



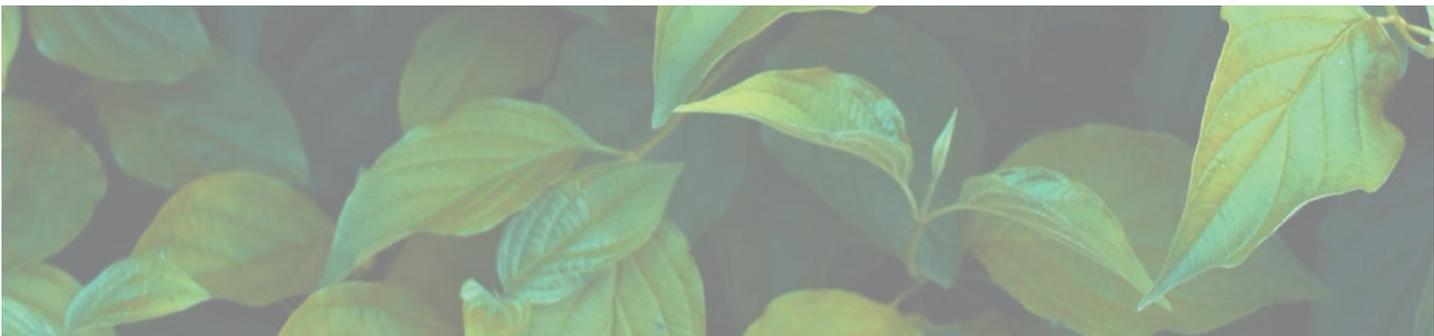
2019

annual report



AGENDA

1. Call to Order
2. Determination of Quorum
3. Introductions
4. Approve the Minutes of the Last Annual Meeting
5. Reports:
 - President and Chairman of the Board
 - Treasurer's Report/Statement of Condition
 - Supervisory Audit Report
6. Election of Directors(s)
7. Old Business
8. New Business
9. Adjournment
10. Award Prizes



BOARD OF DIRECTORS

Lyle Mader
Chairman

Kurt Carpenter
Vice Chairman

Jeffrey Gehrke
Treasurer

Barb Hartfiel
Secretary

Andrew Fenwick
Director

Keith Fischer
Director

Kathy Jankowski
Director

THE GREEN TEAM (STAFF)

Kathy Jankowski
President/CEO

Becky Meissner
Vice President - Operations

Lisa Hable
Vice President - Lending

Maggie Schiedermayer
MSR Supervisor

Roni Kasperek
Sustainability/Marketing Manager

Andrea Grunenwald
Accountant

Felicia Toland
Loan Officer

Brooke Billmeyer
Mortgage Loan Officer

Samantha Durham
Loan Clerk

Sharon Gundrum
Member Service Representative

Rachel Lang
Member Service Representative

Laurie Mayer
Member Service Representative

Ashley Steenis
Member Service Representative

Shawna Stielow
Member Service Representative

Nicole Wnek
Member Service Representative



EXCITING NEWS - EVERGREEN IS EXPANDING

Earlier this year, Evergreen Credit Union closed on property in Appleton. This location on Richmond Street will be the future home of our new branch!

We cannot wait for the exciting changes this will bring, including an expansion in our staff. If you have friends, family, or children looking to join the world of credit unions, we will be actively hiring and training very soon.

MINUTES OF THE 2018 ANNUAL MEETING

Chairman Lyle Mader called the Annual Meeting to order on March 30th, 2019 at 12:30 p.m. at the Evergreen Credit Union office in the Village of Fox Crossing, Wisconsin.

Secretary Barb Hartfiel informed Chairman Mader that 27 members eligible to vote were present, which constituted a quorum.

Chairman Mader turned the meeting over to President/CEO Kathy Jankowski. She introduced the board of directors and officers. Directors present were Lyle Mader, Barb Hartfiel, Jeffrey Gehrke, Andy Fenwick, and Kathy Jankowski. Keith Fischer and Kurt Carpenter were excused. She then went on to introduce the credit union team members that were present.

