

# Salmon Arm Savings and Credit Union

## 76th Annual General Meeting

May 3<sup>rd</sup>, 2022

\* Please note that this event is being recorded

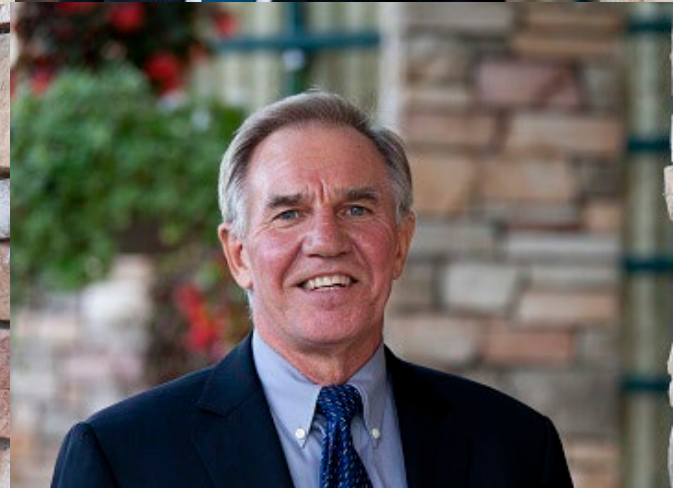
SASCU

**We begin by acknowledging that I am speaking to you today from the unceded traditional territory of the Secwepemc First Nation. While we meet today on a virtual platform, I would like to take a moment to acknowledge the importance of the land, which we each call home. We do this to reaffirm our commitment and responsibility in improving relationships between nations and to improve our own understanding of local Indigenous Peoples and their cultures.**

# **Board Chair's Welcome**

SASCU





# Motion - Rules

**To accept the Rules of Order for the  
May 3, 2022 SASCU Annual General  
Meeting.**

# AGENDA

1. Board Chair Welcome
2. Registrar's Report
3. Call Meeting to Order
4. Appoint Recording Secretary
5. Approval of Rules of Order
6. Approval of Agenda
7. Approval of Minutes
8. Business Arising out of the Minutes
9. Report of Directors
10. Report of Management
11. Report of the Auditor, Approval of Financial Statements & Appointment of Auditor
12. Report of Other Committees
13. Announcement of Election Results
14. Unfinished Business
15. Q&A and Door Prizes
16. Adjourn



# Motion - Agenda

**To accept the Agenda as presented  
at the May 3, 2022 SASCU Annual  
General Meeting.**

# Motion - Minutes

**To accept the Minutes of the SASCU  
2021 Annual General Meeting.**



# **Report of the Directors**

**Dave King, Board Chair**

**SASCU**

# **Report of Management**

**Barry Delaney, President & CEO**

**SASCU**

# 2021 Executive Leadership Team



**Barry Delaney,**  
President & CEO



**Jennifer Black,**  
Vice President Finance & Credit



**Julie Langham Wall,**  
Vice President, Experience & Brand



**Sheri Hamilton,**  
Vice President, People & Culture



**Tom O'Connor,**  
Vice President, Digital & Technology



**Doug Ebner,**  
Vice President, Strategy & Innovation

# Significant Milestones

## 75<sup>th</sup> Anniversary

Founded in 1946. Legacy Project later on the agenda.

## Assets crossed the \$1 Billion mark

As a mid sized credit union, gaining more efficiency. Also attracting more regulatory attention such as a heightened expectation on capital levels.

# Headwinds

1. **Attraction & retention of staff.** National shortage of talent did harm our ability to provide strong service to our membership.
2. **High work loads** for staff currently in place.
3. **COVID** continues to drive very high call volumes.
4. **Capital** still not at the levels needed to guard against risk.



