

north peace

SAVINGS & CREDIT UNION



Annual General Meeting Package

February 1, 2022

It's your life. Build it here.

2022 Annual General Meeting

Rules of Order: Virtual Annual General Meeting

General Rules

The Annual General Meeting (AGM) will be conducted in accordance with the Credit Union Incorporation Act, and the Rules of North Peace Savings and Credit Union (NPSCU), and the current edition Roberts Rules of Order, Newly Revised.

The meeting shall be held solely by such electronic means as are made available by NPSCU.

No person may photograph, record or film the proceedings of the meeting by use of any camera or other electronic device, without the permission of the Chair or the consent of the meeting.

Except for motions that fit within the jurisdiction of the AGM, motions from the floor are generally considered advisory to the Board. To be considered, such motions must be presented to the Chair in writing.

Debate

Only members in good standing (as defined in the [NPSCU Rules](#)) are entitled to speak to matters brought before the meeting for consideration.

Members wishing to speak will address the Chair by raising their digital hand or by using the chat feature and must be recognized before speaking. Upon recognition by the Chair, the speaker will state clearly his or her name.

No member may speak longer than three minutes at a time, or more than twice on the same question without permission of the Chair.

A member who wishes to speak a second time on the same issue or ask more than one follow up question at a time must wait until other members who wish to speak on the issue have spoken.

All other speakers must obtain the permission of the Chair and may speak once and then only to provide information.

Voting

Only members in good standing (as defined in the [NPSCU Rules](#)) are entitled to vote at the AGM. Voting will be conducted with a show of hands or such other electronic means as may be determined by the chair. No vote by proxy shall be recognized or allowed.

After a vote at a meeting is taken, a declaration of the Chair that a motion or resolution has been carried by the majority shall be conclusive.

Reports

Reports presented at the meeting for information only, do not require a motion. Where a report contains a recommendation for the AGM to consider, a motion to act on the recommendation will be presented, seconded, debated and voted on.

Agenda

Order of Business

- 7:00 pm – Call to Order
- Adoption of Virtual Meeting Rules of Order
- Ascertainment of Quorum
- Ascertainment of Recording Secretary and Parliamentarian
- Adoption of Agenda
- Introduction
- Adoption of Minutes – AGM – February 2, 2021
- Business Arising Out of Minutes
- Report of the Directors
- Presentation of Financial Statements
- Presentation of Auditor's Report
- Board of Directors Election Results
- Appointment of the Auditor
- Old Business
- Credit Union Rules Special Resolution
- Other New Business
- Q&A
- Adjournment

View our **2020-2021 Annual Report [here](#)**.

About Us

Mission

Helping our members succeed in life.

We work to simplify and enrich members' lives with exceptional, locally relevant solutions.

Vision

To foster and support a financially thriving membership.

Values

- Exceptional Service
- Flexible
- Innovative

Board of Directors

Tracey Wolsey, Chair

Mike Whalley, Vice-Chair

Darren Snider

David Scott-Moncrieff

David Sloan

Donna Stolk

Nelson Stowe

Emmet McGrath

Allan Loberg



Tracey Wolsey Chair, Board of Directors

North Peace Savings and Credit Union Annual General Meeting, February 2, 2021

Meeting Minutes

The Annual General Meeting of North Peace Savings and Credit Union was held on February 2, 2021 via Zoom virtual meeting platform. Tracey Wolsey, Chair of the Board of Directors called the meeting to order at 7:02 p.m.

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While we would prefer to be gathered together as in past years, we have had to adapt to the current environment and meet virtually for the first time.

Virtual meeting rules of order were included in the AGM package.

Tracey Wolsey, Chair of the Board of Directors, let attendees know that for required motions, she would read out the motion and who had moved and seconded the motion. To oppose, members were asked to raise their digital hand. If not seeing any raised hands, the motion would be declared carried.

Ascertainment of Quorum

There being more than 25 voting members present, Tracey Wolsey, Chair of the Board of Directors, declared a quorum.

Ascertainment of Recording Secretary and Parliamentarian

- **Recording Secretary** - there being no objections, Olivia Young was appointed Recording Secretary for the meeting.
- **Parliamentarian** - there being no objections, Gordon Gentles was appointed the Parliamentarian for the meeting.

