

Star★Choice
Credit Union

Building Strong Financial Futures.

2020 Annual Report

Federally Insured by the NCUA

The Virtual and Live Agenda:

Virtual:

Report of the Board of Directors

Report of the President

Report of the Supervisory Committee

Live:

Intro from Scott

Call to Order

Proof of Notice of Meeting

Declaration of Quorum Present

Minutes of Last Annual Meeting

Member Testimonial and Drawing

Moment of Silence

Motion to set Reimbursement Rate

Member Testimonial and Drawing

Election Results (voting link will be sent to registered members)

Member Testimonial and Drawing

Questions/Comments

Adjournment



Report of the Board Chair

Our credit union was founded 90 years ago, yet today we remain focused on the same mission – serving our members. Once again, we have set ourselves apart from other financial institutions by providing exceptional member service and by focusing our efforts on the credit union philosophy of people helping people. This year, we were able to grow our savings and loans while controlling our spending and keeping our delinquency low. As we look forward, Star Choice is poised to continue to provide our members with the personalized service you have come to expect, and the financial tools needed to succeed in today's fast-paced world.

I want to remind you that your Star Choice Credit Union Board of Directors serves as elected representatives of our entire membership. Our purpose is to help guide the organization in its mission to improve the financial wellbeing of people. As our tagline states, we "Build Strong Financial Futures". It's our passion, it's what we're good at, and we've been doing it the right way since 1931.

2020 was a year like no other. We watched the staff and members navigate through the global pandemic with patience and grace. New procedures were introduced to help serve each member with the same level of service as they received in previous years. The time and efforts put forth on sanitizing and social distancing to keep our members and staff safe was exceptional. The board prides itself on providing the credit union management team with clear directions, guidance, and governance.

We are also passionate about giving back to our community. We do this by donating time, raising money, conducting donation drives, collecting school supplies and other needed essentials. With much of the year being on "lockdown" we were still able to partner with the following community organizations that benefit from our community involvement.

- Pinky Swear: decorated 3 hotel rooms for the All-Star weekend to provide a break for a family with a child with cancer to be together and take a break from the worry and stress.
- Local School: Banzi to provide literacy tools with an interactive program for teacher and students to use in the classroom or at home.
- Meals on Wheels: the staff has been able to social distance while delivering hot meals to senior citizens throughout Bloomington once a month.

Super Spreader is a new phrase in 2020 but we like to look at it as a positive...we have spread into Scott County. The charter was approved this past summer and we are now able to serve a larger population. As our membership at Star Choice continues to grow, I want to remind you that we can serve anyone who lives, works, worships, volunteers and/or attends school within Hennepin & Scott County, and those employed by a company within the information media, advertising, or related services industry. Star Choice is positioned for great things in 2021. You can count on our commitment to put our members before profits and to provide you with the latest products, services, technology, and convenience to maintain our strong competitive edge. We are excited about what the future holds. We want to thank you for your business, the confidence, and the trust you put into us and your credit union.

As always, I'd like to thank you for your membership at Star Choice.

Thank you,
Lindsey Olsen
Board Chair, Star Choice Credit Union

\$76 Million
Total Assets



StarChoice®
Credit Union

288
New Members
in 2020



Report of the President

Thank you for attending the 90th Annual Meeting of Star Choice Credit Union.

Yes, in 1931 (in the middle of the Great Depression) the Minneapolis Star Employees Credit Union was chartered. While a lot has changed since then, your credit union has always flourished during difficult times. During the Depression; members of the Minneapolis Star Employees Credit Union pooled their money together to give loans to those in need.

Fast forward 90 years and the same thing is true. The COVID Pandemic has caused economic and social turmoil the likes of what we haven't seen in (you guessed it) 90 years. Star Choice is still a trusted neighbor where members pool their money and give loans to those in need. So, if Star Choice is supposed to flourish during difficult times; how did we do in 2020?

