



# 2020 ANNUAL REPORT



**LAKE VIEW**  
CREDIT UNION

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[Lakeviewcreditunion.com](http://Lakeviewcreditunion.com)

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LAKE VIEW CREDIT UNION  
77<sup>th</sup> ANNUAL GENERAL MEETING  
APRIL 14<sup>th</sup>, 2021

Hosted Virtually

Your Partner As You Define Your Future

AGENDA

- Call to Order
- Moment of Silence for deceased Members and Staff
- Registration Report – *J. Kurjata*
- Appointment of Recording Secretary – *A. Johnson*
- Adoption of Agenda
- Approval of Minutes from 76<sup>th</sup> AGM - *April 29<sup>th</sup>, 2020*
- Business arising from the Minutes
- Nominating Committee Report – *D. Rose*
- Board Chair Report – *J. Kurjata*
- Chief Executive Officer & Financial Report – *L. Archibald*
- Auditor's Report – *Cindy Thomson, MNP, LLP*
- Appointment of Auditor – *D. Hamre*
- New Business
- Question & Answer Period
- Adjournment

MINUTES OF THE 76<sup>th</sup>  
ANNUAL GENERAL MEETING OF  
**LAKE VIEW CREDIT UNION**

Held on April 29<sup>th</sup>, 2020  
Virtually - GoToWebinar  
6:30 PM

**Call to Order:**

The Annual General Meeting of Lake View Credit Union is called to order by John Kurjata, Chair of the Board of Directors, at 6:30pm.

John welcomed and thanked everyone that is joining via webinar. As the COVID-19 pandemic has affected in-person meetings, this year's AGM is hosted virtually.

**Introduction of Panelists:**

The following are panelists for the meeting

John Kurjata – Board Chair

Myles Mowat – Board Vice-Chair

Dale Rose – Director, Chair of the Audit & Risk Committee

Darren Hamre – Director, Chair of the Nominating Committee

Lori Archibald, CEO

Cindy Thomson, Chartered Accountant, MNP

**Introduction of Board Members:**

The Board Chair mentions the remaining Directors, as they are not shown on the webinar screen

Everett Beaulne, Director

Jerrilyn Schembri, Director

Carmen Barber, Director

**Introduction of Guests on the Webinar:**

The Board Chair welcomes and introduces the guests online

Joseph Chua, BCFSA

Hattie Wong, BCFSA

Jeremy Picco, PRA

Lori Sunde-Cooper, PRA

Shane Allen, Corporate Solicitor

**Registration Report:**

In attendance - 35 Members, 6 guests

Board Chair declared a quorum is present.

**Appointment of Recording Secretary:**

Moved that Jennifer Lalonde, Executive Assistant – Lake View Credit Union be appointed as the recording secretary

*Moved – Jayce Abel*

*Seconded – Jerrilyn Schembri*

*CARRIED*

**Moment of Silence:**

A moment of silence is observed in memory of our deceased members.  
Special dedication to Cheryl Cole, an employee of Lake View Credit Union that passed away earlier this year.

**Adoption of Agenda:**

Board Chair called for a motion to adopt the agenda, with the prerogative of the Chair to change the order of the agenda, if required.

*Moved – Myles Mowat*

*Seconded – Bea Rutledge*

*CARRIED*

**Approval of Minutes from the 75<sup>th</sup> AGM April 3, 2019:**

Board Chair called for a motion to approve the minutes of the Annual General Meeting dated April 3, 2019 as circulated after asking for any errors, corrections or omissions and hearing none.

*Moved – Jaycee Abel*

*Seconded – Marianne Gayse*

*CARRIED*

**Business Arising from Minutes:**

None

**Nominating Committee Report:**

Darren Hamre presented the nominating committee report. The nominating committee consisted of 3 Directors – Darren Hamre as Chair, Dale Rose and Carmen Barber.

In the 2020 election, there were 2 – 3-year director terms available.

The call for nominations was open from January 6 – 31, 2020.

Both incumbents, Jerrilyn Schembri and Myles Mowat submitted nomination papers and they were joined by member, Shamir Mangalji. All three nomination papers were accepted.

Online voting was held from March 25 – April 1, 2020 with in-branch access to those without a voting device.

A total of 205 votes were cast, 0 spoiled ballots, which equates to 2.76% of the membership.

The results are as follows – with 118 votes incumbent Jerrilyn Schembri from Tumbler Ridge; with 106 votes Shamir Mangalji and with 94 votes, incumbent Myles Mowat.

The two members to hold terms through to 2023 are Jerrilyn Schembri and Shamir Mangalji. Jerrilyn will begin her second term as a director with Lake View and we welcome Shamir onboard as our newest director directly following the AGM.

Myles has been with Lake View Credit Union for 9 years. The Board of Directors thank him for his time and dedication over the years, he was an asset to the Board and will be greatly missed.

