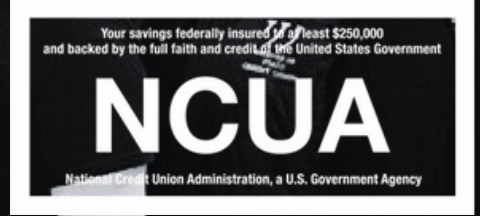


# 2023 ANNUAL REPORT



# WOLVERINE STATE CREDIT UNION







# MISSION VISION CORE VALUES

## Mission

We are a trusted and innovative financial partner, empowering individuals and businesses to achieve their financial goals while strengthening our communities.

## Vision

To be supportive, tenacious and reliable financial navigators, spreading genuine optimism throughout our members' financial journey.

## Core Values

- Creating a fun, upbeat atmosphere
- Continuous growth
- Communities
- Innovation and efficiency
- Accountability to each other, our members and the community



# BOARD OF DIRECTORS



**Don Bartosh**



**Bob Grochowski**



**Patrick Richards**



**Jerry Peterson**



**Randy Boboltz**



**Chelsea McConnell**



**Chelsea Wallace Koss**





# CEO'S REPORT NICK MONTIE



Despite the challenges presented by the dynamic economic landscape and ongoing global uncertainties, I am proud to report that 2023 was a year of significant achievements for Wolverine State Credit Union.

Last year's rising rate environment allowed WSCU to offer Savings, Money Market, IRA and HSA products at interest rates not seen in almost two decades. This increased demand for high interest rate deposit products allowed WSCU to offer Certificate of Deposits to its members for the first time since 2011. All of this resulted in a record number of dividends and interest being earned by our members.

While last year's rising interest rates benefited savers, it did decrease overall loan demand throughout the year. Even with this lower loan demand, the credit union was still able to increase loans by just over 1%. While that may not seem like a lot, due to the corresponding increase in loan rates the credit union was able to increase the amount of interest earned on these new loans. To help those mitigate the increased interest, WSCU also introduced several new Second Mortgage, Home Equity, and HELOC products to help our members utilize the equity in their homes while at the same time keeping their previous historically low rates on their current mortgages in place.

While many other financial institutions struggled last year due to the rising interest rate environment, WSCU's balance sheet was perfectly situated to take advantage of this unique economic scenario, and this led to achieving a net income exceeding \$1 million for the first time in the credit union's history.

Last year's financial performance has allowed the credit union to set the groundwork for this year by allowing us to make investments in new products and services for our members, better training and education for our staff and allowing for greater support for the communities we provide services in.

In closing, I want to express my gratitude to the Board of Directors, Supervisory Committee, and the Staff for all their hard work and dedication this past year. And of course, I want to thank you, the members of WSCU, for your continued trust and partnership. While these may be uncertain times, together I am confident that we will overcome any obstacles that lie ahead and achieve even greater success in the years to come.





This past year has been a good year for Wolverine State Credit Union (WSCU). It's our first full year since the Covid pandemic curtailed our operations as a full-service credit union. I know our staff and management are happy to be back as a full-service financial institute.

Even though it has been our first year back, it's been a strange year with rising interest rates, inflation, supply chain interruptions, even the weather has been unusual, but through it all WSCU has been a steady reliable source for your financial needs.

During this past year here at WSCU we have added some services, maintained good loan rates, and as always maintained our members savings, checking, credit/debit card to the benefit of our members. Also, it should be noted that during the closure of DPI we were first to step forward with help.

WSCU is a well-run, well-managed, well-funded credit union of which I am proud to be a member. I hope you feel the same way and encourage you to reach out to children, friends, and neighbors to join you as a member of WSCU.

# CHAIR PERSON REPORT

## DON BARTOSH



# FINANCIALS AT-A-GLANCE

WSCU  
Total Asset Size  
**\$140,364,098**

Net Worth/Total  
Assets  
**10.23%**

Net Income/Average  
Assets  
**.73%**

Total Loans/Total  
Shares  
**68%**

Net Operating  
Exp/Average Assets  
**3.09%**

Delinquent  
Loans/Total Loans  
**.60%**



# FINANCIALS

ASSETS:	2023	2022
Cash & Other Deposits	18,909,358	20,908,268
<b>TOTAL INVESTMENTS</b>	<b>31,758,920</b>	<b>34,122,903</b>
Loans Held for Sale	-	-
<b>TOTAL LOANS</b>	<b>86,181,121</b>	<b>85,224,536</b>
(Allowance for Loan & Lease Losses or Allowance for Credit Losses on Loans & Leases)	(661,971)	(537,478)
Land And Building	1,113,115	1,199,265
Other Fixed Assets	139,287	195,982
NCUSIF Deposit	1,260,983	1,297,812
All Other Assets	1,663,285	1,360,072
<b>TOTAL ASSETS</b>	<b>140,364,098</b>	<b>143,771,360</b>



