



Keira, HEU

Ashia, BC Nurses' Union

The Year Of The Essential Worker

Community Savings
the unions' credit union



Anna, UFCW Local 247

Jodie, CUPE Local 873

2020 Annual Report



Celebrating
Essential Workers at 7pm



2020, a year unlike any other. A year that challenged our society to persevere and rise to the challenges that faced us. It was a year that essential workers on the front lines kept us safe, ensured food was on our tables, and provided care for the sick and elderly.

Mission

To provide the working community a fair opportunity at a better life, by empowering them with banking products and investments that are always in their best interest.

Our commitment of providing the working community fair opportunities at a better life was even more important and needed during 2020. Our annual report highlights the initiatives and helpful programs we provided our Members and their families.



Supporting The
Working Community



Message from the CEO

We've titled this year's Annual Report 'The Year of the Essential Worker', I want to highlight, along with first responders, supermarket workers and more, the team at Community Savings Credit Union. Early on in the crisis our team made a decision to hold fast, work together and be there for our members.

The work has been incredibly hard and once again I talk about the genuine pride I feel to be part of this incredible team. We were one of the only financial institutions to keep every branch open every day throughout this crisis. We did so by working with our members to ensure our team had the safe working environment which they are entitled to.

I have said a number of times throughout 2020 that this was the year to look at our community, not our bottom line and that remains true. Our focus was on the welfare of our members and our team. One of the advantages we have as a strong and stable credit union is that we can provide support to our members when times get tough.

This for me is the fundamental difference in our credit union, we remember who built us, who has supported us for 76 years and when that community needed us we were there first! Sometimes the only help available.

Throughout all of this it has been our job to continue to develop our credit union. The investments we have made in technology and the Community Savings University are

great examples. They should serve as an indication of our priorities. Ensuring our members receive the best service of any financial institution and that we continue to support our team who have proven unbeatable in 2020!

You will see in the Financial Summary our credit union has performed exceptionally well this year despite the obvious headwinds. This is thanks again to our members and an amazing team that will allow us to start next year on a strong footing.

The year ahead will be challenging and some of the economic consequences of COVID-19 will be long lasting. What we have achieved this year however makes me confident in the ability of Community Savings to continue to thrive.

As always, I would like to thank our members and our Board of Directors for their unwavering support. The challenges of this year have really brought us together although we have been physically apart.

We will continue to support our members and the labour movement in the years ahead in the way that only Community Savings can.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Schilling". The signature is stylized and fluid, with a large initial "M" and "S".

Mike Schilling
President & CEO



Celebrating Essential Workers

Grant, IUOE

Kelly, CUPE Local 873

Alexis, CUPE Local 873-02

Message from the Board of Directors



In a time like no other there is comfort in the everyday normalcy of our Annual Report to the Membership. While much has changed since we last detailed another year gone by, I am gratified to report that in both financial performance and operations, our co-operative financial enterprise has remained rock solid.

It has been said, “life is what happens to us while we are making other plans”. For our credit union those other ‘plans’ began with work on a new website and a remarkably prescient upgrade of information technology and internal communications.

Notable events included the conclusion of our Community Challenge charitable initiative, the inclusion of new language in our Collective Agreements with MoveUp & UFCW 1518 that provides paid leave to any employee experiencing domestic violence and the launch of a new internal education model we call, “Community Savings University”.

At this juncture the world-wide COVID 19 Pandemic occurred. The Provincial government declared a State of Emergency. Overnight we became an ‘essential service’; in a working community largely idled by the threat of a very contagious virus with Public Health Orders designed to contain it. I am very proud to report, Community Savings has met this unprecedented challenge with flying colours. For 76 years we have been a financial institution devoted to the support of working people and their Unions. We therefore knew that the cessation of all but essential work, meant a looming financial crisis for many workers.

Reaching out to the labour movement, Community Savings immediately offered financial support for their members. The package offered included a 6-month interest free line of credit up to \$2,500, mortgage and loan payment postponements and features to help members reduce payments in difficult times.

When asked by media how a financial institution could extend a line of credit without charging interest, our President & CEO never skipped a beat; “We’re always going to support people because that’s what we do. This was a time to look at our community and not our bottom line”.

Following this initial outreach, staff implemented an additional suite of support products that dovetailed with government programs. However, when one of the Canadian government loans neglected to include union organizations within the program’s scope, Community Savings created and launched our own \$40,000 Union Business Support Loan.