The minutes of the previous year's annual meeting were read. There were no questions, comments, or revisions. The minutes were approved as read.

The following reports were printed in the annual meeting booklet:

- President/CEO and Chairman's Report
- Treasurer's Report
- Supervisory Audit Report from Hawkins Ash CPAs
- Sustainability Report

Kathy Jankowski thanked the members for coming to the meeting and for being a member at Evergreen Credit Union. It's our members that make Evergreen so special. She then talked about the sixty year anniversary the credit union celebrated in 2018 and the many changes over that time, including the President/CEO transition in 2018. Kathy discussed the credit union's positive loan, asset, and membership growth in 2018. She said it was a notable achievement because of the saturation of eleven other credit unions and their branch offices in the Fox Valley. Kathy felt our sustainability standards and mission impacted our growth. The tradition of giving back to the community was pointed out and how our team volunteers many hours to help non-profits and Fox Crossing's events. She talked about the plans to move forward with another location. It was put on hold during the transition of President/CEO. The board and Kathy met with LaMacchia Group at the last board meeting. LaMacchia Group is the company we initially started with to do the research necessary to find potential locations for a second Evergreen Credit Union branch. We are in the discussion stage on the locations LaMacchia Group presented in March. In closing, Kathy briefly told our members about Remote Deposit Capture and Debit chip cards coming very soon in 2019. Both of these products will enhance convenience and security for our members!

CEO Jankowski then asked the members to review the Treasurer's Report. There were no questions on this report. The report was filed for audit.

Chairman Mader asked for a motion to approve the Supervisory Audit report. A motion was made by Robert Allen and seconded by Arden Tews. The motion carried.



For our staff development day, we made blankets for the Neenah Animal Shelter.

ELECTIONS OF DIRECTORS

Treasurer Jeff Gehrke introduced the nominees for the election: Barb Hartfiel and Keith Fischer for 3 year terms. Treasurer Gehrke asked for nominations from the floor three times. There were no additional nominations from the floor. Treasurer Gehrke asked for a motion to direct the secretary to cast one unanimous vote to elect the nominees as directors of the credit union. A motion was made by Robert Allen and seconded by Marilyn Anunson. The motion carried. The directors were congratulated on their elections to the Board.

OLD BUSINESS

There was no old business brought to the floor.

NEW BUSINESS

There was no new business brought to the floor.

At this time Kathy opened the floor for questions. She encouraged the members to ask about anything they would like to know about the credit union. Jeanine Knapp asked how the membership will hear about the progress on the new location. Kathy said we would utilize our quarterly newsletter as each of our members receive these. Thomas Reuss asked why they didn't hear about the president leaving. Kathy briefly stated that our former president felt his leaving may be construed as a negative to our members. Jeanine Knapp pointed out that Kathy's promotion was in the newsletter. Thomas Reuss also asked why we would open a second location when we are not busy. Kathy pointed out that the meeting attendance is not representative of our membership activity. Young couples work full time and use their weekends for family and personal time. Treasurer Gehrke briefly stated that members use a lot of Evergreen's electronic products and services now to do their banking. Thomas Reuss said why then do we need another location if members are banking through electronic means? Kathy then went on to explain one of the primary reasons accounts at Evergreen are closed is because of location. People want their financial institution close to where they live or work. A second location would offer more convenience to our current membership and help attract new members. She did mention the board and management is looking to have the location on the other side of Lake Butte des Morts. Another reason members may not think about, Kathy went on to say, is for disaster recovery. With the tornado season coming up, as an example, if something happened to this location, we would have

a second location to serve our members. Treasurer Gehrke briefly talked about how Kathy was a candidate for president back when Mike Brandt was promoted, and the board is confident Kathy will lead the credit union well with her experience and leadership. There were no further questions.

