



swan VALLEY
CREDIT UNION

Annual
General
Report

2021

Table of Contents

Page 1

Board of Directors

Page 2

SVCU Employees

Page 4

Message to Members – Craig Zamzow, CEO & Ken Treasure, President

Page 7

Swan Valley Credit Union – Summary Consolidated Financial Statements

Page 14

Digital Banking & Innovation

Page 17

Honouring Truth & Reconciliation

Page 19

Staff Recognition

Page 21

In our Community & Beef on a Bun

Page 24

SVCU Employees

Board of Directors



Ken Treasure
President



Barb Lewis
1st Vice-President



David Dayson
2nd Vice-President



Ferlin Abrahamson
Director



Lorna Bell
Director



Jaymie Klekta
Director



Cam Mateika
Director



Glen McKenzie
Director



Rosann Wowchuk
Director

“Always do more than expected”
Larry Page, Co-Founder of Google






Congratulations
 on your
 retirement!



Melodie Hunt
 Administration Clerk,
 30 + years



Jennifer Mosiondz
 Compliance &
 HR Officer, 20 years



Craig Zamzow, CEO & Ken Treasure, President

Another year of pandemic-related issues tested Swan Valley Credit Union in 2021. Your credit union continued to evolve as we adapted to changes that often felt like two steps forward, and one step back.

Our new digital banking platform Xpress was launched in July, providing new experiences for both online & mobile banking, and our website. We also launched digital document signing to provide our members with another convenient banking tool. We will strive to continue to make it easier for members to maintain their valued relationships with SVCU regardless of where they currently call home.

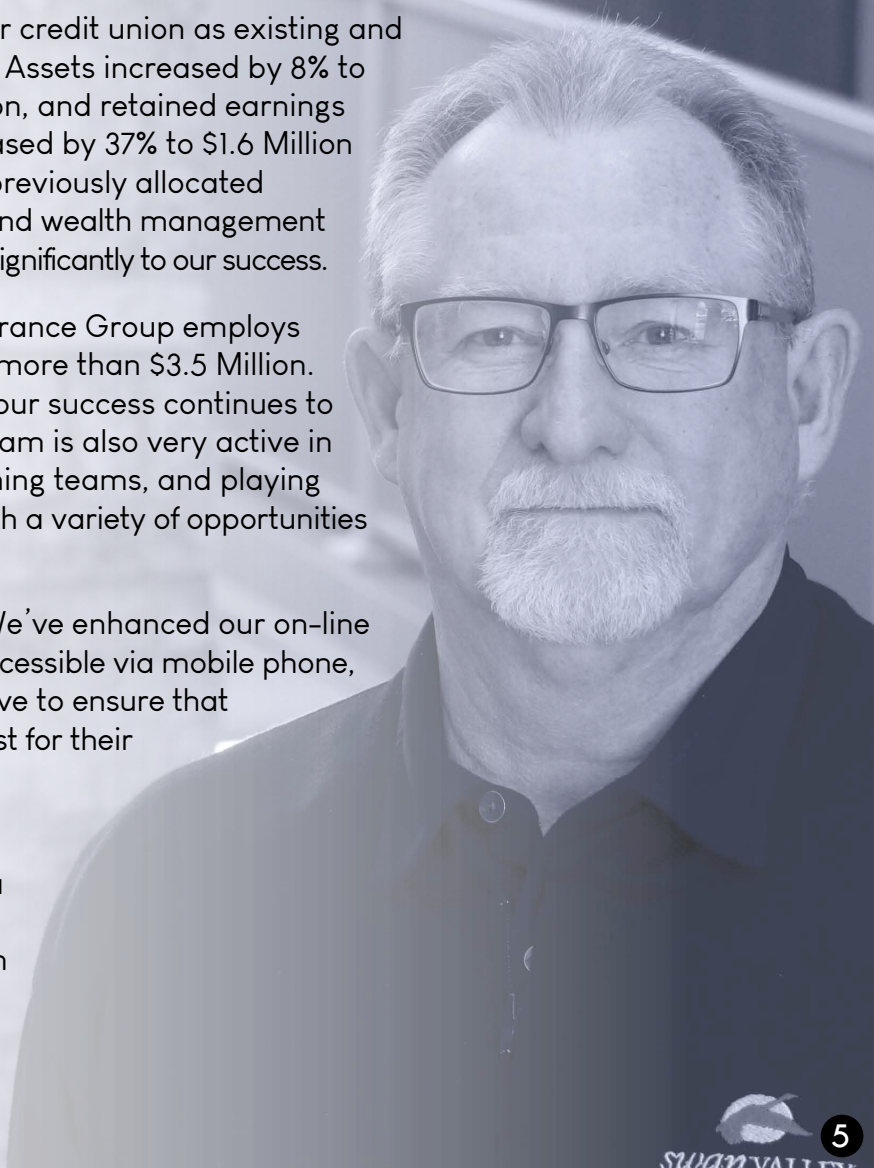
Member survey feedback continues to be very positive, and it highlights how our members value the meaningful advice and relationships that our employees provide. We are focused on continuing to be your neighbours, and that familiar face in the community that you can contact or visit safely in an office for financial advice. When time permits, please visit our new website as our employees are featured in several videos that explain topics like pre-approved mortgages, debt consolidation, and protecting your money from fraudsters. We will continue to develop new videos in 2022.

