



WILLIAMS LAKE
AND DISTRICT
CREDIT UNION

ANNUAL REPORT

2024



“We build financial security with our member-owners and communities by putting people before profits”

REPORT FROM THE BOARD CHAIR

Firstly, I would like to take this opportunity to thank our two new Board Members, Brittany McCausland, from 100 Mile House and Mark Denny in Williams Lake. Both have been great additions to our Board, bringing with them life experiences which have been very beneficial. We are still looking for a Board Member from our Bella Coola membership. If anyone in the Valley is interested in seeing what it would be like to be a Board Member please contact your Branch, Credit Union Management or another Board Member and we would be happy to share our experiences.

Your Credit Union continues to show good earnings and strong capital despite the persistently high interest rates and inflation. This is a direct result of strong membership support, dedicated and loyal staff and strong leadership group.

With the high interest rates and inflation over the past few years this has changed the behaviour of our membership and communities in relation to deposits and borrowings. Retail lending has been very slow throughout 2024, and our deposits have decreased year over year. With the increase in the cost of day to day living our members are dipping into savings to make ends meet. Commercial lending has offset the limited growth in retail mortgages and our net income for the year is the best it has been in some years. This has allowed your Board to declare a four percent (4%) dividend on membership equity shares.

Your Credit Union operates within the Co-operative Values and Principles. These principles provide Board and Management with the framework for our decision-making process and has allowed us to continue as an independent credit union. With increasing competition, we are seeing the consolidation of more and more credit unions within the province. The intent of your Board is to remain an independent credit union which allows for local decision making and continued support of the communities we serve.

I would like to take this opportunity to thank my fellow Board Members, Management, Staff and most importantly, all our Members for your continued support. We look forward to building financial security for both our Members and Communities well into the future.

Thank You.

Bill Collins
Board Chair

REPORT FROM THE CHIEF EXECUTIVE OFFICER

Each year your Board and Management Team work together to develop and implement a strategic plan. The plan is guided by the Credit Union's Mission and Vision Statements.

Mission Statement: We build financial security with our member-owners and communities by putting people before profits.

Vision Statement: Community focused, seamless banking for all.

In 2024 the plan had four key areas of focus:

Members: The key objective is, "To develop deeper, more rewarding relationships with our members". It's about being able to watch our members grow from infants into adults. It's helping them buy their first car, or first house. It's seeing them get married, have children, and save for retirement. In the end, it's about being a positive part of our members' lives through every age, stage, good time, and bad time. We advanced this objective by enrolling all staff in Member Relationship training. Several new member surveys were developed and deployed in 2024. We really appreciate it when members take the time to complete the surveys. It helps us advance this objective so we can provide you with the level of service you expect of your Credit Union.

Process: This perspective focuses on the critical internal operations and processes the Credit Union must excel at to meet its member and financial objectives effectively. Much of the time spent advancing this objective in 2024 was looking at the long list of technology solutions that are available. Member's will see some improvements in the online banking platforms in 2025.

People – Learning and Growth: This perspective focuses on the people working in the Credit Union. The core idea is that long-term success is achieved through continuous improvement. The Credit Union's generous training budget was well utilized in 2024 by the dedicated staff that are expanding their skills and knowledge to provide professional service.

Finance: The primary purpose of the Financial Perspective is to ensure that the Credit Union's strategy, implementation, and execution contribute to the bottom-line and provide a source of funds to invest and grow the other three key areas of focus.

Thank you to the Board, Employees and Members for making 2024 another great year for your Credit Union.

