

board of **directors**

Mike Bertagnolli | Mike Williams
Kristin Bouchard | Stefanie Griffith
Josh Knoedler | Lyle Manley
Chris Lemon

supervisory **committee**

David Stordahl | Jeaneen Campbell
Nicole Jabaut | Tim Bryggman
Ginger Dynneson

executive **management**

Steve Sendon **President/CEO**
Matt Stolle **VP-Finance/CFO**
Dean Olsen **VP-Information Technology**
Erin Johnston **VP-Project Change**
Cyrus Malkin **VP-Risk Management**
Brandi Mergenthaler **VP-Operations**
Holly Lane **VP-Human Resources**
Lesley Huber **VP-Lending**

rmcu **locations**

HELENA

1820 11th Avenue
3400 N. Montana Avenue
406.449.2680

BOZEMAN

8645 Huffine Lane
406.586.1505
1840 Baxter Lane
406.602.4800

BELGRADE

90 W. Madison Avenue, Ste. A
406.586.1505

BUTTE

2101 Yale Ave
406.723.5381



*By member's choice, this institution is not federally insured. Each account is insured up to \$250,000.

www.rmcu.net



Our Mission

To provide financial service relationships of lasting value that exceed member and community expectations and reward members for their loyalty.

**ANNUAL
REPORT TO
MEMBERSHIP**



Chairman’s Report

I am proud to report to you as your Chairman of the Board of Directors that during 2020, RMCU witnessed another year of strong income and growth. Your Board and staff continue to move Rocky Mountain Credit Union in the direction of building member relationships through quality products and services our members need.

By year-end, RMCU’s assets increased \$51.5 million through internal growth. The credit union now has total assets of \$316 million. Total membership grew 1,059 members to bring the end of year number to 23,138 members. Our credit union staff continues to build strong financial relationships with all of our members and this effort is driving our growth. Net income for 2020 was \$1,315,032 and yielded a return on average assets of .45%.

While 2020 presented the credit union, and our world, with unprecedented challenges, the Board and staff continued

to strengthen our commitment to serving our members by providing them the products and tools they needed. Once again, thank you for being a member of Rocky Mountain Credit Union.

Kristin Bouchard
Chairman of the Board

FINANCIAL STATISTICS	2020	2019
Loans Granted	\$166,875,506 4,065	\$106,024,619 3,605
Members	23,138	22,079
Avg. Outstanding Loan	\$17,573	\$15,660
Avg. Share Balance	\$12,309	\$10,365

President’s Report

2020

2020 was an unprecedented year for the entire world! While the team at Rocky Mountain Credit Union had to adapt quickly to implement our pandemic response plan, I am proud to report that the financial position of the credit union remains strong.

In 2020, the credit union team was focused on creating a safe and secure operation for our members, staff and vendors. This was the key component to our pandemic response plan. We operated with closed lobbies and with many staff members working remotely or from home. Although the nature of the COVID environment changed almost daily, our staff continued to deliver outstanding member service while achieving the financial performance goals set by our board of directors and management team. Our staff provided products and services to 23,138 members in our service areas, all while continuing to grow our institution. This represents growth in membership of over 1,000 people in 2020.

The credit union continued to bring financial information to our members through our web site with content covering many different topics. Internally, our training efforts continued on a daily basis enabling our team to service the needs of our members from the first day they began work. This training, along with our ongoing training programs, serve to strengthen the knowledge of our staff, including our more seasoned team members. Training and development continue to be priorities for us at RMCU. The success of these programs was evident in the staff response to the events of 2020 and the team’s ability to perform at a high level during challenging times.

Financially, 2020 was another solid year. Our loan portfolio continued to improve and loan losses remained lower than our peer credit unions. 2020 was a challenging year as interest rates continued to remain low and the economy went into recession in March. This carried on into the summer and through the end of the year. The current low rate environment will be a challenge moving into 2021, and beyond.

Our net income in 2020 was \$1,315,032 which represents a Return on Average Assets of .45%. This was a small percentage decline from 2019, attributable to declining interest rates. An influx of 4th quarter deposits impacted our loan-to-share ratio and led to a drop in our Capital to Assets ratio. This figure is 8.38%, still qualifying the credit union as a well-capitalized institution.

