

Roger Inman Memorial Award 2017



The Roger Inman Memorial Award is presented annually to a CCEC Member in recognition of a project, group or individual that has made a significant contribution to the economic development of the community. CCEC is committed to keeping our money and resources working in our community by actively supporting and promoting the development of strong, successful community businesses, projects and organizations.

Community Economic Development (CED) can be defined as action by community members that creates healthy, vibrant and sustainable economic opportunities. CED assumes that we have the power to find solutions for ourselves and for our communities. CCEC Credit Union was founded by self-help groups with the purpose to promote group solutions to individuals' problems.

Our ROGER INMAN Memorial Award recognizes our members' commitment to Community Economic Development.

The following CCEC members reflect the values and principles of the award. They have been shortlisted from the applications received and CCEC members at the AGM will vote on who they feel should be the award recipient in 2017.



Vancouver Co-op Radio is a non-commercial, independent community radio station started in 1975, owned by its members, and run by volunteer programmers and a small staff collective. Every program serves and provides news, entertainment, and discussion for its community of listeners. The Each for All program is the only radio show in Canada covering Co-operatives and Mutuels with information and check-ins from various co-op sectors and social economy organizations, spreading the word about Co-ops!



Girls Rock Camp Vancouver aims to empower female and non-binary youth through music creation and friendship. We bridge the economic gaps in our community by providing a sliding scale admission summer camp that makes it accessible to everyone, regardless of income. Everyone deserves the chance to rock!



Groundswell Roasters is a small batch coffee roaster in the Downtown Eastside of Vancouver B.C. Co-operative education is at the heart of everything Groundswell Roasters does. From the proceeds of our coffee sales funding students of the Groundswell Education Society, to engaging youth in the process of creating our award-winning coffee. Your support will enable us to grow thus funding more driven and community minded ventures.

CCEC Credit Union Annual Report 2016



Report from Board and Management

Marty Frost and Tammy Meyers, Co-chairs of the Board, and Tracey Kliesch, GM

2015-2016 was a year of many new beginnings for the credit union. In late 2015 the board of directors formed a Search Committee to find a new General Manager for CCEC as Ross Gentleman announced his intention to retire in June 2016.

Months of meetings and plans ensued and the committee was pleased to report that they had selected a candidate for the General Manager position. Tracey Kliesch joined CCEC in May, leaving a long career at Vancity to join our credit union. Ross Gentleman officially retired at the end of June and Tracey assumed the General Manager role at that time.

We would like to thank Ross for his years of service and dedication to CCEC. Through his leadership CCEC grew in size and earnings and remained committed to our members and the values of the credit union.

In June the board held their annual strategic planning session and reviewed the plan that they had committed to a year earlier. It was clear that the priorities were still relevant for the credit union and that there was more work to be done to achieve the goals set out in 2015.

The staff, management, and the board of directors have been actively working towards these priorities in the 2015-2016 year. Activities include: increasing the number of short-term or emergency loans for our members as an alternative to the predatory payday lenders that seem to proliferate in our communities; working with other credit unions in the province to advocate for improved regulatory conditions and measures so our member's money stays working for our credit union; building the membership of CCEC by offering services to new and emerging industries in our community and expanding our active membership by offering new products and services.

We achieved a major milestone in June when we converted our core banking system and platform. Our previous banking system was quickly becoming outdated and did not have the capacity we needed to grow into the future. This conversion project had been a goal of CCEC's for a number of years so it was a cause for celebration when it was completed on schedule and with a minimum of disruption in services to members. This project was an enormous undertaking in dollars and resources. Total cost to date for the conversion to the Universa banking system was \$241,700. This total will be amortized over ten years in our financials.

Many thanks to all the staff for their hard work through the conversion. A very special thanks to Terry Aske (Manager, Administration) and Wendy Frost (Member Service Supervisor) for their dedication and commitment to this project.

cont. page 2

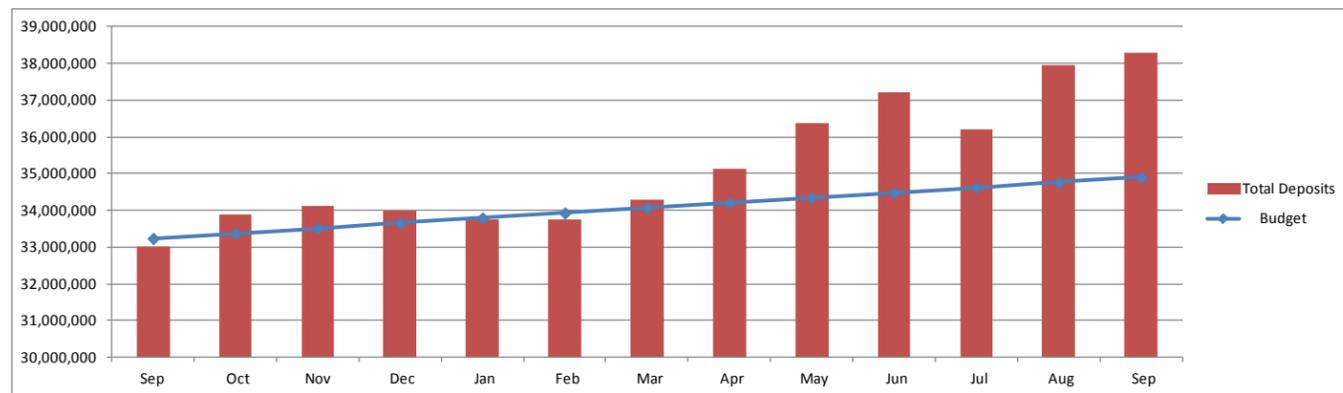
Report from Board and Management cont.