Jim Zimmerman
Chief Executive Officer

MANAGEMENT TEAM

Jim Zimmerman

Chief Executive Officer

Daryl Cyr

Manager, Enterprise Risk and Compliance

Craig Glover

Manager, Financial Planning

Nolan Hill

VP Operations

Dan Peters

Manager, Information Technology and Security

Namandeep Singh

Manager, Treasury

Kelly Svendson

Manager, Human Resources

Rose Swain

Manager, Finance

Heather Callender

Branch Manager, Williams Lake

Amanda Cook

Branch Manager, Bella Coola Valley

Shayla Edlund

Branch Manager, 100 Mile House

CEO COMPENSATION PHILOSOPHY

Williams Lake and District Credit Union's compensation philosophy is to provide performance-based compensation that is equitable in its market while balancing internal fairness, subject to affordability. The Credit Union policy is designed to provide a total compensation package (cash and non-cash benefits) that will attract, retain, and motivate its valued and committed staff. This compensation mix will be designed taking into consideration compensation philosophy, the external market, internal equity, economic and operating realities, and the Credit Union's ability to pay.

The Williams Lake and District Credit Union Board of Directors is responsible for authorizing and monitoring the compensation of the CEO. This is an area of responsibility to which the Board pays particular attention.

The Credit Union developed a CEO compensation philosophy in consultation with Central 1 Credit Union. It was determined that the Credit Union would target the 75th percentile of compensation of like-sized credit unions across Canada, with a particular focus on the British Columbia market. A Canadian credit union system compensation survey, and/or possibly other surveys, is reviewed annually to assess the CEO's compensation against this target.

To ensure that the CEO is performing to the level required, the Credit Union's Governance Committee annually undertakes a CEO evaluation process which is linked to compensation levels. As part of this process, the CEO's performance during the previous year is assessed in the first quarter of the following year. Additionally, goals for the CEO are established for the upcoming year.

The Williams Lake and District Credit Union Board of Directors has determined that this CEO compensation philosophy will ensure that the Credit Union is capable of meeting its strategic goals.

In 2024, the Credit Union's donations and sponsorships totaled \$68,400. These funds benefited 78 organizations across our three communities.

MEET YOUR BOARD OF DIRECTORS

The Credit Union's Board, Directors elected from the Credit Union membership, is responsible for setting the Credit Union's strategic direction and priorities.

It is vital that all Directors understand and promote good governance practices within the Credit Union. Newly elected Directors are required to complete a mandatory Foundations of Governance training program within the first year of their tenure. All Board members can access continuing education in a variety of relevant topics on an individual basis. The *Board of Directors Terms of Reference* specifies a minimum annual education requirement for individual Directors.

“I joined the Board of Directors because I liked the option of having a member based financial institution with finance decisions made locally by members.”

~ Karen Weightman ~



“I joined the Credit Union because I saw it as a professional development opportunity to increase my financial acumen, while at the same time contributing to the success of the organization that does so much good in our communities.”

~ Beth Veenkamp ~

Notes:

- 2024 Annual Remuneration Rates:
 - o Board Chair - \$6,197
 - o Vice-Chair - \$4,018
 - o Director - \$3,442
- The Chairs of the Audit, Governance and Investment and Lending Committees receive \$800 annual differential payment; the Chairs of the other Committees receive \$250 annual differential payment.
- All remuneration is prorated to actual months of service during the year.

BOARD OF DIRECTORS



BILL COLLINS

Residence	Williams Lake, BC
Position	Chair
Director Since	2021
Current Term	2022 – 2025

Committees	Member, Audit Committee
	Member, Governance Committee
	Member, Investment and Lending Committee
	Ex-Officio on all Board Committees

Director Training	Credit Union Director Achievement (CUDA) Level A
-------------------	---

Total Meetings	Remuneration	Expenses and Training	Total
35	\$8,048	\$4,265	\$12,313

Bill retired from the credit union system in 2015 where he had worked in operations for over forty years. He and his wife returned to Williams Lake in 2020 so that they could be close to family and friends. Working within the credit union system allowed him to gain hands-on experience in the areas of governance, strategic planning, anti-money laundering legislation, privacy and the legislation governing the day-to-day operations of a credit union. Bill feels that by serving on the Williams Lake and District Credit Union Board of Directors it will give him the opportunity to give back to the credit union system.