As the nightly news filled with the heroic stories of health care workers. Citizens took to cheering them on from their porches and balconies at 7pm each night. The plight of lower paid long-term care workers was addressed with ‘levelled-up pay’ during the initial crisis. In response to the overwhelming support of the 7pm cheers for essential workers and the need for fair wages, Community Savings announced the 7:01 Movement.

With the endorsement of both the Hospital Employees Union, BCGEU, and UFCW 1518, CSCU created the 7:01 Movement and campaigned for a permanent increase of wages, emphasizing the importance of long-term care and other health care staff. That struggle continues, as does our support for all working people and their Unions.

In reflection upon this difficult year, we are also grateful beyond measure. Sincere thanks to our members, union organizations and of course, our dedicated staff. Your collective effort and co-operative spirit ensure our continued success and hope for a better tomorrow.

Respectfully,

 Phillip Legg
 Chair, Board of Directors



Celebrating Unsung Heroes

Front Line Workers

In March 2020 our lives were dramatically altered. The threat of a dangerous virus demanded we cease to congregate as before. This fundamental element of human nature was revealed to be the arena where contagion thrived. Over the course of our ongoing new reality, we have learned of the “essential”, and who among us is crucial to sustaining the life we have taken for granted.

We began to notice the basics. The migrant workers we depend on to plant and harvest crops, the food processing workers producing our meals, the inspectors ensuring our safety, the waste collectors continuing on their rounds, the lab technicians analyzing endless COVID tests, the hydro workers keeping the lights on, the first responders still scrambling at every call and of course, the health care workers saving our lives.

As a financial institution born from the co-operative aspirations of unionized working people, Community Savings felt compelled to shine a light on the pandemic’s unsung heroes. We profiled some of these workers in a Facebook campaign; a 911 Dispatcher, Grocery Store Clerk, Long Term Care Aide, Truck Driver, Child Care Worker, Flight Attendant, Paramedic, Rehabilitation Therapist and Canada Line Attendant all shared their compelling stories.

Yet these were just a few of the thousands of unseen people, who keep our world turning. From hundreds of occupations, to our very own Community Savings employees; every one is indispensable and displays resilience, strength of character and quiet bravery in their continued service.

Sadly, in BC’s private sector long-term care and assisted living homes, monetary compensation does not measure up to the skill, dedication and sacrifice exemplified by its workers. At the epicenter of tragic loss of life, these facilities were subject to intervention by the Provincial Health Officer. In an effort to limit workers to a single site, those labouring at sub-standard rates were brought up to provincial standards. But this won’t last post pandemic, even though the nature of work remains the same.

“Our message should be these workers are valued – and not just during times of crisis.”

In response to this grave inequity, Community Savings released the findings of a study underlining vast public support for the proposition that these health care worker’s ‘levelled up’ pay be made permanent. In an effort to rectify this injustice, Community Savings’ President & CEO, Mike Schilling, also announced the credit called, “The 7:01 Movement”. The petition was so named to build off the public’s show of support for health care workers during each evening’s 7pm applause.

In speaking to the proposition Mike Schilling said, “It would be wrong to cut salaries for these valued health care workers to pre-COVID levels. Our message should be these workers are valued – and not just during times of crisis.” So say we all.

While another year will likely bring an end to this endurance test, we should remain mindful of lessons learned, Not the least of these, is the true value of our unsung working heroes. Like daisies hidden among the roses, or the stars that break at dawn, let’s always remember those who were once unsung.

7:01



MOVEMENT

2020 Highlights

7:01 Movement

At 7pm every evening, Canadians stopped what they were doing and took a moment to show their deep appreciation for our front-line workers. Millions of British Columbians were on their porches, balconies and on the streets applauding these working heroes. Throughout this pandemic, health care workers have stood firm, helping us when we needed it the most.

In a report sponsored by CSCU, more than 8 out of 10 British Columbians view long-term care workers, hospital house-keeping and cleaning staff as critical alongside doctors and nurses. Unfortunately, not all long-term care staff are paid fairly for the vital services they provide. BC has a two-tier pay system where many of the private sector health care support workers are undervalued and underpaid.

Mike Schilling, President and CEO, explains: "The vast majority of British Columbians recognize – and support – levelled-up pay in health care, not just during COVID-19. It would be wrong to cut salaries for these valued health care workers to pre-COVID levels. Our message should be that these workers are valued - and

not just during times of crisis."