A motion was then made by Robert Allen and seconded by Arden Tews to adjourn the meeting at 12:50 p.m. The motion carried. A drawing was then held for door prizes.

Respectfully submitted,

Barbara Hartfiel
Secretary

Lyle Mader
Chairman of the Board

We love supporting Fox Crossing Parks and Recreation year after year. In 2019, we handed out goodies at Movie Night in the Park and Kid's Comedian Tom Pease.



2019 PRESIDENT'S AND CHAIRMAN'S REPORT

Thank you! Without our supportive membership, amazing employees and leadership team, and committed volunteer board of directors, we could not have had the strong year we did in 2019! We continued to grow and are now over \$40 million in assets. Our focus each day is to assist and guide you to help with your current and future financial needs. We want to make a positive difference in your life!

Field of Membership. We are excited to say Wisconsin's Office of Credit Unions approved an expansion to our field of membership to include college students attending schools in the counties we serve.

Technology. Debit cards were reissued with EMV Chip technology. This added a layer of encryption to transactions, which reduces fraud and risk to personal information. We also released debit card controls on our Mobile App that allow you to turn your card off/on and receive alerts each time your card is used.

We know time is valuable. Remote Deposit Capture is here to help. Make a secure deposit by using your smartphone! Simply take a picture of the check, send to us and mark that item off your to-do list.

Community. Our team volunteered more than 200 hours in 2019. This was in addition to the expansive list of events we sponsor and volunteer at in the community! You may have seen us (and a couple board of directors) cleaning the trails near the credit union several times this year. This Christmas season, our long-standing tradition of yummy bake sales, Friday 'jeans' day, and used book sales provided three charities with many items on their needs/want list.

Looking ahead to 2020, we are so excited to announce a second Evergreen Credit Union location! Ground breaking at the corner of Richmond and Washington St. in Appleton will happen in May with a completion date of December. Our American Dr. office will remain open, with hours of business scheduled to be the same at both locations. This will provide our members another convenient location to do business with us and offer our affordable financial products and services to the Appleton community. During the year watch for updates on our new building or just drive by – we're across from Good Company and next to Walgreens!

Continuing our mission to be the most environmentally responsible credit union in the nation, we will be rolling out eSignatures in 2020. eSignatures, or electronic signatures, are used to sign all types of documents in a paperless secure manner. More information to come.

Thank you for your continued support and trust. We appreciate the referrals of friends and family and are committed to giving all of you amazing service you deserve each day. Please let us know how we are doing and how we can serve you better! We look forward to serving you and your families for many years to come.

Respectfully submitted,

Kathy Jankowski
President/CEO

Lyle Mader
Chairman of the Board

TREASURER'S REPORT 2019

Key Financial Benchmarks:

	2019	2018	Increase/(Decrease)
Assets	\$40,539,441	\$37,771,222	+ 7.32%
Loans	\$32,762,051	\$32,189,811	+ 1.40%
Member Shares (Deposits)	\$34,729,852	\$31,955,516	+ 8.68%
Profit/(Loss)	\$570,826	\$395,530	+ 44.32%

2019 was a strong year for our credit union. Here are the Key Financial Measures:

- **Net Profit of \$570,826** - We showed a very strong net PROFIT of \$570,826, up 44.32% from the prior year. We paid higher dividends benefitting our members, but keeping overall expenses down.
- **Return on Assets (ROA) of 1.41%** - ROA is an important gauge of a credit union's profitability. We are maintaining a solid performance year after year.
- **Net Worth of 14.15%** - This ratio is the primary measure of our credit union's financial strength and ability to meet its commitment to members today and into the future. We are up from last year's ratio of 13.53%.
- **Total assets up 7.32%** - Growth in loans to members means we are helping more than ever.
- **Loans to members rose 1.40%** - Loan-to-Share ratio decreased to 94.3% from 100.7% in 2018.
- **Loan Delinquency of 1.11%** - This ratio is higher than our target of 1%, however the numbers are trending down at year-end.
- **Member shares up 8.67%** - A fantastic change from last year.
- **Net Membership up 28 or .8%** - Some of Evergreen's positive membership growth can be contributed to our members! Thank you for referring family, friends, and co-workers. We love to see your children and grandchildren as ECU members, too!