Total dollars lent to members in 2020 equaled \$166,875,506 to 4,065 members. The loan portfolio increased \$23 million, which resulted in a growth percentage of 10.81%. The loan to share ratio ended the year at 84.77%, meaning 84 cents of every deposit dollar was invested in loans to members in 2020. Our assets increased to over \$316 million during the year, while shares grew to over \$284 million.

As we prepare for 2021, I am able to reflect back on 2020 with pride. The management, staff and membership of RMCU were able to rapidly adjust to a difficult environment during 2020. The results are a reflection of the dedication of the entire organization and its membership. It was a wild ride!

Finally, I want to say THANK YOU for choosing Rocky Mountain Credit Union as your financial institution! This organization functions to serve your financial needs and we thank you for your support.

Sincerely,
Steve Sendon,
President/CEO

Supervisory Committee Report to the Membership

The Supervisory Committee of Rocky Mountain Credit Union (RMCU), by order of Montana Law, is required to engage a comprehensive annual audit of the books and affairs of the Credit Union. The Supervisory Committee oversees the audit process to ensure that management adequately addresses any findings noted in these audits, aimed at ensuring the security of members’ deposits. To meet the State requirements, the Credit Union engaged the CPA firm of Wipfli, LLP to perform an independent external audit of the year-end 2020 financial statements. This audit took place in the first quarter of 2021. No material misstatements of the financial position were noted during the audit.

The State of Montana Division of Banking and Financial Institutions performed an examination of Rocky Mountain Credit Union during 2020. The exam ensures we are operating in a safe and sound manner, in compliance with applicable laws and regulations, as well as operating within our own established policies and procedures. The Supervisory Committee also retained Wipfli, LLP to perform various internal audits in 2020. Any findings from these internal audits are being or have been addressed by management.

Supervisory Committee Members
David Stordahl, Jeaneen Campbell, Nicole Jabaut, Tim Bryggman, Ginger Dynneson

Our Vision

Providing premier financial services that cause our members to think of RMCU first.

ASSETS	2020	2019
Consumer Loans	\$126,031,810	\$114,143,788
Real Estate Loans	\$103,498,989	\$92,510,809
Member Business Loans	\$11,906,342	\$11,224,501
Total Loans	\$241,437,141	\$217,879,098
Loan Loss Allowance	\$963,188	\$981,463
Net Total Loans	\$240,473,953	\$216,897,635
Cash & Cash Equivalents	\$19,893,605	\$15,962,545
Investments	\$32,047,968	\$9,418,638
ASI	\$2,974,958	\$2,753,641
Property & Equipment	\$13,020,002	\$12,414,094
Other Assets	\$7,622,380	\$6,997,742
Total Assets	\$316,032,866	\$264,444,295
LIABILITIES & EQUITY		
Notes Payable	\$2,000,000	\$6,724,617
All Other Liabilities	\$2,712,788	\$3,697,392
Member Shares & Deposits	\$284,810,842	\$228,842,956
Regular Reserves	\$6,037,244	\$6,037,244
Equity Acquired in Merger	\$3,018,313	\$3,018,313
Accumulated other Comprehensive Income	15,547	673
Undivided Earnings	\$17,438,132	\$16,123,100
Total Liabilities & Equity	\$316,032,866	\$264,444,295
INCOME		
Loan Interest Income	\$10,331,394	\$10,042,901
Investment Income	\$236,701	\$322,260
Non-Interest Income	\$4,090,343	\$3,352,498
Total Income	\$14,658,438	\$13,717,659
EXPENSES		
Dividends Paid	\$1,836,407	\$1,740,988
Interest on Borrowed Funds	\$116,470	\$150,429
Provisions for Loan Losses	\$285,000	\$204,500
Non-Interest Expense	\$11,105,529	\$10,433,506
Total Expenses	\$13,343,406	\$12,529,423
Net Income	\$1,315,032	\$1,188,236