



2021 ANNUAL REPORT



LAKE VIEW
CREDIT UNION

Lakeviewcreditunion.com

Tel: 250-782-4871

TABLE OF CONTENTS

78 th Annual General Meeting Agenda	_____	3
77 th Annual General Meeting Minutes	_____	4
Board Chair & CEO Report	_____	8
Summary Financial Statements	_____	10
Board of Directors Accountability Report	____	12



LAKE VIEW CREDIT UNION
78th ANNUAL GENERAL MEETING
APRIL 6th, 2022

Hosted Virtually

Your Partner As You Define Your Future

AGENDA

- Call to Order
- Welcome
- Registration Report – *J. Kurjata*
- Moment of Silence for deceased Members and Staff
- Appointment of Recording Secretary – *S. Lajeunesse*
- Adoption of Agenda
- Approval of Minutes from 77th AGM – *April 14th, 2021*
- Business arising from the Minutes
- Nominating Committee Report – *M. Mowat*
- Board Chair Report – *J. Kurjata*
- Chief Executive Officer & Financial Report – *L. Archibald*
- Auditor's Report – *Cindy Thomson, MNP, LLP*
- Appointment of Auditor – *D. Hamre*
- Special Resolution – *J. Kurjata*
- New Business
- Question & Answer Period
- Adjournment



MINUTES OF THE 77th
ANNUAL GENERAL MEETING OF
LAKE VIEW CREDIT UNION

Held on April 14th, 2021
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 Lake View Credit Union's second virtual AGM.

Introduction of Guests on the Webinar:

The Board Chair welcomes and introduces the guests online

Joseph Chua, BCFSA

Hattie Wong, BCFSA

Tracey Kliesch, Concentra

Deirdre Kennedy, CUMIS

Suzanne Paquette, LVCU Contractor

Lori Sunde-Cooper, PRA

Jeremy Picco, PRA

Tracey Wolsey, NPSCU

Mitchel Chilcott, NPSCU CEO

Lisa Stewart, NPSCU

Arvind Maurya, NPSCU

Bill Corbett, STAB Central CEO

Introduction of Panelists:

The following are panelists for the meeting

John Kurjata – Board Chair

Lori Archibald – CEO

Dale Rose – Board Vice-Chair, Chair of the Nominating Committee

Darren Hamre – Director, Chair of the Audit & Risk Committee

Cindy Thomson, Chartered Accountant, MNP

Moment of Silence:

A moment of silence is observed in memory of our deceased members.

Registration Report:

In attendance – 35 Members, 10 guests
Board Chair declared a quorum is present.

Appointment of Recording Secretary:

Moved that Anna Johnson, Corporate Officer – Lake View Credit Union be appointed as the recording secretary
Moved – Suzanne Bull
Seconded – Selina Lajeunesse
CARRIED

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 – Michael Finch
Seconded – Jeremy Earl
CARRIED

Approval of Minutes from the 76th AGM April 29, 2020:

Board Chair called for a motion to approve the minutes of the Annual General Meeting dated April 29, 2020 as circulated after asking for any errors, corrections or omissions and hearing none.
Moved – Van Tay
Seconded – Everett Beaulne
CARRIED

Business Arising from Minutes:

None

Nominating Committee Report:

Dale Rose presented the nominating committee report. The nominating committee consisted of 3 Directors – Dale Rose as Chair, Darren Hamre and Jerrilyn Kirk.
In the 2021 election, there were 2 – 3-year director terms available.
The call for nominations was open from January 12 – February 12, 2021.
Incumbent Carmen Barber elected to stand for re-election, while Everett Beaulne did not. One additional candidate Myles Mowat submitted nomination papers; no additional submissions were received.
Carmen and Myles are awarded the two vacant positions by acclamation.
Dale expressed appreciation for Everett Beaulne’s 12 year tenure with LVCU’ Board of Directors. His wealth of knowledge and valuable input will be sorely missed.
Dale Rose moved to receive the nominating committee report as presented.
Seconded – Jerrilyn Kirk
CARRIED

Board Chair & CEO Report:

John Kurjata & Lori Archibald together presented their report.
John reviewed the effect of the COVID-19 Pandemic on local businesses and thanked the LVCU team for their hard work and dedication throughout. The safety of staff and members was most important to the board.
Most encouraging was to see how communities turned inward to support our local businesses.
Lori reviewed how despite the pandemic, many exciting things were planned, developed, and implemented by the LVCU Team.
2020 saw a deepened investment in technology in response to member feedback about how they would like to conduct their banking. This also provided the opportunity to revisit our branding and logo.
To accommodate technological enhancements a new network service provider was vetted and contracted. This change provided flexibility and cost reductions. In conjunction with this change, LVCU implemented Central 1’s Forge

platform, including development of a new user-friendly website and mobile banking application. Government aid programs announced were administered with much needed relief to our small businesses, and all members who requested differed payment options had resumed regular payments. Interesting to note is the increased savings of our members. The launch of the Lake View Credit Union Foundation took place in 2020, in collaboration with Canada Gives. A fund matching campaign took place over the Christmas season and raised almost \$30,000 in combined funds for local food-banks. 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.