# Annual Results 2021

key numbers

1,467

New members

Insurance earnings

Contributed more than \$445,000 to SASCU profitability

\$47M

Growth in Loans

Wealth earnings

Contributed more than \$980,000 to SASCU profitability

\$91M

Very high deposit growth

\$6.7M

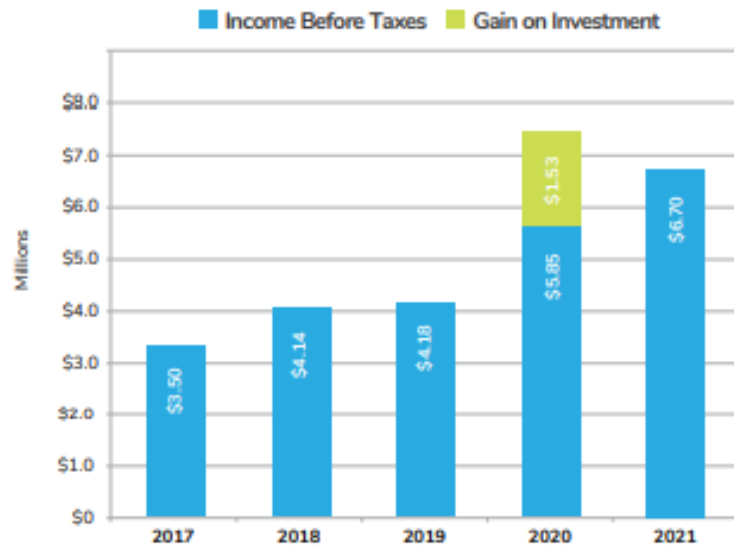
Strong profitability

\$61M

Above Capital levels (15.8%) are satisfactory. Capital however needs to grow to meet the risks.

# Income Prior to Taxes and Dividend

Income was up, taking out the one time gain in 2020, as the economy continues to improve.



## Earnings Prior to Income Taxes

*Earnings were higher in 2020 due to a one-time investment gain of 1.53 million. In 2021, strong loan and deposit resumption of business activity increased earnings.*

# 2021



**Stronger digital security:** Implemented 2-step verification and introduced Self Serve Reset.

**Digitization of processes:** Working hard to make SASCU processes easier and more convenient for members. Processes included stop payment re-design, change of signor process, registered products and scanning TFSAs to be accessible through our digital repository.

# 2021

## Christmas Car Give Away



James Dyck

# Understanding and Engaging Youth



Youth Council - 2021



# What's Next?

- New & Improved digital process for our TFSAs (Tax Free Savings Accounts).
- New Account Line Up for savings & chequing accts.
- International money E-transfers.
- Online appointment booking.
- Continue community support.