CCEC was also pleased to introduce e-transfers to our members at the end of September. Members can now receive and accept email money transfers via Member Direct. This product has been well utilized since it was introduced and we know many members enjoy the convenience e-transfers offer.

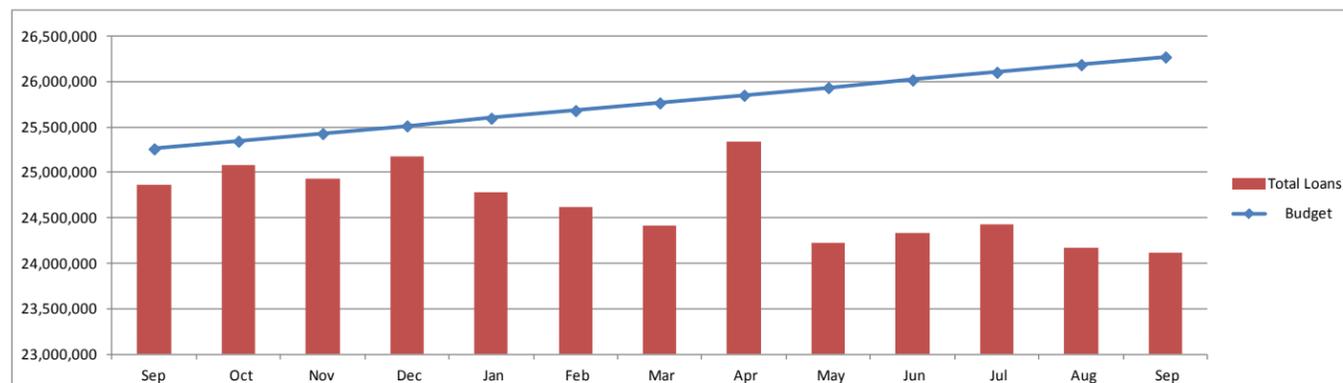
CCEC was proud to sponsor DOXA, the Queer Arts Festival, JUSTFilm Festival, Velopalooza, BoLD, Vancouver SOUP and Voices of the Street - MEGAPHONE. CCEC also continued its collaboration with Groundswell, Building Opportunities for Business, and the Galiano Land and Community Housing Trust.

CCEC continues to serve our not-for-profit and co-op members with financial products and services with the same spirit as the founders of our credit union. We are also proud to count many small businesses as our members who acknowledge that the support of CCEC has been critical to their growth and sustainability.

Asset growth for 2015-2016 was modest for CCEC. Deposits have grown to over \$38 million from \$33 million in 2014-2015. Much of the deposit growth is due to the growth in new business members.



Total loans decreased by 3% for the year- at the end of the year total loans equalled \$24,119,295. Total loans for 2014-2015 were \$24,865,994.



As a result of high deposit growth and low loan results, CCEC's liquid assets have risen from \$9.7 million to \$15,530,022. CCEC's liquidity ratio was 40.54% (29% in 2015). Excess cash from these funds are invested at Central 1 in deposit certificates.

Earnings were modest in 2015-2016. Our net operating income was \$13,433 after taxes compared to \$101,500 in 2014-2015. The new banking system, the General Manager recruitment, settling outstanding

cont. page 3

As of September 30, 2016 the Board of Directors was comprised of:

