



**clearwater**  
CREDIT UNION

CELEBRATING  
**70**  
YEARS  
1956-2026

**Together,  
We Change  
Lives**

Brit B. volunteering  
at MUD Missoula

**2025  
Annual Report**

# CEO and Board Chair Report

Clearwater was founded in 1956 when eight Missoula police officers came together to pool their savings and lend to one another on fair, ethical terms. While much has changed over seven decades, that simple premise remains the foundation of who we are today.

We are larger, more complex, and operating in a rapidly evolving financial landscape. Yet at our core, we remain a cooperative made up of people working together to create access, opportunity, and financial well-being for one another.

## Strong 2025 Financial Performance

2025 was another year of solid performance and continued growth:

- Membership grew to 66,586, representing a 5% increase year over year.
- Total member savings reached \$922 million.
- Total outstanding loans on balance sheet reached \$839 million, alongside \$225 million in mortgage servicing assets.
- Net earnings of 88 basis points contributed to a strong net worth ratio of 12.5%, on a total balance sheet of \$1.14 billion.



These results reflect not only disciplined financial management, but also the trust our members place in us every day.

## Investing in Our Communities

Looking ahead, we are focused on thoughtful, strategic growth. We continue to expand our reach across Montana, building on our presence beyond Missoula with teams in Bozeman, Butte, Great Falls, Helena, and Stevensville.

In early 2025, we opened our new Uptown Butte branch. Construction is also underway at our new Great Falls branch, scheduled to open in early 2027.

These are meaningful investments in both people and infrastructure, and we are committed to ensuring they deliver long-term value through membership growth and expanded access to financial services.

## Strategic Direction and Values-Based Banking

We began 2026 with a newly defined set of five-year strategic priorities, grounded in our longstanding commitment to the six principles of values-based banking.

These priorities reflect our belief that financial services should be transparent, ethical, and aligned with the long-term well-being of our members and communities. We encourage all members to review our strategic plan, which is publicly available on our website.

### Six Principles of Values-Based Banking



### Preparing for the Future: Artificial Intelligence

We are also investing time and attention in understanding the evolving role of artificial intelligence (AI) in community banking. This emerging technology presents both challenges and opportunities.

We recognize the legitimate concerns—including workforce disruption, environmental impact, and widening inequality. At the same time, AI presents opportunities to improve efficiency, enhance product and service delivery, and remain competitive in a rapidly changing marketplace.

Our approach is grounded in our values. We are committed to exploring these technologies thoughtfully, with an emphasis on ethical use, transparency, and staying focused on long-term benefits for our members and employees.

### A Strong Foundation for the Future

Clearwater Credit Union remains strong, stable, and focused on its mission. We are proud to continue advancing values-based banking as a force for good—supporting our members, strengthening our communities, and building a more inclusive financial system.

Thank you for your continued membership and participation in our member-owned, financial cooperative. Your trust and engagement make everything we do possible.



**JACK LAWSON**  
*President & CEO*



**TONY BOOTE**  
*Board Chair*

# Membership Impact



Total Members  
**66,586**



Net New Members  
**3,186**



Consumer Loans  
to Members  
**8,477 Loans**  
**\$116 Million**



Home Loans  
to Members  
**500 Loans**  
**\$81 Million**



Mortgage Loans  
Serviced  
**3,890**  
**\$571 Million**



Business Loans  
to Members  
**89 Loans**  
**\$48 Million**



Alecia L.  
Volunteering at Home ReSource,  
Missoula.

# Community Impact



**Philanthropy**  
**\$518,890**  
227 Nonprofits



**Financial Counseling**  
**706**  
Individual  
Sessions



**Employee  
Volunteer Hours**  
**3,198** Hours

**Financial Empowerment**



**4,103**  
People Attended  
Workshops



John D. and Maria V,  
Little Shell Elders and  
Veterans Pow Wow



Read more about  
our community  
impact.



# Financial Performance

**2025** marked another year of very strong financial performance. We increased membership, deposit balances, and loans to our members.

## Loan Growth and Asset Quality

Loan balances grew by 4% in 2025, resulting in a very healthy loan-to-asset ratio of 73%. Credit quality remained sound at 0.3% net loan losses (net charge-offs) and 0.8% delinquencies (loans that are paying late).

As the size and complexity of our loan portfolio has grown, we have been careful to help members into loans appropriate to their circumstances. Clearwater continues to be well-reserved for potential credit issues with 1.52% of the loan portfolio reserved for potential losses.

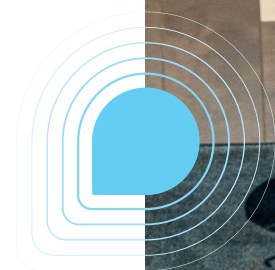
## Earnings

The credit union's net earnings performance is healthy with a return on average assets of 0.9%. Several things contributed to that profitability including an expanding net interest margin and well-managed expenses.

## Net Worth

Clearwater's net worth ratio continues to be very strong at just over 12.5%.

	Dec-2021	Dec-2022	Dec-2023	Dec-2024	Dec-2025
<b>Net Worth Ratio</b>	9.8%	12.0%	12.0%	12.1%	12.5%
<b>Return on Average Assets</b>	2.1%	1.1%	1.1%	0.9%	0.9%
<b>Member Growth</b>	4.3%	4.5%	5.3%	5.4%	5.0%
<b>Loans to Assets</b>	58.9%	67.8%	70.6%	73.2%	73.4%
<b>Net Interest Margin</b>	2.8%	3.0%	3.3%	3.3%	3.5%
<b>Net Charge Off + Delinquency Ratio</b>	0.1%	0.3%	0.3%	1.2%	1.1%



2025 Butte Branch Grand Opening

# Balance Sheet

	2024	2025	% Change
<b>Loans</b>	\$792,333,501	\$826,055,216	4%
<b>Investments</b>	\$266,569,069	\$275,107,933	3%
<b>Other Assets</b>	\$39,560,772	\$42,144,124	7%
<b>Total Assets</b>	<b>\$1,098,463,342</b>	<b>\$1,143,307,273</b>	<b>4%</b>
<b>Liabilities</b>	\$166,414,547	\$105,846,190	-36%
<b>Deposits</b>	\$833,049,336	\$921,792,024	11%
<b>Equity</b>	\$98,999,459	\$115,669,059	17%
<b>Total Liabilities, Deposits, &amp; Equity</b>	<b>\$1,098,463,342</b>	<b>\$1,143,307,273</b>	<b>4%</b>

# Income Statement

	2024	2025	% Change
<b>Loan Interest</b>	\$41,761,757	\$47,087,778	13%
<b>Investment Interest</b>	\$10,307,615	10,350,839	0%
<b>Interest Expense</b>	\$16,545,490	\$17,717,515	7%
<b>Net Interest Income</b>	\$35,523,882	\$39,721,103	12%
<b>Provision for Credit Loss</b>	\$4,706,523	\$3,790,589	-19%
<b>Non-Interest Income</b>	\$11,813,583	\$11,119,182	-6%
<b>Non-Interest Expense</b>	\$33,166,178	\$37,325,376	13%
<b>Extraordinary Income (Expense)</b>	(\$5,688)	145,843	2,664%
<b>Net Income</b>	<b>\$9,459,076</b>	<b>\$9,870,164</b>	<b>4%</b>



**clearwater**  
CREDIT UNION



# Banking on Values

Scan to view Annual  
Meeting documents online



Insured by NCUA

[clearwatercreditunion.org](https://clearwatercreditunion.org)