The past year was a very successful one for your credit union as existing and new members increased their business with us. Assets increased by 8% to \$341 Million, loans increased by 4% to \$216 Million, and retained earnings increased 9% to \$19.4 Million. Net income increased by 37% to \$1.6 Million and SVCU also repaid \$350,000 in cash from previously allocated patronage dividends. Our insurance agencies and wealth management department also had very good years contributing significantly to our success.

Swan Valley Credit Union and Swan Valley Insurance Group employs 50 people in our communities with a payroll of more than \$3.5 Million. We are a key driver for our local economy and our success continues to rely on our current and future members. Our team is also very active in our communities volunteering on Boards, coaching teams, and playing key roles to ensure the Swan Valley is vibrant with a variety of opportunities for families.

Loan growth continues to be a primary focus. We've enhanced our on-line loan application solution, ensured lenders are accessible via mobile phone, and grown our lending team for 2022 as we strive to ensure that Swan Valley residents continue to consider us first for their personal, agricultural, or business credit needs.

With significant community events such as our North-West Roundup & Exhibition cancelled for a second consecutive year, there were reduced opportunities to partner and make positive impacts in our communities. We were able to distribute our 2021 "My Community Matters Grants" to four local groups as we remain committed to supporting local.



We also made a commitment to assist in the construction of the new Ski Chalet at Thunderhill to benefit skiers, mountain bikers, and local tourism for decades into the future.

We did have a couple events to celebrate in July. SVCU partnered with the Elbert Chartrand Friendship Centre to host the Manitoba Tour 150 in our parking lot. The retrofitted tour vehicle provided a mini art gallery to the Swan Valley to celebrate the opening of the Inuit Art Centre at the Winnipeg Art Gallery. The vehicle travelled to credit unions around the province during the summer months.

In early July, SVCU served a record 610 meals in blistering heat during our annual Beef on a Bun event in our main branch parking lot. The Swan Valley Snowmobile Association received over \$3,000 towards their trail expansion project. SVCU also invited all Swan Valley Prairie Mountain Health employees to have a free lunch on us as a small token of our appreciation for their efforts during the pandemic. We look forward to the return of our community building events in 2022.

Our most important asset continues to be our people. Employees were once again challenged to provide the safe and valued in-person service our members enjoy. Our team continues to adapt and continually implement technology where prudent to provide flexibility to our nearly 7,000 members. Our commitment to training was challenged the past couple years with gathering restrictions, but we have scheduled sales and service training for all staff in May to help us enhance the quality service our members have become accustomed to.

