

2021 Annual Report



WINNIPEG POLICE
CREDIT UNION

Protecting You and Your Money.

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



**Winnipeg Police Credit Union Annual Meeting Agenda
January 19th, 2022 7:00 P.M.**

Call to order by the President
Establishment of a quorum
Welcoming of guests
Tribute to deceased members
Election of directors
Reading of the minutes of the 71st annual meeting
Business arising out of the minutes
Directors report (President)
Chief Executive Officer's report and Auditor's report & financial statements
Service awards presentation
Appointment of auditors for 2022
Other business
Adjournment

Winnipeg Police Credit Union – Board of Directors

Gordon Gold, <i>President</i> (2022)	David Kroeker (2022)
Andrew Zurawsky, <i>Vice Pres.</i> (2023)	Ron Smolik (2021)
Maurice Sabourin, <i>Secretary</i> (2021)	Fred Thomas (2023)
Adam Cheadle (2021)	Cory Wiles (2023)
Michael Clark (2022)	

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, FCSI, CFP[®], *Chief Operating Officer*
Heather Kozubski, CPHR Candidate, C.I.M., C.Mgr., FCUIC, *Chief Risk Officer*

Staff – 300 William Ave

Shaunna Asselstine, *Senior Loan Administrator*
Elvira Attazada, *Financial Account Manager*
Agnes Balcerzak BA, CFP[®], PFP[®], RIS, *Wealth Advisor*
Pamela Carreon, *Manager, Member Services*
Serena Goebel, *Business Advisor*
Diane Hammerling, *Internal Audit & Compliance Officer*
Paige Keen, *Member Service Representative*
Sam Kozalk CPA, *Controller*
Trinity McGuinness, *Financial Service Representative*
Lianne Pagunuran, *Member Service Representative*
Stephanie Patrick, *Member Service Co-Ordinator*
Dawn Piche, *Wealth Management Administrator*
Irene Sallee, *Loan Administrator*
Berna Santos, *Member Service Representative*
Joseph Wilson, *Member Communications & Administration Officer*

HQ Branch – 230-266 Graham Ave

Kimberly Caetano, *Senior Financial Advisor*
Sharon Hrycyk, *Member Service Representative*
Zaneta Milan, *Financial Advisor*

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 guide the future direction for the Winnipeg Police Credit Union (WPCU), through the establishment of a strategic plan, and to help facilitate that the organization is successful by selecting the Chief Executive Officer (CEO) to lead the operation of WPCU in achieving its stated goals and objectives.

In 2021 the entire world continued to experience challenges and change: the result of the Pandemic (COVID-19). Change was by far the most difficult to deal with for our members, for the Board and for WPCU management and staff. The Board would like to thank our members for contending with temporary location closures, physical barrier installations, staff shortages and turnover throughout the year. The Board found that in 2021 staff turnover was very prevalent throughout the entire Credit Union system - a surprising new consequence in our new pandemic world it would seem. In the end we believe that overall, we persevered through the change and strengthened our ability to provide our superior service we are known for.

This all occurred within a continuing very competitive marketplace, marked by still low interest rates, and even further decreasing financial margins.

We are pleased to report this year end not only another financially successful year, but equally as important, a successful year in membership growth.

Thank you to both our existing and new members for trusting us and allowing us to serve your financial needs.

The Board of Directors would like to gratefully acknowledge and thank our CEO Cal Berzuk, our Chief Risk Officer Heather Kozubski, and our Chief Operating Officer Brandy Elliott, as well as our team of excellent management and staff members for their dedication and service to our members. Your efforts are very much appreciated.

Gordon Gold
President

On behalf of:

Andrew Zurawsky, Vice President
Michael Clark, Director
Maurice Sabourin, Secretary
Fred Thomas, Director

Adam Cheadle, Director
David Kroeker, Director
Ron Smolik, Director
Cory Wiles, Director

CEO'S REPORT

Operating under the challenges of an ongoing pandemic seemingly has become the new norm. For WPCU this proved difficult but also rewarding and, in the end, produced another successful year. Faced with surplus liquidity common throughout much of the financial services industry, coupled with historically low interest rates, makes for razor-thin margins. Success in 2021 came because of the diligence of our Board and staff regarding expenses by making sacrifices and pulling together to offset the low-margin environment.

Operationally, while working out the kinks in the new banking system, WPCU managed to leverage its already leading-edge technology to an advantage. Electronic document delivery for loans, mortgages and investments was adopted along with virtual meetings allowing the staff to continue to deliver the boutique-like banking experience that WPCU is famous for, remotely, thereby adding convenience and safety for all.