The 7:01 Movement was launched to build off the public's show of support for its healthcare workers during the 7pm applause. The 7:01 Movement campaign was about health care workers permanently maintaining the fair wages they have rightfully earned during this crisis.

The goal of raising the awareness for these underpaid workers was a success. Over 9,000 people visited the 7:01 Movement website and thousands signed the petition. Mike Schilling, President and CEO spoke about the 7:01 Movement on CKNW and was featured in articles in The Province newspaper, News 1130, and the Surrey Leader. Along with our social media campaign, thousands of British Columbians were made aware of the plight of long term care workers.

The 7:01 Movement petition will be shared with key stakeholders that determine the salary levels of BC's healthcare workforce to help bring forth fair wages for these workers.



\$40,000 donated to the Union Protein Project since 2019.

In 2020, CSCU proudly donated \$15,000 to the Union Protein Project combining for a total donation of \$40,000 over the past two years. We are grateful to support an organization that provided over \$1.5 million (retail value) of protein into food banks and food hubs. This represents hundreds of thousands of cans of tuna and jars of peanut butter to help people in our communities.

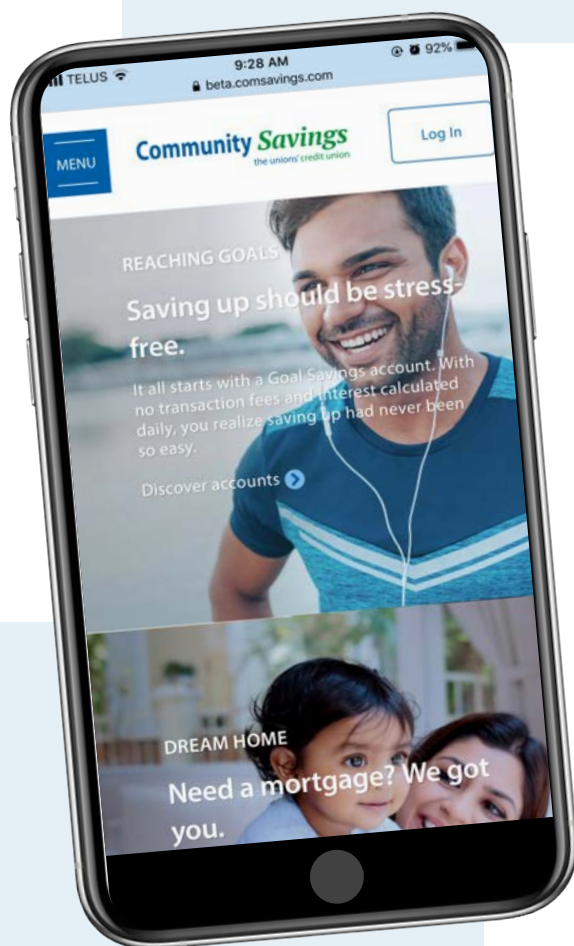


Community Savings University

Community Savings University (CSU), was launched in 2020, creating an internal learning program designed to address the organization's developmental needs and wellness goals. As part of this initiative, CSU partnered with exciting industry-leading vendors and on-boarded an engaging learning platform.

Alongside offering immersive technical and soft skill online content, CSCU is passionate about blending the team's learning offering with instructor-led learning events. This is an innovative learning program that challenges CSCU to improve and evolve services that are offered internally and externally.

Community Savings is excited about building a culture of everyday learners and looks forward to accelerating the engagement, well being and happiness of CSCU employees as a result.



New Website Launched

One of the major achievements in 2020 was the launch of a new website at www.comsavings.com. A powerful digital platform that will allow CSCU to quickly fulfill members current and future expectations and service needs.

Forge is the name of the digital platform that the new website is built around. It was created in partnership with Central 1 Credit Union and Backbase, a global leader in digital banking solutions. More than 160 credit unions across Canada are using the Forge Digital Banking Platform.

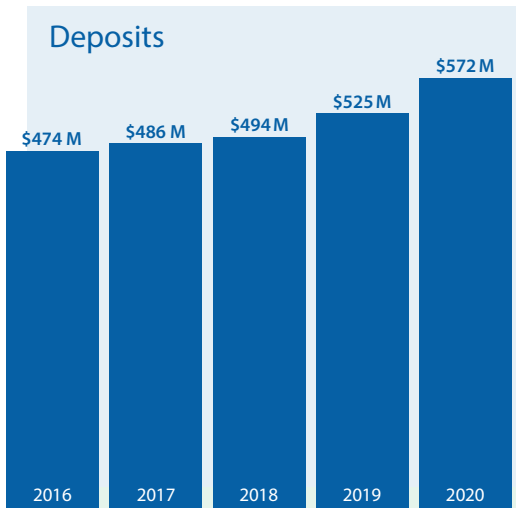
The website has new streamlined features including dynamic response to the size of the screen. The site is designed to help Members find the right information and services quickly, plus it features fresh content to help Members take control of their finances.

