

2016 ANNUAL REPORT



Whitefish
CREDIT UNION

We Belong to You



A close-up, warm-toned photograph of a man with a beard and short brown hair, lying in bed. He is looking down at a tablet computer he is holding with both hands. The screen of the tablet shows a vibrant, colorful landscape with green fields and blue water. The background is softly blurred, showing the texture of a grey blanket and a pillow. A semi-transparent yellow circle is positioned on the right side of the image, containing white text. A dotted line of small yellow circles starts from the bottom left and curves upwards towards the circle.

EMPOWERING YOU
TO LIVE LIFE
YOUR WAY

Membership that spans
generations

SINCE
1995

SINCE
1970

SINCE
2016

President's Report

Whitefish Credit Union Members,

As we look back on the last year, it gives me great pleasure to report that 2016 was another successful year for Whitefish Credit Union. We exceeded many of our goals and continued to build strong relationships with both our members and local communities. Our Credit Union is financially sound and remains committed to helping our members realize their goals and dreams through responsible lending and outstanding financial products and services.

I firmly believe communities work best when they work for each other.

Whitefish Credit Union is always working to enrich the lives of our members, local businesses, and the community at large. As confidence continues to grow among our local businesses, so does their need for business loans. We work hand-in-hand with these growing businesses to provide convenient lending options that help them achieve that next level of success.

As you know, technology never stops marching forward. This is why we continue to position Whitefish Credit Union at the forefront of new and emerging technologies with tools, online enhancements, and products designed to help our members navigate this ever changing environment. To that end, we've made applying for consumer loans easier than ever with our new online consumer loan application. Applying for a new loan is now as simple and fast as visiting our website, anywhere, anytime. We've also partnered with CO-OP Financial Services, which provides state-of-the-art fraud protection technology. In addition, they give our members better access to their money, no matter where they go, with 106 surcharge-free ATMs in Montana (up from four previously!), and 30,000 ATMs across the country. For increased security, members also recently began receiving new EMV® chip-enabled Whitefish Credit Union debit cards. Your Credit Union is also implementing two-factor authentication to

protect our members from identity theft, the fastest growing crime in America.

We strengthened relationships with our local high schools, donating more than \$12,000 through our School Spirit Debit Cards. The schools put these funds toward education, physical fitness programs, and generally improving the lives of their students. Our debit card commercials were filmed on location at several area schools. They celebrated our students in the classroom and on their sports' respective fields of play.

Whitefish Credit Union continues to be the market leader in real estate loans. Many of our 39,461 members partnered with us to purchase a home in 2016.

Whitefish Credit Union continues to be the market leader in real estate loans. Many of our 39,461 members partnered with us to purchase a home in 2016. By making us their lender of choice, we saved these members more than \$1.4 million in origination fees in 2016. This money is often invested back into our local economy, benefiting our communities here in Northwest Montana. Whitefish Credit Union also helped 700 families achieve the American dream of owning their own home. It fills each and every one of us with pride to see a local family reach this milestone, knowing we here at Whitefish Credit Union helped play a part.

It's an honor to continue serving as your President and CEO. With our dedication to core Credit Union principles and member-first philosophy, I'm confident our Credit Union will continue offering unparalleled financial value to you, our members. Many thanks to our staff and volunteers who work so tirelessly to strengthen our Credit Union. We also wish to thank our members for partnering with Whitefish Credit Union.

Jim Kenyon,
President / CEO

Chairman's Report

On behalf of the Whitefish Credit Union Board of Directors, this report is submitted to the membership to outline our Credit Union's current state, operations, and financial condition. Our Credit Union continues to operate based on our financially sound and fiscally conservative founding principles, which have served us well over these 82 years. One of the primary reasons Whitefish Credit Union began operating in 1934 was to lend money to our friends and neighbors. Today, that is as true as it was back then.

As you know, the Board of Directors performs tasks and shoulders responsibilities similar to that of the Board of any modern corporation. The Board is responsible to you, the membership, for setting the general direction and policies of the Credit Union. It controls operations through its appointed officers. We take our responsibility seriously and are always humbly working to build a better tomorrow for our members. In accordance with state law, which requires the Board to meet at least once each month, the Board held 12 regular meetings and several special meetings during 2016.

At board meetings, the Board reviews all loans made, changes in investment portfolios, the budget and percentages used, expenses for the month, and a comprehensive statistical report. The Board also reads a variety of financial and statistical reports, sets Credit Union policy, addresses the status of delinquent loans, discusses minutes of the Supervisory Committee, receives borrowing information, and analyzes other items of old and new business. Additionally, the Board is informed of any suspicious activity reports generated during the month, reviews interest rates charged on loans, and makes appropriate changes in interest rates to remain competitive and profitable.

Present Board members include: Leo Tracy, a Whitefish attorney; Sue Brown, the Department Chair for English at Flathead High School; Char Rygg, retired former owner of Sterling Title Company; Tom Cullen, the Financial Controller for Iron Horse; John Snyder, owner of Bigfork Self Storage & Dock Store; Frank Barnes, owner/operator of West Side Gas & Grocery in Whitefish; and Chairman of the Board Lyle Phillips, former Human Resources Manager for Columbia Falls Aluminum Company.

This year, the terms of John Snyder, Sue Brown, and Lyle Phillips expire. The election for the three positions will be held later in this meeting.

In both June and December 2016, the Board declared a dividend of 0.68%.

These two declared dividend rates produced an annual yield of 0.68%. Credit Union members received over \$8.13 million in dividends in 2016, and most of this money stays here in NW Montana, helping our local economy.

The Credit Union ended the year with a Net Worth Ratio of 12.27% (at the end of December 2016). Your Credit Union ended the year with Total Assets of \$1.376 billion.

It has been my pleasure to serve as a Board member and to be its Chairman this past year. I want to thank my fellow Board members and you for allowing this current Board to serve with me. It is a very conscientious, dedicated, and optimistic group of individuals, each of whom brings his or her own special background, knowledge, and individual strengths to the Boardroom and Credit Union.

Lyle Phillips,
Board Chairman

Credit Union members received over \$8.13 million in interest/dividends in 2016. Most of this money stays here in NW Montana, helping our local economy.

A man with a beard and mustache, wearing a red and blue plaid shirt, safety glasses, and large blue earmuffs, is focused on his work. He is leaning over a table saw, guiding a piece of wood. The background shows a workshop with shelves filled with various tools and materials. A large blue circle in the upper right corner contains the text "LIKE YOU, WE VALUE HARD WORK".

LIKE YOU,
WE VALUE
HARD WORK

A photograph of three women of different ages (elderly, middle-aged, and young adult) smiling and looking at a recipe book together in a kitchen. They are all wearing aprons. The young woman is pouring something from a blue bowl into a glass bowl. The kitchen is bright with large windows in the background.