# strategic plan 2024

To be our members' life long financial partner

## Areas of Focus

1

Member Success



2

Digital Development



3

Our Communities



## Strategies

Advice

Growth

Member  
Digital

Staff  
Digital

People/  
Culture

Healthy  
Community

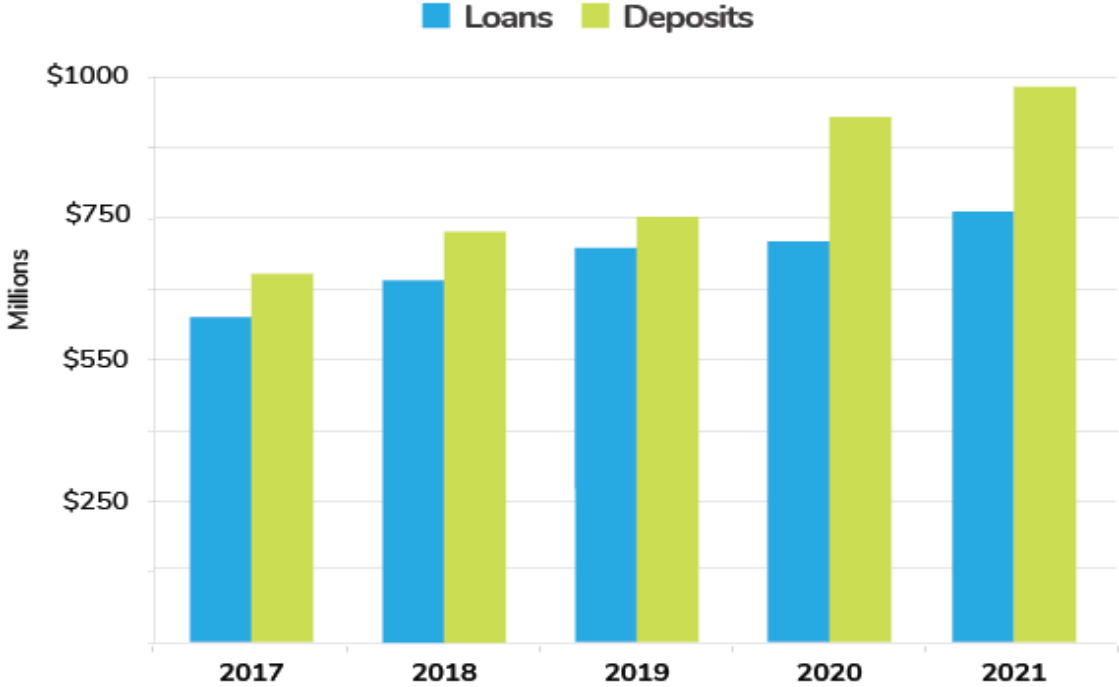
# **Report of Management**

**Jennifer Black, VP Finance & Credit**

**SASCU**

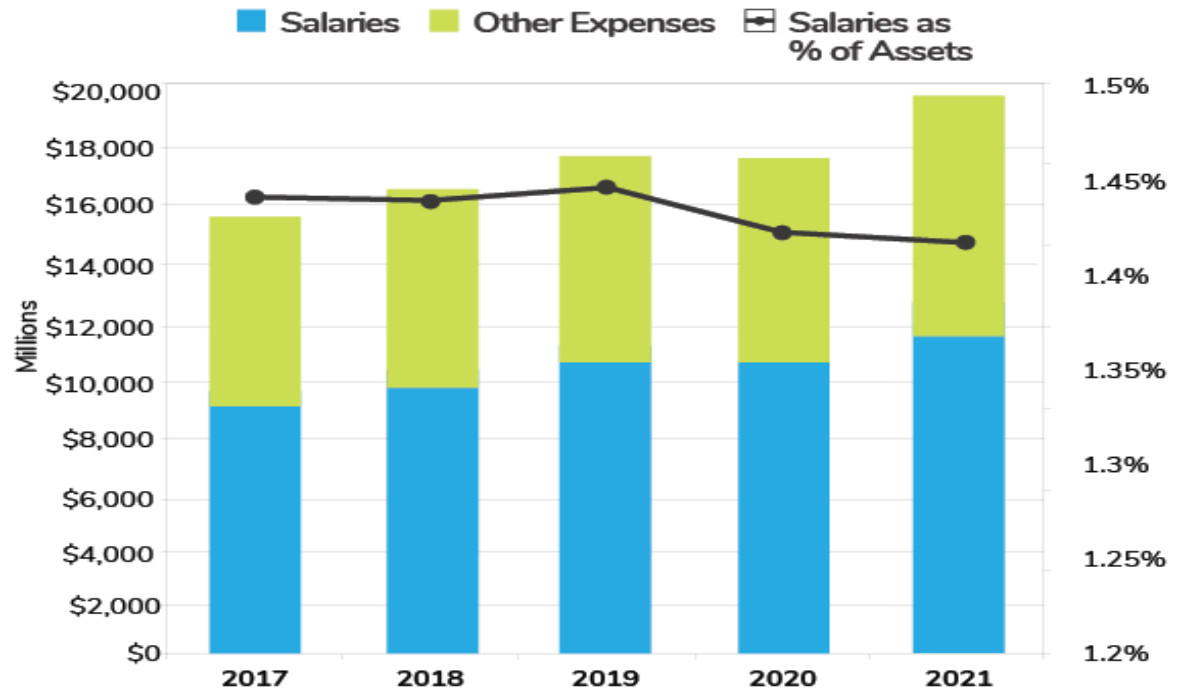
# Loans and Deposits

Strong deposit growth during the pandemic years of 2020/21 with slower loan growth in 2020 followed strong growth in 2021.