Being a Credit Union Director over the past four years has been very rewarding, working with a great group of Directors who are very passionate about our Credit Union. As a co-operative we need to work together, members, board, management and staff to continue to be a successful and an independent organization. Our goal is to continue to provide all members and our communities with the best financial and personal service possible. As part of a very active Board, Bill is proud to say we are working together to that end.

In Bill's personal life, he and his wife enjoy travelling throughout BC and most of the provinces in their motorhome. Bill also enjoys bowling in the winter and golf in the summer months.

BOARD OF DIRECTORS



MARK DENNY

Residence	Williams Lake, BC
Position	Director
Director Since	2024
Current Term	2024 – 2025

Committees

Director Training	Credit Union Director Achievement (CUDA) Level A
-------------------	--

Total Meetings	Remuneration	Expenses and Training	Total
5	\$2,645	\$737	\$3,382

Mark was born and raised in Williams Lake, only leaving for a short time to learn saddle making. He returned to the community to work with and eventually take over the family business, Cariboo Saddlery. In 2018, Mark was awarded the Joe Marten Award for the Preservation of Cowboy Heritage in BC. Though he is retired now, leatherwork remains a passion and a hobby.

Mark has an interest in expanding his financial knowledge and sees being part of the Williams Lake and District Credit Union Board of Directors as an opportunity to grow in that area. Mark has dedicated thirty years to volunteer work with each the Williams Lake Stampede Association, in the position of director for eight years, and the Kiwanis Club, serving as President for two years.

Furthering our commitment to co-operative principle #5, Education, Training, and Information, our team presented more than 20 hours of financial literacy training in classrooms and through local community groups in 2024.

BOARD OF DIRECTORS



CRYSTAL HOELZLER

Residence Williams Lake, BC
 Position Director
 Director Since 2020
 Current Term 2024 – 2027

Committees Chair, Audit Committee
 Chair, Nominating Committee
 Member, Conduct Review Committee
 Member, Enterprise Risk Management Committee

Director Training Credit Union Director Achievement (CUDA) Level A

Total Meetings	Remuneration	Expenses and Training	Total
25	\$4,575	\$1,216	\$5,791

Crystal is a licensed REALTOR® working with her husband as a team - Hoelzler Property Group out of RE/MAX Williams Lake Realty. She has always had a big passion for encouraging people however she can. From a past of esthetics, gym owner and fitness instructor, personal coaching, and now real estate her experience in service makes being a Director on this community-minded Board a great fit.

Crystal has lived in Williams Lake almost all her life, knows that it is a great place to raise a family, and wants to see it flourish. Her love of personal and professional growth leads her to continue taking courses offered through the Credit Union Director Achievement program.

BOARD OF DIRECTORS



BRITTANY McCAUSLAND

Residence	100 Mile House, BC
Position	Director
Director Since	2024
Current Term	2024 – 2025

Committees

Director Training	Credit Union Director Achievement (CUDA) Level A
-------------------	--

Total Meetings	Remuneration	Expenses and Training	Total
5	\$2,960	\$1,081	\$4,041

Brittany is a dynamic entrepreneur with a passion for community engagement and a strong background in business ownership, real estate, and finance. Her commitment to giving back and her expertise in marketing and finances make her a valuable addition to the Board of Directors. Brittany owns successful businesses, daycares, in the vibrant community of 100 Mile House. In addition to her entrepreneurial ventures, she is a Licensed Real Estate Professional with RE/MAX 100 who recently completed her Property Management course in 2023, enhancing her expertise in the real estate industry. Brittany is currently working towards obtaining her Managing Broker License, further demonstrating her dedication to professional growth and excellence.

Brittany is a people person at heart and actively participates in community initiatives and volunteer work. Her genuine desire to give back to the community aligns with the values of Williams Lake and District Credit Union. Brittany’s community involvement and dedication to making a positive impact will enhance the Credit Union’s relationships with its members and stakeholders.