SAVED TIME WITH
**ONLINE
BANKING**

MORE TIME TO
**TRY A NEW
RECIPE**

Supervisory Report

Your Supervisory Committee is charged with the significant responsibility of overseeing the Management team and Board's functions to ensure the safety and soundness of your assets. To accomplish this, we oversee the Internal Audit Department and retain several external auditors. As for external audits, we have supervised engagements in the areas of commercial loans, IT computer security, payroll, employee retirement plans, and ALM (asset/liability management) validation. In addition, we have monthly meetings and attend board, loan committee, and other important meetings.

At our monthly meetings, we review the Credit Union's current financial statements and ratios, loan reports, internal/external audit reports, and state/federal examiner reports, as well as discuss important developments at the Credit Union.

With Liz Scholten's promotion to Controller late in the year, we hired Jennifer Hescher, CPA, as our new Internal Auditor. During the year, the Internal Audit Department coordinated and performed numerous audits to make sure adequate internal controls were in place. These audits included surprise cash count and security audits at our branch offices, loan audits, regulatory compliance audits, and insider account audits, to name just a few. With their vast and differing knowledge and experience, we believe David Zimmerman and Jennifer Hescher will make an excellent internal audit team.

We engaged the national public accounting firm of Moss Adams LLP to perform our annual financial audit and our annual verification of member accounts for the year ending December 31, 2016. These auditors

issued an "unqualified opinion" in their Report of Independent Auditors, which means they concluded that the Credit Union's financial statements, as presented by management, in all material respects, fairly represent the financial position of the Credit Union according to GAAP (generally accepted accounting principles).

Your Management and Board continue to do an excellent job operating the Credit Union in a profitable, optimistic, and progressive manner. To better understand their respective jobs, once a quarter we invite

a member from Senior Management or the Board to our meeting. The Supervisory Committee is appreciative of its working relationship with Management and the Board, and the hard work and dedication they provide on your behalf.

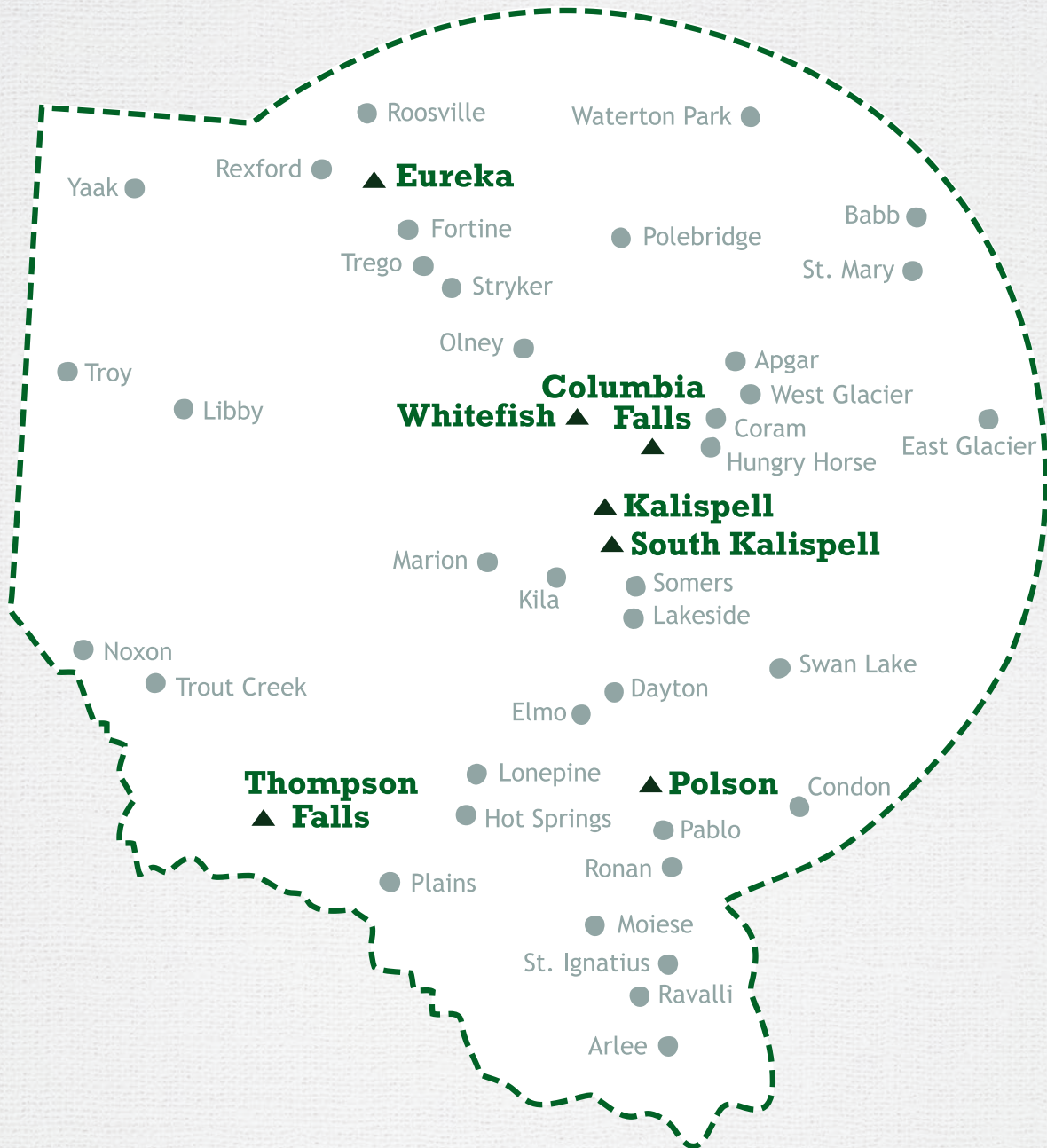
Your current Supervisory Committee, five volunteer members elected by you, is very diverse, representing both small business and corporate sectors. Our committee includes an attorney, a CPA, two investment advisors, and an IT/computer executive, who all work very hard on your behalf. We appreciate the opportunity to serve you and look forward to continuing to do so this year.

If you ever have any questions or concerns, we encourage you to contact any of us at any time.

Michael Viscomi,
Supervisory Committee Chair

Your Supervisory Committee is charged with the significant responsibility to oversee the Management team and Board's functions to ensure the safety and soundness of your assets.

Our Field Of Membership



If you live in the four northwest counties of Montana - Flathead, Lake, Lincoln, or Sanders - or if you reside within 50 air miles of Whitefish, you are qualified for membership in Montana's largest Credit Union.



A Look Back

At our core, Whitefish Credit Union is about people helping people to enrich their lives. This has been our Credit Union's driving ambition for more than 80 years, and one we will continue to honor. This means always providing our members with a solid foundation on which to build their dreams. Whether that be secure savings vehicles, lending money at fair rates, or service to our local communities, our Credit Union gives members the tools they need to manage their financial lives. As always, Whitefish Credit Union continues to be the best place to save and the best place to borrow.