As CSCU moves into the next decade, we will continue to invest in technology, services and people to ensure we evolve with the changing service needs of our members. The new site is the first piece in a digital project that will result in significant improvements for Community Savings' website, online banking services and the mobile banking app. These new enhancements will provide Community Savings Members with member-focused experiences across all digital channels.

2020 In Review

Management Discussion and Analysis

The events of 2020 certainly impacted the financial performance of every credit union and Community Savings was no different. Our plan however has always been about maintaining the fundamental strengths of a lending institution and in times of wider economic turmoil this becomes more important. In this respect, Community Savings performed extremely strong from a financial perspective – our first six months saw successful and targeted reshaping of our loan book. The cost control and prudent credit decision making of the latter six months ensured we finished the year significantly ahead of forecasts. This will allow us to continue to invest in the future of our credit union, our technology, our branches and our team.



8.8% Deposit growth in 2020

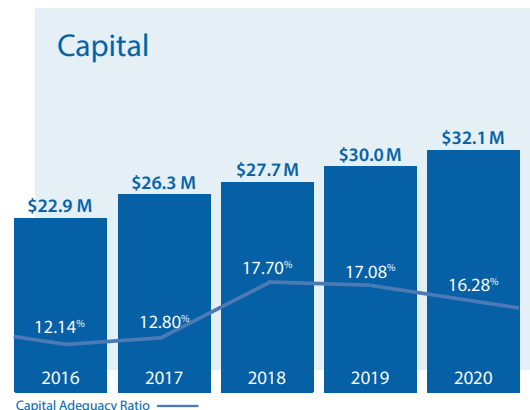
Our rate of deposit growth, at 8.8%, increased by an even larger margin than last year (6.3%). Our deposits allow us to offer loans and mortgages to our members. This is a sign that more and more people are choosing our credit union to save and bank with. As the economic conditions stabilize these deposits will allow us to grow Community Savings, supporting future members and unions.

Total Comprehensive Income

Net Income increased by 23% year-on-year demonstrating the fundamental strength of the credit union in its day to day operations. This stability is what allows us to invest in our future and support our members when they need us most.

6.7% Capital growth in 2020

Capital grew year-on-year by 6.7% demonstrating our strong financial performance. We have very robust Capital Adequacy allowing us to continue the growth of the credit union while in an environment of tight interest margins.



Interest income

In a year which saw a 150bpt decrease to the prime lending rate combined with the most competitive lending strategies adopted by the banks in living memory our credit union grew in interest income by 4.8% (2019: 9.5%). This strong performance was driven by the hard work of the lending team in the year to March and our continued focus on credit control throughout the year.



Interest Expense

Interest expenses fell in the year (\$0.6m - 8.2%) due to significant decreases in the Bank of Canada lending rate. Due to the impact of COVID19 the expected moderate increase in this rate didn't materialize and the credit union is forecasting a period of near-zero rates over the coming economic cycle. This is good news for borrowers, however Members and organisations saving with our credit union will need our support to ensure the best returns on their cash.

Loans remain strong in 2020

Loans

The significant loan growth we saw in the first half of the year was mirrored by a tightening of lending in the second half. Our credit union adapted to the significantly changing market conditions and we continued our strategy as a prudent lender. Loans were largely level year-on-year although we did see an increase in our commercial loan book as planned. Loan losses remain exceptionally low as we continue to protect members funds with strong credit controls.

Operating Expenses

Operating expenses increased in the year by 7.4% due to increased expenditure on our team and technology investments. The costs of competing with the banks puts pressure on our credit union but we do this in a cost-effective way, always aware that it is our members' money that we are investing. We've made significant improvements to our on-line presence in addition to the training and support that we provide our team and these have proven critical to our success in 2020.

2021 Outlook

The year ahead will be one of the toughest for our credit union in recent times. The lending environment has never been more competitive and regulators are rightly looking for financial institutions to cover as many bases as possible.

