



Montana

CREDIT UNION

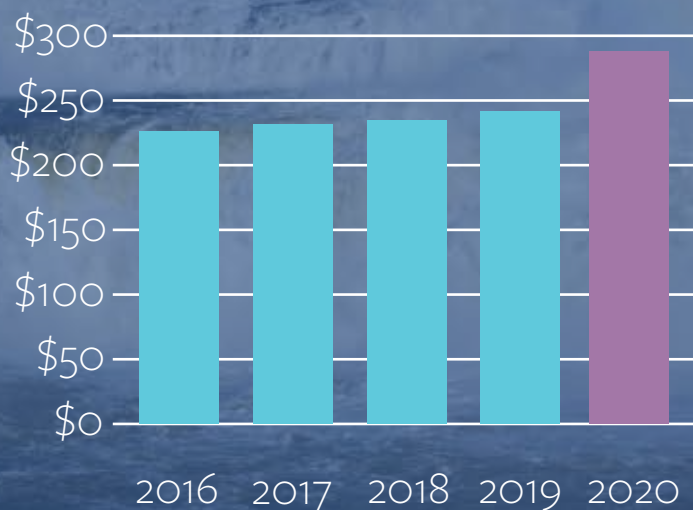
Guiding You Ahead

Assets	2020	2019
Loans to Members (Net)	\$159,984,602	\$162,006,489
Cash on Hand	\$3,132,056	\$3,273,822
Cash Deposits	\$57,490,832	\$14,884,815
Investments	\$46,213,195	\$39,799,259
Land & Building	\$9,632,502	\$9,406,580
Furniture, Fixtures & Equipment	\$1,400,130	\$1,480,455
Accrued Income	\$479,174	\$504,426
Share Insurance Reserve	\$2,318,475	\$2,051,819
Other Assets	\$11,593,220	\$11,013,949
Total Assets	\$292,244,185	\$244,421,614

Liabilities	2020	2019
Borrowings	-	-
Other Liabilities	\$1,488,496	\$1,180,444
Total Liabilities	\$1,488,496	\$1,180,444

Equity	2020	2019
Share Drafts	\$58,949,977	\$43,373,782
Regular Shares	\$124,241,568	\$97,240,336
Money Market Shares	\$46,734,178	\$42,824,520
Certificates	\$20,253,789	\$21,060,669
IRA's	\$11,290,984	\$11,107,423
All Other Shares	\$440,600	\$414,060
Reserves	\$2,450,338	\$2,450,338
Undivided Earnings	\$26,394,254	\$24,770,042
Total Liabilities/Equity	\$292,244,185	\$244,421,614

Assets in Millions

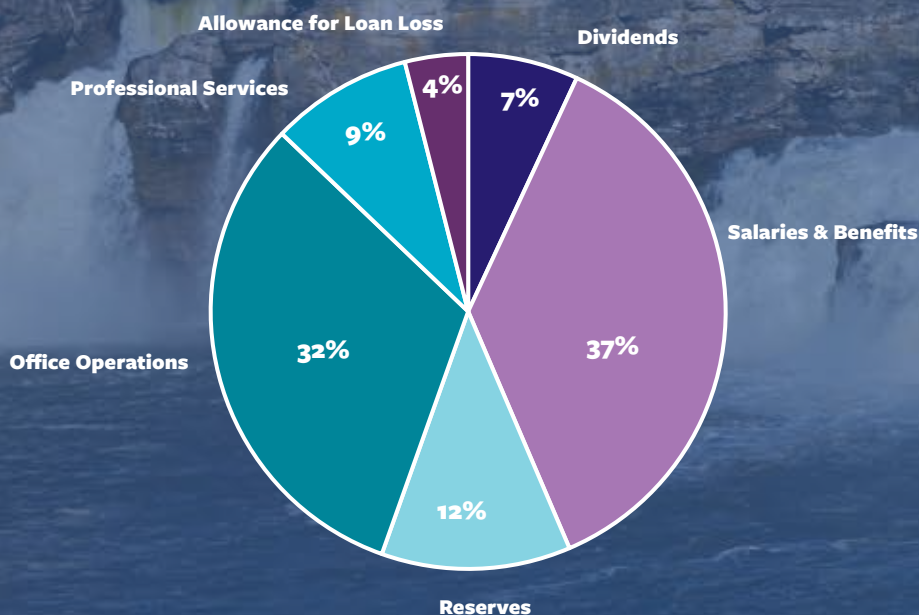


Income	2020	2019
Interest on Loans	\$7,203,536	\$6,671,195
Investment Income	\$851,435	\$1,206,481
Other Income	\$3,515,919	\$3,673,717
Gross Income	\$11,570,890	\$11,551,392

