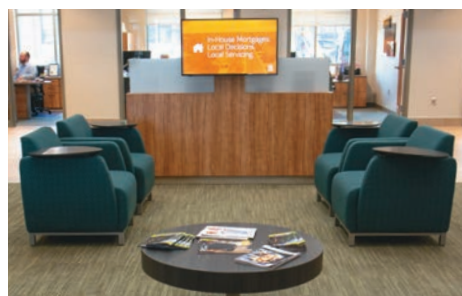


# NEW DOWNTOWN MEMBER SERVICE CENTER OPENS



At Black Hills Federal Credit Union, we're dedicated to providing our members with the best financial experience possible. To that end, we are excited to be serving members from our new, full-service Downtown Member Service Center (MSC) in Rapid City.

After more than 30 years in our former building, the new, state-of-the-art Downtown MSC offers a variety of enhanced services and advanced technologies designed to promote convenience and ease of use. Opened on March 11, the new MSC is located directly across Main Street from our former building.

"BHFCU is passionate about serving our members and supporting their evolving financial needs," said Roger Heacock, President and CEO of BHFCU. "With this new facility, we are better positioned to improve the lives of our members by providing the excellent tools, services, and products they need to achieve their goals."

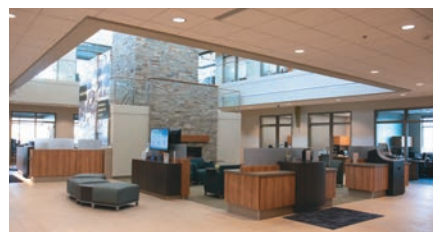
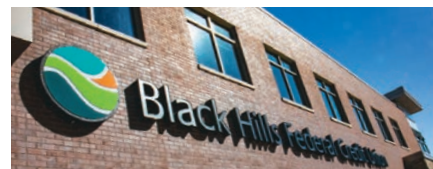
At approximately 15,000 sq. feet, the two-story building features a modern teller area and an open, well-lit lobby with convenient service solutions. The MSC has ample parking and spacious drive-up lanes to allow members easy access to BHFCU tellers.

**BHFCU Is  
Passionate About  
Serving Our  
Members And  
Supporting  
Their Evolving  
Financial Needs**

*- Roger Heacock, President & CEO*

To help offset the cost of the new building, our former Downtown MSC was recently sold to the Diocese of Rapid City.

"We encourage you to stop by our new Downtown MSC to visit with our friendly, knowledgeable team," said Mitch Loken, Downtown MSC manager. "We are excited to provide you and your family with great service at our beautiful, new location."



Visit our lobby Monday through Friday, from 9 a.m. to 5 p.m. and Saturday from 9 a.m. to noon. Drive-up services are available from 6:30 a.m. to 5:30 p.m., Monday through Thursday, 6:30 a.m. to 6 p.m. on Friday, and 8 a.m. to Noon on Saturday. ATM services are available 24/7.

## MISSION STATEMENT

We Improve Lives

## BOARD OF DIRECTORS

Jason Green, *Chair*

Allen Zandstra, *Vice Chair*

Brenda Wills, *Treasurer*

Karen Satrang Holloway, *Secretary*

Lynn Hammerstrom, *Director*

George Jewett, *Director*

Dennis Laughlin, *Director*

## SUPERVISORY COMMITTEE

Joanne Pease, *Chair*

Matt Fitting, *Secretary*

Greg Hollibaugh, *Member*

Joel Landeen, *Member*

Mark Wixon, *Member*

## EXECUTIVE MANAGEMENT

Roger Heacock  
*President & CEO*

DeeAnn Dietrich  
*SVP/Chief Lending Officer*

Jerry Schmidt  
*SVP/Chief Operations Officer*

Jarrod Reisner  
*SVP/Chief Financial Officer*

John Buxton  
*SVP/Chief Information Officer*

Holly Jones  
*SVP/Chief Administrative Officer*

## HOLIDAY CLOSINGS

–May 27–  
Memorial Day

–July 4–  
Independence Day

## FINANCIAL UPDATE

(As of February 28, 2019)

