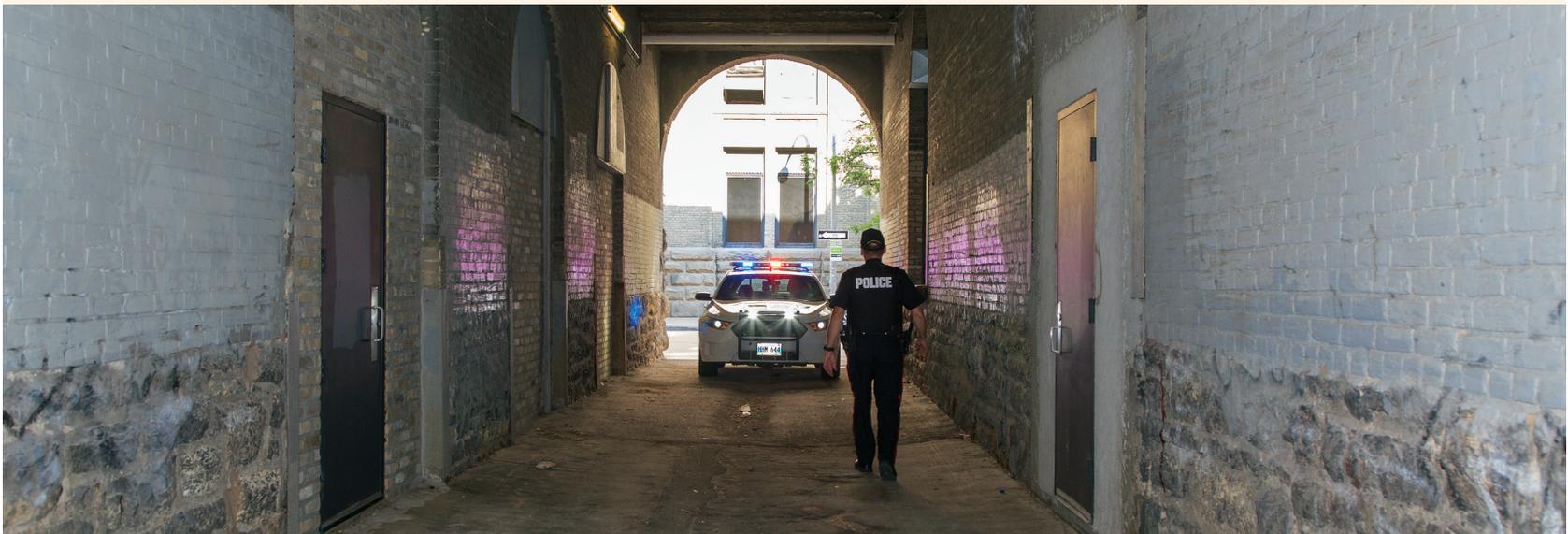


# 2019

## Annual Report



**WINNIPEG POLICE**  
**CREDIT UNION**

**You Serve the Community. We Serve You.**

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## **CORPORATE VISION**

“To be the financial institution of choice to employees in the law enforcement community, their families and associates.”

## **CORPORATE MISSION**

“To be a leader in providing a superior and professional level of financial products and services to employees of the law enforcement community, their families and associates.”

## **CORPORATE VALUES**

Honesty and integrity  
Member focused  
Competitive products and superior service and advice  
Innovative spirit  
Commitment to community – police community and credit union system  
Commitment to business ethics and standards  
Professional conduct in all dealings with members and suppliers  
Commitment to co-operative principles

## **CO-OPERATIVE PRINCIPLES**

Open and voluntary membership  
Democratic member control  
Member economic participation  
Autonomy and independence  
Education, training and information  
Co-operation among co-operatives  
Concern for Community



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**Winnipeg Police Credit Union Annual Meeting Agenda  
November 27th, 2019 7:00 P.M.**