Jan Berman is a teacher in the Richmond School District and active in several community organizations. Served since January 2011.	Audit Committee, Conduct Review Committee, Investment and Lending Committee, Nominations committee. Delegate to Central 1 Credit Union.
Marty Frost is an independent management consultant assisting worker co-ops and other community projects. Served since February 2013.	Audit Committee, Conduct Review Committee, Investment and Lending Committee. Strategic Planning and Member Engagement Committee. Also director of CCEC Development Society.
Randy Hooper is a principal in Discovery Organics Ltd and an advocate for sustainable agriculture. Served since February 2014.	Audit Committee, Conduct Review Committee, Strategic Planning and Member Engagement Committee. Also director of CCEC Development Society
Scott Nelson is a technology professional with a leading role at crowdgift.ca. He is also active in other community projects. Served since June 2015.	Audit Committee, Conduct Review Committee. Also director of CCEC Development Society.
Steve Kisby is a principal in a computer services business and is actively involved with the Green Party of Canada and other social change projects. Served since September 2014.	Audit Committee, Conduct Review Committee, Strategic Planning and Member Engagement Committee. Also director of CCEC Development Society.
Tammy Lea Meyer is a community organizer active in many projects, including Living the New Economy and Sensible BC. Served since February 2009	Co-chair, Audit Committee, Conduct Review Committee, Executive Committee, Strategic Planning and Member Engagement Committee. Also director of CCEC Development Society
Charlene Tessier is a small business financial consultant and organizer of various events with the Vancouver Startup Community. She recently became a new mother and is learning the challenges of work/life balance. Served since 2016.	Audit Committee, Investment and Lending Committee, Nominations committee, Conduct Review Committee. Also Director of the CCEC Development Society

The YES Camp

a co-operative youth leadership camp for kids 14-18



CCEC members contributed to our YES Camp fund to send 4 youth to camp: Marco Mora, Nina Sunday, Jenahsis Lincoln and Melanie Srhoj.

“thank you”!

“I was able to secure the loan I needed to resurrect life. CCEC also arranged to pay off the private lender so that I would not have to incur loan-shark type interest charges from them.” CCEC Member

Directors' Disclosure and Accountability

The following information is provided pursuant to the FICOM Governance Guideline. Directors of CCEC Credit Union are elected by and from the membership. Directors sit as volunteers and receive no compensation for their time and efforts. The duties of the board of directors are set out in the Credit Union Incorporation Act and the Financial Institutions Act, and the directors are collectively responsible for the overall management of the credit union. The legislation requires the directors to establish three committees with specified responsibilities; the Audit Committee (overseeing financial reporting), the Conduct Review Committee (overseeing related party transactions), and the Investment and Lending Committee (overseeing investments, loans and risk management). The Board has defined first two committees as 'committees of the whole'.

The Board may establish other committees and, at year-end,

four committees were in place: the Executive Committee, the Strategic Planning and Member Engagement Committee, the Search Committee and the Nominations Committee. Some directors may also serve on the board of the CCEC Development Society.

The CCEC Rules limit a director to serving no more than 3 consecutive terms of three years. Pursuant to Board policy, the credit union covers all costs related to basic training and may also cover professional development costs as appropriate. The credit union also covers the costs related to external advisors to the Board, out-of-pocket expenses incurred, and meeting related costs (e.g. food).

In the fiscal 2015-2016, the total expenses incurred for director training, advisors, and meeting expenses totaled \$6,260.17. Specifically \$3,189.81 for training

and \$3,070.36 for meetings. 2014-2015 total was \$16,280: \$4,771 for director training, \$7,943 for external resources and \$3,566 for director meetings.

The CCEC General Manager's compensation is set by the board of directors and is to be consistent and competitive with compensation at similar sized institutions and credit unions. Management remuneration includes a base salary, a comprehensive benefits package, and from time to time a bonus that is paid at the discretion of the board of directors, which is based on select performance targets that vary from year to year. In the fiscal 2015-2016, the total compensation paid to the General Manager was \$129,812. Note that a new General Manager was hired this year and started in May. There was a crossover period between the new and retiring General Manager of about 8 weeks. General Manager expense in 2014-2015 was \$96,740.

Roger Inmnan Memorial Award Nominee Vancouver Co-op Radio



Each For All: The Co-operative Connection

"I admire the lengths they will go to in order to give a hand up. Other financial institutions could well take a lesson."

Report from Board and Management cont.

issues and renegotiating the lease with the landlord, the tight margin environment and negative loan growth have all certainly contributed to these results. We enter the coming year, though, with all lease issues cleaned up, and stronger reserves set aside.

The board of directors oversees the credit union business and maintains the committees and internal controls required under

the Financial Institutions Act and other legislation. Through the required structures (Audit, Conduct Review and Investment and Lending Committees) the board ensures the business is prudently managed and members' interests are well protected. In addition, the board tries to determine where CCEC can meaningfully contribute to a more just society and serve our member needs.

Board and management are pleased to report the results and activities for this fiscal year. We thank all the volunteers (directors & credit committee members), management and staff for their great work.

As we have always done at CCEC, the Board recommends that the earnings for the year should be retained to build the capital base of the credit union.