# FINANCIALS

<b>LIABILITIES &amp; CAPITAL:</b>		
Accounts Payable, Accrued Interest on Borrowings, & Other Liabilities	667,294	1,133,976
Accrued Dividends & Interest Payable on Shares & Deposits	1,287	235
Allowance for Credit Losses on Off-Balance Sheet Credit Exposures	-	-
Borrowings Notes & Interest Payable	-	-
<b>TOTAL SHARES &amp; DEPOSITS</b>	126,955,080	131,600,283
<b>TOTAL LIABILITIES</b>	127,623,661	132,734,494
Undivided Earnings	11,952,471	11,010,166
Other Reserves	787,966	26,700
<b>TOTAL EQUITY</b>	12,740,437	11,036,866
<b>TOTAL LIABILITIES, SHARES, &amp; EQUITY</b>	140,364,098	143,771,360

<b>INCOME &amp; EXPENSE:</b>	<b>2023</b>	<b>2022</b>
Interest Income	5,819,507	4,715,836
Interest Expense	673,852	235,996
Net Interest Income	5,145,655	4,479,840
Provision for Loan/Lease Losses or Total Credit Loss Expense	409,043	341,541
Non-Interest Income	1,410,656	1,390,918
Non-Interest Expense	5,104,783	4,973,337
<b>NET INCOME (LOSS)</b>	1,042,485	555,880



# 2023 HIGHLIGHTS



## Social Following

2,495 Facebook  
651 Instagram

## Loans Granted

27.9 million

## New Products

3

## New Business Loans

2.1 million

## eStatements Paid

\$22,087

## New Homeowners

72



# SUPERVISORY REPORT

The Supervisory Committee's job is to conduct monthly reviews that assist the work of the outside auditors and our state examiners. These reviews include surprise teller and vault cash counts, reviews of loan files, account cards, general ledger accounts, and several other internal audits.

The committee also reviews the written audit and examination reports. Any recommendations made by our auditors and examiners are used to assist credit union management and staff in remaining compliant to all laws, regulations and credit union policies.

In 2023, the Credit union hired Financial Standards Group, Inc., a CPA firm who specializes in credit unions to perform its annual audit and membership account verification. The same audit firm also performed the credit union's Bank Secrecy Act, ACH, OFAC and Safe Act compliance audits.

Prior year audited financial statements are available at the credit union for member examination and can be viewed upon request. If there are any members who maybe interested in serving on the Supervisory Committee, please contact management.



**ROSE  
TACIA**



The Credit Union had a healthy fiscal year in 2023 despite an evolving economy. During the 2023 fiscal year, the Credit Union had a return on assets of 0.73%. We ended 2023 with net income of \$1,042,485, which was an increase from 2022's net income of \$555,880.

Total loans at the end of the 2023 fiscal year were over \$86 million, which was an increase of 1.12% over 2022. The loan to share ratio increased from 64.76% to 67.88%. The percentage of delinquent loans in 2023 remained very stable with 2022, increasing from 0.59% to 0.60%. However, net charge offs increased to 0.48% from 0.27%.

The Credit Union saw a decline in deposits during 2023. The decrease in deposits and the increase in net income led to an increase in the Credit Union's net worth, which increased in 2023 to 10.23% from 9.33% in 2022.

Overall, the Credit Union had a successful 2023 fiscal year. Summarized year-end financial reports will be made available on the Credit Union's website.

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# TREASURER'S REPORT

**CHELSEA  
MCCONNELL**



# NOMINATING COMMITTEE REPORT

This year's Nominating Committee included Bob Grochowski and Don Bartosh.

There was one (1) seat open on the Board of Directors.

We received one (1) applications/nominations for the Board of Directors:

**Chelsea McConnell**

Per our current credit union Bylaws, there will be no nominations from the floor.

Therefore, with one (1) application and one (1) seat open I would simply like to obtain a Motion from those present to instruct the Secretary to cast a unanimous ballot for the one (1) listed above to serve on the Board of Directors of Wolverine State Credit Union for the next three (3) years.





# COMMUNITY IMPACT

- **485+** Volunteer Hours
- **\$72,248** Amount donated
- **100+** organizations helped
- **40** community events
- **\$1,000** in Scholarships
- **Countless** members of our community impacted





# MEMBER TESTIMONIALS

**“Sincerely grateful for the excellent service with our refi. We appreciate the knowledge, expertise, great communication and support!”**

**“Staff has a pioneering spirit that glows throughout the credit union. I walked out feeling like I found family.”**

**“Thank you for helping me cross the “online” chasm to modern convenience. e-Statements are amazingly simple & swift.”**

**“Oscoda branch is always great and super helpful. I’ve always had great experiences!”**

**“Thank you for the prompt help getting my loan approved and disbursed! I really appreciate it!”**

**“Cannot express how easy you made the loan process. We could NOT be happier.”**





**Thank you!**

Are there any questions?



WOLVERINE  
STATE  
CREDIT UNION