The Community Savings team is in a strong position to meet these challenges, continue to grow membership and demonstrate the financial leadership we have shown in 2020. With the support of our members and team, we are confident about the path forward for our credit union and are looking forward to a brighter future.



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REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARIZED FINANCIAL STATEMENTS

To the Members of Community Savings Credit Union

Opinion

The summarized financial statements of Community Savings Credit Union (the Entity), which comprise:

- the summarized statement of financial position as at September 30, 2020
- the summarized statement of comprehensive income for the year then ended
- the summarized statement of changes in members' equity for the year then ended
- the summarized statement of and cash flows for the year then ended
- and related note

are derived from the audited financial statements of the Entity as at and for the year ended September 30, 2020 (audited financial statements).

In our opinion, the accompanying summarized financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the criteria disclosed in note 1 in the summarized financial statements.

Summarized Financial Statements

The summarized financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summarized financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Entity's audited financial statements and the auditor's report thereon.

The summarized financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

Management's Responsibility for the Summarized Financial Statements

Management is responsible for the preparation of the summarized financial statements in accordance with the criteria described in note 1 in the summarized financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summarized financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards 810, Engagements to Report on Summary Financial Statements.

Chartered Professional Accountants

Vancouver, Canada
December 10, 2020

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COMMUNITY SAVINGS CREDIT UNION

Summarized Statement of Financial Position

September 30, 2020, with comparative information for 2019

	2020	2019
Assets		
Cash and cash equivalents	\$ 87,491,768	\$ 28,988,931
Investments	67,887,928	78,281,001
Loans	449,453,458	450,105,407
Derivatives	150,711	-
Premises and equipment	1,206,515	1,285,611
Intangible assets	339,766	105,878
Right-of-use assets	1,453,240	-
Income taxes receivable	96,711	-
Deferred income tax assets	579,609	573,794
Other assets	986,194	1,104,482
	<u>\$ 609,645,900</u>	<u>\$ 560,445,104</u>
Liabilities and Members' Equity		
Deposits	\$ 571,580,228	\$ 525,459,898
Derivatives	-	157,373
Members' shares	1,172,183	1,197,907
Income taxes payable	-	155,000
Lease liabilities	1,549,677	-
Other liabilities	3,289,134	3,441,752
	<u>577,591,222</u>	<u>530,411,930</u>
Members' equity:		
Contributed surplus	2,851,000	2,851,000
Retained earnings	29,077,226	27,273,808
Accumulated other comprehensive loss	126,452	(91,634)
	<u>32,054,678</u>	<u>30,033,174</u>
	<u>\$ 609,645,900</u>	<u>\$ 560,445,104</u>

See accompanying note to the summarized financial statements.

Approved on behalf of the Board:

Phillip Liss

Director

Lee Loftus

Director

COMMUNITY SAVINGS CREDIT UNION

Summarized Statement of Comprehensive Income

Year ended September 30, 2020, with comparative information for 2019

	2020	2019
Interest income:		
Loans	\$ 17,727,082	\$ 16,574,783
Cash and cash equivalents and investments	1,795,945	2,043,420
	19,523,027	18,618,203
Interest expense:		
Deposits	6,846,108	7,531,942
Lease liabilities	71,473	-
	6,917,581	7,531,942
Net interest income	12,605,446	11,086,261
Provision for credit losses	529,729	72,326
Non-interest income	1,507,786	1,388,908
Total operating income	13,583,503	12,402,843
Non-interest expense:		
Salaries and benefits	7,407,116	6,781,150
Administrative	3,125,245	3,519,498
Depreciation	855,041	298,505
	11,387,402	10,599,153
Income from operations	2,196,101	1,803,690
Distribution to members	14,259	19,703
Income before provision for income taxes	2,181,842	1,783,987
Provision for (recovery of) income taxes:		
Current	384,239	410,469
Deferred	(5,815)	(93,689)
	378,424	316,780
Net income	1,803,418	1,467,207
Other comprehensive income, net of income taxes:		
Item that will be reclassified to net income:		
Net unrealized loss on cash flow hedges, net of income taxes of \$44,668 (2019 - \$166,375)	218,086	812,303
Comprehensive income	\$ 2,021,504	\$ 2,279,510

See accompanying note to the summarized financial statements.