Our amazing team volunteered 750 hours in support of 38 different organizations and events during 2024.

BOARD OF DIRECTORS



SURINDERPAL RATHOR

Residence	Williams Lake, BC
Position	Director
Director Since	2018
Current Term	2024 – 2027

Committees	Chair, Investment and Lending Committee Member, Conduct Review Committee Member, Nominating Committee
------------	---

Director Training	Credit Union Director Achievement (CUDA) Level A, B + C
-------------------	--

Total Meetings	Remuneration	Expenses and Training	Total
18	\$4,395	\$817	\$5,212

Surinderpal retired from Tolko Industries Ltd. as a certified journeyman electrician after serving for 46 years. He resides in Williams Lake and has been a member of the Credit Union since 1989. Surinderpal holds a Bachelor of Arts degree with majors in Political Science, English, and Military Science, and an honours degree in Political Science.

Surinderpal is familiar to many because of his 21 years as a Williams Lake City Councilor. He has been an active volunteer throughout his life, serving on a variety of boards including the Cariboo Memorial Hospital Board, the Guru Nanak Sikh Temple, and the Williams Lake Museum and Historical Society. Surinderpal has been involved with the Canadian Volunteer Income Tax Preparation Program since 1975 and has been the Williams Lake and District program coordinator for over 20 years.

Surinderpal was elected and sworn in as Mayor of Williams Lake in the Fall of 2022.

BOARD OF DIRECTORS



BETH VEENKAMP

Residence	Williams Lake, BC
Position	Vice-Chair
Director Since	2022
Current Term	2022 – 2025

Committees	Chair, Strategic Planning Committee Member, Governance Committee Member, Investment and Lending Committee
------------	---

Director Training	Credit Union Director Achievement (CUDA) Level A
-------------------	---

Total Meetings	Remuneration	Expenses and Training	Total
20	\$4,132	\$1,188	\$5,320

Beth grew up in Williams Lake and moved back with her family in 2017, taking on the role of Manager of Economic Development with the City of Williams Lake. Her role with the City is to assist in developing a business climate that will attract investment and residents to the area. She works directly with businesses to link them to local services and supports and brings with her a strong entrepreneurship development background. Beth is keenly interested in community development and sees joining the Williams Lake and District Credit Union as a way to support achieving better economic prosperity and investment in the region. She is looking forward to learning more about the financial industry and the benefits to be had by communities with a robust roster of Credit Union members.

As in previous years, the Credit Union supported local graduating students in the form of bursaries to a total of \$7,000.

BOARD OF DIRECTORS



KAREN WEIGHTMAN

Residence	100 Mile House, BC
Position	Director
Director Since	2017
Current Term	2023 – 2026

Committees	Chair, Conduct Review Committee
	Chair, Enterprise Risk Management Committee
	Member, Audit Committee
	Member, Strategic Planning Committee

Director Training	Credit Union Director Achievement (CUDA) CUDA Graduate
-------------------	---

Total Meetings	Remuneration	Expenses and Training	Total
25	\$6,282	\$4,275	\$10,557

Karen has lived in 100 Mile House since 1992 and has extensive business, marketing, sales, management, and facilitation experience from a diverse work history. Karen retired in 2018. After taking some quilting classes, she worked part time and taught classes at the local quilt store until March 2024. She is now Vice President of the Quilt Guild in 100 Mile House and is on the Programs Committee.

Karen believes in the philosophy of co-operative systems and the benefits to the communities they serve. Karen enjoys her position as a Director for the Williams Lake and District Credit Union supporting the membership it serves.

In addition to our direct funding of the local bursary awards, our contributions to the Credit Union Foundation of BC helped that organization provide 161 students with needs-based bursaries totaling \$179,500 as well as \$30,150 in funding to colleges and universities in British Columbia to support additional students.

