

2014 Annual Report

# STAYING AGILE



**STEINBACH CREDIT UNION**






## **TABLE OF CONTENTS**

- 2. Message from the Chairman of the Board*
- 3. SCU Board of Directors*
- 4. Saving/Investing*
- 6. New Products*
- 8. Message from the Chief Executive Officer*
- 9. SCU Executive Leadership Team*
- 10. Mortgages/Lending*
- 12. SCU in the Community*
- 14. 2014 Summary of Consolidated Financial Statements*





*As a financial institution that serves thousands of members, Steinbach Credit Union - Manitoba's largest credit union - continues to grow. How do we do it?*

*We're flexible in the products and services we offer... We're focused on the financial needs of our members... And we're as friendly as we've been since day one.*

*We listen to our members, provide the products and services they need, and remain agile in the marketplace; willing to adapt to the unique situations of our members. We're small enough to give the one-on-one service members crave, yet large enough to take on all the market can muster. It's a formula for success that's worked for over 70 years.*

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## ***MESSAGE FROM THE CHAIR OF THE BOARD***

*It gives me great pleasure to serve as the Chair of the Board of Steinbach Credit Union. As a member of the SCU Board of Directors for the past 00 years, I truly am honoured to now lead this dynamic group as it continues to map the future for Manitoba's largest credit union. Ted Falk served as SCU President for the past 14 years, leaving some big shoes for me to fill. So I am pleased to report, on behalf of the SCU Board of Directors, that 2014 was a very busy and successful year.*

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The biggest project was the ongoing development of our new branch and head office in Steinbach. I thank our members for their patience through the necessary inconveniences during construction. We eagerly anticipate completion of our spectacular new home by late spring or early summer of 2015.

Another very important initiative this past year was our participation as an advisory committee member on the prevention of financial abuse of elders. Training videos to aid in teaching staff how to detect red flags in relation to financial abuse were scripted and shot on location at our Lagimodiere branch, using our own SCU staff and their families. The videos, which will be used to train credit union staff across Canada, provide a powerful message and a positive step in recognizing, reviewing and responding to situations of financial abuse of elders.

Through the Canadian Cooperative Association Women's Mentorship program, Steinbach Credit Union hosted an individual from Ghana, Africa. This was a professional development opportunity for women working in financial institutions from developing countries, and it provided participant Mary Kuma with a brief opportunity to experience life in Manitoba and work at SCU. Mary spent time with several SCU departments in both Steinbach and Winnipeg.

On the national front, SCU, together with credit unions from across Canada, participated in a campaign called "My credit union matters"; an initiative led by Credit Union Central of Canada that asked the federal government for a capital growth tax credit. This would allow credit unions to put up to \$700 million of investments into the communities we serve and help us reach our equity requirements. SCU members supported this campaign by signing post-cards and sending letters by email to the federal finance minister.

As an indicator of how we are all connected, it's been over five years since the financial crisis of 2008, and even though Canada's banks and credit unions were virtually unscathed by the crisis, we are now required to increase our equity to the same levels as the rest of the world. Capital requirements will now be aligned with those of Basel III, which means our capital adequacy ratio requirement will increase from 8% to 12% by 2021. In order to achieve compliance, SCU will have to increase its retained earnings however, with our strong performance, we anticipate reaching this regulated target ahead of schedule.

As my first year as Chair of the SCU Board comes to a close, I extend sincere gratitude to CEO Glenn Friesen and his Executive Leadership Team for their support and dedication. I also thank every member of our staff for continuing to provide our members with unparalleled service. A special thanks goes to my fellow board members whose leadership I truly respect. I also offer my humble gratitude to every SCU member for allowing me the opportunity to serve as your Board Chair.

Reg Penner, Chair of the  
SCU Board of Directors



## 2014 SCU BOARD OF DIRECTORS



Reg Penner  
President

Russ Fast  
1st V.P.

Henry Van de Velde  
2nd V.P.

Ted Falk  
Director

Alan Barkman  
Director

Sieg Peters  
Director

Doris Martens  
Director

Robert Dueck  
Director

Robert Penner  
Director





*When it comes to saving and investing, SCU members want the full power of the marketplace at their disposal. SCU delivers that power with the flexibility of a complete slate of options from registered and non-registered investments and TFSA's, to savings accounts that pay interest from dollar one. Put these tools in the hands of our experienced team who brings all sorts of tips and strategies to the table; and our members get a successful formula for saving to meet their goals. That's why in 2014, SCU increased its deposits by over \$238 million.*

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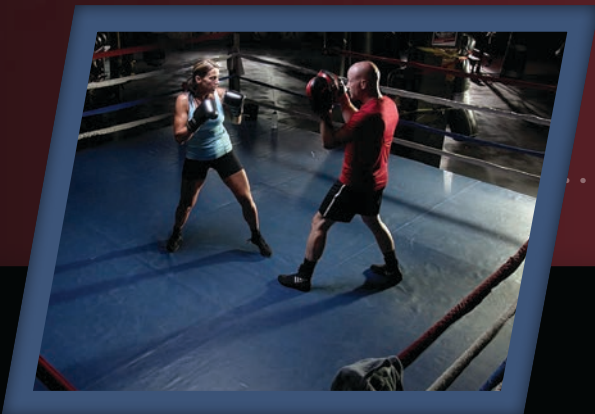






