



2021 ANNUAL REPORT



Taking Dreams Higher Together



Our Mission:

To positively impact the lives of our members, team members, and community through meaningful connections and progressive financial solutions.



Chairman's Report

FreeStar Financial is proud to celebrate its 65th year serving Michigan communities. The year 2022 began with our Belle River Community Credit Union partnership. This merger united two credit unions with a shared vision, purpose, and values.

Since our field of membership is to serve members throughout Michigan, we pursued helping more families and communities to benefit from our products, services, and award-winning financial education.

As well as preparing for this partnership during 2021, FreeStar Financial also established a Credit Union Service Organization called MiT CUSO. This allows us to assist smaller Michigan credit unions with the information technology needs for their members.

Our guiding principles call for us to assist others for the greater good of the community and the Credit Union. These actions also fulfill our mission to positively impact the lives of members, team members, and the community. We accomplish this through meaningful connections and progressive financial solutions.

I had every confidence our organization would emerge from the COVID-19 pandemic stronger and more profitable. The Credit Union's success reflects your willingness to embrace change and our transformational journey to remain relevant. We promise to continue delivering the necessary strategies and solutions for your financial future.

During a year of social distancing, your member experience became even more meaningful. I am pleased to report a 97% membership satisfaction rating in our 2021 survey. Thank you for the record number of responses.

FreeStar Financial was also honored to receive the Dora Maxwell Social Responsibility Award. The Credit Union National Association selects one credit union in Michigan each year. This honor recognized our involvement in the community, including education, activities, and charity fundraising.

We will continue to serve both members and our community in the coming years.

Raymond White Jr.
Board Chairman

Consolidated Financials

Dec. 31, 2021 Dec. 31, 2020

Assets

Loans	175,939,843	171,415,895
Allowance for Loan Loss	(1,425,820)	(1,876,915)
Cash	2,492,550	2,453,745
Cash on Deposit	11,038,671	15,573,993
Investments	75,101,978	53,773,641
Land & Building	10,761,898	11,005,668
Other Assets	8,498,175	8,421,730
Total Assets	\$282,407,895	\$260,767,757

Liabilities & Equity

Shares	88,705,820	77,037,122
Money Management	62,063,540	49,507,698
Share Drafts	40,694,696	36,308,473
Certificates	53,982,791	62,277,926
Other Liabilities	10,974,095	10,479,927
Total Equity	25,986,953	25,156,611
Total Liabilities & Equity	\$282,407,895	\$260,767,757

Income

Loan Interest	8,175,607	8,678,866
Investment Interest	793,063	652,347
Other Income	4,068,604	3,603,628
Total Income	\$13,037,274	\$12,934,840

Expenses

Operating Expense	9,953,076	8,885,091
Provision for Loan Loss	(193,000)	1,174,000
Dividends Paid	1,223,469	1,671,382
Interest on Borrowings	172,905	173,350
Total Expense	\$11,156,450	\$11,903,823

Net Income	\$1,880,824	\$1,031,018
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President/CEO's Report

It is my great honor and privilege to welcome our new Belle River Community Credit Union members. The Richmond branch is now our 7th physical location to serve you. This is an exciting chapter in FreeStar Financial's history. I want to thank our entire membership for making us your preferred financial institution and enabling this growth. The strength of our combined credit unions will lead to a prosperous future.

I'm pleased to report another consecutive year of strong financial performance in 2021. FreeStar Financial members and team members adapted to the pandemic's changing environment, and together we succeeded. Thank you for embracing the digital technologies to access financial services and perform your transactions. We promise to continually adapt to rapidly evolving technologies and other changes in our world. The Credit Union will always stay relevant and bring you the latest services and offerings.

Throughout the year, our team remained committed to helping your financial dreams become a reality. They sought new ways to deepen our relationships and best meet your needs. You continued to take advantage of our superior service, new products, and greater convenience at lower costs. Our achievements would not be possible without your involvement.

Improvements were made to enhance online banking, the mobile app, and our website. FreeStar Financial's home page now features a Current Promotions link, where you can quickly access current sales, specials, and promotions. I hope you also participated in the webinars held throughout the year to strengthen financial literacy. We covered relevant topics such as your credit score, online banking, cyber security, and buying a new home. You can always connect with us on social media and visit FreeStar Financial's YouTube page to view these videos and access other helpful information.

In addition to providing the exceptional service that you deserve, our team members dedicated their free time and skills to positively impact others. During Make a Difference Month in October, team members volunteered their time to support local organizations. Many of you also attended the many community events we hosted. These included shred days, our 2nd annual Halloween Stroll at the St. Clair Shores branch, and a Halloween Hustle 5K & Kids Fun Run at Freedom Hill in Sterling Heights. With your help, we raised \$11,600 for Maggie's Wigs 4 Kids, our 2021 charity of choice.

Thank you for being part of the FreeStar Financial Family. Together, we are helping to build your financial future and strengthen our community.

Drema D. Isaac
President and CEO



BY THE NUMBERS

 **20,271**
MEMBERS

\$1,223,469

DIVIDENDS PAID

97%

MEMBER SATISFACTION

\$74 Million

NEW LOANS

\$8,968,669

LOAN REVENUE

\$1,880,824

NET INCOME

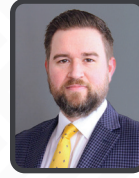
Board of Directors



Raymond White Jr.
Chairman



Clifford Brown
Vice Chairman



Jeffrey Bruss
Secretary



Kristi Le
Treasurer



Charles Larsen
Director



Catherine Patyi
Director



Executive Team



Drema D. Isaac
President/CEO



Eric Heinrich
Chief Financial Officer



Jennifer Martines
Executive Vice President



Victoria McIntosh
Vice President of Community Affairs



Anne Lester
Vice President of Branch Operations



Tim Strenk
Vice President of Information Technology



Chris Clapp
Vice President of Lending



FreeStar Financial Credit Union

P.O. Box 2800, Mt. Clemens, MI 48046
www.freestarfinancial.com
586-466-7800

Branch Locations

- ▶ Chesterfield
- ▶ Clinton Township
- ▶ Selfridge
- ▶ Shelby Township
- ▶ Sterling Heights
- ▶ St. Clair Shores
- ▶ Richmond