Jim Kenyon,
President / CEO

We stay focused on local so you can

*Stay
focused
on family*



Community Impact & Local Events

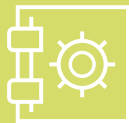
We do so much more than serve the financial needs of our members. As a member-owned and not-for-profit financial institution, we also believe in spending time giving back to the communities where all of us live, work, and play. From volunteer work in and around our towns to the sponsorship of many local

non-profit organizations, our work in the Credit Union movement goes far beyond our doors. Fostering strong and healthy communities is an important Credit Union role, and one that benefits everyone here in Northwest Montana. Here's a look back at the positive impact we had in 2016.



Penguin Plunge

Twenty-one members of our Whitefish Credit Union team were “freezin’ for a reason” during the Whitefish Winter Carnival. The team braved the icy waters of Whitefish Lake to raise more than \$3,000 for Special Olympics Montana.



South Kalispell Grand Opening

The South Kalispell branch opened in March to better serve the financial needs of our area members. In May, we celebrated the grand opening of our newest location with our members, the local community, and the Kalispell Chamber of Commerce.



Junior Board of Directors

Our Junior Board of Directors’ community service project helped raise awareness for local first responders. The Junior Board members set up donation bins in each of our locations to collect comfort items which were given to children impacted by emergency situations.



Credit Union Youth Month

In April, we celebrated Credit Union Youth Month with the theme “Credit Union Strong.” We worked to help our youngest members get in tip-top financial shape with tips, financial literacy lessons, and in-branch financial education tools.



NW MT Fair

Our members saved more than \$14,000 through our discounted tickets to the fair. We also provided fair-goers with a convenient location to relax, recharge their mobile devices, and learn more about products and services from Whitefish Credit Union.



International Credit Union Day

On October 20th, we joined with more than 217 million Credit Union members in over 105 countries to celebrate International Credit Union Day. We invited our members to join us in reflecting upon the Credit Union movement's history and promoting its achievements.



Warming Hearts, Warming Homes

We donated over 48,000 pounds of firewood to local food banks this year, warming homes and hearts across Northwest Montana. Our donations helped with heating costs for many families, helping those in need stay warm through the winter.

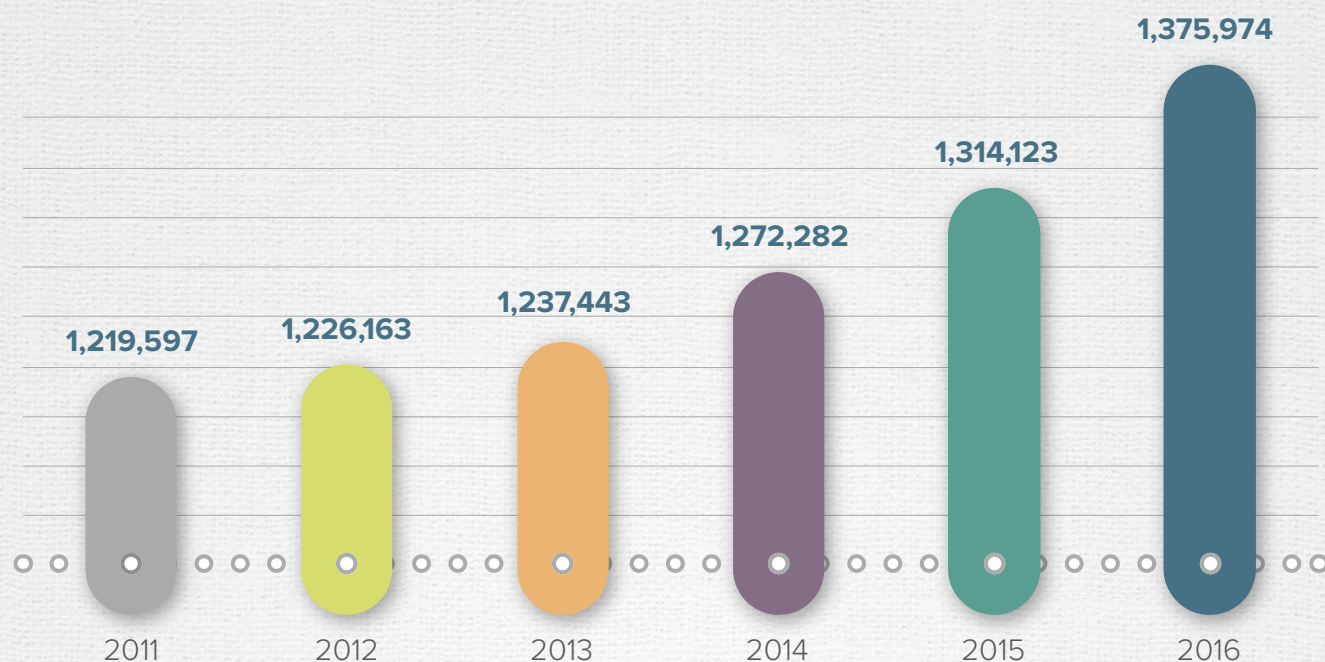


School Spirit Donation

Through our School Spirit Debit Card campaign, we raised more than \$12,000 in donations for our local high schools. We also offered members branded knit hats, which featured each of the schools' logos, for sale at all of our seven Credit Union branches.