Our team is honoured to have earned our members' loyalty and trust. We won't take that for granted. Board and management recognize and value the benefits of local governance and leadership. We look forward to partnering with our members to continue to *"Build a better future with you"* in 2022!

Swan Valley Credit Union Limited
Summary Consolidated Financial Statements
For the year ended December 31, 2021

Management's Responsibility

To the Members of Swan Valley Credit Union Limited:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with International Financial Reporting Standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Credit Union. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Credit Union's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

March 1, 2022



Chief Financial Officer



Chief Executive Officer

Independent Auditor's Report

To the Members of Swan Valley Credit Union Limited:

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2021, and the summary consolidated income statement, summary consolidated statements of changes in members' equity and cash flows for the year then ended, are derived from the audited consolidated financial statements of Swan Valley Credit Union Limited (the "Credit Union") for the year ended December 31, 2021.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements of Swan Valley Credit Union Limited for the year ended December 31, 2021.

Report on Other Legal and Regulatory Requirements

As at December 31, 2021 the Credit Union met the capital and liquidity reserve requirements established by Sections 15, 21 and 21(1) of the Regulations to the Credit Unions and Caisses Populaires Act of Manitoba. Readers of the summary consolidated financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity reserve requirements, the reader must refer to the audited consolidated financial statements and notes for the year ended December 31, 2021.

Summary Consolidated 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 Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated March 1, 2022.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with International Financial Reporting Standards.

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 Financial Statements.

Brandon, Manitoba March 1, 2022


MNP LLP

Chartered Professional Accountants

Swan Valley Credit Union Limited
Summary Consolidated Statement of Financial Position
As at December 31, 2021

	2021	2020
Assets		
Cash and cash equivalents	39,474,827	44,623,829
Accounts receivable	757,186	2,299,923
Investments and accrued interest	75,907,618	52,219,857
Members' loans receivable and accrued interest	216,786,869	208,193,719
Income taxes recoverable	-	6,991
Prepaid and other assets	161,580	168,496
Property and equipment	6,655,260	6,847,268
Goodwill	1,739,082	1,739,082
	341,482,422	316,099,165
Liabilities		
Member deposits and accrued interest	317,900,396	293,595,701
Income taxes payable	285,942	9,975
Accounts payable	1,243,936	1,616,767
Deferred tax	7,000	40,000
	319,437,274	295,262,443
Members' equity		
Member shares	2,613,109	3,006,009
Retained earnings	19,432,039	17,830,713
	22,045,148	20,836,722
	341,482,422	316,099,165

Approved on behalf of the Board



Director



Director

Swan Valley Credit Union Limited
Summary Consolidated Income Statement
For the year ended December 31, 2021

	2021	2020
Interest income		
Member loans	7,352,481	7,616,194
Investments	1,519,997	1,634,536
	8,872,478	9,250,730
Interest expense		
Member deposits	2,982,428	3,684,678
Borrowing	-	5,616
	2,982,428	3,690,294
Net interest income	5,890,050	5,560,436
Operating expenses		
Administration	1,530,902	1,407,520
Amortization and impairment	347,705	351,896
Member security	281,615	254,083
Occupancy	367,721	487,691
Organizational	155,912	192,264
Personnel	3,422,665	3,501,488
	6,106,520	6,194,942
Net operating expenses	(216,470)	(634,506)
Other income	2,878,281	2,507,388
Income before provision for impaired loans and income taxes	2,661,811	1,872,882
Provision for impaired loans	461,651	427,426
Income before income taxes	2,200,160	1,445,456
Provision for income taxes		
Current	630,804	337,999
Deferred	(33,000)	(55,000)
	597,804	282,999
Net income	1,602,356	1,162,457

Swan Valley Credit Union Limited
Consolidated Statement of Changes in Members' Equity
For the year ended December 31, 2021