Evergreen's financial performance in 2019 demonstrates how the credit union continues to operate as a safe, sound, and secure financial cooperative. We look forward to another successful year serving our members needs and helping them on the path to financial freedom in 2020 and beyond.

Respectfully submitted,

Jeffrey Gehrke
Treasurer

STATEMENT OF CONDITION

ASSETS

	2019	2018
Cash	\$ 328,577	\$ 385,503
Investments	\$ 6,163,988	\$ 3,931,334
Personal Loans	\$ 14,410,643	\$ 14,215,560
Mortgage Loans	\$ 18,344,208	\$ 17,974,251
Loans Held for Sale	\$ 7,200	\$ 121,363
Allowance for Loan Losses	\$ (96,791)	\$ (175,432)
Building and Land*	\$ 1,106,944	\$ 1,136,754
Furniture and Equipment*	\$ 73,712	\$ 32,841
Other Assets	\$ 197,960	\$ 149,048
Total Assets	\$ 40,536,441	\$ 37,771,222

LIABILITIES AND RESERVES

Savings Accounts	\$ 14,679,394	\$ 13,041,614
Checking Accounts	\$ 5,723,541	\$ 5,375,175
Money Manager Savings	\$ 8,478,297	\$ 8,630,229
Certificates of Deposit	\$ 4,825,176	\$ 3,812,101
IRA Accounts	\$ 1,023,444	\$ 1,096,397
Other Liabilities	\$ 123,592	\$ 703,534
Total Liabilities	\$ 34,853,444	\$ 32,659,050
Regular Reserves	\$ 1,957,888	\$ 1,957,888
Other Reserves	\$ 3,725,109	\$ 3,154,283
Total Reserves	\$ 5,682,997	\$ 5,112,171
Total Liabilities & Reserves	\$ 40,536,441	\$ 37,771,222