Approval of Agenda

Motion: "To adopt the Agenda of the 2021 Annual General Meeting of North Peace Savings and Credit Union as presented.

Moved by: Mike Whalley

Seconded: Donna Stolk

Tracey asked for objections by raise of digital hand.

Carried

Introduction

Tracey Wolsey welcomed members, guests and staff, and introduced the Board of Directors and the Chief Executive Officer, Mitchel Chilcott.

Invited Guests in Attendance

Dan Davies	MLA
Lori Ackerman	<i>Mayor, City of Fort St. John</i>
Gordon Gentles	<i>Parliamentarian</i>
Debbie Bass	MNP
Brad Lussier	<i>General Manager, Fort St John Co-op Association</i>
Connie Chilcott	<i>Director, Fort St. John Co-op Association</i>
Don McMillan	<i>Director, Fort St. John Co-op Association</i>
Lori Archibald	<i>CEO, Lake View Credit Union</i>
John Kurjata	<i>Director, Lake View Credit Union</i>
Kathy Gallagher	CUMIS
Deirdre Kennedy	CUMIS
Bill Corbett	<i>Stabilization Central Credit Union</i>
Samantha Lundy	<i>Stabilization Central Credit Union</i>
Richard Cho	<i>BC Financial Services Authority</i>

Minutes of Annual General Meeting

The minutes of the February 4, 2020 Annual General Meeting were included in the AGM Package on Page 4. There was a link to the AGM Package entered into the chat.

Motion: "To adopt the Minutes of the February 4, 2020 Annual General Meeting of North Peace Savings and Credit Union as presented."

Moved by: Darren Snider
Seconded: Bruce Chisholm
Carried

Business Arising From the Minutes

There was no business arising from the minutes.

Report of the Directors

Tracey Wolsey, Board Chair, delivered the message from the Board of Directors.

As we can all attest - 2020 was an extraordinary year for all of us! 2021 continues with many of those same challenges in front of us but we are starting to see light at the end of the tunnel.

The local economy was hit by commodity price challenges in the oil and gas industry. A price war between Saudi Arabia and Russia drove the prices down while the pandemic caused a significant drop in demand. This combination resulted in, cancelled projects, reduced spending, mergers, and layoffs. For the first time ever future spot prices went below \$0 into negative value territory.

The forestry industry was also hit hard with closures and consolidation.

Site C continued which added a layer of constancy and provided some stability and local employment.

Businesses across all sectors were impacted. Despite that, our region closed out the year with unemployment at 4.3%, the lowest of any region in the province and compared well to 7.2% for BC as a whole.

During such a tumultuous year the Board focused on governance and worked closely with our regulators to keep abreast of issues and to keep pace with regulatory changes.

Credit Unions across the province faced the same issues and worked together to understand potential impacts and solutions.

Report of the Chief Executive Officer

Mitchel Chilcott presented the Report of the Chief Executive Officer.

As your local credit union, what affects our communities, and our members, has a direct impact on our organization.

We exist for our members and we continue to strive towards living our mission of 'helping our members succeed in life' and building strong relationships through exceptional service delivery.

2020 started with many known challenges. As Tracey mentioned, the lingering impacts of a prolonged downturn of the oil and gas industry on our members, their businesses and our communities. A vastly reduced local forestry industry and a volatile interest rate environment.

An unknown challenge arose about a year ago. COVID-19 has had an impact on all. With safety being top of mind, North Peace Savings and Credit Union, implemented new protocols and processes for staff and members.

As we shifted to deal with implications of COVID-19 in its many forms, our priority of member service and engagement remained unchanged. Our branches remained open, with safety protocols in place. We encouraged those that could effectively complete their banking without coming into a branch to do so to reduce branch traffic and improve safety for all.

With our mission of 'helping our members succeed in life' at the forefront, we worked with many members whose livelihood had been disrupted to improve their financial situation. Numerous members needed payment relief for a couple of months to offset their loss of income. This is where North Peace Savings and Credit Union stepped up for our members.

We promise to continue to work hard to deserve your patronage and maintain your trust, focusing on building relationships and providing quality member services to help you succeed in life.

We thank you for your business and for your loyalty to NPSCU.

Presentation of Financial Statement

Jannine Scheurmann, Chief Financial Officer presented the financial results for North Peace Savings and Credit Union for the fiscal year ending September 30, 2020.

