

Chairman's Report

Our credit union saw a good year of financial performance and membership growth in 2024. Southwest Montana Community Federal Credit Union (SWMCFU) saw net income of more than \$1,700,000. This amount is then transferred into Undivided Earnings for future growth and safety needs. I am happy to report that our key ratios remain above average as compared to our peers in Montana.

Our loan portfolio again experienced significant growth. This, combined with improvement in earnings from our investments, contributed to our earnings position and ability to set aside funds into our Undivided Earnings.

The board of directors wishes to thank the staff for their efforts to be ever responsive and proactive with our membership. We also thank the members for your support of your Credit Union. Our credit union is healthy and we encourage all members to use the many financial services available at both our physical locations as well as our online options.

Mike Hahm, Chairman of the Board of Directors

President's Report

As I look back over my first year as President/CEO of Southwest Montana Community FCU, I do so with pride and gratitude. We had a momentous year financially. Our loan growth was more than 7%. We had more than half of our staff attend at least one educational conference; many of these staff members had the opportunity to attend a conference for the first time in their credit union career. We offered a spring RV loan special as well as two Share Certificate specials to you, our members, throughout the year. We upgraded our phone systems, which has added functionality to reaching our members.

In January, our directors and staff worked together on our strategic plan for the coming year. We all believe our ability to work together builds a stronger, resilient credit union for our members and our communities. We have several projects planned for 2025 and look forward to sharing those with you as we move forward.

I am excited for our future. As we continue to move forward, we will continue to invest in technology and education; we are dedicated to working together as a team to meet the needs of our communities. I look forward to continuing to work closely with our Board of Directors, staff and you, our valued members. We will continue to build relationships with our communities. All of this is an effort to match up to the promise we make in our Mission Statement.

Teri Krakowka

Secretary & Treasurer's Report

This year, as in years past, the Credit Union added to our reserves through the conservative management of our daily operations. The continued development of these reserves is one of the most crucial steps we can take to provide for future investments in new products or services. These reserves also protect all our members when challenging times arise. We ended 2024 with more than \$1.7 million in Net Income, which is then transferred to our reserves for our future.

We had steady loan growth throughout the year, finishing the year with more than 7% loan growth in 2024. This increase along with our strong investment yields helped to enhance our performance for the year.

Thank you for allowing me to serve on the Board of Directors again this year. I am proud of our Credit Union and the important things that it does for us daily.

Mike Huotte

Supervisory Committee Report

The Supervisory Committee this year is comprised of myself, Jack Corrigan, James (Milo) Manning, Steve Ryan, and John Stevenson.

One of the items the committee is tasked with is to survey every member who either opens or closes an account at the Credit Union. We want to ensure the Credit Union is doing everything we can to improve our products and services. During 2024, a total of 643 new accounts were opened and 661 accounts were closed; this is a net loss of 18 new member accounts for the year.

According to the survey responses received by the committee, most members who closed an account did so because they were moving out of the area or because the member had passed away. Our new members tell us that they have joined the Credit Union because our rates are better and our fee schedule is less expensive than other financial institutions they do business with.

Like years past, we commissioned a CPA review of the Credit Union's financial performance by Douglas Wilson and Company, PC. Again in 2024 there were no irregularities to report. It was a pleasure to work with all the staff and directors in 2024 and we look forward to the new challenges of 2025.

James Corrigan