*Net after accrued depreciation

Assets



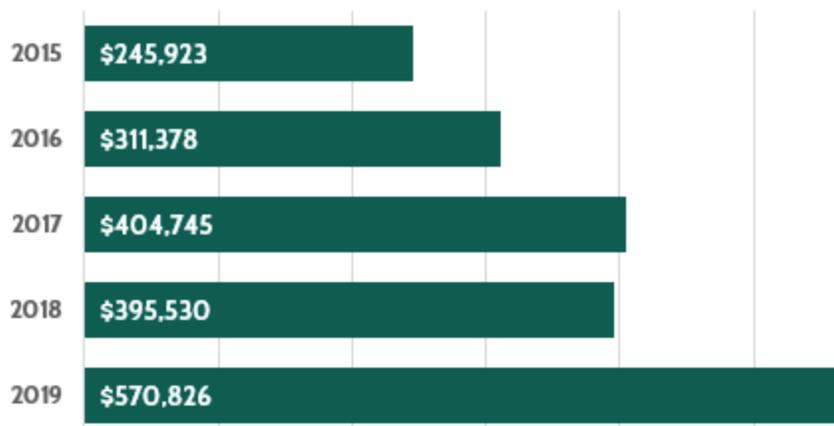
Reserves



STATEMENT OF INCOME

INCOME	2019	2018
Interest from Loans	\$ 1,591,968	\$ 1,477,068
Investments	\$ 143,282	\$ 121,882
Other Income	\$ 393,424	\$ 364,023
Total Assets	\$ 2,128,674	\$ 1,962,972
EXPENSES		
Salaries and Benefits	\$ 751,315	\$ 755,008
Building Costs	\$ 102,921	\$ 81,034
Office Operations	\$ 344,365	\$ 294,174
Provision for Loan Losses	\$ 22,300	\$ 82,850
Other Expenses	\$ 172,883	\$ 261,551
Total Operating Expenses	\$ 1,393,784	\$ 1,474,617
Income Before Dividends	\$ 734,890	\$ 488,356
Non-Operating Income/Loss	\$ 4,807	\$ 23,358
Dividends Paid to Members	\$ (168,871)	\$ (116,184)
Net Income	\$ 570,826	\$ 395,530

Income



August 29, 2019

To the Membership of
Evergreen Credit Union
Neenah, Wisconsin

Dear Members:

We performed a supervisory exam of Evergreen Credit Union (the "Credit Union") as of June 30, 2019. The procedures performed and findings, including the independent accountants' report on applying agreed-upon procedures, were issued subsequent to the completion of the supervisory exam and are on file at the Credit Union.

A supervisory exam is one of the options available to federally insured credit unions under Section 715 of the NCUA Rules and Regulations. The supervisory exam was performed in accordance with the minimum procedures described in Appendix A of the National Credit Union Administration's Supervisory Committee Guide for Federal Credit Unions. Any significant findings identified at your credit union were reported to its Board of Directors.

Sincerely,
HAWKINS ASH CPAs, LLP



By Jeffrey Danen, Partner

2019 SUSTAINABILITY REPORT

At the core of ECU is our environmentally responsible mission. This report highlights our work in our six environmental focus areas: energy self-sufficiency, carbon neutrality, water conservation, zero waste, employee engagement, and member education.

Energy Self-Sufficiency

The main star of our energy self-sufficient journey is the credit union's rooftop solar array. Year after year, we produce more electricity than we purchase. 2019 saw a small decline in production as our array sustained some damage during storm season. However, despite setbacks, we reduced our overall electricity consumption by 7% in comparison to 2018.

We have saved more than 70% in energy costs since the array was installed. In 2014, we paid \$12,825.25 in electricity costs. In 2019, we paid only \$3,737.88. Our costs include our free electric vehicle charger which was available to the public for the entirety of 2019.

For the fifth year in a row, we maintained our ENERGY STAR Certified Building status. We improved our score from 2018 by 3 points, raising us to 94.

Carbon Neutral

To maintain the credit union's carbon neutral status, ECU continued with beneficial programs including partnering with the Arbor Day Foundation to plant a tree for each new member and each new loan granted. We have donated money to plant more than 12,000 trees since 2014.

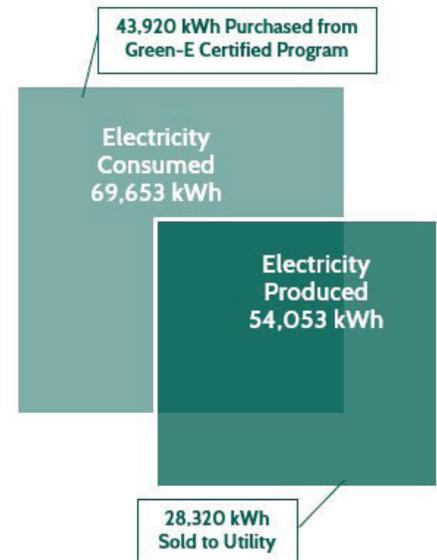
We continue to produce the majority of our own electricity on-site via our solar array, and purchase the remainder from renewable resources via We Energies' Energy for Tomorrow Green-E certified program.

For 2019, we focused on enrolling members in E-Statements and online banking. As more and more members adopt online practices, we hope to continue to reduce our carbon footprint.

