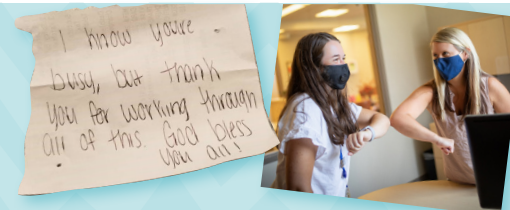


# MEET *our* CREDIT UNION HEROES

## 2020 ANNUAL REPORT



### LETTER FROM OUR PRESIDENT & CEO



**LISA PALMA,**  
Blackhawk Community  
Credit Union CEO

Dear Members,

In 1965, our founders had the vision to elevate the lives of the people in our communities and we continue to strive toward that vision today. This last year presented the world with challenges and we believed in turning them into opportunities to make our members' lives better. We developed new processes and protocols to provide the best member service to you in ways we have never done before. With our lobbies closed for safety, our drive-up lanes and parking lots became our offices. Our employees consistently delivered financial services through innovative solutions. Our Call Center, online, and mobile banking products and services were utilized more than they have ever been in the past.

Through it all, our Blackhawk Community Credit Union team rose to the unique challenges of the pandemic and found ways to make sure you had what you needed financially - and sometimes more. We appreciate the managers and employees that helped push stalled cars out of the drive-up and picked up gas for a member whose car ran empty. We thank our member advisors and loan officers that took documents to our members' homes versus a branch. We commend the branch employees that collectively recognized a member in dire need and provided immediate medical attention. These are just a few of the many ways our team went above and beyond the call of duty for our members.

In return, you have shown us your appreciation in so many creative ways. The notes that you emailed or passed through the drive-up tubes thanking our tellers for continuing to serve during such trying times were inspirational to our team. The flowers and treats that were delivered were uplifting. We truly thank you for being so encouraging and supportive of our team. It's what community is all about...

This past year presented many trials for all of us, but it also proved that an endless amount of good can happen when we all work together. Thank you for putting our "people helping people" philosophy into action and for trusting us with your finances. We are encouraged and happy to see your smiling faces in our lobbies again. Our strength comes from you and whether you are a new member or have been with us for generations, we are here for you because you are the reason we come to work every day.

Your credit union is strong. We value our shared past and look forward to our strong future together.

Sincerely,

*Lisa Palma*  
Lisa Palma

### INCOME STATEMENT AS OF DECEMBER 31, 2020

UNAUDITED NUMBERS

#### INTEREST INCOME

Loan Interest Income	\$ 21,098,130
Investment Income	\$ 1,280,944
<b>Total Interest Income</b>	<b>\$ 22,379,074</b>

#### DIVIDEND AND INTEREST EXPENSE

Dividend Expense	\$ 3,135,930
Interest Expense	\$ 140
<b>Total Dividend and Interest Expense</b>	<b>\$ 3,136,070</b>

Net Interest Margin before Provision \$ 19,243,004

Provision for Loan Loss \$ 1,700,874

Net Interest Margin after Provision \$ 17,542,130

Non-Interest Income \$ 9,309,909

Total Income before Non-Interest Expense \$ 26,852,039

Non-Interest Expense \$ 20,607,205

Net Income \$ 6,244,834

Number of Members 51,817

### BALANCE SHEET AS OF DECEMBER 31, 2020

UNAUDITED NUMBERS

2020 2019

#### ASSETS

Cash & Cash Equivalents	\$ 140,792,661	14,413,767
Loans (net)	496,727,949	496,873,922
Investments	83,571,602	73,243,341
Fixed Assets (net)	17,702,560	20,606,975
Other Real Estate Owned	-	538,569
NCUA Insurance Capitalization	6,291,823	5,465,798
Mortgage Servicing Rights	1,427,242	1,605,683
Accounts Receivable	1,627,863	2,267,065
Other Assets	5,061,138	4,861,516
<b>Total Assets</b>	<b>\$ 753,202,837</b>	<b>619,876,636</b>

#### LIABILITIES AND MEMBER EQUITY SHARES & DEPOSITS

Shares	\$ 257,279,845	192,388,357
Share Drafts	149,576,392	110,539,027
Money Market Accounts	11,444,252	10,713,153
High Yield Savings/Weathbuilder	132,337,373	111,888,199
Certificates & IRA Accounts	134,158,673	137,050,588
<b>Total Shares</b>	<b>\$ 684,796,536</b>	<b>562,579,324</b>
Other Interest Liabilities	0	0
Non Interest Liabilities	13,102,517	7,704,400
<b>Total Liabilities</b>	<b>\$ 697,899,053</b>	<b>570,283,724</b>
<b>Total Member Equity</b>	<b>55,303,784</b>	<b>49,592,913</b>
<b>Total Liabilities and Member Equity</b>	<b>\$ 753,202,837</b>	<b>619,876,636</b>

## WIPFLI

### INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Blackhawk Community Credit Union  
Janesville, Wisconsin

We have audited the accompanying financial statements of Blackhawk Community Credit Union (the "Credit Union"), which comprise the balance sheet as of March 31, 2020 and 2019, and the related statements of income, comprehensive income, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States; this includes design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Blackhawk Community Credit Union as of March 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.

*Wipfli LLP*

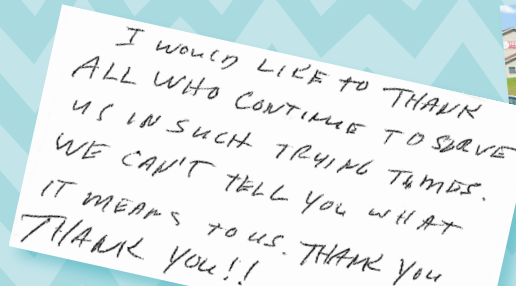
Wipfli LLP

June 11, 2020  
Westchester, Illinois



A Shared Past, A Strong Future.

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