Darren Hamre moved to receive the nominating committee report as presented.

*Seconded – Kaitlin Fritz*

*CARRIED*

**Board Chair’s Report:**

2019 was a year to start new things. Lori, CEO has been with Lake View for over a year now.

The Board ventured into a new strategic plan. This year, the planning was done a bit different. Lake View engaged community members from 4 locations, Dawson Creek, Chetwynd, Tumbler Ridge and Fort St. John. This was in search of finding what our communities need from Lake View Credit Union, and how Lake View can be attractive to local businesses.

From this information collected, a new Mission Statement was developed as – Your Partner as You Define Your Future

A new Vision was formed –

L = Loyal to our partners

V = Visionary in our operations

C = Committed to our staff, our members, our communities

U = Understanding your needs

New Values were formed. The large topics are- Innovation, Sustainability, Responsibility. Understanding that all these are intertwined together to include – Financial, Social, Progressive, Responsiveness, autonomous, co-operative, partnership, community builders, trust & compassion.

As 2020 is proving to be a challenging year, a special thank you to all Lake View members for sticking by your local credit union, and a very special thank you to the staff of Lake View for their dedication.

A special thank you to Myles Mowat, who spent 9 years on the Lake View Board. His knowledge and experience will be missed around the Board Table.

### **CEO Report:**

Lori Archibald delivered the CEO report, thanking the Board for their governance oversight, strategic direction and their dedication to our local credit union. And to the staff for their continued drive and support for our members and our communities.

2019 was a strong year for Lake View. Assets per membership had a slight decrease over the past 2 years, mainly due to the paydown on syndicated loans. Lake View continues with very healthy liquidity levels.

Total loans equate to 70% of total assets.

Membership also saw a slight decrease in 2019.

Downward trend in delinquency and loan loss allowance for a 5-year period.

Lake View's capital position remains strong and has trended positively for the past 5 years.

Income remains positive, operating expenses have been reduced over the past 5 years as well.

Moved that the Board Chair and the CEO report be accepted as presented

*Moved - Kaitlin Fritz*

*Seconded - Becky Gelsthorpe*

*CARRIED*

### **Auditors Report:**

Delivered by Cindy Thompson of MNP LLP, Prince George BC.

Cindy stating with a high level of confidence that the financial statements derived from the audited financial statements of Lake View Credit Union for the year ended December 31, 2019 are a fair summary of those financial statements, in accordance with criteria described in Article 128 of the Financial Institutions Act of British Columbia.

A copy of the summary financials posted online through Lake View's website. A copy of the full financial statements is available at all branches upon request.

### **Approval of Financial Statements:**

Board Chair called on Dale Rose, Chair of the Audit & Risk Committee

The Audit and Risk Committee met on February 26, with Cindy Thomson of MNP to review the 2019 financial statements. The Committee recommended approval to the Board of Directors and the financial statements were successfully approved. At this time, the directors are recommending the financial statements to the membership for circulation.

Dale Rose moved that the Auditor's report and the Financial Statements for the year ending December 31, 2019 be approved for distribution to the membership.

*Seconded - Vanessa Lawrence*

*CARRIED*

### **Appointment of Auditor:**

In 2019, the accounting firm the Board had a signed contract with, Deloitte LLP in Prince George was purchased by MNP, therefore we require acknowledgement from the membership understanding that although a name change, the partners/firm remain the same.

Dale Rose moved that the firm of MNP, LLP Chartered Professional Accountants be appointed auditors for the year ending 2020 and that the Board of Directors be authorized to fix remuneration for said services.

*Seconded - Jaycee Abel*

*CARRIED*

**New Business:**

None.

**Question & Answer Period:**

None.

**Adjournment:**

Board Chair asked for a motion for the adjournment of the 76<sup>th</sup> Annual General Meeting of Lake View Credit Union at 7:12pm.

*Moved – Myles Mowat*

DRAFT

# Board Chair & CEO Report



**LAKE VIEW**  
CREDIT UNION

What a year we've been through! A once in a century pandemic gripped the world and all of us had to change the way we were used to living and running our businesses. It was no different at Lake View Credit Union. Shortly before our AGM last year, we found out just how much this pandemic was going to affect our lives. Did we think it would last a year so far? Not on your life! Did we rise to the challenge? Absolutely! The board of directors for your Lake View Credit Union want to say a very special thank you to our whole team. From our great executive team, under the guidance of Lori and Suzanne, to everyone who was on our front line. Their safety was of the utmost importance to us and we supported, and continue to support, any initiatives brought in by our executive team and the outside regulators. The health and safety of our members was most important to us. We could not have lived with ourselves had we allowed any action that could jeopardize your health. Thanks to all our members who adapted to a new way of conducting your banking and understanding that we are all in this together. Sure, there were some problems and frustrations, but through it all we have been very appreciative of the support we've received.