While the face-to-face experience is typically preferred, WPCU Members seemed to appreciate the new convenience of remote virtual in-person service and expressed their appreciation for the ongoing personalized service. So much so, the member satisfaction survey completed this past summer received over 250 respondents and WPCU again saw one of the highest member satisfaction ratings in all of Manitoba with a Net Promoter Score (NPS) of 58. The average of all credit unions in Manitoba was 35 with the average of all banks recording -5. WPCU is very proud of this industry leading position and is passionate about seeing this continue. Thank you very much to our WPCU Members for taking the time to complete the survey and offering your valuable feedback.

In 2021, WPCU had modest asset growth but a record year for membership growth. WPCU welcomed 146 new members to enjoy the personalized boutique-like service of a smaller financial institution! With the asset growth this past year WPCU has now more than \$215 million and over \$15 million in assets under management with our full-service wealth management offering. Net income again improved to over \$475 thousand.

Highlights of the year include:

- The credit union's equity position increased to \$13.7 million, or 6.39%, of total assets.
- Net income after patronage dividends and taxes of \$475 thousand.
- Total assets increased by \$3.8 million to \$215 million.
- Member loans increased to \$177.3 million.
- Member deposits increased to \$200 million.

For 2022, a summary of our plans includes the following:

- Automated cash recycling units in both Head Office as well as the HQ location.
- Converting to a new and exciting online banking platform.
- Developing a new and enhanced WPCU website.
- Continued growth and expansion of our membership base with the focus on attracting individuals with a desire to enjoy a boutique financial experience while showing their support for the Winnipeg Police Service.

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

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, 2021, and the summary statements of comprehensive income for the year then ended, are derived from the audited financial statements of Winnipeg Police Credit Union Limited (the "Credit Union") for the year ended September 30, 2021.

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 December 17, 2021.

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

December 17, 2021



Chartered Professional Accountants

Winnipeg Police Credit Union Limited

Summary Statement of Financial Position

As at September 30, 2021

	2021	2020
Assets		
Funds on hand and on deposit	28,113,036	7,363,815
Investments	6,620,015	24,224,576
Members' loans	177,338,505	176,855,679
Prepaid expenses and deposits	104,243	207,134
Income taxes recoverable	56,969	-
Property, equipment and intangible assets	3,243,645	3,045,353
	215,476,413	211,696,557
Liabilities		
Members' savings and deposits	200,027,892	195,753,250
Income taxes payable	-	48,264
Accounts payable	1,114,117	2,074,577
Deferred taxes	218,000	143,000
Lease liability	352,905	367,644
	201,712,914	198,386,735
Members' equity		
Members' shares	1,876,982	1,898,541
Retained surplus	11,886,517	11,411,281
	13,763,499	13,309,822
	215,476,413	211,696,557

Approved on behalf of the Board

signed "Andrew Zurawsky"

signed "Gordon Gold"

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.



Winnipeg Police Credit Union Limited

Summary Statement of Comprehensive Income

For the Year Ended September 30, 2021

	2021	2020
Financial income		
Interest from members' loans	5,442,809	5,762,682
Investment income	405,234	559,274
	5,848,043	6,321,956
Cost of funds	3,178,499	3,544,925
Financial margin	2,669,544	2,777,031
Operating expenses		
Administration	613,935	685,472
Member security	174,087	179,570
Occupancy	505,128	452,508
Organizational	89,534	94,902
Personnel	1,452,295	1,439,587
Gross operating expenses	2,834,979	2,852,039
Other revenue	(731,907)	(727,607)
Income from operations before provision for loan losses, patronage refund and income taxes	566,472	652,599
Provision (recovery) for loan losses	(51,448)	44,760
Income before patronage refund and income taxes	617,920	607,839
Patronage refund	28,682	34,792
Income before provision for income taxes	589,238	573,047
Provision for income taxes		
Current	39,002	106,137
Deferred	75,000	15,000
	114,002	121,137
Income and comprehensive income for the year	475,236	451,910

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Winnipeg Police Credit Union Limited

Notes to the Summary Financial Statements

For the Year Ended September 30, 2021

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

Management has prepared the summary financial statements from the Credit Union's September 30, 2021 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, 2021 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, 2021, which contain the information detailing the calculation.



In Memoriam

Catherine Allard
Daniel Bolianaz
Donald Campbell
Robert Cooper
Curtis Cyr
Shirley Dawson
Crystal Einfeld
James Foster
Helen Fydirchuk
Yeni Harridal
Ardith Hutch
William Isaac
Gayle Jensen
Jean Kresko
Martha Lower
Audrey MacKay
Leslie Martin
Isobel McEwan
Robert McEwan
Andrea Montagnon
Edward Mularchuk
Sharon Osachuk
Ken Rivest
Lorraine Scarr
Norman Sparrow
Theodora Olga Stackiw
Olga Stoneman
Robert Sullivan
Frank Waller
Lillian Zawatski



WINNIPEG POLICE CREDIT UNION

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