



# ANNUAL REPORT



*Photo by JoAnna Yeager*

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21

Reflections on people - places - progress



*"Leadership is not a position or title,  
it is action and example."*

*— Unknown*

## MESSAGE FROM THE CEO

We all have that morning routine that prepares us for the day. Maybe a cup of coffee and the morning newspaper, or now that same coffee with a tablet and your favorite blog or podcast gets your day started.

Before I even get to the news or reviews, I look in the mirror as I get ready. It's not just to get my hair looking nice – I really study the reflection looking back at me. What do I see when I look in the mirror? I see a story. That story gives me energy to face the next idea and opportunity. I see one of over 170 driven people that it takes to make Forward successful.

Reflections tell us a lot. They show where we have been. They cause thought of what works and doesn't. Most importantly – they help to highlight our successes and allow us to celebrate if only for a moment.

Reflecting on 2021, there is a lot that Forward has to celebrate. It was a year of milestones and growth, community outreach and giving, and new faces and places. We've never taken for granted the fact that our people drive the mission of Moving Our Communities Forward. This year was powered by a team, and I am proud of them!

Looking in the mirror, I see pride in the team that we have created here and the stories they create every day. Every member of the Board of Directors, Executive Management and Leadership team shares in our appreciation of the efforts of the growing team that moves us forward!

Enjoy the stories as we reflect on 2021.



**Bill Sennholz**  
CEO | Forward Bank

## COMMERCIAL BANKING

The story of 2021 is not framed by financial performance or a list of tasks that have been checked off of a list, it's a collective of faces in the mirror working together to Move Our Communities Forward. While many may want to forget the past year, the team at Forward spent that time continuing to write the story of how our organization positively impacts the communities that we are in. Looking back, we have grown with purpose because of our people.

The expertise our Commercial Banking team shares with clients and our communities builds businesses. It also helps to build networks within the banking industry serving rural communities. We saw a level of outreach during the Paycheck Protection Program that spanned multiple communities, counties, and across the state. Our team partnered with area banks to provide the knowledge to assist them in helping their customers through the process.

“Reflective thinking turns experience into insight.”

— John C. Maxwell



## GROWING TEAM

To continue our drive to be **THE best financial services provider serving rural Wisconsin**, we continue to expand our Commercial Banking team. In 2021, Forward added four energized bankers to respond to the needs of our community members.



**DANNY OELT**  
*Marshfield*



**JEFF BARATKA**  
*Phillips*



**JEFF DENNEE**  
*Marshfield*



**TAYLOR SHAW**  
*Medford*

## MORTGAGE

Housing continues to be a challenge for most communities. Businesses are recruiting quality employees to join their companies, and young families are looking for a place to call home when they move to town. The recent refinance boom did not change this landscape for most. Forward has continued to focus our efforts on the need for new home construction by offering a Construction Bundle to our community members.

The experts on Forward's Mortgage team are a reflection on the original mission from 1919 to get families into their own homes. The process has changed, but the high expectation for service hasn't wavered at all over the years.



**ANGIE DOMINE**  
Mortgage Lending  
Supervisor

“

## CUSTOMER TESTIMONIAL

Forward Bank has been able to offer both myself and my customers the best possible product for any construction and development projects I've had in the past several years.

When I meet a customer and we start discussing construction loan processes it's important that they understand the benefit of working with a local bank. As the builder I know that Forward will get draw requests processed through the title company quickly and without unnecessary red tape. This keeps the project moving and ultimately gets the customer in their home with fewer delays.

*"When I meet a customer...it's important that they understand the benefit of working with a local bank."*

The financing package itself is always on par or better than the other local institutions. That along with the fact that Forward does so much for the communities

it services makes it the gold standard for residential construction lending. I push as many customers as possible to Forward because I know the protocols are fair and protect both the customer as well as the builder.