Number of Members.....71,831

Shares.....\$1,157,498,514

Loans.....\$845,244,613

Net Worth.....\$147,155,083

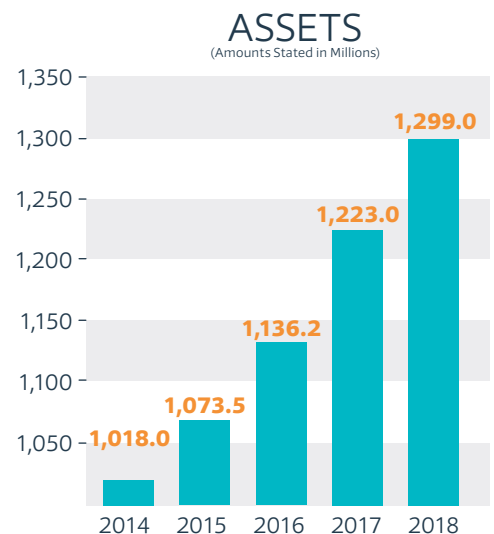
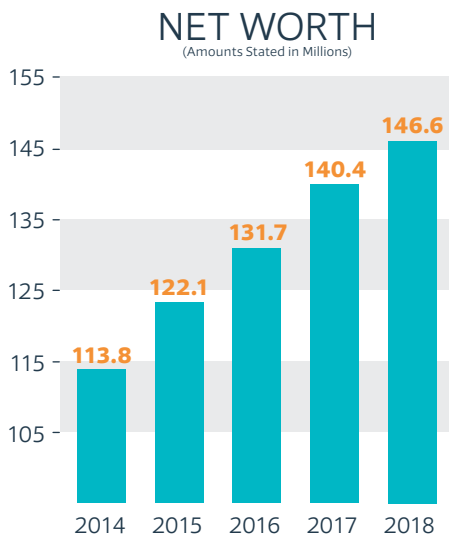
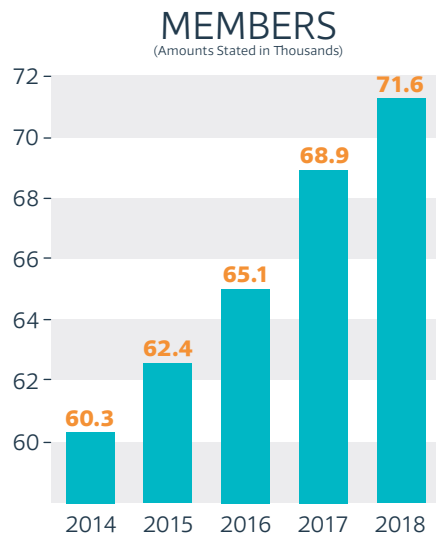
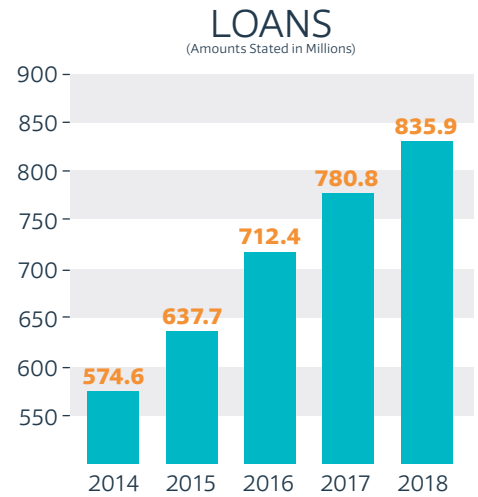
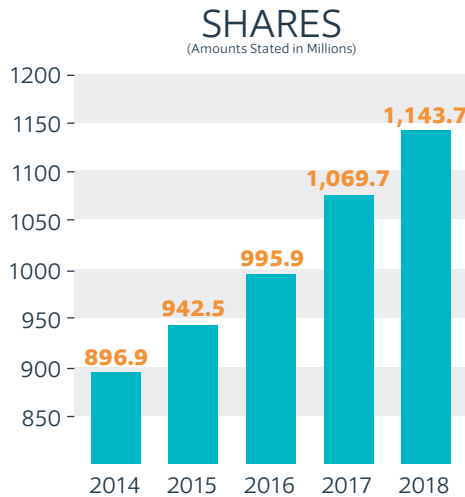
Total Assets.....\$1,314,497,416



Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government

# PERFORMANCE REPORTS

as of December 31, 2018



# SPECIAL

# 1 1/2%

## ORIGINATION FEE ON ALL 1<sup>ST</sup> MORTGAGES

### THRU MAY 31

Offer subject to credit approval. Loan applications must be dated by May 31, 2019. All other loan fees and closing costs apply. BHFCU offers a tiered pricing program. Your individual rate will be determined by the type of collateral offered, length of the loan, and your credit history.



## FEATURED RATE

CERTIFICATE\*\*

# 14 MONTH | 2.65%

\$500 - 24,999

## LOAN RATES\*

<b>New &amp; Nearly New Vehicles (2017-NEW)</b>	
36 Months .....	3.84%
60 Months .....	3.99%
72 Months .....	4.24%
78 Months .....	4.64%

Example:  
 36 monthly payments of \$29.46 per \$1,000 borrowed  
 60 monthly payments of \$18.42 per \$1,000 borrowed  
 72 monthly payments of \$15.76 per \$1,000 borrowed  
 78 monthly payments of \$14.88 per \$1,000 borrowed

<b>New Vehicles (\$25,000+)</b>	
84 Months .....	4.99%

Example:  
 84 monthly payments of \$14.13 per \$1,000 borrowed

<b>New ATV's, Personal Watercraft, &amp; Snowmobiles</b>	
48 Months .....	4.04%

Example:  
 48 monthly payments of \$22.60 per \$1,000 borrowed

<b>New &amp; Used RV Loans</b>	
96 Months .....	5.19%
144 Months .....	5.95%

Example:  
 96 monthly payments of \$12.76 per \$1,000 borrowed  
 144 monthly payments of \$9.74 per \$1,000 borrowed

**First Mortgage Loans (Up to 30 years)**  
 Fixed or Adjustable Rate Mortgages, Construction Loans, Building Site Loans, SD Housing Loans, 1-4 Family Residential Rental Loans, and more available.

\*Rates stated as Annual Percentage Rate (APR). Rates effective as of Mar. 1, 2019 and are subject to change without notice. Stated rate is our lowest rate for the term or product shown. Rates may vary depending on your credit worthiness. Please ask for details regarding how your rate is determined. Other rates and terms available. Some restrictions apply.

## CERTIFICATE RATES\*\*

<b>6 Month Certificate</b>	
\$500-24,999 .....	1.55%
\$25,000 plus .....	1.65%

<b>12 Month Certificate</b>	
\$500-24,999 .....	2.25%
\$25,000-99,999 .....	2.35%

<b>18 Month Certificate</b>	
\$500-24,999 .....	2.40%
\$25,000-99,999 .....	2.50%

<b>24 Month Certificate</b>	
\$500-24,999 .....	2.50%
\$25,000-99,999 .....	2.60%

<b>30 Month Certificate***</b>	
\$500-24,999 .....	2.50%
\$25,000-99,999 .....	2.60%

<b>36 Month Certificate</b>	
\$500-24,999 .....	2.50%
\$25,000-99,999 .....	2.60%

<b>48 Month Certificate</b>	
\$500-24,999 .....	2.60%
\$25,000-99,999 .....	2.70%

<b>60-72 Month Certificate</b>	
\$500-24,999 .....	3.00%
\$25,000-99,999 .....	3.10%

<b>84-96 Month Certificate</b>	
\$500-24,999 .....	3.15%
\$25,000-99,999 .....	3.25%

\*\*IRA Certificates available for the minimum balances, terms, and rates as above.

Rates stated as Annual Percentage Yield (APY). All dividends compounded daily and paid monthly. Penalty for early withdrawal. Rates are accurate as of Mar. 1, 2019 and are subject to change without notice.

\*\*\*30 Month Certificates feature a Bump-A-Rate option.

Our rates and terms are subject to change and are only partially represented in the charts above. For all current rates, visit [bhfcu.com](http://bhfcu.com) or call 718-1818 or 800-482-2428.