Call to order by the President  
Establishment of a quorum  
Welcoming of guests  
Tribute to deceased members  
Reading of the minutes of the 69th annual meeting  
Business arising out of the minutes  
Directors report (President)  
Chief Executive Officer's report and Auditor's report & financial statements  
Election of directors  
Service awards presentation  
Appointment of auditors for 2020  
Other business  
Adjournment

**Winnipeg Police Credit Union – Board of Directors**

Gordon Gold, <i>President</i> (2019)	Lawrence Klippenstein (2019)
Andrew Zurawsky, <i>Vice Pres.</i> (2020)	Ron Smolik (2021)
Maurice Sabourin, <i>Secretary</i> (2021)	Fred Thomas (2020)
Adam Cheadle (2021)	Cory Wiles (2020)
Joe Gallagher (2019)	

Dates in brackets indicate the year in which term of office expires.

*Winnipeg Police Credit Union – Management and Staff*

Management

Cal Berzuk, *Chief Executive Officer*  
Brandy Elliott, FSCI, CFP, *Chief Operating Officer*  
Heather Kozubski, C.I.M., C.Mgr., FCUIC, *Chief Governance & Administration Officer*  
Kimberly Caetano, *Manager, Member Relationship & Growth*

Staff – 300 William Ave

Shaunna Asselstine, *Senior Loan Administrator*  
Pamela Carreon, *Internal Audit & Compliance Officer*  
Cody Dalzell, *Member Service Representative*  
Kerri Doepker, *Financial Service Representative*  
Laurissa Dyck, *Financial Service Advisor*  
Serena Goebel, *Senior Financial Advisor*  
Diane Hammerling, *Digital Marketing and Member Communications Officer*  
Seepinder Kaur, *Member Service Representative*  
Tega Osivwenu, *Controller*  
Stephanie Patrick, *Member Service Representative*  
Leon Pfingstl, *Wealth Advisor*  
Dawn Piche, *Wealth Management Administrator*  
Irene Sallee, *Loan Administrator*  
Jill Sinclair, *Member Service Co-ordinator*

HQ Branch – 230-266 Graham Ave

Tyarra Braun, *Financial Advisor*  
Quinn Romaniuk, *Business Advisor*  
Joasia Tawkin, *Member Service Representative*

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## BOARD OF DIRECTORS REPORT

The main role of the Board of Directors is to ensure the service needs and assets of the members are met and protected respectively, to approve operating policies and procedures, to set the future direction for the Credit Union through the establishment of a strategic plan, and to help facilitate the organization is successful by selecting the CEO to lead the operation of the Credit Union en route to achieving its stated goals and objectives.

In 2019 the Winnipeg Police Credit Union has experienced a year of challenges and change including the high cost of improved technology and compliance with regulatory systems and examinations, all in a very competitive market place. The low interest rates and decreasing financial margin environment has contributed to additional mergers within the Credit Union System with ours being one of only twenty-three operational Provincial Credit Unions. It is not currently an easy environment for any business to find success yet alone growth.

Still here we stand, able to report fiscal successes with the growth of our equity position, and an improvement in our gross financial margin following several years of decline. We are establishing a firm fiscal foundation for future growth.

Our Credit Union has attracted excellent new staff members and management dedicated with the genuine desire to provide the best service and advice to our members. We work for you and in your best interests at all times. Your success is our success. We thank you for allowing us to assist you with those endeavours.

Our future continued success will depend upon attracting new members, increasing avenues for us to provide superior service to you in different fiscal aspects of your lives, and expanding our commercial member base.

We are pleased that our Headquarters Branch is proving convenient and helpful to those stationed in the Downtown Headquarters Building. Our founding objective of police personnel helping other police personnel remains as fully established today as it was on Day One of our existence.

The Board wishes to acknowledge and thank our management and staff for their continued dedication and loyal efforts on behalf of serving our members.