Expenses	2020	2019
Compensation and Benefits	\$4,312,718	\$4,093,498
Travel and Conference	\$70,776	\$159,474
Office Occupancy	\$500,114	\$340,826
Office Operations	\$2,046,540	\$1,883,526
Education and Promotion	\$277,997	\$485,194
Loan Servicing Expenses	\$616,430	\$776,650
Professional and Outside Services	\$990,274	\$950,194
Member Insurance	-	-
Examination/Supervisory Fees	\$65,489	\$65,916
Misc. Operating Expenses	\$143,425	\$152,382
Total Expenses	\$9,023,763	\$8,907,661
Allowance for Loan Loss	\$445,000	\$265,000
Gain from Operations	\$2,102,127	\$2,378,731

Earnings Distribution	2020	2019
Dividends	\$753,041	\$732,932
Net Income	\$1,349,086	\$1,645,799
Total Earnings	\$2,102,127	\$2,378,731

Distribution of Gross Earnings for 2020



2020 President's Report

Steve King, President/CEO

At our last annual meeting held via Zoom, we talked about change and how we are constantly having to evolve and adapt to our changing circumstances due to the pandemic. While we are still in the change and adapt phase of our world, it seems these changes are becoming less disruptive, and more of our day to day, normal routines. We are used to taking extra precautions out in public out of care and concern for others.

At your credit union, we have managed to resume somewhat of a sense of normalcy. We have certain precautions in place to keep our staff safe and healthy, to be able to continue serve you and maintain regular operations. Our management team continues to monitor the health and wellness of our community.

We know that we are asking a lot of our employees right now to help keep things running smoothly, in the midst of staff shortages and health concerns. The next time you stop by one of our branches or go through the drive ups, give our employees a thumbs up. They are here to serve you, and they continue to do so with a smile and cheerful hello, no matter how busy things are!

Our Board has been very swift to review and adjust to keep loan rates low for our members, based on local, statewide and national economic indicators. Our consumer loan and mortgage lenders have been steadily working to meet loan demand, and have been able to save so much for our members in both refinances and new purchases. Rates are historically low – its hard to know what will happen from month to month, but you can trust that we will do our best to ensure we offer the best value for our members.

We continue to look to the positive at Montana Credit Union. We have seen phenomenal growth these past few months, and have been able to help so many members in the form of skipped loan payments, refinances to save on their monthly budget, and payment assistance for those that may be experiencing financial hardship. We have been able to use our available technology to help our members when its not always convenient for them to come in to a branch. And we have some of the best, brightest, and friendliest people on our staff and leadership team, who are eager to open the doors each day to say “how can I help?” Throughout these uncertain times, you can continue to place your trust and faith in Montana Credit Union.

We will be here to serve you, guiding you ahead.

Respectfully,

Steven E. King
President/CEO



2020 Board Chairman Report

Paul Dockter, Chairman of the Board

We have added some new faces to our board of directors in the past year or so, and are pleased to welcome both John Huber and Jim Zadick to our team of volunteers. They both offer valuable community perspective, and will provide great guidance to the board. On behalf of all our board members, I would like to say a sincere thank you to outgoing board member Cheryl Patton, who retired from service to the board this past September, as well as Colleen Holzheimer, who stepped down last spring. Both of these ladies contributed several years of volunteer service to our credit union, and for that we are very thankful!

Your board of directors continues to seek out new ways for Montana Credit Union to keep ahead of the curve amongst financial institutions in our market. We continue to strive to be the “financial institution of choice,” and we know that in order to do so, we can’t rest on our laurels. We look forward to new opportunities available to enhance member service levels and make it easy and convenient to do business with Montana Credit Union.

And finally, I would like to thank President/CEO Steve King for his heartfelt leadership during such difficult times. With all decisions, he has led with a servant’s heart for the benefit of our members and staff. We are very thankful and lucky to have him at the helm.