*"...that Forward does so much for the communities it services makes it the gold standard for residential construction lending."*

On a personal note my wife Rochelle and I have been able to do residential developments that no other builder is doing with the help of Jessica and team. It is comforting to know that I can bounce any thoughts, ideas or crazy dreams off of anyone at the bank. It keeps my business and personal growth heading the right direction.

— **JEFFREY HILL**  
Gene Hill Construction Inc.

## NON-PROFIT BANKING

Looking back at the Forward story and the path that we have taken to become the institution we are today, it is clear to see a focus rise to the top. We are THE non-profit bank in Wisconsin!

No other has our flagship **Charitable Money Market Account program**. Now topping over 370 local non-profits participating in this program and customers holding over \$200 million in deposits in these accounts, the impact moves us all forward. In 2021, over \$367,000 was donated back to participating organizations. **Unified School District of Marshfield received \$20,864.12**, the largest donation amount since the program started in 2006.



*John Kaprelian and Bill Sennholz of Forward Bank present the Unified School District of Marshfield with their CMMA donation.*



**LINDSEY SAFFORD**  
Non-Profit Banker

*While we have hung our hat on the CMMA program through the years, it is not enough. We can and will do more for our local non-profits.*

The strength of our resources through experienced lending, insurance, and investment teams are invaluable to charity leadership.

We believe in the important role that non-profits have in keeping communities strong and have **invested in a Non-Profit Banker** to dedicate time to help.

## DIGITAL BANKING

Looking at our customers and ourselves, we want to be communicated with and conduct our business where we live and work each day. That's how we choose our providers – who is best set up to understand me and remove the friction that I face in daily life. Who provides me with the “electric experience” – so I can follow the path of least resistance to my goal.

Digital banking has been the focus of adding value through new options and streamlining digital processes to help customers achieve their financial goals faster. To drive this effort forward, **we've added a Digital Banking Director to our team.**



**SHERI DICK**  
*Digital Banking Director*

“

Reflection: looking back so the view looking forward is even clearer.”

– *Unknown*

*Our Athens location features self service tools including an ITM, coin machine, and tech bar.*



## FORWARD FOOTPRINT

In August, Forward welcomed the community of Athens into our new facility. This was all possible because of a strong team of hometown insurance agents and a Commercial Lender immersed in all things Athens. The foundation for success was set early with the talented team already living there.

Athens extends the Forward footprint to the east of Highway 13 and opens a new community to the style of service we do so well. Our talented team excels at filling the void when other banks leave.



*Forward builds a lot around people. Our growth has been more about "who" than it has been about "where".*



*In late October, Forward staff and board members gathered for the ribbon cutting at the new facility in Athens.*



## PARK FALLS BUILD

Communities win when we can show how our hopes and dreams align with theirs, and the new facility in Park Falls is a prime example. Our vision at Forward for a resurgence in the downtown district was not only driven by our team, but also the Mayor of Park Falls supported by the Wisconsin Economic Development Corporation. It was all about people with purpose.

Two facilities were combined into one and both existing buildings were repurposed by members of the community. The shining example of collaboration is the City bringing Northlakes Clinic to the table to use the 2nd Street office to its capacity. Now the community of Park Falls has growing access to health care resources.

It will be exciting to support the community as the park is being developed next to our new building. Park Falls will become a shining star of the Northwoods.



Exterior of Park Falls building located at 177 4th Ave. S.

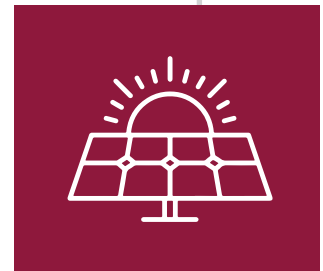


Board member, Terry Palecek, speaks at grand opening.

## SOLAR POWER

***There is an additional social responsibility that happens when you build new facilities today. We not only are interested in serving our customers, we are proud to also protect the environment.***

Both Athens and Park Falls were planned and built with solar power at the center. We're proud to continue to reduce our carbon footprint with every building project we plan.