Total Assets*

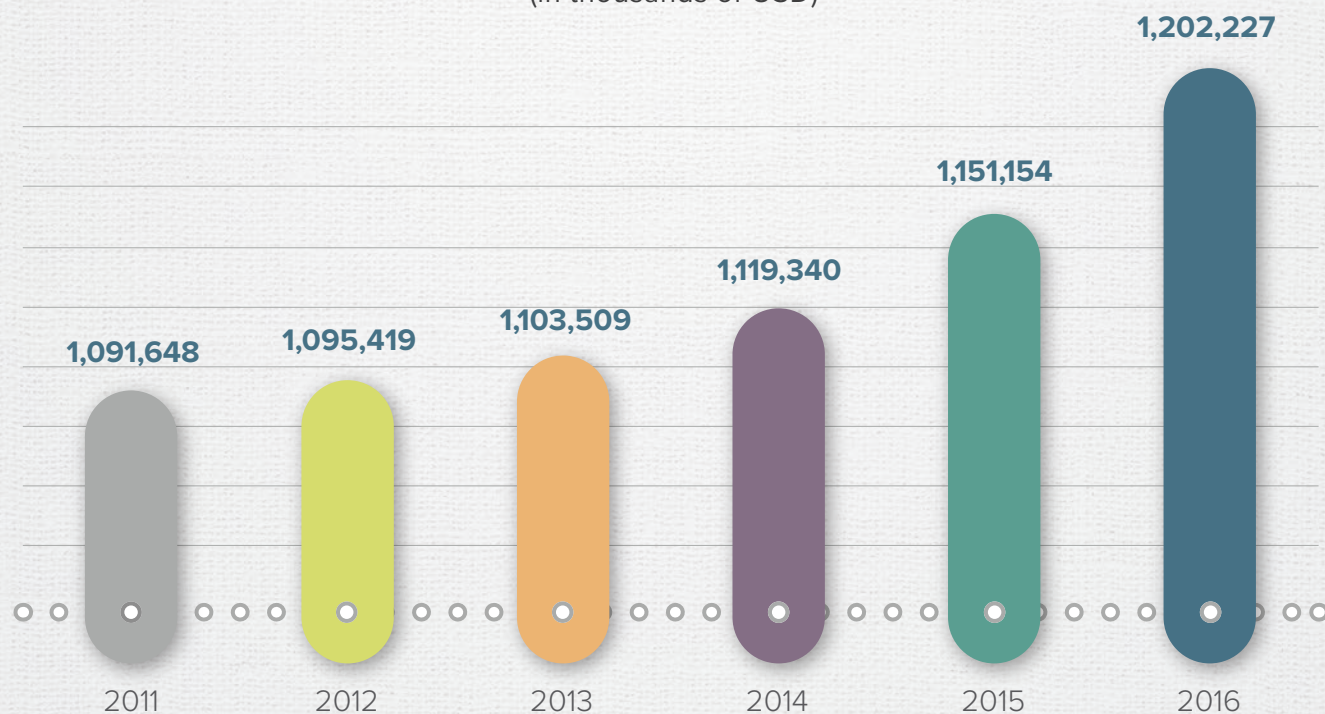
(in thousands of USD)



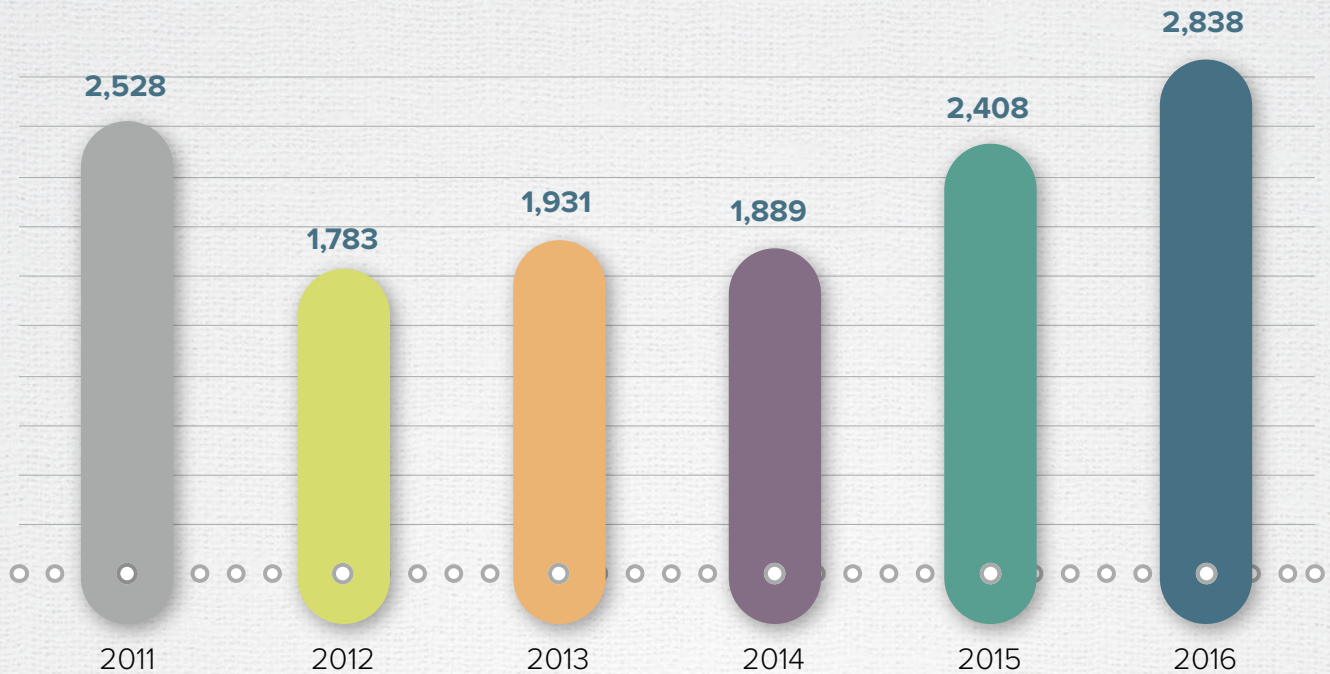
*From audited financial statements

Shares

(in thousands of USD)