	<i>Member shares</i>	<i>Retained earnings</i>	<i>Total equity</i>
Balance December 31, 2019	3,051,248	16,669,116	19,720,364
Net income	-	1,162,457	1,162,457
Issuance of member shares	75	-	75
Redemption of member shares	(45,314)	-	(45,314)
Dividend on preference shares, net of tax recovery	-	(860)	(860)
Balance December 31, 2020	3,006,009	17,830,713	20,836,722
Net income	-	1,602,356	1,602,356
Issuance of member shares	425	-	425
Redemption of member shares	(393,325)	-	(393,325)
Dividend on preference shares, net of tax recovery	-	(1,030)	(1,030)
Balance December 31, 2021	2,613,109	19,432,039	22,045,148

Swan Valley Credit Union Limited
Summary Consolidated Statement of Cash Flows
For the year ended December 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Interest received from member loans	7,328,555	7,637,065
Interest and dividends received from investments	1,530,068	1,698,308
Other income received	4,414,087	825,783
Cash paid to suppliers and employees	(6,124,730)	(5,711,639)
Interest paid on deposits	(3,328,296)	(3,869,117)
Interest paid on borrowed money	-	(5,616)
Income taxes paid	(341,564)	(392,870)
	3,478,120	181,914
Financing activities		
Net change in member deposits	24,650,563	21,850,129
Issuance of member shares	425	75
Redemption of member shares	(393,325)	(45,314)
	24,257,663	21,804,890
Investing activities		
Net change in members' loans receivable	(9,030,875)	(10,060,972)
Purchases of investments	(23,697,832)	-
Proceeds on disposal investments and accrued interest	-	23,890,709
Purchases of property and equipment	(156,078)	(489,162)
	(32,884,785)	13,340,575
Increase (decrease) in cash and cash equivalents	(5,149,002)	35,327,379
Cash and cash equivalents, beginning of year	44,623,829	9,296,450
Cash and cash equivalents, end of year	39,474,827	44,623,829



Digital Banking

SVCU continues to raise the bar on member accessibility and functionality by keeping pace with a continually evolving digital market place. Striving to meet those needs, SVCU launched our new Digital Banking Platform in July.

The Xpress platform included a re-designed web page, app and on-line banking options, allowing members to manage their finances from anywhere in the world. In addition, we also introduced new features for personal and small business banking, a series of improvements to our on-line loans application and easy access to our Wealth Management tools.

This technology is an important part of maintaining and expanding our membership. In a world that is more connected than ever, our members can rely on SVCU to serve them at home, while they travel or even if opportunities take them outside of the valley.

New Features

Manage your accounts & investments

- Open personal chequing & savings accounts (must be an existing SVCU member)
- Renew investments or open new ones (restrictions apply)
- Direct link to self-directed investment platform QTRADE

Small Business Features

- Businesses with multiple signers can set up individual log-ins
- Consolidate your profiles for one easy log-in

Enhanced Features

Digital Loans Application

- Easy access on-line @svcuc.mb.ca
- Step by step instructions
- Timely follow up by one of SVCU's experienced Financial Services Officers

Small Business Features

- Businesses with multiple signers can set up individual log-ins

Improved member experience

- Transfer funds between Canadian and US accounts (Exchange calculated automatically)
- Transfer to any SVCU Member (12 digit account number required)

Innovation



Living with COVID-19 since its discovery in 2020, has brought forward many challenges, and tested the resilience and innovation of our society. SVCU has invested in this innovation to improve member access to services that minimize person to person interactions and offer convenience to complete many banking transactions.

In addition to SVCU's new digital banking platform, SVCU expanded the services offered through our Drive Thru ATM. SVCU provided members with custom envelopes for daily deposits, processed twice daily and a slot for document drop off, all through our night deposit box.

In 2021, SVCU introduced our members to DocuSign®. DocuSign® allows members to sign documents digitally to complete transactions from home, in the field or while travelling or living outside the Swan Valley.

