



# ANNUAL MEETING 2018



**The North Star Credit Union provides high quality financial services and education for our communities.**

# BUILDING COMMUNITY ONE MEMBER AT A TIME



## Welcome Members

RICH CRETTOL, CEO

*From all of us here at North Star Credit Union, Welcome! And when I say all of us, that means 43 of us! It's hard to believe another year has gone by. We have accomplished so much in the past 12 months. I want to thank all our staff and volunteers for the hard work they have put in, and I want to thank all our members for their business, their loyalty, and their patience as we put the finishing touches on this momentous year. The computer conversion at the beginning of May was absolutely necessary, and one of the hardest projects we've ever undergone. The mergers with Nashwauk Federal Credit Union and Northern Pacific Duluth Federal Credit Union went very smoothly, considering the thousands of details that go into combining businesses. And after several years of planning we were recently able to see the Grand Opening of our wholly owned insurance agency, North Star Insurance Agency, LLC.*

*If you picked any one of these events, it would signify a huge accomplishment for the year. Yet, somehow, we were able to successfully make all of them happen. We still have a lot of clean up to do, and fine tuning of our operations, but we have proven that we are capable and up to the challenge.*

*Hopefully all this has had a minimal effect so far on you, our members. I appreciate your patience and look forward to all the wonderful things we will be able to bring to you in the future because of our efforts today. Thank you for being a member and supporting your credit union and your community.*

### Proof of Notice of Meeting ~

"I, Rich Crettol, CEO of the North Star Credit Union, hereby certify that I caused to be sent to the membership a notice of this annual meeting with the March 31, 2018 statements. I had notice of this meeting published in the local newspapers prior to the meeting. Notice was also posted inside the credit union branches, on the sign out front of our Cook building, and in the 2018 Annual Report on our website."

# WHO WE ARE...

## Our Staff

### Board of Directors

Pete Niska – Chair  
Lara Whiteside – Vice Chair  
Vicki Schelde – Secretary  
William Conner—Director  
Jeff Ross—Director  
Rich Crettol – CEO/Treasurer

### Supervisory Committee

Bob Champa – Chair  
Marla Kahn – Member  
Jody Refsdal – Member

### Nashwauk Advisory Committee

Elizabeth Bogdanovich  
Jean Pride  
Ted Squillace  
Joe Dasovich

### Northern Pacific Advisory Committee


Eric Anderson  
Josh Abbott  
Steve Sershon  
Greg Canavan

### Asset/Liability Committee (ALCO)

Bob Champa  
William Conner  
Margaret Rinne

**“Helping to build  
thriving communities  
across Northern  
Minnesota”**

Rich Crettol – Chief Executive Officer  
Jennifer Stedt—Chief Operating Officer  
Nicole Squires – VP of Accounting  
Stephanie Burckhardt – VP of Mortgage Lending  
Peter Huberty – VP of Misc Stuff  
Cindy Stevens—Nashwauk Branch Manager  
Carolyn Katzmarek — Northern Pacific Branch Manager  
Lizzie Pretti—MSR Supervisor  
Dionn Hell—Accounting Clerk  
Miranda Kishel— Accounting Clerk  
Holly Hanson—Nashwauk Branch MSR  
Lynda Carlson—Nashwauk Branch MSR  
Lynn LaFlair—Northern Pacific Branch Loan Officer  
Lori Astleford—Mortgage Loan Officer  
Crystal Scofield—Loan Officer  
Christie Kainwo— Account Specialist/Loan officer  
Jolene Wilson—Account Specialist  
Michelle Wright—Loan Processor  
Alicia Dahl—Business Loan Officer  
Julia DeVries—Human Resource Specialist  
Jody Feist—Financial Education Specialist  
Jay Linn—Cook Branch MSR  
Wendy Savage—Cook Branch MSR  
Susan Stone—Member Communications Specialist  
Alli Sandberg –Senior Student Intern