## 30<sup>th</sup> ANNUAL MEMBER AUTO SALE



- + Open to the Public
- + Rapid City | Plaza Drive MSC
- + June 8, 8:00 a.m. to Noon

Whether you're looking to buy or sell a motorcycle, vehicle, boat, or camper, BHFCU's Member Auto Sale is a great place to start! Members interested

in selling a vehicle can pick up a registration packet from any BHFCU location beginning May 6. Packets will also be available online at [bhfcu.com](http://bhfcu.com).

Those in the market for a new vehicle can browse more than 100 member-owned cars, pickups, SUVs, motorcycles, and campers, during the event on Saturday, June 8. Don't miss this opportunity to talk with the owners, as well as discuss book values and loan options with our lenders. On-site vehicle financing will also be available. Local radio stations will be broadcasting during the event, and BHFCU Insurance will provide concessions with all proceeds benefiting the Front Porch Coalition.



## EMPLOYER OF THE YEAR

Earlier this spring, we were honored to receive the Hot Springs Area Chamber of Commerce's distinguished Employer of the Year award. Thank you to our amazing members and the community of Hot Springs for your continued support and encouragement.

# 2019 BOARD OF DIRECTORS



**Allen  
Zandstra**



**Karen  
Satrang Holloway**



**Mark  
Wixon**

BHFCU's Nominating Committee has nominated three members who have expressed a desire to serve on BHFCU's Board of Directors and are qualified candidates. There were no petitions received; therefore, no other names were added to the candidate list.

In accordance with the Credit Union bylaws addressing a single nominee for

each vacant position, Allen Zandstra, Karen Satrang Holloway, and Mark Wixon will be elected by acclamation at the Annual Meeting.

BHFCU's Annual Meeting will be held on May 8, 6:00 p.m., at our Corporate Office (*east entrance*), 2700 N. Plaza Drive, Rapid City, South Dakota.

## HERMOSA SERVICE PARTNERSHIP



Black Hills Federal Credit Union is seeing great success in serving rural members in and around the community of Hermosa through our new Interactive Teller Machine (ITM), located inside the popular Pop's Grocery Shoppe.

Using the ITM's enhanced video conferencing technology, BHFCU is providing much-needed financial services in the small community that is otherwise without a financial institution. The ITM is a convenient way for BHFCU members and non-

members in the Hermosa area to do daily transactions without having to travel to Rapid City, Custer, or Hot Springs.

With just the touch of a screen, members can instantly connect via video conference with one of BHFCU's tellers to perform most of the transactions they would at any BHFCU Member Service Center.

This includes making withdrawals or cash deposits, cashing a check to the penny, transferring funds between accounts, completing loan payments, and more. Members and non-members are also using the machine's ATM functions during business hours at Pop's Grocery Shoppe.

We appreciate the opportunity to partner with Hermosa area residents to find creative ways to serve their financial needs.

For more information and hours of operation, visit [bhfcu.com/itm](http://bhfcu.com/itm).

# 17<sup>th</sup> ANNUAL SHRED DAY



**+ Free for Members**

**+ Rapid City | Plaza Drive MSC**

**+ May 18, 8:00 a.m. to Noon**

Shredding your personal and financial documents is a quick, easy way to protect yourself from identity theft! BHFCU members can take advantage of free document shredding and recycling, as well as on-site demolition of computer hard drives on Saturday, May 18. Bring up to two file boxes or trash bags of documents and two hard drives for disposal at our location on 2700 North Plaza Drive in Rapid City.

\*Shred Day is limited to BHFCU members only. Members will be required to present their member number. You may bring up to two additional containers of documents to shred; however, your account will be debited \$10 per container. There is no need to remove staples or paper clips from documents, but please do not include other plastic, metal, or trash material. If you are bringing hard drives, please separate them from your documents.

## VIBZ SCHOLARSHIPS

With more than 80 scholarships awarded to local students since 2003, the VIBZ Scholarship Program is part of BHFCU's ongoing commitment to promote education and financial literacy. BHFCU congratulates all of the 2019 applicants on their outstanding accomplishments as students. Scholarship recipients are posted online at [bhfcu.com/VIBZ2019](http://bhfcu.com/VIBZ2019).