Digital signatures are encrypted, providing an enhanced level of security to the signature and verifying the identity of the person signing.



Honouring Truth & Reconciliation

September 30 of 2021 would mark the first National Day for Truth and Reconciliation. This day also coincided with Orange Shirt Day, recognizing the tragic legacy of residential schools, the missing children, the families left behind and the survivors of these institutions.

The purpose of this very important day is to bring public commemoration to this painful history and to address the ongoing impacts of residential schools. This first step, part of the 94 Calls to Action, has been identified as a vital component of the reconciliation process for First Nations, Inuit and Métis Survivors, their families and their communities.

Education is also an important part of the 94 Calls to Action that were identified by the Truth and Reconciliation Commission. SVCU embraced the opportunity through transformative and engaged learning to educate our Directors and employees on how to take those first steps in renewing our relationship with Indigenous Peoples in our communities.

On September 30th, through collaboration with First Nations University of Canada and Canadian Credit Union Association, SVCU participated in a full day of courses featuring reconciliation films and content from across 10 provinces. This training was developed in partnership with Indigenous Leaders and Diversity & Inclusion teams in Universities, Colleges and school divisions across the province as well as the financial sector.



Acknowledging the Traditional Lands of the Indigenous Peoples of Manitoba

Swan Valley Credit Union would like to acknowledge that we are located on the original “Treaty 4” territories of the Cree and Saulteaux peoples, and the homeland of the Métis Nation. Swan Valley Credit Union acknowledges our role in the many relationships that make up our home and commit to a spirit of reconciliation for the future.



Stephen Tanner

Chief Information Officer

25 Years

Stephen Tanner graduated from the University of Alberta with a Bachelor of Science (Specializing in Computing Science Software Design) in 1986 and spent the next 10 years in various IT positions for the Government of the N.W.T. in Yellowknife, NT. He joined Swan Valley Credit Union in June 1996 in the newly created position of Technology Coordinator. That title changed over the years as technology became an ever increasing component of the organization morphing to Manager, Information Technology and eventually Chief Information Officer.

Stephen joined SVCU shortly before their banking system GEAC was beginning the transition to CUBS (Credit Union Banking System) which eventually became known as Profile. He again led the transition to DNA/ EroWorks which he hopes will be his last banking system conversion prior to retirement!

An interesting career fact: Stephen has held 7 I.T. positions over the past 35 years but has never had to follow in someone's footsteps...all 7 were newly created positions of which he was the initial incumbent.



Craig Zamzow

Chief Executive Officer

25 Years

Craig started his career at SVCU in 1996 as a Member Services Representative. In 1997 he moved to the lending department, taking on both lending and wealth management roles. After more than a decade in the lending department, Craig was promoted to Chief Operations Officer in 2010 and became SVCU's Chief Executive Officer in 2020.

Throughout his Credit Union career Craig has been active in the Manitoba Credit Union system with the Credit Union Young Leaders (CUYLM), Credit Union Managers (CUMAM), and other working groups and committees. He enjoys strong relationships with Credit Union Central of Manitoba and credit union leaders around the province.

Craig feels fortunate to have worked for one credit union for 25 years and has a deep appreciation for our directors and colleagues that share a common commitment to community and value local decision-making.

In our Community



High School Rodeo Gymkhana Sponsorship



Thank you to SVCU member Sharon Alford for attending SVCU's 2021 Virtual AGM and winning our draw for an Apple iPad!



International Credit Union Day Draw Winners: Zolena Brow (L) & Denise Cazakoff (R)



SVCU Donates \$1,000 in fuel cards to Citizens on Patrol Program



SVCU staff brought in 410 pounds of non-perishable food items and raised \$290 in support of local families in need for our local Christmas Cheer Board.