## COMING SOON

Looking back, it's amazing to count the times that Forward has entered a community because of a larger bank looking to sell their location or plan to abandon the market. That has become our largest opportunity for growth and highlighted our goal of becoming **THE rural bank in Wisconsin**. We move FORWARD where we can make the most difference.

Members of the Dorchester community, in response to a bank leaving, pulled in our team to see what it would take to bring us to town. As advocates and advisors, they made it possible to hire the best banker in the community to anchor our new office. With their guidance and introduction, we announced our intention in December to open a location. Our goal is to be open in the summer of 2022.



*We move FORWARD where we can make the most difference.*

## GROWING INVESTMENTS

There is more to Forward than banking services. Much of our growth has been due to expansion of our Insurance team, and we are now proud to also expand our Investment team.

As any group approaches the decision to join another, you are challenged to reflect on your values and what brought you to this point in business and life. The ownership at **Lakeside Financial Consultants** and leadership at Forward both spent time making sure our directions and values aligned before deciding to join forces.

Rick and Patty Flora, Matt Krueger, and their team have been staunch supporters of their communities since the day that they opened their doors. The focus on client service and education is second to none in our area, and we are now proud to call them family.



At the end of December, the Lakeside offices in Medford and Phillips were rebranded as Forward Investment Services. The logo has changed, but the legacy will remain and the smiling faces serving clients will always be there.

## MILESTONES

What has all the growth in our team and new location opportunities meant for Forward? This has created a culture of quickly surpassing milestones as one team rallying around a singular purpose. We grow with and for our communities.

*In 2021, we hit four big milestones:*

1

Our **depositor-owned company reached \$700 million in assets** early in the year thanks to a team effort across all lines of our business. As Forward always does – we celebrated each other and our efforts with a party!

2

Before the party was even over, our CFO Rob Mort announced that Forward had just tipped over the **\$800 million in assets** threshold!

3

In the fall, our team was listed on the **Best Banks to Work for in America list for the 5th year in a row**. Not only were we listed, but Forward was also the top bank listed in Wisconsin according to the ranking in the American Banker article.

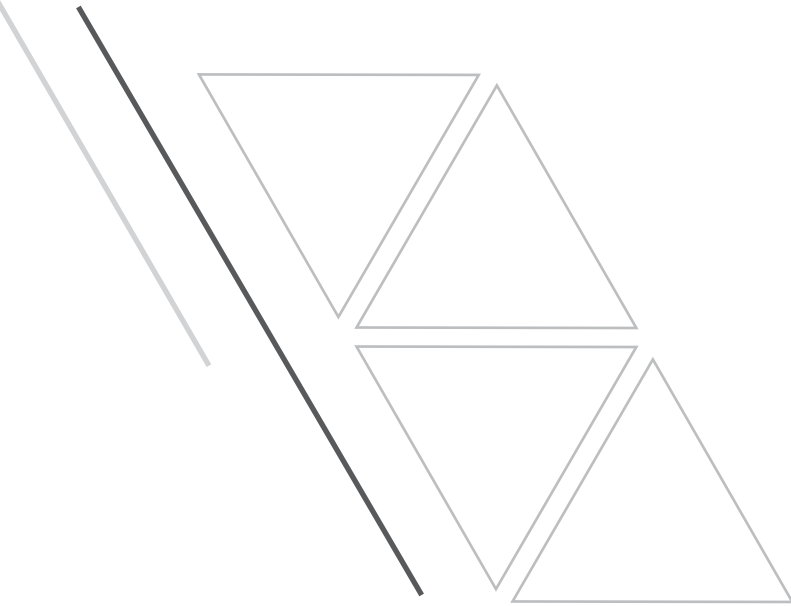
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Our **Charitable Money Market Account program** holds over \$200 million in deposits, supports over 370 charities, and breaks records each year with the amount that we give back to our communities. We live our mission every day!