# Expenses

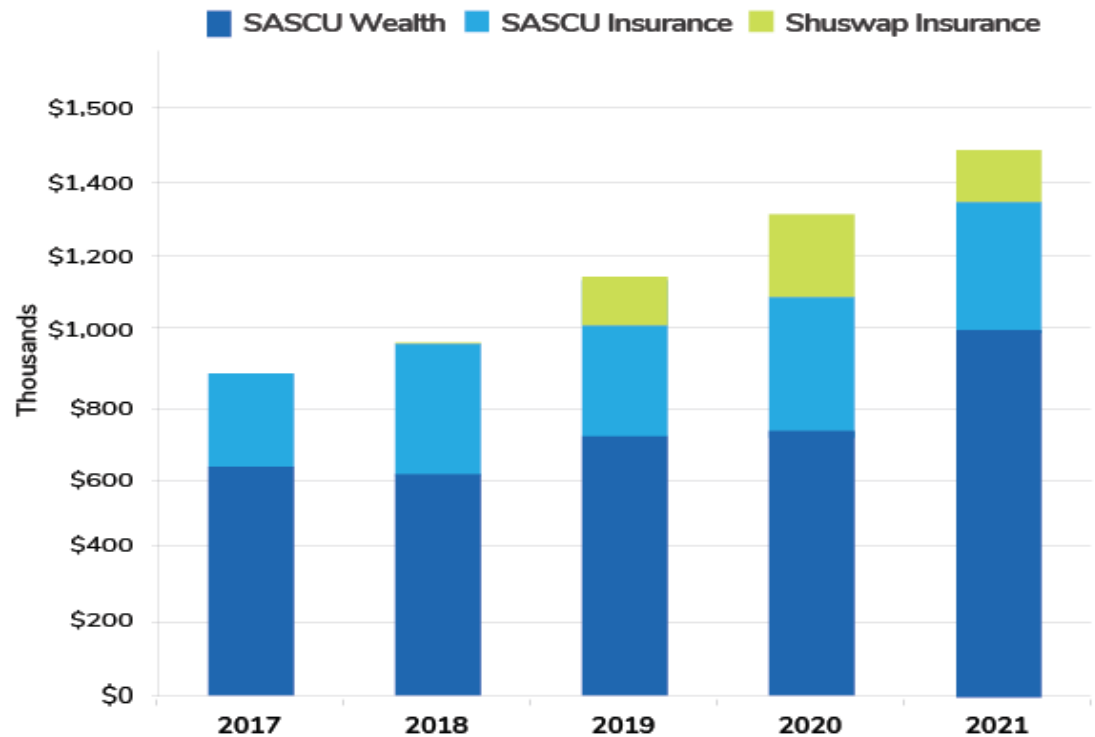
Salaries and general expense increases along COVID 19 relief offered in 2020 that was not extended into 2021 account for the increase in expenses.