In our Community



Swan Valley Credit Union celebrated a record turnout for the MB 150 Tour! Swan River was the 16th stop on their provincial tour and was greeted by a steady stream of valley residents viewing this unique mobile Art Exhibit. Elbert Chartrand Friendship Centre was on site to provide a delicious BBQ lunch, raising \$1,300.00 for their youth programming. We thank Elbert Chartrand Friendship Center for joining us and bringing awareness to this very special opportunity to view uniquely Canadian Inuit Art.

Beef on a Bun

SVCU's annual Beef on a Bun, held in July, brought record breaking results! With front line workers top of mind, SVCU reached out to our local health care community and offered a free lunch to all Prairie Mountain Health Care employees as our way of saying thank you.

In total 610 local residents braved the extreme heat via our drive-thru or walk up service to get a "made in the valley" meal. Congratulations to our SVCU Board of Directors, staff & local volunteers for battling the elements to bring this long time tradition to fruition. Our efforts and the record breaking community support resulted in a donation of \$3,072 to the Swan Valley Snowmobile Association and their Duck Mountain Trail Expansion.





BAILEY, Nicole – Account Manager
BEEHLER, Scott – Account Manager
BLOCK, Andrea – Call Centre Associate
BRADLEY, Candice – Manager, Human Resources & Compliance
BRANCONNIER, Gayle – Administration Supervisor
BRELINSKI, Yvonne – Member Services Advisor
CAMPBELL, Blaine – Chief Lending Officer
CLARKSON, Kendall – Member Services Representative
COMEAU-WARD, Denise – Credit Administration Officer
DOVERSPIKE, Michele – Member Services Reception
FROESE, Pam – Exec. Assistant/Credit Admin Officer
GORSKI, Cheryl – Senior Member Services Rep.
HOFFORD, Ryan – Manager, Technology
HUMPHREYS, Jeanine – Member Services Representative
JENNISON, Roselyn – Investment Specialist
KNOWLES, Kimberley – Senior Member Services Rep.
KRUK-LYLYK, Carrie – Chief Financial Officer
KUSHNIRYK, Holly – Member Services Representative
LASUIK, Kira – Administration Clerk
LUKEY, Rhonda – Accountant
MORDEN, Pat – Account Manager
MULLIN, Jackie – Manager, Personal Financial Services
MULLIN, Stacey – Financial Services Officer
PARSONS, Lynda – Marketing Manager
PARTHENAY, Kelsie – Compliance Officer/MSR/Admin Clerk
PINDER, Sky – Member Services Representative
SASOTA, Angelika – Member Services Representative

SCHNEIDER, Roxanne – Chief Operations Officer
SCHURE, Karen – Administration Clerk
SCHURE, Shelley – Member Services Representative
SHERRER, Cheryl – Credit Administration Supervisor
SOLLIS, Melissa – Financial Services Officer
STOROSCHUK, Miranda – Credit Administration Officer
TANNER, Stephen – Chief Information Officer
WARBURTON, Cherisse – Member Services Representative
WILLIAMSON, Deana – Manager, Member Services
YOUNG, Kylie – Investment Specialist
ZAMZOW, Craig – Chief Executive Officer



swan valley **INSURANCE GROUP**
“Insuring your Peace of Mind”

BETCHER, Ron – Manager, Insurance
HART, Janel – Insurance Sales Associate
MUNRO, Kim – Insurance Sales Associate
SAWCHUK, Sheila – Insurance Sales Associate
TAIT, Donna – Assistant Manager, Insurance

RgFast Insurance

The Pas, MB

ASHAM, Lisa – Office Manager
HUCULAK, Kerri – Insurance Sales Associate
LECAPPELAIN, Michele – Insurance Sales Associate
SNYDER, Jonie – Insurance Sales Associate



Main Branch Swan River
913 Main Street East – Swan River, Manitoba – Tel. 204.734.7828

Benito Branch
103 Main Street – Benito, Manitoba – Tel. 204.539.2400

Minitonas Agency
Minitonas Community Store, 267, 2nd Avenue – Minitonas, Manitoba
Tel. 204.525.2623

www.svcu.mb.ca