2020 Supervisory Committee Report

Carrie Boysun, Committee Chair

The Supervisory Committee is appointed by the Board of Directors and is responsible for the oversight of management’s use of sound accounting and financial reporting processes in accordance with generally accepted accounting principles. The Supervisory Committee meets quarterly to review and discuss auditing and accounting matters relating to Montana Credit Union. In addition to myself, the Supervisory Committee includes Judy Schroeder and Terry Kangas.

The Supervisory Committee retained the audit services of Anderson ZurMuehlen & Co. P.C. to perform an independent audit on the Credit Union’s 2020 financial statements. MCU once again received an unmodified opinion on its’ 2020 financial statements. Steven Halsted serves as our Internal Auditor/Compliance Specialist at the credit union. Steven performs daily audit procedures and related inspections, and provides the Supervisory Committee a monthly report that outlines his procedures and findings.

Additionally, the Supervisory Committee investigates member questions and inquiries not resolved to satisfaction. As always, please contact any of the Supervisory Committee members if you have questions regarding your account or other matters concerning Montana Credit Union.



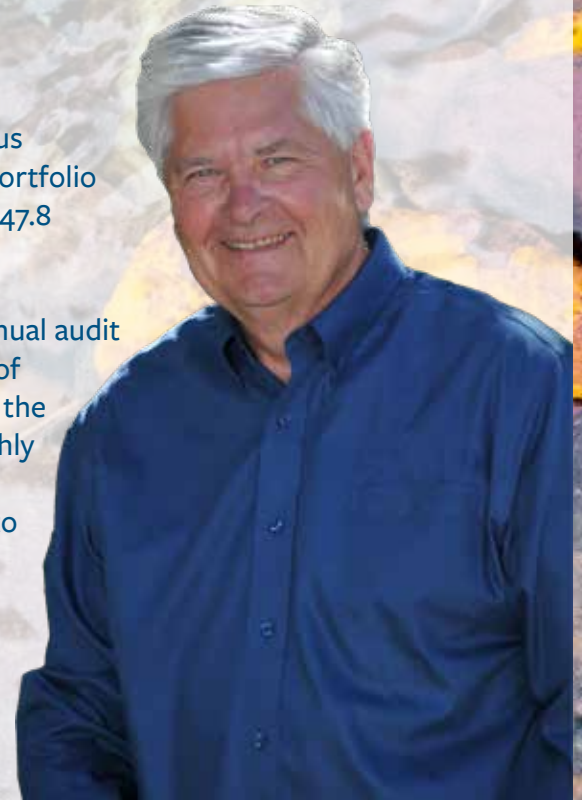
2020 Treasurer's Report

Dale Bimler, Treasurer

As Treasurer, I am pleased to report to the membership that Montana Credit Union continues to operate as a financially sound credit union. The Board of Directors and staff regularly review the credit union's policies and procedures to ensure safe and sound financial practices. In addition, the Board also reviews the financial status of the credit union on a monthly basis, and works closely with management to develop and approve long-range funding strategies, an annual budget and overall growth strategy.

In 2020 growth across the balance sheet was atypical for MCU but reflected the impact of the current pandemic and economic stimulus payments. We saw deposit growth of \$45.9 million, while the loan portfolio saw a decline of \$2 million. Overall, we saw our asset size grow by \$47.8 million, a 19.57% increase over the prior year.

The auditing firm of Anderson ZurMuehlen & Co completed our annual audit for fiscal year end 2020 and affirmed that the financial statements of your credit union were presented fairly in all aspects. In addition to the annual independent audit, the credit union conducts ongoing monthly internal reviews of financial statements to ensure consistency and compliance with credit union policies and procedures. I would like to thank management and staff for their foresight and guidance in preparing monthly financial statements and reports for the Board. Their diligence and attention to detail helps our oversight process immensely.



Montana
CREDIT UNION

EXECUTIVE
REPORTS



Guiding You Ahead



Montana
CREDIT UNION

3 convenient locations to serve our members

901 8th Ave. South
Great Falls, MT 59405

540 Smelter Ave. NE
Great Falls, MT 59404

#15 14th St. South
Great Falls, MT 59401

montanacu.com 406.727.2210 800.721.2242