BOARD OF DIRECTORS



ERIK ZWIERYS

Residence	Williams Lake, BC
Position	Director
Director Since	2011
Current Term	2023 – 2026

Committees	Chair, Governance Committee Member, Enterprise Risk Management Committee Member, Nominating Committee Member, Strategic Planning Committee
------------	---

Director Training	Credit Union Director Achievement (CUDA) Level A, B + C
-------------------	--

Total Meetings	Remuneration	Expenses and Training	Total
30	\$6,224	\$3,494	\$9,718

Erik has 37 years of business experience and is an owner, president, and operator of Papyrus Printing Ltd., a successful family owned and operated commercial printing company with physical locations in Williams Lake and Prince George, primarily serving Northern BC and the Cariboo-Chilcotin-Coast regions since 1977. Erik resides in Williams Lake and has been a member of the Credit Union since 2004. Erik holds a Bachelor of Technology degree (Graphic Arts Management 1985) from Ryerson Polytechnic Institute (now Ryerson University).

Erik has served as Board Chair (5 years), Vice-Chair (4 years) as well as on the majority of the Credit Union's board committees. He has served as Chair of the Audit Committee, Chair of the Investment and Lending Committee, and Chair of the Nominating Committee. Prior to moving to Williams Lake Erik served as Director of Prince George Savings Credit Union (now Integris Credit Union) from 1996 to 2002. Erik has served and volunteered with many community groups over the years ranging from Rotary Clubs, Chambers of Commerce, Church Boards, and minor sports associations.



ALLOCATION OF EARNINGS

Each year a portion of the Credit Union's earnings are placed into retained earnings to ensure that the Credit Union's capital levels are sufficient to support its planned operations.

Co-operative Principle #3, Member Economic Participation, notes that members contribute to the capital of their co-operative. This is accomplished through the purchase of shares in the Credit Union. The principle also notes that a portion of the co-operative's earnings may be distributed to members. Each year, Credit Union management considers the financial position of the Credit Union and makes a recommendation to the Board of Directors with respect to the level of dividends which may be paid on its members' shares. Based on the Credit Union's financial position on December 31, 2024, a dividend of 4.0%, based on the average quarterly minimum balance of members' equity share accounts, was declared.

The Credit Union invests in its local communities in the form of monetary assistance and staff time and expertise. Any donation made by Williams Lake and District Credit Union shall be deemed to have a tangible benefit to the members of Williams Lake and District Credit Union and/or its communities as a whole.

FINANCIAL STATEMENTS

**INDEPENDENT AUDITOR'S REPORT
ON THE SUMMARIZED CONSOLIDATED
FINANCIAL STATEMENTS**

To the Members of Williams Lake and District Credit Union:

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2024, and the summary consolidated statements of comprehensive income, changes in members' equity, and cash flows for the year then ended, are derived from the audited consolidated financial statements of Williams Lake and District Credit Union (the "Credit Union") for the year ended December 31, 2024.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements.

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 February 12, 2025.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements.

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."

Abbotsford, British Columbia
February 12, 2025

MNP
LLP

Chartered Professional Accountants

SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

Williams Lake & District Credit Union

Summarized Consolidated Statement of Financial Position

In CDN\$

For the year ended December 31, 2024	2024	2023
Assets		
Cash and cash equivalents	27,874,482	39,744,630
Investments	85,850,810	98,732,917
Member loans receivable	296,972,150	281,777,766
Accounts receivable and prepaid expenses	173,961	441,312
Property, plant and equipment	2,886,168	3,070,677
Intangible assets	619,772	732,696
Deferred tax assets	72,000	-
	414,449,343	424,499,998
Liabilities		
Member deposits	392,479,479	403,522,441
Income taxes payable	136,689	104,761
Trade payables and accrued liabilities	879,120	1,271,927
Lease liability	872,382	993,967
Deferred tax liabilities	-	154,000
Member shares	1,405,781	1,432,593
	395,773,451	407,479,689
Members' Equity		
Retained earnings	18,675,892	17,020,309
	414,449,343	424,499,998