The most encouraging thing for us was to see how our communities turned inward to support our local businesses. We want to congratulate our local businesses for their flexibility and ingenuity in doing things in different ways to stay open. Our credit union was happy to be there to support businesses through this all and will always be here for you, whatever is thrown our way. The never say die attitude of the Peace region was on full display. Helping each other out is so important through times like this and seeing it continue would be equally encouraging!

Shop local, stay local. We need each other. The pioneers and founders of our region and credit union knew this first-hand.

Despite the "curve ball" thrown at us, many exciting things were planned, developed and implemented by our team at Lake View Credit Union.

In 2020 we deepened our investment in technology in response to member feedback about how they would like to conduct their banking. We recognize how important it is to provide not only face to face interactions but also digital banking solutions to make it easier and convenient for our members to conduct their business on their time.

The investment in technology was also the opportune time to revisit our branding and logo which had become stale and in fact did not meet the criteria for ensuring we met our visually impaired members' needs. The changed branding ensured recommended guidelines were surpassed while also paying homage to our roots and deep history in the Peace region and credit union heritage. The Canadian Credit Union Association (CCUA) standardized a refreshed 'hands and globe' logo which incorporates all family structures respectfully welcoming all members under this logo. Nationally this logo has been embraced with the recognition that resonated with members and nonmembers alike with a refreshed improved graphic. We are proud of these new images.

To accommodate some of the technological enhancements a new network services provider was vetted and contracted which allowed us the flexibility we needed to progress our technology initiatives. Further, this change provided cost reductions and the ability to deploy the savings into additional areas of the business requiring resources. Of notable mention would be increased regulatory oversight and reporting/due diligence mitigating risks to our credit union. In conjunction with our movement to a new network service provider we embraced and implemented Central 1's Forge platform. This included the development of a new website which is very user friendly and provides accurate, up to date information required by our members as they journey through their different financial life cycles. The website intuitively leads members



based on the windows they explore. It provides correlated information and helpful articles to compliment the decisions at hand. The most significant change we incorporated was a new mobile banking application. Our prior app was ill suited for online banking services and did not conform well to mobile smartphones. Since implementation, we have seen an increase of over 30% by mobile device users. We are very pleased with the adoption of Forge and the accolades we have received for our technology initiatives in 2020.

Lake View Credit Union had a successful year in 2020, despite the tremendous turmoil and restrictions that transpired due to the coronavirus pandemic. Our members were serviced in the best possible environment and those who were reluctant to embrace the technology were serviced in alternative ways. We saw a significant increase in point of sale transactions and e-transfers as the desire for cash initially waned significantly.

Throughout the year we remained in very close contact with our members and when the government aid programs were announced we administered the much-needed relief our small businesses required. On the retail side of our business we proudly report that at the close of 2020 all of our members who had requested the deferred payment options due to their circumstances, had resumed regular payments. In consideration of this we were very pleased that our delinquency ratios and loan write offs remained well below acceptable levels.

Interesting to note is that many of our members increased their savings during this period. Whether it was because of money not spent for travel or the uncertainty of the economic future, our savings products realized much growth. Our 100% member deposit guarantee almost certainly influenced this movement. Clearly members understood the value of this protection and in fact we saw some new deposits come to our credit union for exactly that reason.

Finally, we are very proud of the launch of our own Lake View Credit Union Foundation through the collaboration with Canada Gives. The inaugural fund matching campaign occurred over the Christmas season and was very successful in raising almost \$30,000 in combined funds for our local food banks. Once again this is a testament to the strength, caring and generosity of our communities. Watch for further initiatives through our foundation in the coming year.

We are proud of the communities we serve and our diverse residents. We believe that 2020 was a year of uncertainty and fear for us all. We feel confident that we remained resolute to our vision throughout the turmoil and we hope you will agree.

L = Loyal to our Partners

V = Visionary in our Operations

C = Committed to our Staff, our Members, our Community

U = Understanding your Needs



## Report of the Independent Auditor on the Summary Financial Statements

To the members of Lake View Credit Union

### Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2020, the summary statement of income and the summary statement of comprehensive income for the year then ended, are derived from the audited financial statements of Lake View Credit Union (the "Credit Union") for the year ended December 31, 2020.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the financial reporting provisions of Article 128 of the Financial Institutions Act of British Columbia.

### Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Credit Union's audited financial statements and the auditor's report thereon.

### The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated February 24, 2021.

### Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the financial reporting provisions of Article 128 of the Financial Institutions Act of British Columbia.

### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

Prince George, British Columbia  
February 24, 2021

*MNP LLP*  
Chartered Professional Accountants

## Summary Statement of Financial Position

As at December 31, 2020

	2020	2019
<b>Assets</b>		
Cash and cash equivalents	36,185,298	19,524,759
Investments	111,179,786	68,162,836
Loans to members	214,326,588	224,519,864
Property and equipment	4,502,050	4,763,347
Intangible assets	370,408	285,336
Other assets	1,246,137	1,145,702
Income taxes recoverable	201,847	45,071
Deferred income tax assets	204,822	233,844
	<b>368,216,936</b>	<b>318,680,759</b>
<b>Liabilities</b>		
Deposits from members	341,794,638	294,259,892
Other liabilities	752,653	666,956
Membership shares	122,492	122,085
	<b>342,669,783</b>	<b>295,048,934</b>
<b>Members' equity</b>		
Membership shares	1,102,427	1,098,762
Retained earnings	24,444,726	22,533,063
	<b>25,547,153</b>	<b>23,631,825</b>
	<b>368,216,936</b>	<b>318,680,759</b>

Approved on behalf of the Board:

E-SIGNED by John Kurjata

Director

E-SIGNED by Darren Hamre

Director

A full set of the audited financial statements is available from the Credit Union



**Summary Statement of Comprehensive Income**

*For the year ended December 31, 2020*

	2020	2019
Financial income	9,795,480	10,635,112
Financial expense	2,061,259	3,013,888
Net interest margin	7,734,221	7,621,224
Provision for (recovery of) allowance for impaired loans	243,559	(184,891)
Net interest margin	7,490,662	7,806,115
Other operating income	1,828,801	2,096,389
Total operating income	9,319,463	9,902,504
Total operating expenses	6,946,017	7,527,922
Dividends on membership shares	41,403	4,523
Income before income tax expense	2,332,043	2,370,059
Income tax expense	404,233	606,803
Comprehensive income	1,927,810	1,763,256

*A full set of the audited financial statements is available from the Credit Union*

# Board of Directors

## Accountability Report



**LAKE VIEW**  
CREDIT UNION



### John Kurjata, Chair

Ex-officio on all Committees

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2020	Expenses 2020	Training/Education
2019-2022 / 6 Years	12/12—Board	Audit & Risk - 7 Investment & Lending - 5 Governance - 5 Nominating - 2	\$9,500 Board Chair Stipend \$4,000 Total - \$13,500	\$0	CUDA Course Governing Credit Risk



### Dale Rose, Vice-Chair

Chair & Member: Governance, Community & Policy Committee, Nominating Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2020	Expenses 2020	Training/Education
2019-2022 / 5 Years	12/12—Board	Governance - 4 Nominating - 2 Audit & Risk - 2 Investment & Lending - 1	\$6,000 Committee Chair Stipend \$600 Total - \$6,600	\$0	C1 - COVID and Liquidity Governance CUDA - IT Governance CUDA - Governing Credit Risk



### Carmen Barber, Director

Member: Governance, Community & Policy Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2020	Expenses 2020	Training/Education
2018-2021 / 3 Years	11/12—Board	Governance - 4 Nominating - 1	\$6,100 Total - \$6,100	\$0	C1 - COVID and Liquidity Governance CUDA - IT Governance CUDA - Governing Credit Risk



## Everett Beaulne, Director

Chair: Investment & Lending Committee

Member: Audit & Risk Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2020	Expenses 2020	Training/Education
2018-2021 11 Years	12/12—Board	Audit & Risk - 5 Investment & Lending - 4 Governance - 1	\$7,450 Committee Chair Stipend \$400 Total - \$7,850	\$0	CUDA - IT Governance



## Darren Hamre, Director

Chair: Audit & Risk Committee

Member: Investment & Lending Committee, Nominating Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2020	Expenses 2020	Training/Education
2019-2022 / 6 Years	12/12—Board	Audit & Risk - 7 Investment & Lending - 5 Nominating - 2	\$7,800 Committee Chair Stipend \$800 Total - \$8,600	\$0	CUDA - Governing Credit Risk



## Jerrilyn Kirk, Director

Member: Governance, Community & Policy Committee, Nominating Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2020	Expenses 2020	Training/Education
2020-2023 / 3 Years	11/12—Board	Governance - 4 Audit & Risk - 1	\$5,150 Total - \$5,150	\$295	C1 - COVID and Liquidity Governance CUDA - IT Governance CUDA - Governing Credit Risk



## Shamir Mangalji, Director

Member: Investment & Lending Committee, Audit & Risk Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2020	Expenses 2020	Training/Education
2020-2023 / 1 Year	8/8—Board	Audit & Risk - 5 Investment & Lending - 4	\$4,500 Total - \$4,500	\$0	CUDA - IT Governance CUDA - Governing Credit Risk

FROM ALL OF US AT



**LAKE VIEW**  
CREDIT UNION

Thank you for your  
continued support