Financial Results for Year Ending September 30, 2020:

Consolidated Statement of Financial Position as of September 30, 2020

Assets:

- Cash, Cash Equivalents; \$65.9 million a change of 83.7%
- Investments; \$34.4 million a change of 1.1% as of the 2020 fiscal yearend
- Member loans receivables; \$329.9 million a change of -7.2%
- Other Assets; \$11.8 million a change of -9.2%
- Total assets; \$441 million staying relatively flat with 2019 level of \$438 million

Liabilities:

- Member deposits; \$402.3 million a change of 5.9%
- Borrowings; \$10.9 million a change of -64.7%
- Other liabilities; \$3.6 million a change of -0.7%
- Total liabilities; \$416.8 million a change of -8.3%

Total Liability & Member Equity; \$441 million

Consolidated Statement of Comprehensive Loss & Change in Members' Equity for year ended September 30, 2020

- Interest income; \$14.8 million
- Interest expense; \$4.3 million
- Provision for loan impairment; \$1.3 million
- Other income; \$1.9 million
- Financial margin & other income; \$11.1 million
- Operating expenses; \$11.6 million
- Member distribution: 1% dividend paid on Class A and Class B Shares
- Income Tax Recovery; recovery of \$0.1 million
- Comprehensive income; \$0.3 million
- Net Income (Loss); (\$0.6 million)

Jannine noted that questions regarding the financial statements would be taken near the end of the meeting during the Q&A.

Presentation of Auditor's Report

Debbie Bass, Partner, Assurance Services with MNP gave the auditor's report.

In MNP's opinion, the summarized consolidated financial statements derived from the audited consolidated financial statements of North Peace Savings and Credit Union for the year ended September 30, 2020 are a fair summary of those consolidated financial statements.

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Board of Directors Election

Tracey Wolsey, Chair of the Board of Directors announced the results of the Director's election.

Three vacancies on the Board: Three terms each for three years

At the close of Nominations, NPSCU had received three nomination packages. One from incumbent: Donna Stolk, as well from Allan Loberg and Nelson Stowe.

In November, NPSCU received a resignation from Director, Laurie Petrucci leaving an additional vacancy on the Board. The Directors have appointed Emmet McGrath to the Board of Directors for a one-year term effective February 2, 2021.

Introduction of new and returning board members, Allan Loberg and Donna Stolk, and new board members Nelson Stowe and Emmet McGrath.

Appointment of the Auditor

Tracey Wolsey brought forward the motion to appoint the auditors for 2020 / 2021 fiscal year.

Motion: "North Peace Savings and Credit Union appoint the firm of MNP for the 2020 / 2021 fiscal year and empower the Board to set the Auditor's remuneration".

Moved by: David Scott-Moncrieff

Seconded by: Darren Snider

Tracey asked for objections by raise of digital hand.

Carried

Old Business

No Old Business arising from the meeting.

New Business

No New Business arose from the membership.

Tracey updated the membership on the following:

- **Member Survey Launch**

Tracey informed the membership that NPSCU is in the process of developing a Member Survey that will not only measure Member satisfaction, but also help us gain insights on how we can reinforce our operating plan to benefit Members. Member feedback will help in improving our long-term strategy, identify our successes, and identify any additional opportunities for improvement. Tracey encouraged members to ensure their email address on file is up to date which could be done online, through Member Direct online banking or visiting a branch. Please make sure NPSCU has your updated email information. The survey is expected to launch in late February 2021. Participants in the survey will be entered for a chance to win a prize!

- **Retiring Directors**

Tracey recognized Bob and Bruce for their long term service on the Board of Directors of North Peace Savings and Credit Union. Tracey also thanked Laurie Petrucci for her contribution to the Board over the last 4 years.

- **Retirement**

Tracey congratulated Sharol Hofstrand who recently retired after 30 years and 8 days with NPSCU. Tracey thanked Sharol for the support she has provided the Board over the years.

Q&A

Question from member: I would like to address the decisions by the board regarding increasing fees on accounts, and no longer offering the Personal Teller Machines.

Answer: We began advertising changes to service charges starting in mid-September with a notice in our August statements. New service charges came into effect on November 1, 2020. Free chequing was subsidized by NPSCU from 2015 - 2020. Service charges were reset similar to 2012 levels.