Change is also affecting our Board of Directors with long time Board members Lawrence Klippenstein (30 years' service with 13 years as President) and Joe Gallagher (12 years' service) choosing to retire from the Board. Both have served with distinction regarding their leadership roles on the Board, their solid advice and opinions, and with their dedication to the goals of this Credit Union to help others. Their guidance on the Board will surely be missed. From all Board members I say thank you and wish you both continued success in your future endeavours.

**Gordon Gold**  
President

Andrew Zurawsky, Vice President  
Adam Cheadle, Director  
Joe Gallagher, Director  
Lawrence Klippenstein, Director

Maurice Sabourin, Secretary  
Ron Smolik, Director  
Fred Thomas, Director  
Cory Wiles, Director

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## CEO'S REPORT

The 2019 fiscal year for WPCU would be best described as a transformative one. There were many changes necessary to maintain currency in our processes. Moreover, an equal number of adjustments were required to meet the challenges that arose within the financial industry as a whole. What is most satisfying was how our Board and staff dealt with each obstacle, ultimately resulting in overall improvements to our systems, and well-positioning us for the future.

Throughout the year our commitment to providing outstanding service to our membership remained paramount while focusing on growing our membership base with individuals seeking the concierge-centric service we offer. WPCU staff are devoted to meeting the unique needs of each and every one of our members.

Financially, WPCU enjoyed a profitable year and improved its already strong equity base. While profitability remained on par with 2018 results, overall asset growth and loan growth declined. This negative growth was largely attributable to aggressive pricing in the residential mortgage market that WPCU elected to resist, instead choosing to focus on strong relationships and adherence to its "best rate" policy.

Highlights of the year include:

- The credit union's equity position increased to \$12.95 million, or 6.63%, of total assets.
- Net income improved as a percentage of assets at 0.25% or \$486 thousand.
- Total assets decreased by \$1.2 million to \$195.2 million.
- Member loans decreased by \$4.1 million to \$163.5 million.
- Member deposits decreased by \$1.95 million to \$180.8 million.

For 2020, a summary of our plans include the following:

- Converting to our new banking system CGI Information Systems and Management Consultants Inc.
- Rolling out new WPCU radio ads on 94.3 FM and QX 104 FM
- Continue to grow and expand our membership base with the focus on including individuals supportive of the primary target membership audience of the WPCU, Winnipeg Police personnel.

In closing, I would like to thank the WPCU staff for their exceptional commitment, the dedicated Board of Directors for their tireless hard work and leadership, and mostly, you, our members, for your continued loyalty. It is our pleasure to serve you.

Sincerely,

Cal Berzuk, CEO

## Independent Auditors' Report

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To the Members of Winnipeg Police Credit Union Limited:

### Opinion

The summary financial statements, which comprise the summary statement of financial position as at September 30, 2019, and the summary statements of comprehensive income, changes in members' equity and cash flows for the year then ended, are derived from the audited financial statements of Winnipeg Police Credit Union Ltd. (the "Credit Union") for the year ended September 30, 2019.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1 to the summary financial statements.

### 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 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 November 18, 2019.

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

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1 to the summary financial statements.

### 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 Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Winnipeg, Manitoba

November 18, 2019

*MNP* LLP  
Chartered Professional Accountants

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union or at [www.wpcu.ca](http://www.wpcu.ca).

# Winnipeg Police Credit Union Limited

## Summary Statement of Financial Position

*As at September 30, 2019*

	2019	2018
<b>Assets</b>		
Funds on hand and on deposit	5,497,749	3,910,915
Investments	18,753,428	16,936,388
Members' loans	168,383,221	172,896,522
Prepaid expenses and deposits	232,789	202,974
Income taxes recoverable	29,871	-
Property, equipment and intangible assets	2,327,580	2,448,161
	<b>195,224,638</b>	<b>196,394,960</b>
<b>Liabilities</b>		
Members' savings and deposits	180,785,869	182,740,416
Income taxes payable	-	48,836
Accounts payable	1,418,817	1,052,093
Deferred taxes	128,000	64,976
	<b>182,332,686</b>	<b>183,906,321</b>
<b>Members' equity</b>		
Members' shares	1,932,581	1,961,640
Retained surplus	10,959,371	10,526,999
	<b>12,891,952</b>	<b>12,488,639</b>
	<b>195,224,638</b>	<b>196,394,960</b>

Approved on behalf of the Board

signed "Andrew Zurawsky"

signed "Ron Smolik"

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union or at [www.wpcu.ca](http://www.wpcu.ca).