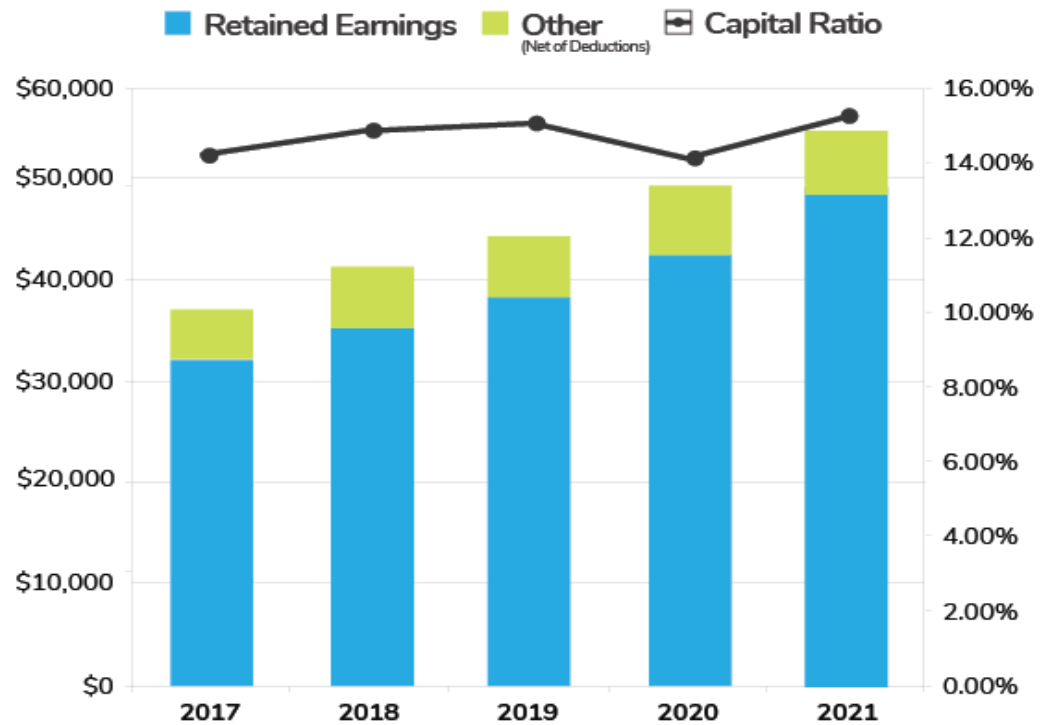
# Wealth and Insurance

Strong earnings from Wealth with Insurance down due to labour shortages and introduction of ICBC Enhanced Care. Combined, earnings trend is strong.



# Capital

Strong earnings in 2021 contribute to improving capital position.



# Report of the Auditor



**Angie Spencer, CPA CA**  
Partner BDO



# Salmon Arm Savings and Credit Union

Annual General Meeting- Auditor's Presentation  
May 3, 2022





## OVERVIEW OF THE AUDIT

- **BDO engaged to audit the consolidated financial statements of the Credit Union for the year ended December 31, 2021**
- **The Credit Union reports under International Financial Reporting Standards as required for credit unions and other publically accountable entities**
- **We completed our audit on March 15, 2022 and issued an unqualified audit opinion. The financial statements are free from material misstatement**
- **Our testing of internal controls within the organization determined no significant deficiencies**