“What we are, we see the reflection in others.”

– Unknown



*Chad Hoerman (left) and Terry Johnson (right) serve breakfast at the Dairyfest Breakfast in Marshfield.*

We are excited  
to Move Our  
Communities  
Forward into  
the future!



## STORY OF GIVING

Our story is not solely about the big things that are done internally or in our communities – it is held together by the smaller things that add up to something impactful.

Again in 2021, we promoted our Guide Our Giving social media initiative and gave \$55,000 to 11 employee nominated local non-profits.

We see the momentum constantly building in sharing our time and our talent with our communities. Our team is proud to have volunteered over 29,000 hours over the

last 5 years. This shows that we attract community-centric people to our team that share our dedication.

Forward returned to our schools with our \$5,000 Touchdown Throw, Half-Court Shot, and Center Ice Shot. We received a warm welcome and a winner in Medford!

The examples of giving become too many to list, and we are sure to see them grow in the future.



*Forward presents Abbotsford Ambulance with donation for \$5,000 to use towards the purchase of a Lucas Device.*

***Recalling all that we have accomplished reflects well on the dedication and efforts of the Board, Leadership team, and staff of Forward to rally around our mission. The belief that we make a difference in our communities and in each other's lives brings us together as One Forward.***

## Statement of Condition - Unaudited December 31, 2021

### ASSETS

Cash and Cash Equivalents	\$25,531,110
Investments	185,515,385
Net Loan	546,694,817
Mortgage Servicing Rights	2,195,137
Other Assets	106,383,815
<b>Total Assets</b>	<b>\$863,320,264</b>

### LIABILITIES & EQUITY

Deposits	\$761,933,816
Borrowed Funds	-
Other Liabilities	13,539,994
<b>Total Liabilities</b>	<b>\$775,473,810</b>
Equity	\$87,846,454
<b>Total Liabilities &amp; Equity</b>	<b>\$863,320,264</b>

## Statement of Operations - Unaudited

### INTEREST INCOME

Loans	\$25,831,938
Securities	2,620,197
Other	-
<b>Total Interest Income</b>	<b>\$28,452,135</b>

### INTEREST EXPENSE

Deposits Accounts	\$2,094,385
Borrowed Funds	397,985
<b>Total Interest Expense</b>	<b>\$2,492,370</b>
<b>Net Interest Income</b>	<b>\$25,959,765</b>
Provision for Loan Losses	475,743
<b>Net Interest Income After Provision</b>	<b>\$25,484,022</b>

### NON-INTEREST INCOME

Other Loan Income	\$4,610,458
Deposit Account Income	572,831
Other Income	5,643,606
<b>Total Non-interest Income</b>	<b>\$10,826,895</b>

