretary and Treasurer
Board of Directors