## Statement of Consolidated Balance Sheet

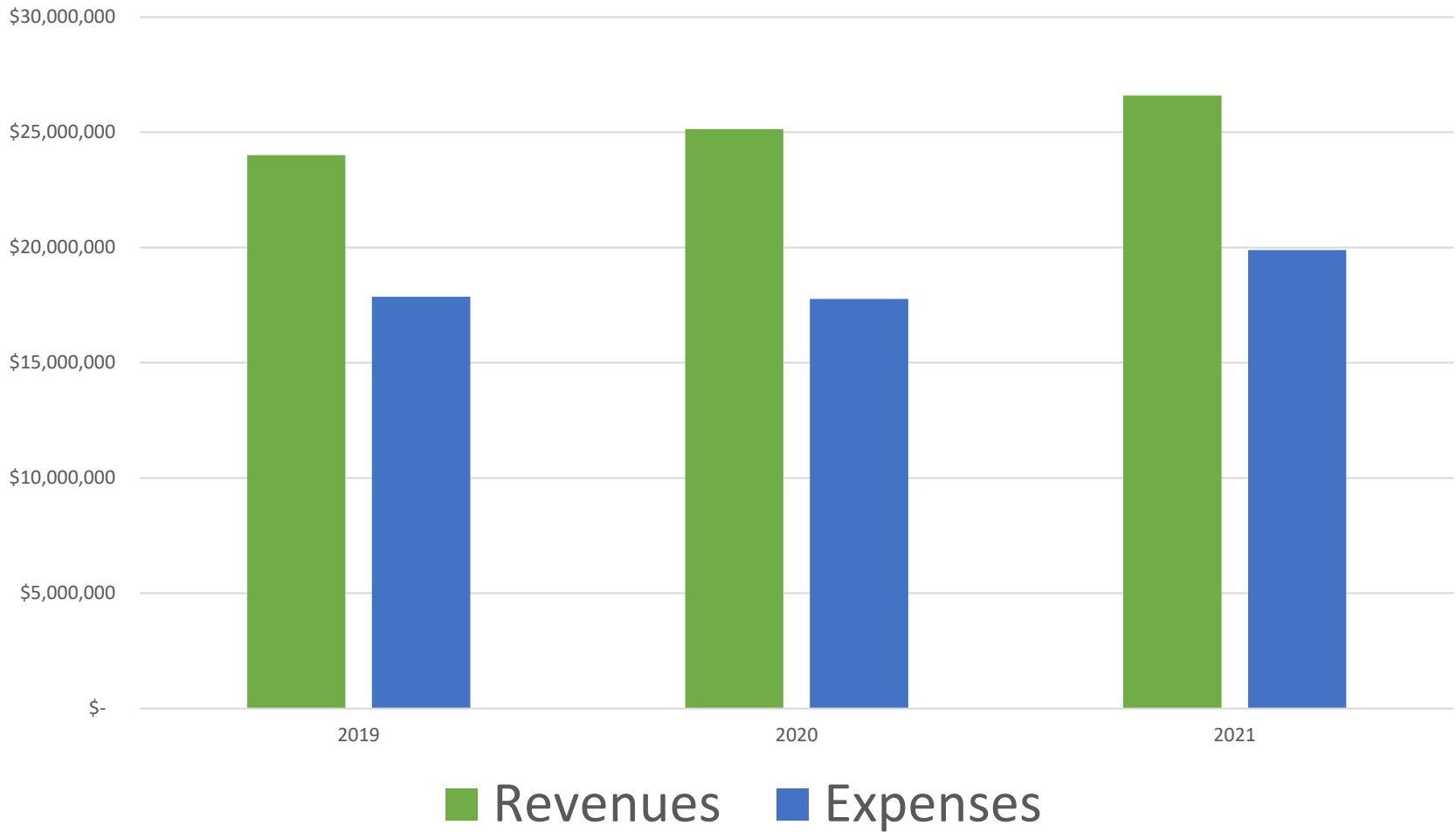
	December 31, 2021	December 31, 2020
<b><u>Assets</u></b>		
Cash	\$ 16,902,136	\$ 27,248,191
Investments	213,956,957	155,136,911
Loans to members	760,263,442	713,569,552
Property, plant and equipment	13,401,852	14,034,797
Goodwill and intangibles	4,782,720	5,195,548
Investment property	482,035	503,450
Other assets	3,685,441	3,329,152
	\$ 1,013,474,583	\$ 919,017,601
<b><u>Liabilities and Members' Equity</u></b>		
Accounts payable and accrued liabilities	\$ 5,230,768	\$ 5,351,189
Member deposits	953,812,880	864,242,186
Member shares	708,834	724,184
Members' equity	53,722,101	48,700,042
	\$ 1,013,474,583	\$ 919,017,601