Answer: When they were first introduced in 2012, Personal Teller Machines provided a unique service at a cost comparable to ATMs. Now the cost of ATMs have decreased significantly, while the cost of Personal Teller Machines have increased sharply. The vast majority of transactions being completed through Personal Teller Machines were transactions which could be completed through ATMs.

Question from member: Will there be any mention of your intentions to hire a new investment officer?

Answer: Tish Sogani joined NPSCU in mid-December. Tish completed his onboarding and licensing requirements and is set up and ready to engage with the membership as of February 2021.

Question from member: Financial question: How can there be a loss of \$11 Million in Member Equity from 2019 to 2020? This wasn't showing on the charts being discussed.

Answer: Jannine Scheurmann offered to reach out to member directly to go over the details of the numbers presented on the slides and reporting; member agreed.

Question from member: Does the Credit Union have any derivatives remaining on the books? What amount?

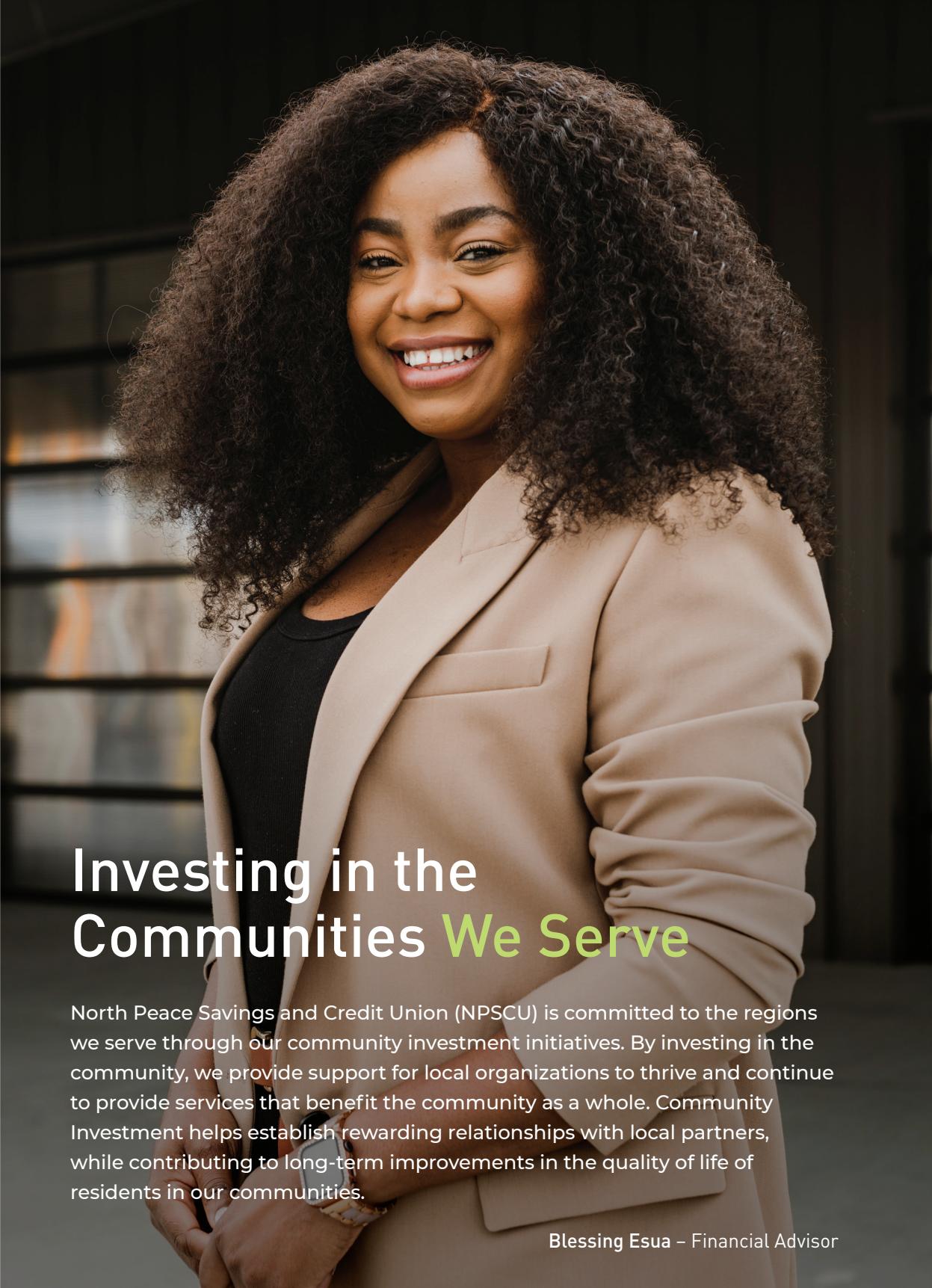
Answer: Yes, we do have derivatives remaining in the amount of \$40 million which can be found on the annual report?