COMMUNITY SAVINGS CREDIT UNION

Summarized Statement of Changes in Members' Equity

Year ended September 30, 2020, with comparative information for 2019

	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total members' equity
Balance on September 30, 2018	\$ 2,851,000	\$ 25,814,312	\$ (903,937)	\$ 27,761,375
Adjustment on initial application of IFRS 9 (net of tax)	-	(7,711)	-	(7,711)
Net income	-	1,467,207	-	1,467,207
Other comprehensive income:				
Hedging reserve - cash flow hedges:				
Net unrealized losses	-	-	812,303	812,303
Balance on September 30, 2019	2,851,000	27,273,808	(91,634)	30,033,174
Net income	-	1,803,418	-	1,803,418
Other comprehensive income:				
Hedging reserve - cash flow hedges:				
Net unrealized losses	-	-	218,086	218,086
Balance on September 30, 2020	\$ 2,851,000	\$ 29,077,226	\$ 126,452	\$ 32,054,678

See accompanying note to the summarized financial statements.

Summarized Statement of Cash Flows

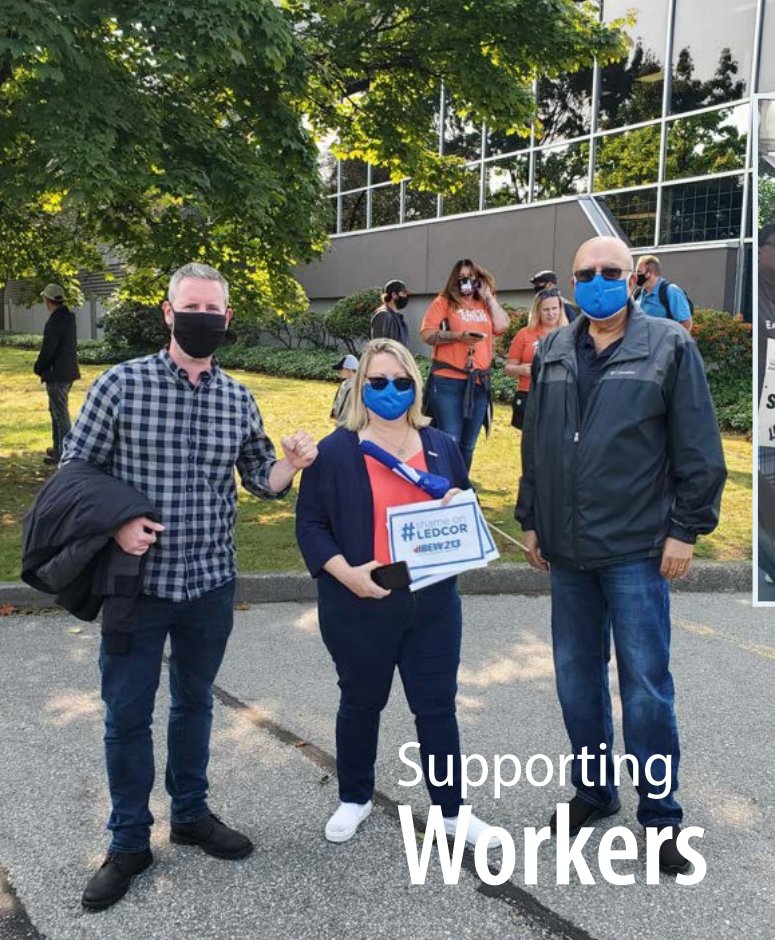
Year ended September 30, 2020, with comparative information for 2019

	2020	2019
Cash resources provided by (used in):		
Operating activities	\$ 49,245,898	\$ 11,395,731
Investing activities	9,809,316	(16,646,089)
Financing activities	(552,377)	(32,621)
Increase (decrease) in cash and cash equivalents	58,502,837	(5,282,979)
Cash and cash equivalents, beginning of year	28,988,931	34,271,910
Cash and cash equivalents, end of year	\$ 87,491,768	\$ 28,988,931

See accompanying note to the summarized financial statements.

1. Basis of presentation:

These summarized financial statements have been prepared in accordance with Section 128(4) of the Financial Institutions Act and are derived from the audited financial statements, prepared in accordance with International Financial Reporting Standards, as at and for the year ended September 30, 2020. Those audited financial statements were approved by the Credit Union's Board of Directors on December 10, 2020 and can be obtained at any of our branches.



Supporting Workers



Showing Our Support

The working community not only faced the impact of the pandemic in 2020, but some workers were dealt the additional blow of fighting for their rights and benefits. As the unions' credit union, Community Savings Credit Union was committed to supporting these determined workers in their struggle for equality and fairness.