## Statement of Consolidated Comprehensive Income and Members' Equity

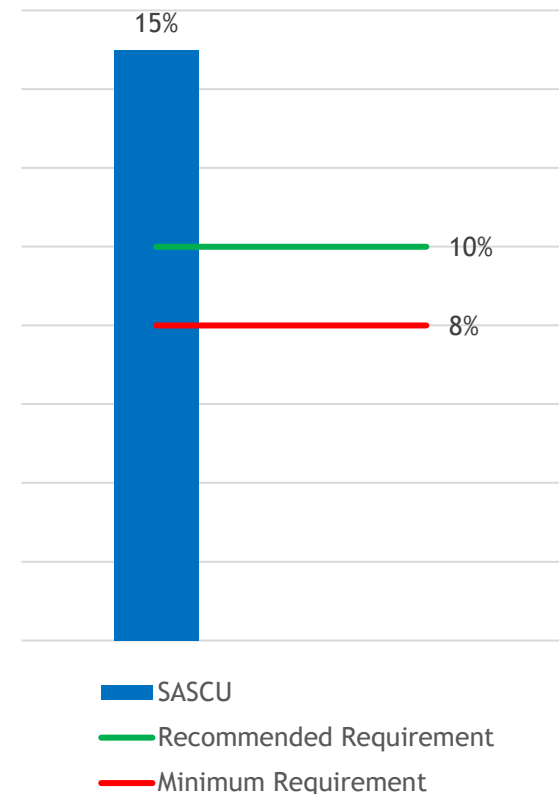
	December 31, 2021	December 31, 2020
Financial income	\$ 24,027,104	\$ 26,052,576
Financial expense	5,073,260	9,568,435
Financial margin	18,953,844	16,484,141
Other income	7,636,914	8,656,255
	26,590,758	25,140,396
<b>Operating expenses</b>		
Community support	220,429	200,829
Employee salaries and benefits	11,315,345	10,406,194
Other	8,359,669	7,155,504
	19,895,443	17,762,527
Income before income taxes	6,695,315	7,377,869
Income taxes	1,142,795	1,235,059
	\$ 5,552,520	\$ 6,142,810
<b>Comprehensive income for the year</b>		

## Revenue and Expense - 3 Year Comparative



# Capital Adequacy and Regulation

- SASCU is regulated by BC Financial Services Authority and requires SASCU to demonstrate within approved guidelines for having adequate capital available
- The capital adequacy ratio guidance is based on the percentage of risk-weighted assets held in relation to debt, to safe-guard financial institutions against excessive leveraging
- The regulatory requirement is 8% capital base related to the business carried on by it
- SASCU has a capital adequacy ratio of 15.11%, well in excess of the required and recommended guidelines



QUESTIONS?

# Motion – Auditors Report & Appointment

To approve the Auditors Report for December 31, 2021 presented at the May 3, 2022 SASCU AGM; and

That BDO Canada LLP be appointed Auditors for SASCU and its subsidiaries for the 2022 year and the Board will set the remuneration amount.

# **Report of Other Committees**

**Joan Ragsdale, Community Relations &  
Sponsorship Committee Chair and  
David Harder, Artist**



# SASCU'S 75TH ANNIVERSARY LEGACY PROJECT

*"People Helping People" by David Jacob Harder*

-Steel characters powder coated in two colours  
(option to be powdercoated SASCU Colours)

-Apples coloured and sealed marbled concrete as base and park seating atop  
of engineered helical piles

-Two larger than life characters made of hundreds of silhouettes of people

-Icon of the apples to reference the area and first public artwork in Salmon Arm for continuity as  
well reference the origins of SASCU

-SASCU logo embossed into concrete apple

-Solar Light Options through two BC based architectural lighting suppliers

All works meet CSA Park Safty Regulation



Detail of figures made of real community members steel silhouettes  
(example from Minoru Centre Richmond, BC)