Tracey thanked the staff who organized the meeting. Tracey also thanked everyone for attending the Annual General Meeting.

Tracey Wolsey, Chair
North Peace Savings and Credit Union
Board of Directors

Michael Whalley, Vice-Chair
North Peace Savings and Credit Union
Board of Directors

Meeting Attendance:
There were 76 people in attendance: 65 voting members and 11 guests.



Investing in the Communities We Serve

North Peace Savings and Credit Union (NPSCU) is committed to the regions we serve through our community investment initiatives. By investing in the community, we provide support for local organizations to thrive and continue to provide services that benefit the community as a whole. Community Investment helps establish rewarding relationships with local partners, while contributing to long-term improvements in the quality of life of residents in our communities.

Blessing Esua – Financial Advisor

Sponsorships & Donations

Each year we support numerous community groups and non-profit organizations through financial sponsorship, charitable giving and In-kind donations.

2020-2021 Sponsorship and Donation Recipients

- 4-H Club - North Peace District
 - Announcer Booth Sponsor
- Fort St John Association for Community Living
- Fort St John Pride Parade – Float
- Salvation Army Fort St John
- Fort St John Woman's Resource Society
- Stage North Theatre Society
- City of Fort St. John – Humanitarian Award Sponsor, Community Awards
- Fort St. John Fire Fighters Charitable Society
- North Peace Pregnancy Care Centre – Christmas Family
- Friends of Hudson's Hope Society
 - Water Bottles
- Every Child Matters Vigil
- Color Me Run Sponsorship
 - Rotary Club, Fort St. John
- Spark Women's Leadership Conference
- Northern Rockies Regional Recreation
 - Free Skate



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Social Responsibility

North Peace Savings & Credit Union provides financial support to socially responsible organizations that increase community sustainability with the communities we serve. NPSCU focusses Social Responsibility giving in the following 5 areas:

Literacy and Financial Literacy, Homelessness, Building Strong Families, Support for Disabled Adults, Prevention of Domestic Violence & Victim Support.

2020-2021 Social Responsibility Funding Recipients

- 4-H Club - North Peace District
 - Accounting Software
- Fort St. John Public Library Association
 - Summer Reading Program
- Fort St John Association for Community Living
- Fort St John Soccer Club
 - Jersey Sponsorship
- Hudson Hope Soccer Club
 - Jersey Sponsorship
- YES Camp
- NEAT Fort St John - Meals on Wheels
- Northern Rockies Senior Society
 - Meals on Wheels



Casual for a Cause

Each month, employees pay \$5 to dress casually on Fridays as part of our Casual for a Cause initiative. NPSCU corporately matches the team contributions and the funds are donated to charities and community causes.

2020-2021 Casual for a Cause Funding Recipients

- Silver Willow Court
- Northern Rockies Senior Society
- Friends of Hudson's Hope
- Fort Nelson Aboriginal Friendship Society
- Taylor Community Christmas Fund
- North Peace Senior Housing Society
- Salvation Army Fort St. John
- Made with Love Seniors Meal Program
- Christmas Goodies for Peace Villa
- Abbeyfield House Fort St. John
- Riggs Safety Seniors Secret Santa Program
- BCSPCA



Bursaries & Academic Awards

Helping our Members succeed in life means caring about their academic and vocational goals. That's why we offer bursary opportunities to help community members pursue their dreams and improve our community.