NORTH STAR CREDIT UNION  
COOK, MN 55723  
AGENDA FOR THE ANNUAL MEETING OF THE MEMBERSHIP  
MAY 24TH, 2018 6:00PM

1. Call to order the 79<sup>th</sup> annual meeting by board chair: Peter Niska.
  2. Roll call and declaration of a quorum present. (15 members represent a quorum):  
  
# of Members Present \_\_\_\_\_ Guests \_\_\_\_\_
  3. The Proof of Notice of the meeting is in the Annual Report posted on our website. All the other reports; Supervisory Committee, Financial Statements, Rates, and Minutes from Last Year's Meeting are also in the Annual Report. The Annual Report is available on our website, from the credit union, or we have copies here if you would like to take one on your way home tonight.
  4. Motion to skip reading of minutes from last year's meeting and approve them:  
Motion by: \_\_\_\_\_ Second by: \_\_\_\_\_
  5. Introduction of board members in attendance.
  6. Report of the Nominating Committee
  7. Being this was an uncontested election we need to qualify these candidates with a vote of the membership.  
Motion by: \_\_\_\_\_ Second by: \_\_\_\_\_
  8. CEO Report By: Rich Crettol  
Introduction of staff
  9. Unfinished business from last year, if any:
  10. Any New business:
- Adjourn and Thank You: \_\_\_\_\_

**Prizes Awarded**

\$100	\$100
\$75	\$75
\$50	\$50



# FINANCES

## Statement of Financial Position December 31, 2017

### ASSETS

Cash on Hand and Deposit	\$ 4,312,431
Total Investments	1,363,427
Total Loans Receivable	37,774,308
Allowance for Loan Losses	(278,666)
Fixed Assets (Building, Improvements, Equipment)	1,114,004
National Credit Union Insurance Fund Deposit	357,417
Accrued Income and other Assets	532,777
Total Assets	<u>\$ 45,175,698</u>

### LIABILITIES AND EQUITY

Member Share/Deposit Accounts	\$ 39,749,977
Credit Union Capital	4,707,269
Accounts Payable	616,756
Other Liabilities	101,696
Total Liabilities And Equity	<u>\$ 45,175,698</u>

### YEAR END STATISTICS

Number of Members	4,299
Capital/Total Assets	11.47%
Return on Assets Ratio	.57%

## Statement of Operations December 31, 2017

	Year end 2017	Year end 2016
<b>RECEIPTS</b>		
Interest Received on Loan Accounts	\$ 1,758,921	\$ 1,567,639
Interest Received on Investments	58,261	26,202
Operating and Other Income	417,364	390,582
Total Receipts	<u>\$ 2,234,546</u>	<u>\$ 1,984,423</u>
<b>EXPENSES</b>		
Compensation and Benefits	\$ 1,167,371	\$ 900,785
Operations, Occupancy and Other	618,618	524,750
Provisions for Loan Losses	36,000	42,000
Dividends Paid to Members	179,995	151,172
Total Expenses	<u>\$ 2,001,984</u>	<u>\$ 1,618,707</u>

### DISTRIBUTION OF RECEIPTS OVER EXPENSES

Dividends Paid to Members	\$ 179,995	\$ 151,172
Addition to Credit Union Capital	232,562	365,716
Total Distribution	<u>\$ 412,557</u>	<u>\$ 516,888</u>

## As of April 20,2018

<u>Loan Rates</u>		<u>%</u>
New Cars And Trucks	As Low As	2.49%
Used Cars And Trucks	As Low As	4.24%
New Recreational Vehicles	As Low As	3.74%
Used Recreational Vehicles	As Low As	4.24%
Signature Loans	As Low As	10.40%
Real Estate/Home Equity	As Low As	5.24%

All loan rates vary based on credit score and term of loan.