*Together*, Powder Coated Steel, Richmond, BC, 2019

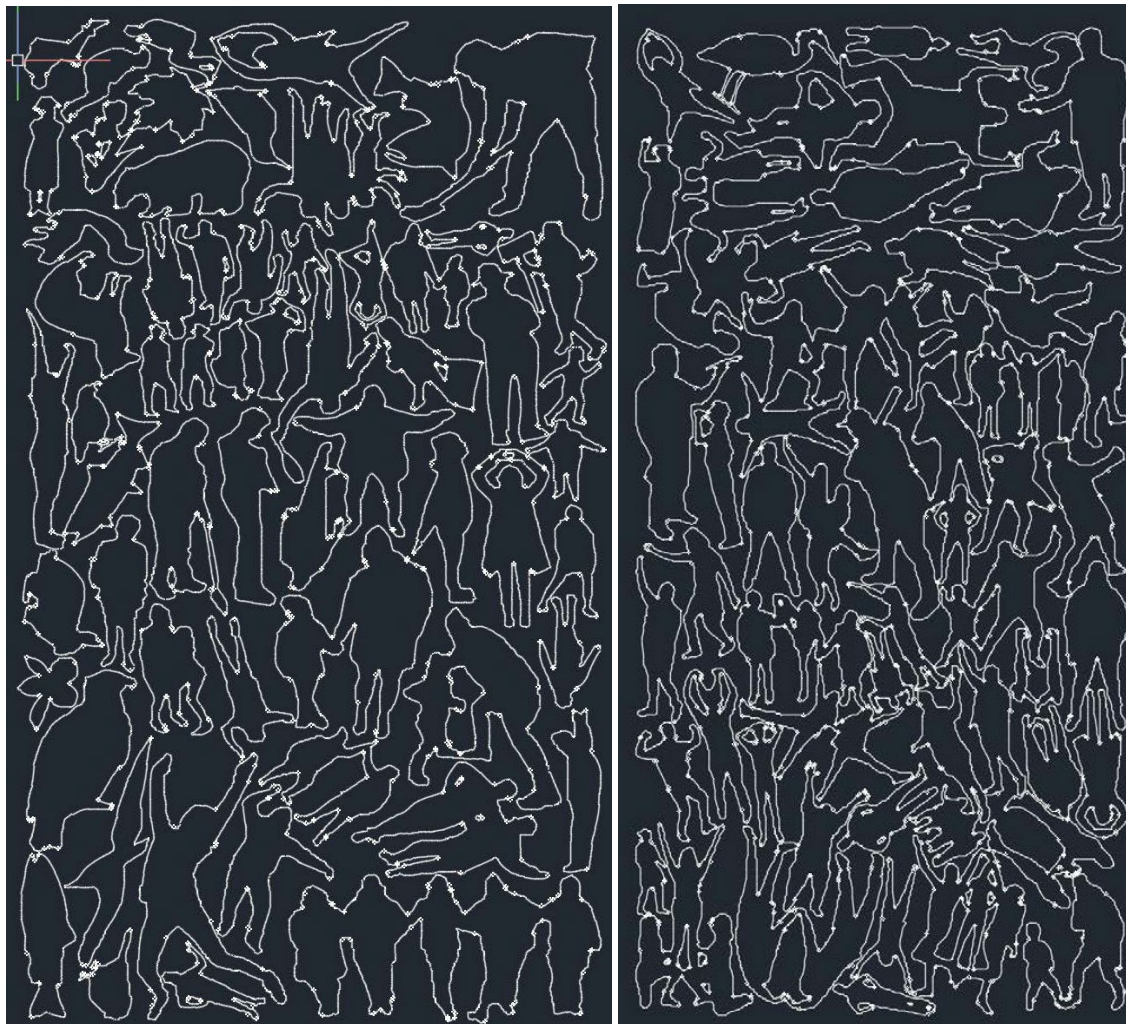




*Together*, Powder Coated Steel, Richmond, BC, 2019







SASCU CAD Plates  
designed by DJH

# **Announcement of Election Results**

**Dave Witt, Nominating Committee Chair**

**SASCU**



# New Director



## June Stewart,

June was first elected to the SASCU Board in 1986 and with her recent retirement as the Executive Director for Shuswap Children's Association she has re-join the Board.

# New Director



## **Curtis Slingerland,**

Curtis is eager to contribute to the community and admires the great work that SASCU does to better the lives of its clients and community.

# Re-Elected Director



## Constance Ladell,

Constance has served as a Director for six years after retiring from the position of General Counsel to BCLC. As a 25-year BC credit union member she is grateful for the opportunity to continue to serve the Shuswap community.

# **Unfinished Business**

**Dave King, Board Chair**

**SASCU**

# **Special Resolution**

**Barry Delaney, President & CEO**

**SASCU**



# Special Resolutions

## Alteration of Common Bond

Be It Resolved, as a special resolution, that pursuant to subsection 40(2) of the Credit Union Incorporation Act, the common bond of membership of the credit union be amended to read: “Persons who reside, work or carry on business in the Columbia Shuswap Regional District, the Thompson-Nicola Regional District, or the Regional District of North Okanagan, all in the Province of British Columbia.



# Q&A and Door Prizes