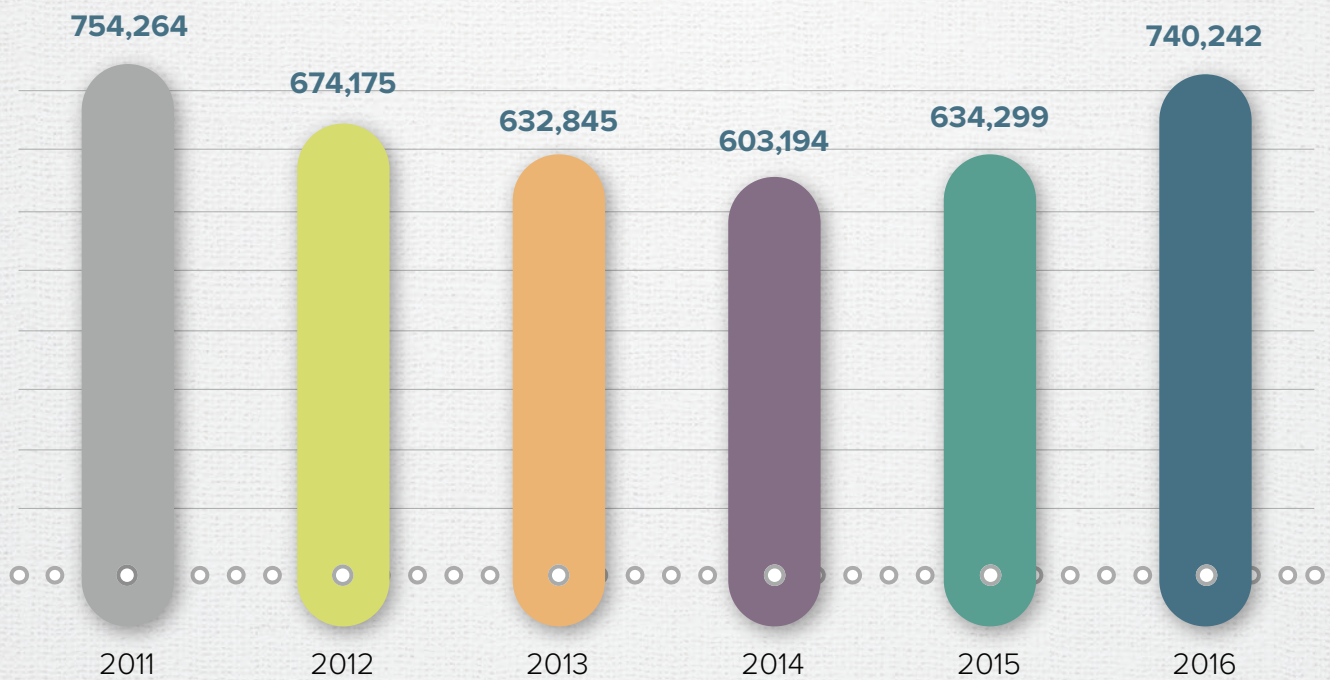


Number of Loans Made



Loans at Year-End

(in thousands of USD)



Balance Sheet

As of December 31, 2016 & 2015

Assets	Notes	2016	2015
Cash and cash equivalents		\$ 51,804,709	\$ 125,819,623
Securities available for sale, at fair value		544,154,759	510,668,606
Loans, net	1	734,997,884	625,612,248
Federal Home Loan Bank stock		1,739,800	1,722,100
National Credit Union Share Insurance Fund (NCUSIF) deposit		11,133,734	10,709,523
Other real estate owned, net	2	10,082,882	18,941,376
Property and equipment, net		15,035,794	14,490,446
Accrued interest receivable		4,528,508	3,810,716
Other assets		2,495,660	2,348,341
Total Assets		\$ 1,375,973,730	\$ 1,314,122,979
Liabilities and Members' Equity			
Members' Shares		\$ 1,202,227,222	\$ 1,151,153,767
Federal Home Loan Bank advances		4,070,641	4,882,308
Other liabilities		3,856,895	3,260,392
Total Liabilities		1,210,154,758	1,159,296,467
Regular reserve, substantially restricted		20,351,361	20,351,361
Undivided earnings		148,501,922	136,158,734
Accumulated other comprehensive (loss) income		(3,034,311)	(1,683,583)
Total Members' Equity		165,818,972	154,826,512
Total Liabilities and Members' Equity		\$ 1,375,973,730	\$ 1,314,122,979

1 Net of allowance for loan losses of \$5,244,136 and \$8,686,268 for 2016 and 2015, respectively

2 Net of valuation allowance of \$602,865 and \$4,684,079 for 2016 and 2015, respectively

Income Statement

As of December 31, 2016 & 2015

	2016	2015
Interest Income		
Loans receivable	\$ 27,014,593	\$ 25,971,237
Investments	9,826,598	8,578,758
Deposits with financial institutions	437,710	287,945
Total Interest Income	37,278,901	34,837,940
Interest And Dividend Expense		
Members' Shares	8,129,379	7,778,224
Federal Home Loan Bank advances	235,795	277,232
Total Interest and Divident Expense	8,365,174	8,055,456
Net Interest Income	28,913,727	26,782,484
Recapture for loan losses	(1,016,913)	(5,317,441)
Net Interest Income After Recapture of Loan Losses	29,930,640	32,099,925
Noninterest Income		
Member service fees	523,028	372,785
Net gains on sales of securities available for sale	57,685	4,616
Other income	819,034	598,964
Total Noninterest Income	1,399,747	976,365
Noninterest Expenses		
Salaries and benefits	10,348,638	9,774,726
Equipment and occupancy	1,955,492	1,609,025
Professional and legal fees	1,051,324	1,117,859
Marketing	892,492	836,919
Loan expense	247,247	190,403
Software and data processing	728,223	562,604
Other real estate owned, net	1,793,091	3,542,802
Other expense	1,970,692	1,584,824
Total Noninterest Expenses	18,987,199	19,219,162
Net Income	\$ 12,343,188	\$ 13,857,128

NCUA Financial Performance Report

Peer group comparison as of and for the year ended Dec. 31, 2016 & Dec. 31, 2015

	WCU 2016	Peer Group 2016	WCU 2015	Peer Group 2015
Return on Average Assets	0.92%	0.73%	1.07%	0.76%
Gross Income / Average Assets	2.87%	4.80%	2.77%	4.74%
Cost of Funds / Average Assets	0.62%	0.48%	0.62%	0.47%
Net Margin / Average Assets	2.25%	4.32%	2.15%	4.27%
Operating Expenses / Average Assets	1.41%	3.26%	1.54%	3.23%
Operating Expenses / Gross Income	49.03%	67.18%	55.56%	67.45%
Net Operating Expenses / Average Assets	1.37%	2.54%	1.51%	2.51%
Loan / Share	61.57%	81.93%	55.10%	79.15%
Borrowers / Members	14.77%	58.40%	13.52%	57.18%
Members / Full-Time Employees	386.26	386.90	418.58	390.06
Average Shares / Member	\$ 21,465	\$ 12,155	\$ 20,914	\$ 11,827
Average Loan Balance	\$ 89,456	\$ 17,686	\$ 85,222	\$ 16,972
Loan Growth (Annual Rate)	16.70%	11.84%	5.16%	11.79%
Asset Growth (Annual Rate)	4.71%	8.21%	3.29%	8.20%