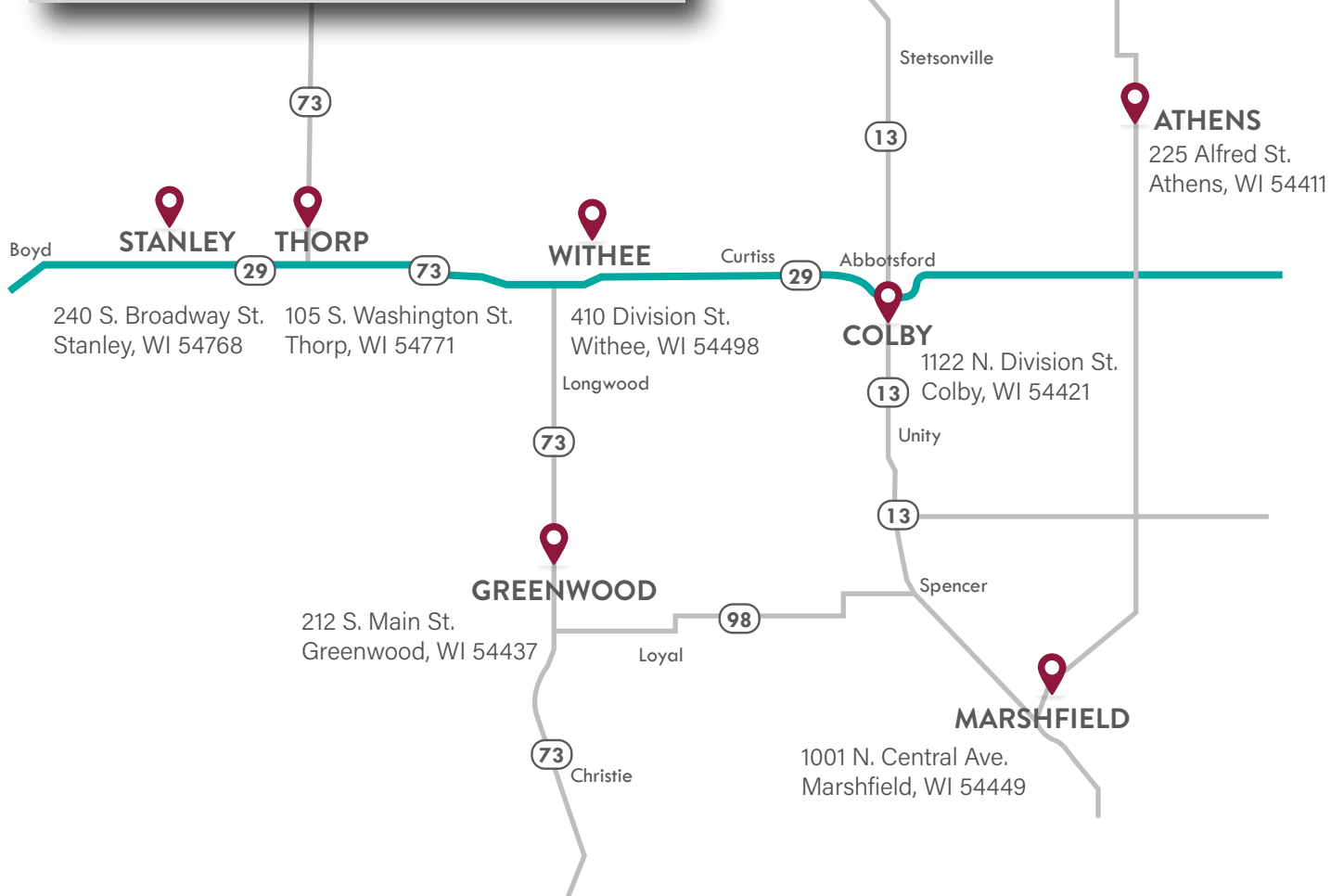
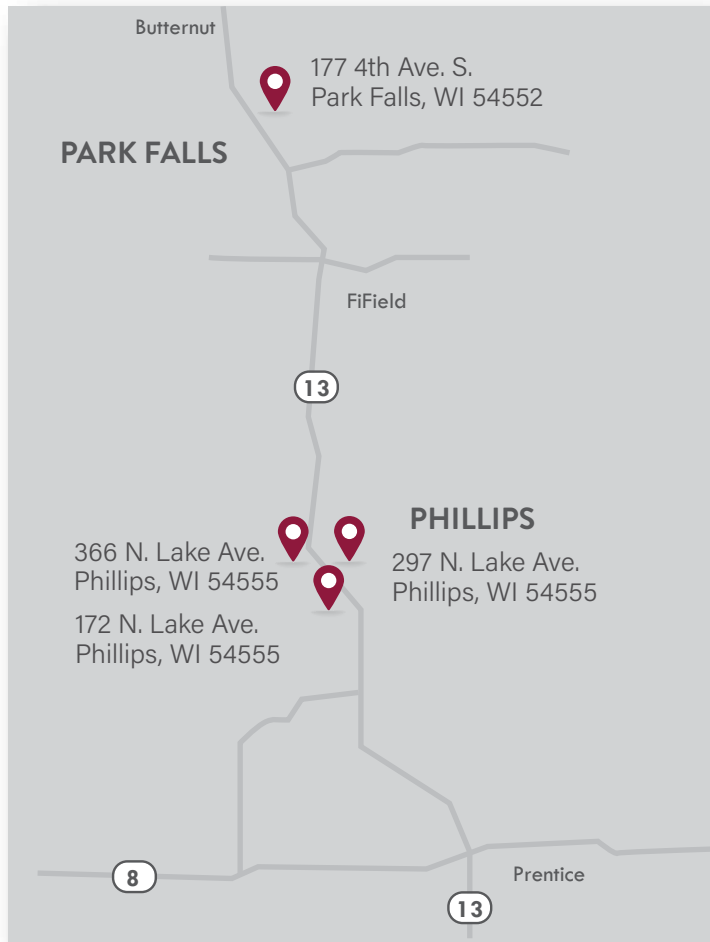
### Income Before Operating Expenses & Income Taxes