# Winnipeg Police Credit Union Limited

## Summary Statement of Comprehensive Income

*For the Year Ended September 30, 2019*

	2019	2018
<b>Financial income</b>		
Interest from members' loans	5,814,738	5,283,299
Investment income	626,587	633,457
	<b>6,441,325</b>	5,916,756
<b>Cost of funds</b>	<b>3,681,329</b>	3,223,697
<b>Financial margin</b>	<b>2,759,996</b>	2,693,059
<b>Operating expenses</b>		
Administration	568,325	571,732
Member security	176,431	175,840
Occupancy	423,351	414,682
Organizational	101,745	99,319
Personnel	1,522,889	1,468,463
<b>Gross operating expenses</b>	<b>2,792,741</b>	2,730,036
<b>Other revenue</b>	<b>(657,989)</b>	(628,084)
<b>Income from operations before provision for loan losses, patronage refund and income taxes</b>	<b>625,244</b>	591,107
Provision (recovery) for loan losses	43,299	(46,633)
<b>Income before patronage refund and income taxes</b>	<b>581,945</b>	637,740
Patronage refund	49,000	57,000
<b>Income before provision for income taxes</b>	<b>532,945</b>	580,244
<b>Provision for income taxes</b>		
Current	37,549	87,486
Deferred	63,024	(443)
	<b>100,573</b>	87,043
<b>Income and comprehensive income for the year</b>	<b>432,372</b>	483,697

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union or at [www.wpcu.ca](http://www.wpcu.ca).

# Winnipeg Police Credit Union Limited

## Notes to the Summary Financial Statements

*For the Year Ended September 30, 2019*

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### **1. Basis of the summary financial statements**

Management has prepared the summary financial statements from the Credit Union's September 30, 2019 audited financial statements which can be obtained at the Credit Union. The detailed notes included in the audited financial statements are not included in these summary financial statements.

### **2. Compliance with minimum capital and liquidity requirements**

The Credit Union is in compliance with the capital and liquidity reserve requirements at September 30, 2019 established by the Regulations to The Credit Unions and Caisses Populaires Act of Manitoba.

Readers of the summary financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity, the reader must refer to the audited financial statements and notes for the year ended September 30, 2019, which contain the information detailing the calculation.

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union or at [www.wpcu.ca](http://www.wpcu.ca).



## **In Memoriam**

Arend "Harry" Bakema

Robert James Bell

Clifford Bohn

Roberta Cheadle

Robert Costello

Ivan Csath

Wendy Dovzuk

Gladys Drewniak

William Firman

Ken Hansell

Richard Hebert

Douglas Hicks

Margaret Holliday

Clarence Jacyk

Jim Kiezik

Bernard Koley

Ken Kulbaba

Robert Leech

Vihelmina Leitold

Roy McGaw

Jacqueline McIvor

Eileen Milne

Marion Moore

Paul Perrick

Stanley Scarr

Gerhard Schmidt

David Scott

David Edward Taylor

Robert Victoruk

Katherine Wood

William Young





## **WINNIPEG POLICE CREDIT UNION**

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**You Serve the Community. We Serve You.**

300 William Avenue  
Winnipeg, Manitoba R3A 1P9

HQ Branch  
230-266 Graham Avenue (Skywalk)  
Winnipeg, Manitoba R3C 0J8

**[www.wpcu.ca](http://www.wpcu.ca)**