<u>Share Rates</u>		<u>%</u>
Kid's Club Account(0-12 Yrs)	Earns	.50%
Future Freedom Account (13-18 Yrs)	Earns	.50%
Regular Share Account	Earns	.20%
Preferred Share Account	Earns Up To	.40%
Money Market Share Account	Earns Up To	.40%
Share Certificates	Earns Up To	1.85%
IRA Certificates	Earns Up To	2.10%

### REPORT OF THE NOMINATING COMMITTEE

May 24, 2018

NORTH STAR CREDIT UNION

COOK, MN

BY RESOLUTION OF THE BOARD, DIRECTOR ELECTIONS WILL BE CONDUCTED ANNUALLY BY MAIL. MEMBERS MAY BE CONSIDERED FOR DIRECTOR POSITIONS BY FILLING OUT THE ONLINE APPLICATION OR PETITION AVAILABLE ON OUR WEBSITE.

THE NOMINATING COMMITTEE SUBMITTED TO THE BOARD OF DIRECTORS

THE FOLLOWING CANDIDATES FOR ELECTION:

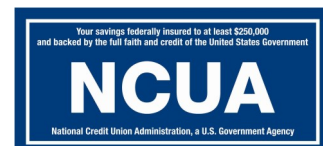
FOR ONE THREE YEAR TERM TO EXPIRE 2021: INCUMBENT VICKI SCHELDE

APPOINTMENT OF JEFF ROSS TO FILL A NEWLY CREATED SEAT TO EXPIRE 2019:

WITH SUBSEQUENT THREE YEAR TERMS

BEING THAT THERE ARE NO OTHER CANDIDATES, THE BOARD HAS DECLARED THE ELECTION TO BE UNCONTESTED, AND THEREFORE TO SAVE THE CREDIT UNION THE COST OF MAILING BALLOTS, THE CANDIDATES ARE DULY ELECTED.

THIS CONCLUDES THE REPORT OF THE NOMINATING COMMITTEE





# SUPERVISORY COMMITTEE

MAY, 2018

The Supervisory Committee has three members; Jody Refsdal, Marla Kahn and Bob Champa. As a general rule, we meet twice monthly, on the Tuesday before and the Thursday after the monthly board meeting. A member of the committee attends each monthly board meeting to report new trends, and to offer thoughts on policies or procedures to be reviewed.

Our duties are to oversee the operations of the credit union and:

1. To ensure that the financial statements accurately and fairly present the financial condition of North Star Credit Union,
2. To ensure that management practices and procedures safeguard members' assets,
3. To ensure that internal controls are established and effectively maintained, and
4. To ensure that plans, policies, and procedures established by the board of directors are properly administered.

We review board meeting minutes, bookkeeping procedures, do surprise cash counts, review newly opened and closed accounts, and dormant accounts.

There is a great deal of paperwork for the supervisory committee to oversee. We have an external auditor on retainer to help complete this paperwork. The most recent audit shows NSCU to be in excellent financial condition. Our credit union is continually monitored and operating according to all rules and regulations.

Respectfully Submitted,

Marla, Bob, & Jody



# CELEBRATE SUCCESS!

NSCU has accomplished many goals over the past year. We hope you join us in celebrating the great things we have to offer our community.

## History

The North Star Credit Union opened in 1939 as Northern Farmer's Co-op Credit Union. It was sponsored by the Northern Farmer's Co-op Society. The Credit Union was based out of the Co-op Store until it burned down in October 1994. After operating out of the BIC building for some time, the Credit Union was able to relocate in January 1996 to Main Street, where it currently stands. Once relocated the Credit Union extended its field of membership to Lake Country Power Members. To accommodate its growing membership, the Credit Union expanded its building in 2011. Besides creating a larger space, the expansion succeeded in creating a more private atmosphere for its members. In 2013 the Credit Union was able to broaden its field of membership once again; this time allowing students, family, volunteers, and staff of school district 2142 to join. Also in 2013 they proudly created a Student Focus Group called "The B.O.S.S" (Bunch of Students Saving). With help from the B.O.S.S, in February of 2014 the Credit Union successfully opened its first Student Branch in the North Woods Campus called "The Money Cave." We opened the 2<sup>nd</sup> Student branch in South Ridge on April, 15<sup>th</sup> 2015. In October 2017 the Credit Union merged with Nashwauk Federal Credit Union. Then in the beginning of 2018 we merged with Northern Pacific Duluth Federal Credit Union. North Star Credit Union continues to grow, and has bright future plans for its members.