Moved that the Board Chair and the CEO report be accepted for information

Moved – Selina Lajeunesse

Seconded – Suzanne Bull

CARRIED

Summary of Lake View Credit Union Financial Statements:

Delivered by Lori Archibald, CEO.

For reference, the audited summary financial statements were circulated in the package.

Lori began with the Summarized Consolidated Statement of Financial Position. Illustrates assets held by the Credit Union.

Cash and cash equivalents increased by over 85% year over year, direct result of growth in member deposits and shrinkage in member loans receivable. Investments increased by just over 63%, again due to increased member deposits received and were invested with Central 1. Loans to members shrank by 4.5% as member payments on outstanding loans outpaced the loan growth.

An outline of the liabilities and members' equity. The increase of 16.2% in member deposits primarily relates to deposits bolstered by pandemic related government support programs. This trend was seen at all financial institutions across Canada. Members' Equity includes member shares, which are awarded dividend of 2% in March of 2021.

Reviewed the Summarized Consolidated Statement of Financial Position. Financial margin is primary source of net revenue for the credit union. Saw a year over year decrease in interest income, reflection of a smaller member loan portfolio and low interest rate environment. Other Income was reduced in 2020 due to the pandemic and related inactivity in the region. LVCU ended the year with 9.3 million in financial margin and financial income.

Showed a year over year comparison of LVCU expenses. All areas noted reductions.

Comprehensive income increased, with lowered income tax expense. This lowered tax was due to the higher member deposits.

Looking forward to 2021, the strategy of LVCU will continue to focus on minimizing loan losses through prudent credit underwriting and cost containment of operating expenses.

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, 2020 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 Darren Hamre, Chair of the Audit & Risk Committee

The Audit and Risk Committee met on February 24th, with Cindy Thomson of MNP to review the 2020 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.

Darren Hamre moved that the Auditor's report and the Summary Financial Statements for the year ending December 31, 2020 be approved for distribution to the membership.

Seconded – Jayce Abel

CARRIED

Appointment of Auditor:

Darren Hamre moved that the firm of MNP, LLP Chartered Professional Accountants be appointed auditors for the year ending 2021 and that the Board of Directors be authorized to fix remuneration for said services.

Seconded – Justin Lajeunesse

CARRIED

New Business:

None.

Question & Answer Period:

None.

Adjournment:

Board Chair asked for a motion for the adjournment of the 77th Annual General Meeting of Lake View Credit Union at 7:12pm.

Moved – Selina Lajeunesse

DRAFT

Board Chair & CEO Report



LAKE VIEW
CREDIT UNION

We began 2021 with hopes that we had been through the worst of the pandemic and a new normal year for our community and the economy would emerge. The ability to be out and engaging in our communities gives us visibility and direct access to potential and current members. Local business, like us, rely on this avenue of advertising and ability to better understand individual and community needs that we may be positioned to assist with.

Unfortunately, additional virus strains, lock downs, and continued economic stimuli intended to support Canadians was necessary. Our members reacted by continuing to save and spend less.

Further, climate change and unpredictable forces of nature impacted much of our province and trading area. Spring floods followed by fierce summer fires, with smoke laden air closing main arteries within our province and add to that a fierce heat spell that affected farm crops in our area. Some of this impacted our hospitality industries and others which were already crippled from the provincial travel restrictions imposed. We were fortunate to assist our communities in every way we could during these trying times. Our spring community and social responsibility application intake was higher than usual. It made for some difficult decisions, and we commend all applicants for persevering and staying the course to provide necessary services and programs that are the lifeblood of our communities. Working together always provides more.

We were fortunate that at LVCU the direct impacts of some of these devastations were mitigated. This was evidenced by our members who had sought payment relief and extensions and have since then honored their commitments to us. In fact, our loan delinquency ratio in 2021 was at a historical low. We thank you for this and applaud you for your resilience through this unknown corridor. You our members are our lifeblood. Your success is our success and indeed our mission. We hope and continue to invite you to reach out to us in your financial journey. Whether that be in our branches, through community events or through the most used delivery channel in our LVCU history EVER, online.