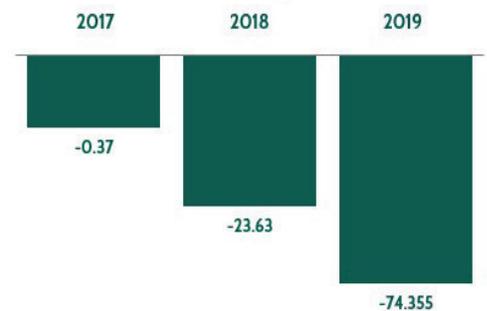
Water Conservation

Our employees continue to take water consumption seriously. We have reduced our water consumption by 13,000 gallons since 2015 and continue to maintain a low level of utilization.

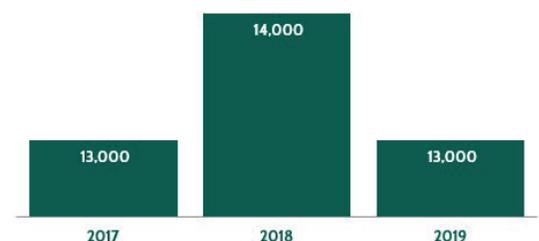
Electricity Production and Use



Net Carbon Footprint (metric tons)



Water Usage (gallons)



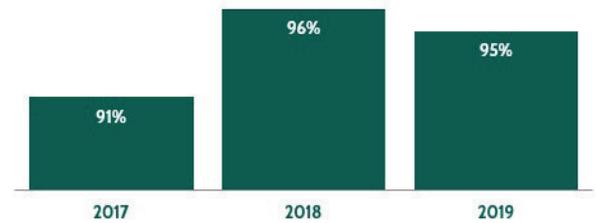
Zero Waste

In 2019, we were delighted to receive recognition from the U.S. Environmental Protection Agency. We were a Regional Award winner for our 1,733 lbs of diverted waste from the landfill.

With support from our staff, we launched an initiative to reduce our paper consumption. Spearheaded by Accounting, we cut our consumption by almost 30 reams.

To take things one step further, our staff eliminated single use sticky notes in favor of conscious consumption and the use of “both sides of the paper.” We hope this makes a difference in the long run.

Waste Diverted From Landfill



Employee Development

Our internal program 4E: Evergreen Environmental Engagement Experience continued to be popular in 2019. The program helps employees feel comfortable about our sustainability initiatives, allowing them to facilitate member education. Through the use of WebQuests, employees became better acclimated with aspects of sustainability that impact their personal life, such as consumer consumption and energy vampires.

Pictured at the left is our Sustainability and Marketing Manager Roni with our new tree standee, showing how much fun it is to be an Evergreen!

Member and Community Engagement

For the first time ever, we held an electric vehicle ride and drive at Evergreen Credit Union. We had a great turnout with over 10 cars on display. Members from the community brought their own vehicles to share the story of driving electric! Test drives and rides were available, including several Tesla models. Thank you for RENEW Wisconsin and Clean Cities Wisconsin for partnering with us on this event.

In 2019 we sponsored and participated in many other community events in the credit union’s membership area. Here is a selection:

- Village of Fox Crossing Parks and Recreation Filthy Fun Kids Run and other programs
- SOAR Fox Cities Corn Roast
- Sustain Greenville wire/light recycling drive and Farmers Market
- Drop-off point for Rising Sand Organic’s CSA
- Martin Luther King Jr. Day of Service
- Neenah Animal Shelter Furry Flurry
- Ride with RENEW

We spent a lot of time in the community this past year interacting with residents, members, and business peers to spread our mission and brand. Thank you for choosing ECU for your financial needs.



In continued support of our local animal shelters, we were a sponsor of Neenah Animal Shelter's Furry Flurry.



We had a day on and volunteered at Fox Valley Humane Association for MLK Jr. Day of Service.



First looks of the Appleton Branch modelled by LaMacchia Group. Our new location will feature modern technology, including teller pods and automatic cash recyclers. The rooftop solar array remains our defining feature and beacon of sustainability.





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