Consumer Lending

40%
consumer loan
growth

NEARLY
\$24M
NEW LOANS

RESULTING
IN OVER
\$33M
PORTFOLIO TOTAL
E.O.Y. 2016

4X
THE NATIONAL AVERAGE

1,781
NEW LOANS TO
MEMBERS

\$13,421
AVERAGE LOAN BALANCE
FOR NEW LOANS

70.4%

398
personal
loans

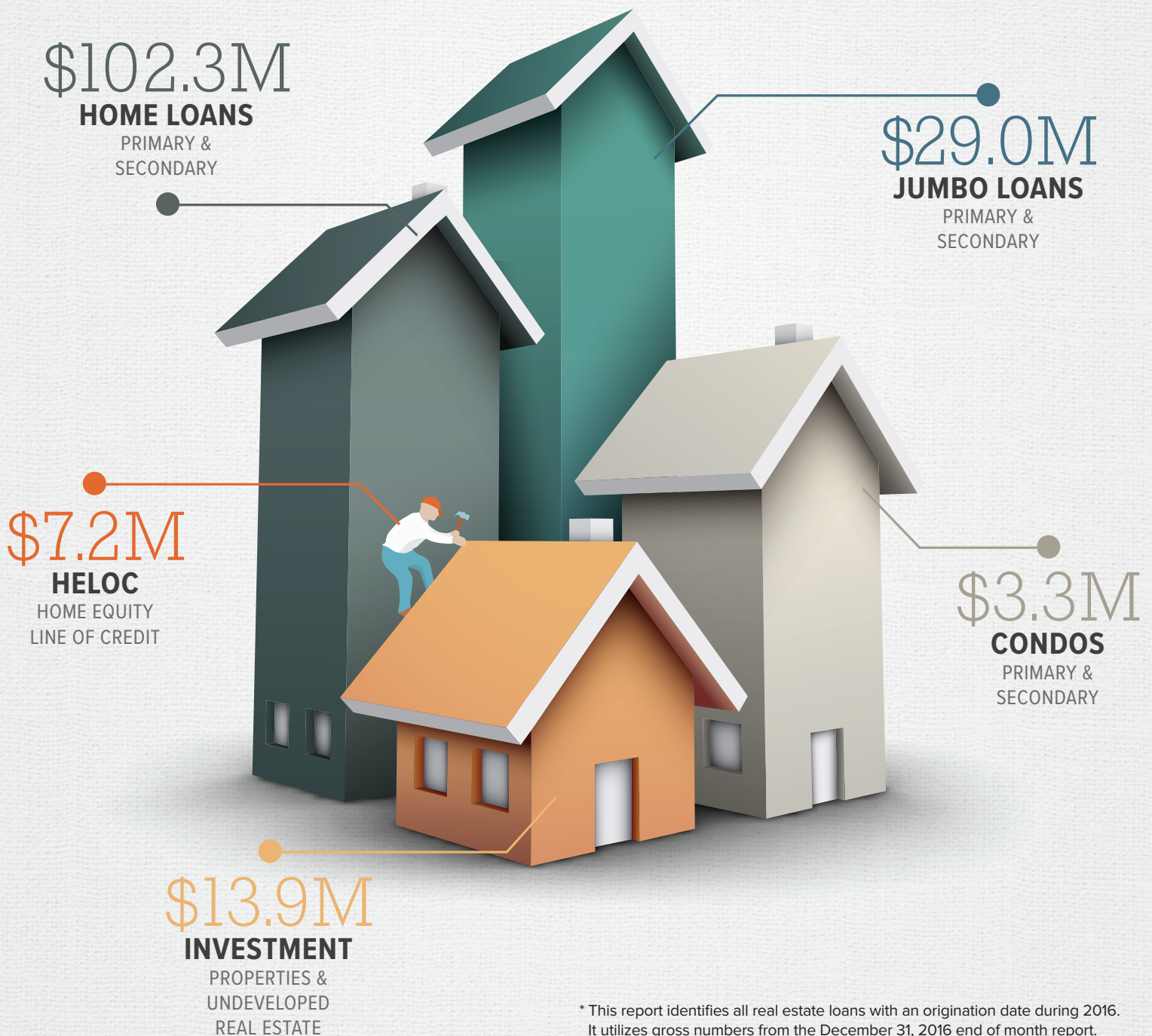
NEW LOANS BY MEMBERS
BELONGING TO **GEN Y** OR **GEN X**



Real Estate Lending

Whether buying their first house, making the move to a new one, or improving/refinancing their current home, Whitefish Credit Union helped more than 39,461 members and their families turn dreams into reality in 2016.

With a simple loan process and some of the best rates around, we continue to be our members' go-to financial institution for all their home borrowing needs.

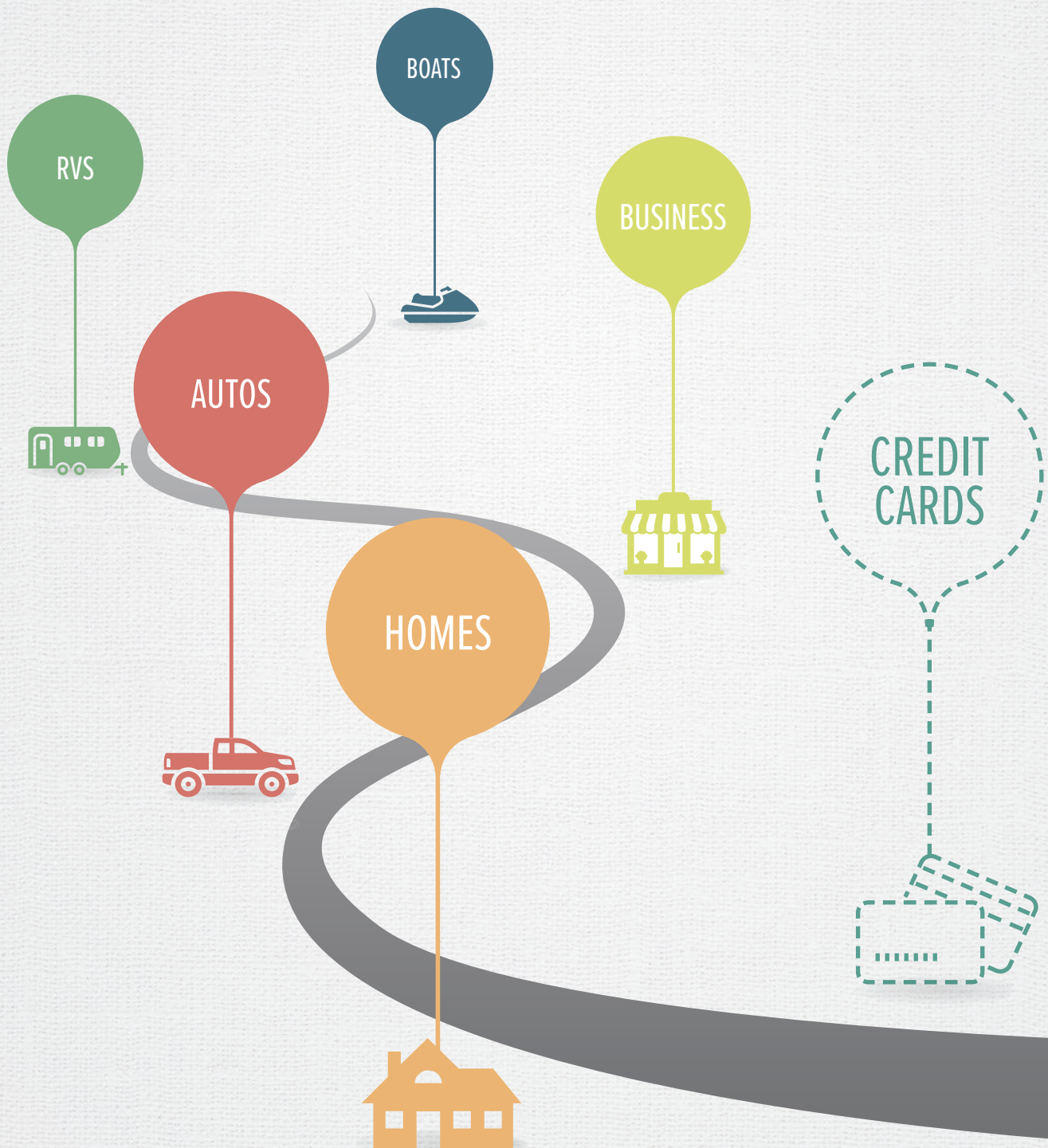


* This report identifies all real estate loans with an origination date during 2016. It utilizes gross numbers from the December 31, 2016 end of month report.