Reflecting on our consultations with our communities in 2018, we heard you loud and clear when you told us you wanted to conduct your banking in your own time and place. Your needs and your feedback became a foundational piece of our strategic three-year plan. We have worked hard to update our website to provide you with expert advice and direction for every stage in your life. Our online banking platform and your apps have been upgraded several times to ensure optimal capability and access. Of critical importance is our mandate to ensure stellar security mechanisms. Cyber fraud has become very prevalent and accelerated given the electronic cash flow between customer and merchant and your financial institution, the mediators. Just as quickly as we can roll out additional security protocols there are hackers attempting to corrupt the system. It is an ongoing and constant threat. We doubled our mitigation resources in 2021 on risks such as this and others that are inherent in our cyber driven future of financial services. Yes, we also miss the days when everything was seemingly so easy and friendly and face to face. We know that the upgrades and updating applications and software can certainly be cumbersome and frustrating. Please continue to periodically change your passwords, update web browsers, and embrace these new tools. Call us if you run into trouble. We can help navigate some of the twists.

Speaking of calling and phones, our investment in technology in 2021 included saying goodbye to our antiquated phone system. We had some learning curves with it and again we thank you for your patience and feedback. In the fall we conducted a member engagement survey, and you were impacted by our glitches. We have since strengthened our service standard protocols and I hope you feel the difference. If you do have to leave a voice mail during our open hours our promise to you is that we are calling you back within 3 hours but hopefully within moments. We are local, we are here, and we want to speak with you.

Of significant mention is the search and acquisition of software that will provide enhanced capabilities to our members. This software is called ASAPP and as the acronym eludes, it provides for new account applications and loan application approval As Soon As Possible. As we heard at the consultations, and again you confirmed when we did our member engagement survey, you want control over your financial products and information. This software was purchased late in the year and much of our focus in 2022 will see its full implementation. It sets the stage for giving our members the access on their time. It also will be required as payments modernization Canada wide begins its entry in earnest in 2022. We want to have all the tools you might need.

Most importantly, ensuring the health and wellbeing of our employees remained top of mind. Several virtual work shops were delivered throughout the year providing individual coping mechanisms. Increased stress, pandemic uncertainty and extra work loads due to absences everyone felt. We thank our members for understanding our need to close our branches for a day mid spring to bring our team of three branches and our corporate team together. We embraced our indigenous culture that day beginning with a smudging ceremony conducted by a local elder. Our focus was to clear the negative impacts covid had brought to each and every individual in some form or another. We bonded, we laughed, we skipped rope and we reignited our bond, our vision, and our values. We felt alive and unstoppable. Our incredible directors even spoiled us by cooking up a BBQ feast after the day's events concluded. We took over Kin Park and summer was ahead and sunny, or so we thought.

Your board of directors adhere to extensive governance protocol and oversight. Risk and mitigation strategies proportional to our business and in all areas of our enterprise is paramount. We met as a full board virtually 9 times in 2021 and committee meetings that totaled 63 hours for the year. Our committee chairs also enjoyed some one-on-one conversations with our regulators. Big job coming for the directors for 2022 is a renewal of our strategic plan. We look forward to and welcome any suggestions you, our members, can provide to us. More minds end up providing the very best ideas.

We continued to strengthen our financial position and future viability in 2021. We made significant changes to our governed mandatory liquidity pool to divest vehicles with Central 1 and invest in bond rated entities as suggested in concert with our regulators. We did an extensive review of all enterprise risk management areas and discussed acceptable mitigation and tolerance appetites. This best practice also included our CEO led revised and refreshed organizational structure. Continued knowledge transfer, learning new and emerging trends, growing, and retooling to benefit all our stakeholders is an area we are fully committed to.

We ended the year with a sleigh ride winter scene photographic opportunity as our Christmas present to our members. Little did we know that several years ago, this was an annual event! Donations were taken and matched for our local mental health initiatives because we are Lake View Credit Union and because your health and wellbeing, is ours. Thanks for taking part!

From the board, executive and staff at Lake View Credit Union, thank you for your continued support of our credit union.



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, 2021, 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, 2021.

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, 2022.