2020-2021 Bursary & Academic Award Recipients

- Rebecca Landry – NPSCU Northern Lights College Bursary \$1,000
- Griffin Smith – NPSCU Northern Lights College Bursary \$1,000
- Sienna Rigsby – NPSCU Northern Lights College Bursary \$1,000
- NPSCU Business Management Award - \$260



Volunteer & Team Initiatives

We love where we live and the NPSCU Team is always looking for great ways to lend a hand in our community.

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Team Initiatives - Volunteer Opportunities

- North Peace Pride Society – PRIDE Vehicle Parade
- Northern Environmental Action Team – Community Can
- Meals on Wheels - Fort St. John & Fort Nelson
- Color Me Run – Fort St. John Rotary

Financial literacy workshops

- Introduction to Basic Banking with Cameron Smith
- 2021 Virtual Youth Conference



Report of the Independent Auditor on the Summary Consolidated Financial Statements

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Report of the Independent Auditor on the Summary Consolidated Financial Statements

To the Members of North Peace Savings and Credit Union:

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at September 30, 2021, and the summary consolidated statements of income (loss), other comprehensive income (loss) and changes in members' equity for the year then ended are derived from the audited consolidated financial statements of North Peace Savings and Credit Union (the "Credit Union") for the year ended September 30, 2021.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements.

Summary Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated 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 consolidated financial statements in our report dated December 9, 2021.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements.

Auditor's Responsibility

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

MNP LLP

Abbotsford, British Columbia
December 9, 2021

Chartered Professional Accountants

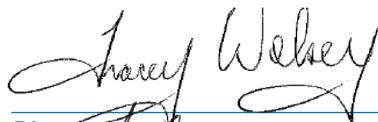


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North Peace Savings and Credit Union
Summarized Consolidated Statement of Financial Position
As at September 30, 2021

	2021 (000s)	2020 (000s)
Assets		
Cash and cash equivalents	64,860	64,878
Investments	66,367	34,379
Member loans receivable	287,862	329,927
Other assets	1,998	3,219
Premises and equipment	6,878	7,515
Intangible assets	499	563
Deferred tax asset	527	563
	428,991	441,044
Liabilities		
Member deposits	403,583	402,335
Income taxes payable	1	-
Borrowings	-	10,879
Accounts payable and accrued liabilities	1,526	2,516
Lease liability	226	263
Member shares	283	844
	405,619	416,837
Members' equity		
Member shares	7,242	7,595
Retained earnings	15,929	15,662
Accumulated other comprehensive income	201	950
	23,372	24,207
	428,991	441,044

Approved on the behalf of the Board



Director



Director

North Peace Savings and Credit Union
Summarized Consolidated Statement of Comprehensive Income (Loss)
and Changes in Members' Equity
As at September 30, 2021

	2021 (000s)	2020 (000s)
Interest income		
Member loans	10,460	13,699
Investments	663	1,092
	11,123	14,791
Interest expense		
Member deposits	1,982	3,770
Borrowings	80	523
	2,062	4,293
Financial margin before provision for loan impairment	9,061	10,498
Provision for loan impairment	833	1,300
Financial margin	8,228	9,198
Other income	3,414	1,886
Financial margin and other income	11,642	11,084
Operating expenses		
Wages and benefits	6,456	5,932
Administrative expenses	3,451	3,523
Occupancy	1,220	2,231
	11,127	11,686
Income (loss) from operations before members' distribution and income taxes expense (recovery)	515	(602)
Members' distribution	(71)	(85)
Income (loss) before income tax expense (recovery)	444	(687)
Income tax expense (recovery)		
Current	1	-
Deferred	176	(121)
	177	(121)
Net income (loss)	267	(566)
Other comprehensive income (loss), net of tax	(378)	904
Comprehensive income (loss)	(111)	338
Members' equity, beginning of year	24,207	23,719
Net income (loss)	267	(566)
Net change in member shares	(353)	(314)
Deferred gain on unwound derivative financial instruments	-	587
Amortization of deferred gain on unwound derivative financial instruments	(371)	(123)
Other comprehensive income (loss) for the year	(378)	904
Members' equity, end of year	23,372	24,207

Note: Readers are cautioned that these summarized consolidated financial statements do not include all the disclosures required for complete and fair presentation. Copies of the **North Peace Savings and Credit Union** full financial statements and auditors' report can be obtained at all of our branches.