Operating Expenses	26,268,547
<b>Income Before Income Taxes</b>	<b>10,042,370</b>
Income Taxes	2,369,998
<b>NET INCOME</b>	<b>\$7,672,372</b>



“Life can only be understood backwards;  
but it must be lived forwards.”

— Soren Keirkegaard



## BOARD OF DIRECTORS

JOHN MARSHALL, *Current Chair* – Owner | Furniture by Jake  
LORI GROPP, *Past Chair* – Academic Business Systems Manager | Marshfield Clinic  
ALLAN MICHALSKI – Chief Financial Officer | Felker Brothers Corp.  
JON PESKO – CEO | United Pride Dairy  
MARK VIEGUT – Owner/CEO | Colby Metal  
TERRY PALECEK – VP/Owner | Palecek Inc.  
BILL SENNHOLZ – CEO | Forward Bank  
DAVE CLARK – President | Forward Bank

## SENIOR MANAGEMENT TEAM

BILL SENNHOLZ – CEO  
DAVE CLARK – President  
ROB MORT – Treasurer/CFO

## CORPORATE OFFICERS

BILL NEVILLE – VP/Commercial Loan Officer  
BRYAN TROYER – VP/Insurance Services  
CARISSA MILLER – VP/Credit Administration Officer  
CHAD HOERMAN – VP/Senior Loan Officer  
CHRISTOPHER MUELLER – VP/Compliance Officer  
DAVID KRAUSE – VP/Senior Commercial Loan Officer  
GARY SCHRAUFNAGEL – VP/Senior Ag Loan Officer  
GENE KNOLL – VP/Senior Commercial Loan Officer  
HOLLY ZOPFI – VP/Loan Operations Officer  
JEFF DENNEE – VP/Commercial Loan Officer  
JENNIFER SOBOTTA – VP/Marketing Director  
JESSE NELSON – VP/Internal Auditor  
JESSICA FRAHM – VP/Commercial Loan Officer  
JOHN KAPRELIAN – VP/Retail Manager  
JOHN WHITE JR. – VP/IT Director  
LORI SCHUTZ – VP/Project Manager  
MEGAN GENTEMAN – VP/Deposit Operations Manager  
MIKE HENKE – VP/Senior Ag Loan Officer  
RON WILCZEK – VP/Senior Lending Manager  
SAM PRITZL – VP/Commercial Loan Officer  
SCOTT WUCHERPFENNIG – VP/Investment Advisor  
STEVE BROST – VP/Ag Officer  
TERRY JOHNSON – VP/Ag Lending Manager  
TODD WALDHART – VP/Loan Officer  
CHRIS WALCZAK – AVP/Controller  
GWEN SCHNITZLER – AVP/Human Resources Director  
MOLLY KNOLL – AVP/Commercial Loan Officer  
SANDY KLATT – AVP/Executive Administrator  
SHERI DICK – AVP/Digital Banking Director