## FINANCIAL STATEMENT

	2018 ACTUAL	2017 ACTUAL
<b>&gt;ASSETS</b>		
Loans to Members, Net	\$ 833,356,930	\$ 778,131,446
Cash & Receivables	11,644,725	11,803,006
Investments	331,700,280	322,522,516
Building, Furniture, & Equipment	73,147,182	62,278,047
Other Assets	49,168,985	48,291,736
<b>TOTAL ASSETS</b>	<b>\$1,299,018,102</b>	<b>\$1,223,026,751</b>
<b>&gt;LIABILITIES &amp; EQUITY</b>		
Accounts & Notes Payable	\$ 3,293,936	\$ 6,257,510
Other Liabilities	7,712,494	7,280,070
<b>TOTAL LIABILITIES</b>	<b>\$ 11,006,430</b>	<b>\$ 13,537,580</b>
<b>&gt;MEMBER EQUITY</b>		
Member Shares	\$ 1,143,713,192	\$ 1,069,730,399
Unrealized Gain/(Loss) on Investments	(2,284,033)	(624,281)
Total Reserves & Undivided Earnings	146,582,513	140,383,054
<b>TOTAL EQUITY</b>	<b>\$1,288,011,672</b>	<b>\$1,209,489,172</b>
<b>TOTAL LIABILITIES &amp; MEMBER EQUITY</b>	<b>\$1,299,018,102</b>	<b>\$1,223,026,751</b>

## INCOME & EXPENSE STATEMENT

	2018 ACTUAL	2017 ACTUAL
<b>&gt;OPERATING INCOME</b>		
Total Loan Income	\$ 36,166,925	\$ 32,291,001
Total Investment Income	7,317,093	6,388,620
Total Other Income	15,193,700	13,433,585
<b>TOTAL OPERATING INCOME</b>	<b>\$ 58,677,717</b>	<b>\$ 52,113,206</b>
<b>&gt;OPERATING EXPENSES</b>		
Employee Compensation	\$ 18,674,359	\$ 16,698,951
Employee Benefits	5,259,324	4,776,303
Travel & Conference	288,562	310,510
Association Dues	88,892	90,743
Office Occupancy	3,353,502	2,143,759
Office Operating	7,312,673	6,225,832
Education & Promotion	1,044,567	1,018,222
Loan Servicing	3,645,375	3,152,475
Professional & Outside Services	724,918	644,572
Black Hills Financial Services Program	46,113	45,629
Provision for Loan Losses	1,172,185	773,752
Provision for ODP Losses	7,833	5,831
Member Insurance	--	--
NCUA Operating Fee	323,021	259,453
Miscellaneous	98,296	8,920
<b>TOTAL EXPENSES</b>	<b>\$ 42,039,620</b>	<b>\$ 36,154,953</b>
<b>Net Income Before Dividends</b>	<b>\$ 16,638,097</b>	<b>\$ 15,958,253</b>
Dividends	\$ 9,916,984	\$ 7,169,031
Interest on Borrowed Funds	--	--
<b>Net Income from Operations</b>	<b>\$ 6,721,113</b>	<b>\$ 8,789,222</b>
Other Non-Operating Income	114,374	613,528
Gain/(Loss) on Sale of Investments	(440,756)	329
Gain/(Loss) on CUSO	(195,272)	(257,503)
<b>Net Income</b>	<b>\$ 6,199,459</b>	<b>\$ 9,145,577</b>
<b>Expense to Average Asset Ratio</b>	<b>3.33%</b>	<b>3.06%</b>

### >STATISTICAL INFORMATION

Number of Members	71,565	68,895
Total Loans Granted in Year	13,432	13,345
Total Amount Loaned	\$ 412,970,153	\$ 388,345,325
Number of Loans Made Since Organization	528,737	515,305
Amount Loaned Since Organization	\$ 6,383,867,703	\$ 5,970,897,550
Increase in Total Loans	7.06%	9.60%
Increase in Total Shares	6.92%	7.41%
Increase in Total Membership	3.88%	5.87%