Lending for Every Part of Life

Since 1934, Whitefish Credit Union has been a sound and trusted financial institution in Northwest Montana. When we first opened our doors, our goal was to create a solid foundation on which our friends and neighbors could build their dreams. That often meant lending to new or young families so they could purchase their first home. Today, we continue that Credit Union tradition of neighbors helping neighbors for our thousands of

members across the four Northwest counties of Montana. Whether it's helping them get that new vehicle to safely bring the kids to school or providing custom borrowing options to improve their home with a home equity line of credit, Whitefish Credit Union is a trusted financial partner. We also offer these members more financial tools and services than ever before, letting them focus on the things in their lives that really matter.



Corporate Officers



James A. Kenyon

President & Chief Executive Officer

Prior to assuming his current role as President and Chief Executive Officer for Whitefish Credit Union, Jim served for 16 years at Missoula Federal Credit Union in Missoula, Mont. 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 community service, Jim currently serves on the Board of Directors for the Montana Credit Union Network. He has also served locally on the Whitefish Community Foundation board and was Co-Chairman for the North Valley Food Bank Fundraising Committee. He is an avid outdoorsman, and enjoys fishing, hiking, and mountain biking. Jim and his wife, Angela, have two grown sons.



Michael Blubaugh

Senior VP & 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 30 years across a variety of industries and settings, including more than 20 years in the financial services industry. It was then that he earned a graduate degree in banking from the University of Colorado at Boulder. Mike is a past Kiwanis and Rotary member, Paul Harris Fellow, and has served on the boards of a number of non-profit organizations around the country. Mike's interests include traveling, golf, landscaping, the outdoors, community service, and family. He is married and has two grown children.



Paul L. Iversen

Senior VP Consumer Lending

Paul graduated from high school in Colorado and attended Mesa College, Colorado State University, and the University of Colorado. He has received a diploma from the Colorado Graduate School of Banking, the University of Colorado, and in May 2011 he received a Certified Chief Executive designation from the Credit Union Executive Society, capping off a three-year program with Wharton University, Cornell University, and Darden School of Business. Paul previously worked for Pacific Finance, Ford Motor Credit Company, First National Bank-North, U.S. Bank, and Intra-West Bank in Colorado, before moving to Whitefish. Paul joined the Whitefish Credit Union staff in August of 1986. He is involved in church and related activities. He and his wife, Kathy, enjoy shooting, skiing, huckleberry picking, scuba diving, and especially playing with their six grandchildren.



Colleen Murphy

Senior VP of Operations

Colleen grew up in western Washington and moved to Montana in 1989. 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. Colleen is a 2005 graduate of Western CUNA Management School. She joined Whitefish Credit Union in July of 2015 after serving nearly 26 years with Missoula Federal Credit Union. Colleen's youngest daughter attends Flathead High School and she has two grown children.



Steven L. Moss

Senior VP & Chief Credit Officer

Steven is a native of Peekskill, N.Y. He graduated from Carroll College in Helena, Mont., with a bachelor of arts 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 small business lending and it brought him to the Flathead Valley in 2002. Steven has been with Whitefish Credit Union since 2011, and prior to being named the Chief Credit Officer in early 2015, he was the MBL Manager for four years. Steven 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. Steven's interests include classic cars, fishing, paddleboarding, golfing, flying, and pretty much everything the Montana outdoors has to offer.



Stephen W. Haugen

Senior VP & Chief Information Officer

Steve is a native Montanan, born in Missoula and raised in Libby, Mont. 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, Steve 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 rank as some of the most sophisticated and complex high volume transactional systems in the world, Steve retired from Expedia, Inc. and returned to his home state with his wife, Kara, and their two children. Steve's interests include skiing, cycling, soccer, basketball, hiking, travel, and everything that is Montana.

Board of Directors



Lyle Phillips
Chairman

A Whitefish native, Lyle retired as Manager of Human Resources for Columbia Falls Aluminum Company after 42 years of service. Lyle has served on the Credit Union Board for 29 years, and is currently Board Chairman. Lyle 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 FVCC. 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. Lyle 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. Lyle 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, and 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.



Tom Cullen

Born and raised in Great Falls, Mont., Tom 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. Since 1999, he has been employed as the Financial Controller for Iron Horse. Tom has been a Whitefish Credit Union member since 1983.



Leo Tracy

Leo was born in Florida, graduated from high school in Marblehead, Mass., received a bachelor of arts in economics from Bowdoin College in Brunswick, Maine, and received a Juris Doctor degree from Boston College Law School. He served as a Captain in the U.S. Marine Corps, including a year in Vietnam. Leo 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 (nine years), 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. Leo is the father of four adult children.



Sue Brown

Born in Dickinson, N.D., Sue holds a bachelor's degree from Eastern Montana College and a master's degree from the University of Montana. Now in her 40th year of teaching at Flathead High School, Sue chairs the English Language Arts Department and is involved in a variety of local, state, and national education committees. During her teaching tenure, Sue 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. Sue serves on the Whitefish Credit Union Asset Liability Committee. She is married to Bob Brown; they have two adult daughters.



Frank Barnes

Frank 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 recently gained certification in Enterprise Risk Management from the Credit Union National Association. Frank serves on the E.A. Hinderman Scholarship Committee, the Jean Carter Foundation Board, and the Whitefish Credit Union ALCO Committee and Member Business Lending Committee. Frank has coached basketball for Cross Currents School, the City Parks and Rec, and the Whitefish Little Dribblers. He enjoys golfing, basketball, and high school sports. Frank and his wife, Naomi, have three daughters.



John Snyder

John 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 John's academic career was at CSU's College of Business. In the 80's, John served on the Supervisory Committee at Norlarco Credit Union. He lives on Swan Lake and owns Bigfork Self Storage and The Dock Store, Inc.

Supervisory Committee



Charlene Lytle Rygg

A Whitefish native, Char graduated from Whitefish High School in 1965, attending college at Montana State University, Kinman Business University, and Flathead Valley Community College. While raising her children, Char spent many years as a community and church volunteer and is currently active in P.E.O., a philanthropic educational organization. Char became involved in real estate in 1974 and was an owner of a family business, Sterling Title Services, for 23 years. She is retired and enjoys spending time with her three grandchildren. Char splits her time between Whitefish and Lakeside. She has been a member of Whitefish Credit Union for more than 30 years.