Summarized Consolidated Statement of Comprehensive Income

In CDN\$	2024	2023
Interest income		
Member loans	11,956,836	10,344,235
Investments	5,378,636	5,505,548
	17,335,472	15,849,783
Interest expense		
Member deposits	7,726,406	6,487,381
Borrowings	17,749	21,577
	7,744,155	6,508,958
Financial margin before provision for loan impairment	9,591,317	9,340,825
Provision for loan impairment	112,848	327,435
Financial margin	9,478,469	9,013,390
Other income	2,674,301	2,412,986
Financial margin and other income	12,152,770	11,426,376

SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

In \$CDN	2024	2023
Operating expenses		
Administrative expenses	3,881,378	3,901,314
Occupancy expenses	424,926	433,170
Salaries and employee benefits	6,014,430	5,623,252
	<u>10,320,734</u>	<u>9,957,736</u>
Income from operations before members' distribution and income taxes	1,832,036	1,468,640
Members' distribution	53,821	70,412
Income before income taxes	1,778,215	1,398,228
Provision for income taxes		
Current	348,632	205,202
Deferred	(226,000)	204,000
	<u>122,632</u>	<u>409,202</u>
Comprehensive income	<u>1,655,583</u>	<u>989,026</u>

Summarized Consolidated Statement of Changes in Members' Equity

In \$CDN	Retained Earnings
Balance, December 31, 2022	16,031,283
Comprehensive income	989,026
Balance, December 31, 2023	<u>17,020,309</u>
Comprehensive income	1,655,583
Balance, December 31, 2024	<u>18,675,892</u>

Summarized Consolidated Statement of Cash Flows

In \$CDN	2024	2023
Cash Flows provided by (used for)		
Operating activities	2,634,287	4,584,179
Financing activities	(11,359,645)	11,633,736
Investing activities	(3,144,790)	(31,007,117)
Increase (decrease) in cash and cash equivalents	(11,870,148)	(14,789,202)
Cash and cash equivalents, beginning of year	39,744,630	54,533,832
Cash and cash equivalents, end of year	<u>27,874,482</u>	<u>39,744,630</u>

On behalf of the Board

Crystal Hoelzler
Director

Bill Collins
Director

A full set of financial statements is available from the Credit Union.

CO-OPERATIVE PRINCIPLES

Your Credit Union is part of an international movement of co-operative financial institutions. The co-operative principles are guidelines by which co-operatives put their values into practice.

VOLUNTARY AND OPEN MEMBERSHIP

Means that our doors are open to everyone without gender, social, racial, political or religious discrimination.

DEMOCRATIC MEMBER CONTROL

Means that you help call the shots by electing a Board of Directors made up of Credit Union members. Each member receives one vote, making this grassroots democracy at its finest.

MEMBER ECONOMIC PARTICIPATION

Means that each member invests in the Credit Union by purchasing shares. Profits are allocated to reserves, dividends, and patronage refunds.

AUTONOMY AND INDEPENDENCE

Means that your Credit Union is an autonomous, self-help organization controlled by members. We make decisions to benefit our members, not anonymous shareholders.

EDUCATION, TRAINING AND INFORMATION

Means that your Credit Union is committed to providing access to financial literacy tools and resources. We even provide community workshops through Each One, Teach One.

CO-OPERATION AMONG CO-OPERATIVES

Means that co-operatives serve their members most effectively and strengthen the co-operative movement by working together.

CONCERN FOR COMMUNITY

Means that co-operatives work for the sustainable development of our communities. Whether through volunteerism, donations, or sponsorships, we're here to help.



WILLIAMS LAKE
— AND DISTRICT —
CREDIT UNION

wldcu.com