**BHFCU CONTACT CENTER**  
605.718.1818 | 800.482.2428 | F 605.646.413

**MEMBER SERVICE CENTERS  
DOWNTOWN**

200 Main St, Rapid City, SD 57709-1420

**EAST NORTH**

725 East North St, Rapid City, SD

**ELK VALE**

950 Elk Vale Rd, Rapid City, SD

**MOUNTAIN VIEW**

850 Mt View Rd, Rapid City, SD

**PLAZA DRIVE**

2700 N Plaza Dr, Rapid City, SD

**CHEYENNE RIVER**

Willow & Hwy 212, Eagle Butte, SD 57625

**CUSTER**

Located in Shopko  
1135 Mt Rushmore Rd, Custer, SD 57730

**HOT SPRINGS**

330 S Chicago St, Hot Springs, SD 57747

**PIERRE**

1530 N Garfield Ave, Pierre, SD 57501

**SIoux FALLS - 10<sup>th</sup>**

921 W 10th St, Sioux Falls, SD 57104

**SIoux FALLS - 41<sup>st</sup>**

1901 W 41st St, Sioux Falls, SD 57105

**SIoux FALLS - MARION**

5028 S Marion Rd, Sioux Falls, SD 57106

**SPEARFISH**

835 Main St, Spearfish, SD 57783

**STURGIS**

1020 Lazelle St, Sturgis, SD, SD 57785

**WALL**

115 S Blvd West, Wall, SD 57790

**BHFCU OWNED ATMs/ITMs**

Located at Member Service Centers  
(except Cheyenne River)

**KINNEY AVE - ATM**

118 Kinney Ave, Rapid City, SD

**TIMMONS MARKET - ATM**

747 Timmons Blvd, Rapid City, SD

**MINNESOTA ST - ITM**

5th & Minnesota St, Rapid City, SD

**POP'S GROCERY SHOPPE - ITM**

30 N Ferguson St, Hermosa, SD

**WORLDWIDE**

**CO-OP NETWORK ATMs**

www.co-opfs.org / 888.748.3266

**ONLINE BANKING/LIVECHAT**

www.bhfcu.com  
App available at Google Play & The App Store

**QUICKTELLER (QT)**

605.343.1677 / 800.660.3224

**BHFCU INSURANCE**

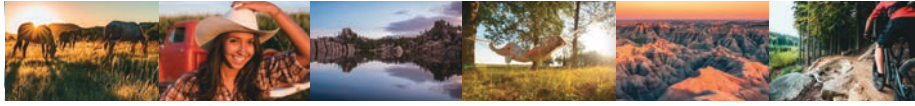
605.718.7888

**BLACK HILLS INVESTMENT SERVICE**

605.858.6183

Spring 2019

# Membership Privileges



## INSIDE THIS ISSUE

- > NEW DOWNTOWN LOCATION
- > SERVING HERMOSA
- > SHRED DAY & MEMBER AUTO SALE
- > BHFCU ANNUAL FINANCIAL REPORTS
- > AND MORE!

**\$100**  
**VISA GIFT CARD**

**90 DAY**  
**NO-PAY**

**.50%**  
APR **LOAN RATE**  
**DISCOUNT**

**REC VEHICLE**  
**SPECIAL**

\*Loan Rate Discount applies to new BHFCU loans on motorhomes, campers, travel trailers, 5th wheels, aircraft and boats, and will be reduced from member's qualifying rate. May not be used on current BHFCU loans or internal refinancing. 90 Days to First Payment does not apply to Balloon Payments or loans with balances greater than \$40,000. Loan amount must be over \$10,000 and still held at BHFCU 90 days after loan opening to receive \$100 Visa Gift Card. Offer valid through April 30, 2019. Offer subject to credit approval. Some restrictions apply. Call 605-718-1818 or 800-482-2428 for details.

*like us on facebook for news and updates!*



PO Box 1420  
Rapid City, SD 57709-1420

**Black Hills**  
FEDERAL CREDIT UNION



Standard  
US Postage PD  
Rapid City, SD  
Permit #618