I can report to you; Star Choice Credit Union had **a record year** in Savings and Loan Growth! Saving grew over 20% from \$56MM to over \$70MM. Loans followed the trend and grew 16% from \$53MM to over \$62MM

What made this growth possible is your reliance on Star Choice for all your financial needs. Our staff works hard to serve you in the best way possible; whether it's by phone, internet, digital or through the drive-up. We appreciate you and it is our desire to Build Strong Financial Futures.

We have been steadily enhancing our digital presence and we hope to roll out several products this coming year to make access to Star Choice even easier and more robust. In fact, most of the loans we did this year were done completely on-line from origination to signing to disbursing funds. We thank you for using these methods of access.

I especially would like to thank our Board of Directors and Supervisory Committee for their shared goal to make Star Choice Credit Union a special place for all your financial needs. They deeply care for you, our members and our staff.

On a side note; having to close our office doors was a difficult decision, but necessary for your safety and the safety of our staff. We miss seeing all of you in person and we look forward to the day when we can all be together "in-person".

Thank you for being a member of Star Choice Credit Union. We look forward to the day when we don't have to social distance, we can gather as a group, and we can see each other's smiles without a mask.

Thank you,
Scott Olson
President

Report of the Supervisory Committee

During 2020, the Supervisory Committee conducted two audits for Star Choice Credit Union, midyear and year end. Included in these audits were balance sheet and income statement examinations, appropriate tests on bank statements, reconciliations, investments, loans, share and deposit accounts and all reserve accounts. Semi-annual reports were sent to the Minnesota Department of Commerce in compliance with the state law. The Supervisory Committee presented monthly reports at the meetings of the Board of Directors.

Additionally, the Supervisory Committee contracted the services of Clifton Larson Allen, LLP, an independent accounting firm of certified public accountants, to assist in the performance of a comprehensive audit in order to render an opinion on management's financial statements. This firm, at the direction of the Supervisory Committee, has performed a verification of all members' accounts as well as all other procedures required.

In the opinion of Clifton Larson Allen, LLP, the statement of financial condition for the audit period presents fairly, in all material respects, the financial position of Star Choice Credit Union as of June 30, 2020 in conformity with Generally Accepted Accounting Principles.

Ricky Brink, Chair
Cheri Zitzloff
Pam Skelly

Board of Directors

Chair

Lindsey Olsen

Vice Chair

Mary St. Mary

Keith Huso

Lynn Lettow

Dan Ganley

Stuart Kohlstedt

Gloria Atika

Supervisory Committee

Chair

Ricky Brink

Cheri Zitzloff

Pamela Skelly

Star Choice Staff

President

Scott Olson

Vice President

Tammy Johnson

Pat Deoraj

Ryan Diaz

Stephanie Hllum

Joe Wabs

Sara Blom

Matt Puczko

Stephanie Patron

Tracy Bartholomew

Suzanne Gomes

Tracy Hegland

Olivia Jensen

Ginny Petersen

Lexi Kringle

Financial Statements

Statement of Financial Condition

December 31, 2020 and 2019

	2020	2019
Loans	62,787,490	53,985,464
Allowance Investment	(322,544)	(231,912)
Cash and Investments	11,734,008	7,996,741
Other Assets	2,225,026	2,474,143
Total Assets	76,533,980	64,224,436
Member Deposit	70,381,952	58,365,248
Other Liabilities	324,592	304,435
Net Income	272,683	326,063
Member Equity	5,554,753	5,228,690
Total Liabilities and Equity	76,533,980	64,224,436



Statement of Income

December 31, 2020 and 2019

	2020	2019
Loan Interest Income	2,358,372	2,377,767
Non-Interest Income	668,031	757,595
Total Income	3,026,403	3,135,362
Operating Expense	2,410,118	2,442,515
Interest Expense	94,302	156,684
Allowance for Loan Loss	249,300	210,100
Total Expense	2,753,720	2,809,299
Net Income	272,683	326,063