"It is rare to walk into or call a financial institution and they know you by name and not only that, you know their names. Its an incredibly supportive and professional environment and I am extremely grateful to CCEC." CCEC Member

Roger Inmnan Memorial Award Nominee Groundswell Roasters



"I desperately needed enough money to find housing, rescue household goods from storage that were about to go to auction and pay for vehicle repairs. Once housed, I could work. Traditional lending sources (banks, credit unions) were of no help to me and government help was next to nil. CCEC's compassion and care allowed me to borrow against an inheritance to get off the street and into housing. I was so overwhelmed with joy and relief. What a tremendous Christmas gift – one that I will never forget!" CCEC Member



Credit Committee Report

by Faune Johnson and Sean Tyson

The credit committee is a group of seven members who are democratically elected at the AGM and serve the credit union by reviewing and making decisions on member's loan applications. Credit committee members serve for a three year term and can serve a maximum of three terms. This past year our committee has consisted of the following members: Heather MacKay, Faune Johnson, April Sumter-Freitag, Armando Pinzon, Willem Haan, Kathryn Colby and Sean Tyson. This year we have three vacancies and we are looking for members who would be interested in joining us.

We meet monthly and connect regularly on email in order to serve member requests quickly and efficiently. We look forward to our meetings where we learn about our member's needs, lending regulations and lending criteria and even enjoy a nice meal together.

The committee serves the membership of the credit union in several ways: we review and vote on loans which exceed the limits of what can be routinely approved by the staff; these limits may include financial, personal, or

extraordinary circumstances. A member may be purchasing or renovating their home, looking to consolidate their debt, purchase a car or apply for credit to grow their business.

The wonderful staff carefully prepares the research and recommendations in each file we read, then the Credit Committee reviews the applications thoroughly before making a decision.

We look forward to reviewing the default loans report. There are two main reasons for this. First, it is short. Secondly, it doesn't matter which account we ask about, Atilio knows the story, front to back. If by chance he doesn't know the answer, he'll find out for us by next the meeting, if not sooner.

Committee members must also be familiar with the 5 C's of lending: Capital, Capacity, Collateral, Character, and Conditions. These are the principal tenets of our decision making process when we're looking at an application. We receive presentations from the staff to expand our knowledge of how CCEC operates and how we can support the credit union.

CCEC was established as a community to assist members to achieve their financial and personal goals. We should take pride in the way we conduct our affairs and the people and communities that we serve. We have given people "breathing room" to make it through difficult times in their lives. We have helped people escape bad relationships and bad investments. We have helped our members get past their pasts and others to be able to see a brighter future. We have even taken in new members and businesses that had no one else to turn to or were flat out refused by the big banks.

Please join us in thanking Faune, April and Armando for their time on the board and for their dedication to the membership. We wish them all the best with their futures. We will miss them dearly.

If you wish to learn more about how the credit union operates and have a willingness to dedicate a minimum of time for a maximum benefit to CCEC members, or perhaps know someone who does, please consider serving on the Credit Committee.

Roger Inmnan Memorial Award Nominee Girls Rock Vancouver



Lending Statistics

Funds approved during the period October 1, 2015 to September 30, 2016

PERSONAL LOANS	2016		2015	
	NUMBER OF LOANS	AMOUNT APPROVED	NUMBER OF LOANS	AMOUNT APPROVED
1. Share Capital for Groups	1	750	1	1,000
2. Medical/Dental/Legal	8	22,400	11	39,942
3. Trade & Education	6	27,060	3	8,200
4. Transportation	8	55,830	13	147,989
5. Compassionate Needs	0	-	4	22,600
6. Debt Consolidation	11	220,560	9	151,850
7. Consumer Purchase	47	296,171	72	464,560
8. RRSP	12	117,500	12	86,270
10. Line of Credit	10	57,300	30	226,678
SUB-TOTAL	103	797,571	155	1,149,089
MORTGAGES:				
SUB-TOTAL	28	5,337,918	27	5,836,549
COMMERCIAL LOANS				
11. Tools of Trade	0	-	1	23,766
12. Transportation	1	10,000	1	12,000
13. Equipment Purchase	3	14,500	7	205,810
14. Interim Funding	0	-	0	-
15. Real Estate	5	1,108,673	1	312,038
16. Operating Loan	10	270,250	9	230,500
17. Other Term Loan	3	60,000	8	146,397
SUB-TOTAL	22	1,463,423	27	930,511
TOTAL NEW LOANS APPROVED	153	7,598,912	209	7,916,149
RENEWALS	144	8,565,666	125	8,733,560
TOTAL APPROVALS	297	16,164,578	334	16,649,709

AVERAGE LOANS VALUES

Personal Loans	7,743	7,413
Commercial Loans	66,519	34,463
Mortgages	190,640	216,168

NUMBER OF LOANS APPLICATIONS REJECTED

Personal Loans	9	14
Business Loans	0	0
Mortgages	0	0

TOTAL VALUE OF LOANS OUTSTANDING AT YEAR END

All loans (including Mortgages)	24,109,083	24,433,813
Mortgages(all)	20,312,012	20,256,655