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### ***NSCU Core Values***

*Financial Stability*

*Financial Education*

*High Quality Service*

*Meeting the needs of our members*

*Team work between management and staff*

*Promoting the credit union idea to communities*

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# COMMUNITY FOCUS

HERE ARE SOME WAYS NORTH STAR  
CREDIT UNION HAS BEEN INVOLVED  
IN OUR LOCAL COMMUNITIES

## 2017 Event List

Annual Meeting  
Timber Days Parade  
Community Night Out  
Family Fun Night  
Open House at South Ridge  
CU Forward Day  
Open House at North Woods  
Orr Community Dinner  
Equifax Education Night  
Open House for Nashwauk  
Student Loan Education  
Panther Pride Night  
Mad City Money - 8th Grade  
Lunch and Learns  
Member Appreciation/Paper Shredding  
International Credit Union Day  
SR Student Branch- Wednesdays  
NW Student Branch-Thursdays  
Wants/Needs - SR 1st Grade  
Tricks on Saving - SR 8th Grade  
State Capitol Field Trip  
Empty Bowl  
Member Information Day at Nashwauk



NORTH STAR CREDIT UNION  
MINUTES OF THE ANNUAL MEETING OF THE MEMBERSHIP  
COOK COMMUNITY CENTER COOK, MN  
MAY 19, 2017 6:20

The 78th annual meeting was called to order by board chair Pete Niska at 6:20pm.

Roll call and declaration of a quorum was made. (15 members represent a quorum).

Members present: 107                      Guests: 6

The Proof of Notice of the meeting is in the Annual Report posted on our website. All of the other reports, Supervisory Committee, Financial Statements, Rates, and Minutes from Last Year's Meeting are also in the Annual Report. The Annual Report is available on our website, from the credit union, or we have a few copies here if you would like to take one on your way home tonight.

"I, Rich Crettol, CEO of the North Star Credit Union, hereby certify that I caused to be sent to the membership a notice of this annual meeting with the March 31, 2017 statements. I had notice of this meeting published in the North Country Free Press and the Cook News-Herald prior to the meeting. Notice was also posted inside the credit union, on the sign out front of our building, and in the 2017 Annual Report on our website."

CEO Report by Rich Crettol CEO.

A motion of approval of the minutes was made by: John Poczekaj second by: Lisa Muggli.

Motion passed.

The Nominating Committee Report was given by board member Tom Beaudry;

For the Board of Directors:

One three year term to expire 2020:                      Incumbent, William Conner

One three year term to expire 2020:                      Incumbent, Lara Whiteside

Being that there are no other candidates, the board has declared the election to be uncontested, and therefore to save the credit union the cost of mailing ballots, the candidates are duly elected.

Tom Beaudry then called for any unfinished business from last year. There was none.

New business-There was none.

The meeting was adjourned at 6:40 pm.

# STUDENT GROUPS

## Living our Mission

### The South Ridge Jungle

Wednesdays 8:00am- 12:00pm

&

### The North Woods Money Cave

Thursdays 8:00am-12:30pm

### Student-led Credit Union Branches

*Our mission states we provide high quality financial services and education for our communities. One way we fulfill that mission through our student-led branches. Students have the opportunity to gain work experience, learn money management skills, and educate their peers.*

### New this year!

#### Lunch & Learn program

Open to all Sr. High Students once a month. To learn about different financial topics.

#### This years topics were-

- Renting an apartment
- Buying a house
- Job search and interviews
- Comparing credit card offers
- Car buying workshop
- Student loans
- Taxes
- Insurance
- Starting a business





**NORTH STAR**  
**CREDIT UNION**

24 South River Street

Cook MN, 55723

218-666-5940

[www.northstarcreditunion.org](http://www.northstarcreditunion.org)