*Bringing new products to the marketplace and effectively working with small business are two areas that demand flexibility. In 2014, as always, SCU met the challenge. We reached new heights in new product and service offerings. Deposit Anywhere™ provides the ultimate in flexibility for our members. SCU online banking and mobile banking now allow our members, individual and business, to do virtually all their banking from their mobile device or computer. On the small business front, SCU has made huge strides in growing membership. Whether it's saving, borrowing or simply dealing with the day-to-day handling of business finances, our team of experts has the flexibility to customize the banking experience to fit small business needs.*

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## **MESSAGE FROM THE CHIEF EXECUTIVE OFFICER**

*In 2014, SCU proved to be very agile in an ever-changing marketplace by providing new and innovative products and services while maintaining our unparalleled level of service. We had very good earnings, solid gains from wealth management and growth in both deposits and loans. We continued to exercise diligent cost control in our efforts to be ever more efficient with our resources. On the financial front, loan growth was over \$227 million, and assets grew by \$261 million, a 6.3% increase, to a total of \$4.425 billion.*

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We met the changing needs of our members with our SCU mobile app for both Apple and Android devices, providing the ultimate in banking convenience. We introduced Deposit Anywhere™ in early autumn, which enables members to deposit a cheque by taking a picture with their smart phone. And when members need new cheques our new in-house cheque printing service lets us print cheques on-the-spot while members wait. It's incredibly easy, convenient and fast and is available at all branches and through our member contact centre. We also introduced Account Selector, an online tool that helps determine which products best suit our members' needs.

All three of our branches offered members free document shredding service in the fall with Shred Day. Bins were set up to collect documents in advance of the day, or members arrived on the appointed day with their documents. This was so well received we anticipate repeating Shred Day in the spring.

During 2014, we refined our mortgage renewal process and the accompanying paper work to make it easier to renew a mortgage with us. The renewal form is now just two pages and now members can confirm their renewal with us over the phone, or they can simply sign their renewal and mail it back.

In our continued efforts to be both cost-effective and eco-friendly, we continue to encourage members to take advantage of viewing their account statements online with e-statements through MEMBERDIRECT™. We also urge those members to opt out of receiving paper statements altogether with a simple online option.

Once again, SCU remained a strong presence in the community with the Steinbach Pancake Breakfast, the Run at the Ridge, participation in Hi Neighbour Festival, Dragon Boat racing team, and Dairy Queen Miracle Treat day. Members of our Lagimodiere staff also prepared a pancake breakfast for the 265 K-8 students and 40 staff at George V School in Winnipeg. Staff efforts raised over \$25,000 for local charities including Southeast Helping Hands, United Way and Winnipeg Harvest. Kudos to all who took part!

It certainly was a successful year and I thank the SCU Board, the Executive Leadership Team and all the staff for their commitment and enthusiasm in all they do. To every SCU member, your support and trust makes what we do so rewarding, and for that, I offer my sincerest thanks.

Glenn Friesen, Chief Executive Officer



## 2014 SCU EXECUTIVE LEADERSHIP TEAM



Glenn Friesen  
Chief Executive  
Officer

Don Loewen  
Chief Financial  
Officer

James Gosselin  
Executive  
Vice President of  
Financial Service

Tim Friesen  
Executive  
Vice President  
of Risk

Andy Alquire  
Vice President  
Information  
Technology

Sharon McMahon  
Vice President  
Human Resource

Celina Philpot  
Vice President  
Corporate  
Development

Donna Wankling  
Vice President  
Marketing









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*When our members have a goal in mind, they turn to us for help. It matters not if it's for a home, cottage, vacation property, car or an education; no matter what the goal is our members know that SCU has the tools to help them get what they want, the flexibility to create a plan that will work for them, and the agility to react in case something unforeseen should happen. Being there and doing what's needed is what SCU is all about. In short, we find a way to get things done with a full range of lending options and the power to make decisions right here in Manitoba. Has it been a success? 2014 saw an increase of 6.3% in lending.*





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*Every year, SCU supports the communities in which our members live; and 2014 was no different. Through a combination of corporate contributions and the vibrant volunteer work of our staff, SCU took the lead in ensuring the success of a large number of community initiatives, activities and causes in Manitoba. For so many reasons, SCU is considered one of Canada's highest ranked credit unions, and the selfless work of our staff along with the members of the communities we serve plays a huge role in keeping us at the top. Once again we've proven... we are, stronger together.*



















**SCU STEINBACH**

305 Main Street, Steinbach  
204.326.3495

**SCU LINDEN RIDGE**

2100 McGillivray Blvd, Winnipeg  
204.222.2100

**SCU LAGIMODIERE**

1575 Lagimodiere Blvd, Winnipeg  
204.661.1575

**DRIVE THRU ATMs**

Steinbach  
· Clearspring Mall

Winnipeg

- 2100 McGillivray Blvd
- 1575 Lagimodiere Blvd
- 1665 Henderson Hwy
- 997 St. Mary's Rd

[www.scu.mb.ca](http://www.scu.mb.ca)



**STEINBACH CREDIT UNION**