Michael Viscomi
Chairman

Michael moved to Whitefish from West Palm Beach, Fla., in 1998. He graduated from the University of Florida Law School in 1982 and has handled civil cases as an active trial attorney ever since. Michael practices law in Whitefish as a partner in the law firm of Viscomi, Gersh, Simpson & Joos, PLLP. Michael is a Board Certified Civil Trial Advocate by the National Board of Trial Advocacy and a member of the Montana Trial Lawyers Association. Additionally, Michael has been actively handling civil cases as a professional mediator and arbitrator for the past 18 years and is a full member of the Montana Mediation Association. Michael and his wife, Ann, have two grown children.



Myra Appel

Myra was born and raised in Northern California. After a fourteen year career in corporate accounting, she returned to college, graduating with distinction from Simpson University with a degree in business/human resource management. She passed the CPA exam in early 1996, and became certified in Montana in 1997. Myra worked as a Senior Staff Accountant at the Whitefish office of Junkermier, Clark, Campanella, and Stevens, PC, from 1996 until 2003, when she partially retired to spend more time skiing and traveling with her retired husband, Cy. She currently owns her own practice, preparing tax returns and providing accounting services to several clients in the Flathead area. Myra is also a volunteer member of the Glacier Symphony & Chorale and currently serves as a trustee of Lincoln Electric Cooperative.



Michael Barnes

Michael graduated from Flathead High School in 1987, before beginning his technology career in the U.S. Air Force. He left military service in 2001, after earning a bachelor's degree in computer science at Montana State University. Michael then accepted a supervisory position working with software applications for Gas Transmission Northwest in Portland. He earned his master's degree in business administration at Portland State University. In 2006, he began his tenure as Senior Manager of Software Applications at Plum Creek Timber. In January 2010, he joined North Valley Hospital to run several large technology projects. Mike serves on the Whitefish Credit Union Supervisory Committee. He enjoys life in the Flathead Valley with his wife, Cindy.



Rex Harris

A life-long resident of the state, Rex was born in Roundup and grew up in Havre, Mont. In 1987, he went into the securities business with Edward Jones after graduating from Whitman College in Walla Walla, Wash. In 1991, he started his own firm, Harris Financial Services, Inc. in Whitefish and incorporated the business in 2001. Thirty years later, Rex continues to help people make wise financial decisions. Rex has two children from his late wife, Shari. Rex remarried in 2007 to Darcie Johnson. They both enjoy scuba diving, food, traveling, volunteering in their church, and being together.



Susan Naive

Susan is the owner of Swift Creek Capital in Bigfork, Mont. She has been in the investment business for 30 years. She has a master's degree in management and a bachelor of science in psychology. Susan is a Board member of the Bigfork Center for the Performing Arts and has been involved with the Bigfork Chamber of Commerce and the Glacier Symphony and Chorale. She also participated in the 1995 class of Leadership Flathead. Her hobbies include genealogy, knitting, scrapbooking, and hiking, particularly in Glacier National Park. Susan has been a member of the Supervisory Committee for Whitefish Credit Union for four years. She and her husband, Greg, moved to Montana in 1990 and have two adult children.

Summary of the 81st Annual Meeting

Held April 23, 2016, 10:00 a.m. at Grouse Mountain Lodge, Whitefish, MT

President James Kenyon welcomed the membership to the 81st Annual Meeting of Whitefish Credit Union at 10:00 a.m. in the Continental Divide Room, at Grouse Mountain Lodge. Supervisory Committee Member Michael Barnes was called on to determine a quorum was at hand with 175 members in attendance.

Mr. Kenyon began the meeting by reviewing the Agenda of the 81st Annual Report. Kenyon then welcomed Charlie Abell, thanking him for attending the meeting, and introduced the Junior Board of Directors.

Next, Mr. Kenyon introduced Chairman Lyle Phillips who called the 81st Annual Meeting to order. Phillips began by requesting the membership's confirmation to approve the April 25th, 2015, Annual Meeting Minutes. He referred to the Summary Minutes inserted in the 2016 Annual Report, noting they are an abridged version of the full meeting minutes. After a first and second, the membership approved the 2015 minutes.

Mr. Phillips gave the report of the Board of Director activities for 2015, expounding on their many responsibilities and duties overseeing the Credit Union's daily business. Chairman Phillips called on Michael Barnes of the Supervisory Committee to provide their annual report. Barnes reported on the activities of their committee in 2015. He then introduced Michael Thronson of the accounting firm Moss Adams LLP to give its independent audit of the internal controls of Whitefish Credit Union for 2015. Mr. Thronson stated that Moss Adams LLP gives an unqualified opinion, and noted that the Credit Union is a strong financial institution.

Michael Blubaugh, Whitefish Credit Union's Chief Financial Officer, was called on to give the fiscal condition of the Credit Union for 2015. Mr. Blubaugh reviewed the graphs, charts, and financial information reporting on all aspects of the financial welfare and security of the Credit Union. He noted the Credit Union is growing and continues to be a sound financial institution.

President & CEO Jim Kenyon was called on by Chairman Phillips to give the President's Report. Mr. Kenyon announced the opening of the South Branch Office in Kalispell. He reviewed the many new products the Credit Union has implemented online to make life easier for the membership. He reviewed the School Spirit

Debit Cards, and noted a new Credit Union website was under development. His report included the various donations and volunteer hours contributed by the Credit Union, which help support the local economy.

The floor was then opened to questions from the audience. There were no questions from the floor.

With all "old business" addressed and no "new business" put up for discussion, Chairman Phillips called on Frank Barnes, Chairman of the Nominating Committee, to announce the nominations for the Board of Directors. Thomas Cullen and Charlene Rygg were on the ballot. A nomination from the floor was made to run Hunter Homes as opposition for one of the open Board seats. After all parties campaigned for the two seats, a ballot was cast and the membership voted to retain Thomas Cullen and Charlene Rygg on their Board of Directors. Supervisory Committee nominees Myra Appel and Susan Naive were approved by the membership to retain their positions on the Supervisory Committee for another term.

Chairman Phillips called for a motion to confirm all actions taken in 2015 by Whitefish Credit Union, volunteer committees, Management, and employees. All actions were passed unanimously by the membership.

Cash drawings were held throughout the meeting, with a grand prize given away at the close of the meeting. One employee's name was drawn for a day off.

Chairman Phillips thanked the members for attending the 81st Annual Meeting and for their continued support of Whitefish Credit Union. A motion to adjourn was made and seconded from the floor. The meeting was adjourned at 11:30 a.m.

Respectfully Submitted,

Kelli S. Bowden,
Executive Administrative Assistant

Notes

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