CSCU also took the initiative and voluntarily adopted a policy to grant up to 10 days of paid leave for employees to deal with issues related to domestic violence. CSCU felt it was important to set a positive example and show that workers truly come first, especially when they find themselves in situations when they need to seek help, make critical decisions. The last thing they need is to worry about how it will affect their job situation.





Governance Report

Community Savings Credit Union (CSCU) is governed by a board of directors elected by the credit union's members. The board of directors is responsible under law for the management of the credit union's business and its affairs. It has the statutory authority and obligation to protect and enhance the assets of the credit union in the interests of all members. The duties and responsibilities of the Board are set out in the mandate for the Board and include providing the mission and goal for the credit union, developing a governance system and an overall risk appetite to manage and monitor applicable risks.

Audit Committee

The purpose of the Audit Committee is to review and report on annual financial statements and returns, to review reports of the Auditor, review prescribed reports, transactions or matters and liaise between the Auditors and Board of Directors.

Board Executive Committee

The Board Executive Committee consists of the Board Chair, the Vice Chair and the Secretary Treasurer. The Board Executive Committee provides guidance and oversight in the effective functioning of the Board of Directors.

Community Involvement Committee

The function of the Community Involvement Committee is to develop policy regarding the social purpose of the Credit Union. The committee works with management in selecting potential causes, organizations or projects that match the Credit Union's social purpose in its corporate giving, volunteerism and day to day operations.

Conduct Review Committee

The Conduct Review Committee ensures procedures are designed to prevent conflicts of interest, resolve them if they occur and restrict the flow of confidential information. They are responsible to disclose who provides a service or product arranged by the credit union as may be required by the Financial Institutions Act.

Corporate Governance Committee

The Corporate Governance Committee is charged with creating and promoting corporate governance policies which build practices consistent with the credit union's core values and rules. The committee promotes an environment where good governance is part of the culture of the Credit Union and to ensure compliance.

Enterprise Risk Management Committee

The role of the Enterprise Risk Management Committee is to manage risk, not eliminate it. The objective of the Enterprise Risk Management Committee is to enhance value and to preserve the long-term sound business and financial operations of the credit union.

Investment and Lending Committee

The purpose of the Investment and Lending Committee is to ensure that the Credit Union has written Investment and Lending Policies which reflect prudent standards and ensure procedures are followed and reviewed regularly.

Nominations Committee

The purpose of the Nominations Committee is to ensure that there is an appropriate number of nominees for the election of the Board of Directors to oversee and administer the election of the Directors to the Board on behalf of and report to the credit union membership. The Nominations Committee recruits and recommends candidates to ensure the Board has a strategic and diverse mix of relevant skills, attributes, and business knowledge to meet the needs of the credit union's leadership and strategic talent.

Personnel Committee

The Personnel Committee is responsible to ensure there is a compensation philosophy including guidelines on compensation and overseeing succession planning for the senior executive team. They are also responsible to ensure sound human resources policies, including policies relating to health and safety, are in place and implemented.

Ad Hoc Committees

Ad Hoc committees fulfill the duties and responsibilities as assigned by the Board of Directors.

Board of Directors

The majority of the Community Savings' Board of Directors are known leaders within the labour movement. Each board member is an advocate for hard-working people who strive to create a secure life for their families. The board works together with a common vision for the future of the credit union and the working community.



Phillip Legg
Chair of the Board



Colleen Jordan
Vice-Chair



Gary Kroeker
Secretary



Lynn Bueckert
Director



Bob Dhaliwal
Director



Irene Lanzinger
Director



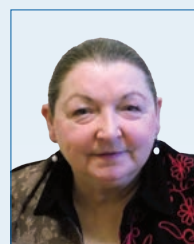
Mary LaPlante Derksen
Director



Lee Loftus
Director



Kim Novak
Director



Leslie Roosa
Director



Rick Sieb
Director

Director Compensation Disclosure

CSCU Directors are expected to devote considerable time to fulfill their obligations to oversee the Credit Union and attend board meetings, annual planning sessions, committee meetings etc. In order to attract and retain qualified Directors, to reward them for their professional expertise, and level of contribution expected of them, compensation is set at a rate comparable to other credit unions and financial institutions.

For fiscal year 2020, the compensation received for each Director is outlined in the table below, along with their meeting attendance.