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, 2022

MNP LLP

Chartered Professional Accountants

Summary Statement of Financial Position

As at December 31, 2021

	2021	2020
Assets		
Cash and cash equivalents	17,964,271	36,185,298
Investments	131,886,797	111,695,421
Loans to members	213,265,835	214,326,588
Property and equipment	4,288,126	4,502,050
Intangible assets	306,835	370,408
Other assets	708,316	730,502
Income taxes recoverable	-	201,847
Deferred income tax assets	144,433	204,822
	368,564,613	368,216,936
Liabilities		
Deposits from members	340,166,423	341,794,638
Other liabilities	731,076	752,652
Income taxes	176,981	-
Membership shares	118,041	122,492
	341,192,521	342,669,783
Members' equity		
Membership shares	1,062,371	1,102,427
Retained earnings	26,426,954	24,444,726
Accumulated other comprehensive income	(117,233)	-
	27,372,092	25,547,153
	368,564,613	368,216,936

Approved on behalf of the Board:

e-Signed by Darren Hamre
2022-02-25 18:41:36:36 GMT

Director

e-Signed by John Kurjata
2022-02-28 20:04:26:26 GMT

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, 2021

	2021	2020
Financial income	8,901,874	9,795,480
Financial expense	1,416,969	2,061,259
Net interest margin	7,484,905	7,734,221
Provision for allowance for impaired loans	10,117	243,559
Net interest margin	7,474,788	7,490,662
Other operating income	1,948,305	1,828,801
Total operating income	9,423,093	9,319,463
Total operating expenses	6,776,371	6,946,017
Dividends on membership shares	2,085	41,403
Income before income tax expense	2,644,637	2,332,043
Income tax expense	646,815	404,233
Net income	1,997,822	1,927,810
Other comprehensive income (loss)	(117,233)	-
Comprehensive income	1,880,589	1,927,810

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

Board of Directors

Accountability Report



John Kurjata, Chair

Ex-officio on all Committees

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2021	Expenses 2021	Training/Education
2019-2022 7 Years	9/9—Board	Audit & Risk - 6 Investment & Lending - 4 Governance - 4 Nominating - 2	\$7,800 Board Chair Stipend - \$4,000 Total - \$11,800	\$0	CUDA Courses Credit Union Strategies, Strategic Thinking



Shamir Mangalji, Vice – Chair

Chair: Governance, Community & Policy Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2021	Expenses 2021	Training/Education
2020-2023 2 Years	9/9—Board	Audit & Risk - 2 Investment & Lending - 1 Governance - 3	\$5,300 Committee Chair Stipend—\$300 Total - \$5,600	\$0	CUDA Courses CU Strategies, Strategic Thinking, Foundations of Governance,



Carmen Barber, Director

Member: Audit & Risk, Investment & Lending, & Nominating Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2021	Expenses 2021	Training/Education
2021-2024 4 Years	9/9—Board	Audit & Risk - 4 Investment & Lending - 3 Governance - 1 Nominating - 1	\$6,050 Total - \$6,050	\$0	CUDA Courses CU Strategies, Strategic Thinking, Value Creations by Transforming Capital Management



Myles Mowat, Director

Chair: Nominating Committee

Member: Governance Community & Policy Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2021	Expenses 2021	Training/ Education
2021-2024 11 Years	7/7—Board	Governance - 3 Nominating - 1	\$3,400 Committee Chair Stipend -\$100 Total - \$3,500	\$1,119.37	Strategic Thinking



Darren Hamre, Director

Chair: Audit & Risk Committee

Member: Investment & Lending Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2021	Expenses 2021	Training/ Education
2019-2022 7 Years	9/9—Board	Audit & Risk - 6 Investment & Lending - 4 Nominating - 1	\$6,700 Committee Chair Stipend -\$600 Total - \$7,300	\$0	CUDA Courses CU Strategies, Strategic Thinking



Jerrilyn Kirk, Director

Member: Governance, Community & Policy Committee, Nominating Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2021	Expenses 2021	Training/ Education
2020-2023 5 Years	7/9—Board	Governance - 4 Nominating - 1	\$4,700 Total - \$4,700	\$0	CUDA, Governance Series, Risk Oversight, Role of the A&R Committee, CU Strategies, Strategic Thinking



Dale Rose, Director

Chair: Investment & Lending Committee

Member: Audit & Risk Committee

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2021	Expenses 2021	Training/ Education
2019-2022 6 Year	9/9—Board	Audit & Risk - 4 Investment & Lending - 3 Governance - 1 Nominating - 1	\$5,000 Committee Chair Stipend -\$500 Total - \$5,500		

Everett Beaulne, Director

Term/Years of Service	Attendance at Board Meetings	Attendance at Committees	Remuneration 2021	Expenses 2021	Training/ Education
Concluded 2021	3 – Board	Audit & Risk – 2 Investment & Lending – 1	\$1,500 Committee Chair Stipend - \$100 Total - \$1,600	\$0	Strategic Thinking

FROM ALL OF US AT



LAKE VIEW
CREDIT UNION

Thank you for your
continued support