Director Name	Role	Directors Fees	Board Meetings Attended	Committee Meetings Attended	Other Expenses	Total
Phillip Legg	Chair	\$8,850	7 of 7	25 of 27		\$8,850
Colleen Jordan	Vice Chair	\$7,450	7 of 7	26 of 26		\$7,450
Gary Kroeker	Secretary/ Treasurer	\$6,050	6 of 7	20 of 20		\$6,050
Irene Lanzinger	Director	\$4,300	7 of 7	10 of 10		\$4,300
Ken Bauder	Director	\$2,200	2 of 2	3 of 3		\$2,200
Mary LaPlante Derksen	Director	\$4,850	7 of 7	13 of 13		\$4,850
Dave Wilson	Director	\$3,450	3 of 6	2 of 8		\$3,450
Rick Sieb	Director	\$4,200	7 of 7	12 of 12	\$319	\$4,519
Leslie Roosa	Director	\$6,100	7 of 7	23 of 23		\$6,100
Lee Loftus	Director	\$4,600	7 of 7	11 of 11		\$4,600
Lynn Bueckert	Director	\$3,700	4 of 7	8 of 18		\$3,700
Bob Dhaliwal	Director	\$2,500	5 of 5	11 of 11	\$1,034	\$3,534
Kim Novak	Director	-	1 of 1	2 of 3	\$2,432	\$2,432
TOTAL		\$58,250				\$62,035

Ken Bauder resigned February 4, 2020, Dave Wilson resigned May 13, 2020, Bob Dhaliwal joined February 4, 2020, Kim Novak joined September 15, 2020

CSCU Compensation Philosophy

Community Savings compensation philosophy applies equally to all employees as compensation is fundamental to our ability to attract, retain, reward and motivate the talented individuals needed for our long-term success. As a financial institution we depend upon highly-skilled individuals who specialize in a broad range of disciplines and as a result, our compensation program allows for attractive salary levels within relevant markets consistent with job content, responsibilities and requirements. In addition, we are proud to be a Living Wage Employer.

Executive Compensation

Program Philosophy and Objectives

One of our key objectives is to provide reasonable and competitive total compensation consistent with market based compensation practices for our executive level positions. CSCU must attract individuals with the necessary skills and experience for each executive level role to achieve the strategies developed by the Board of Directors to support our members.

The executive compensation program is designed to:

- Encourage, attract and retain high caliber executives
- Provide a competitive total compensation package
- Support a “pay for performance” culture through incentives
- Be flexible, and reward individual accomplishments as well as organizational success

Market Position

While our primary comparative markets are other financial institutions, we also understand that the market for executive talent is broader than this group alone. CSCU may rely on other salary survey data outside of this group, when appropriate, for specific competencies. In general, CSCU positions total compensation including benefits is at the 75th percentile of market data.

Governance

The executive compensation program is administered by the Personnel Committee of the Board. The Committee meets to review the program and recommends changes on an as needed basis.

CEO's Office

The CEO's total compensation is based on the guiding philosophy and principles that apply to all employees.

Base Salary

Base salary is determined by the Personnel Committee of the Board of Directors, reviewed annually and compared with a variety of measures and market information. CEO compensation is based on our comparative asset groups across Canada as determined by an annual Central 1 Credit Union Survey of credit union compensation, in which Community Savings participates.

Benefits and Perquisites

The CEO participates in the same comprehensive benefits plan as all other employees which provides medical, dental, disability and insurance coverage. Additional perquisites provided to all employees and the CEO includes staff accounts and staff rates on loans and mortgages.

Retirement Income Program

The CEO participates in Community Savings' RRSP plan where employees are paid a percentage of their base salary into an RRSP. The annual CEO contribution to the RRSP is included in the pension, benefits, perquisites amount shown below.

Short Term Incentive Program

The CEO's short term incentive is based on the achievement of both organizational and individual objectives.

CEO Compensation

For the fiscal year ending September 30, 2020, the total compensation paid to the CEO was \$341,096.62, which represents base salary, bonus, RRSP contributions, benefits and perquisites.

Community *Savings*

the unions' credit union

Personal & Small Business Banking

Burnaby

4590 Hastings Street
Burnaby
V5C 2K4

Port Coquitlam

111-2020 Oxford Connector
Port Coquitlam
V3C 0A4

New Westminister

1188 8th Avenue
New Westminister
V3M 2R6

Vancouver

5108 Joyce Street
Vancouver
V5R 4H1

Surrey

7380 King George Blvd.
Surrey
V3W 5A5

Victoria

2750 Quadra Street
Victoria
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Corporate Office

1600-13450 102nd Avenue, Surrey, V3T 5X3

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