

Due to continued health restrictions, we were forced to hold our first completely virtual Annual General Meeting (AGM). We were concerned for challenges such as software glitches, bandwidth, connections and age of devices, but the meeting went smoothly and technology did not let us down.

2020 was an interesting year. Overall, our financial results were still good despite all the challenges, but some of the results were not as strong as in past years. Despite all the economic challenges, our assets increased over \$28.5 million to end the year at just over \$298.1 million. Growth came from member deposits, as a result of less spending due to the pandemic, receipt of government support and a decent year for agricultural producers. Memberships were stable at 4549, down just slightly from 2019. We finished paying for the renovation, but depreciation costs began. We finished the parking lot and the staff area in the back corner. We remained the 13th largest credit union in Saskatchewan and the largest single branch credit union in the province. The number of credit unions continued to decrease due to mergers.

With the economic uncertainty resulting from COVID, demand for loans was low. Performing loans ended the year at only 66.75% of assets and totaled \$201.2 million; a decrease of almost \$6 million from 2019. Delinquency over 90 days ended the year at 1.35%, which was an increase from 2019 but considering all the negative economic factors, we were still pleased with the result. Through the year, payments on over 200 loans were deferred, but fortunately the majority of members helped have started making payments again.

Margin is still the largest generator of revenue for our credit union. In 2020 margin was challenged significantly by prime rate decreasing 1.5% over a very short period of time. This had a significant impact on our operating results. Adding to this was the decrease in our loan portfolio. The combined effect left us in a position to qualify for the Canadian Emergency Wage Subsidy offered by the Federal Government. We did not receive any funds in 2020 but will in 2021. In the end, we generated an operating surplus of \$1,272,280 after an allocation of \$400,000 for member patronage. The operating surplus was a significant decrease from 2019. Despite this, we believe that patronage makes us different from our competitors and we want to return a portion of our earnings to members who supported us through an interesting year.

Many of our operating expenses continued despite the pandemic, but because the

pandemic hit early in the year, things like conferences and training sessions were cancelled, reducing our expenses. We started depreciating the renovation in 2020, which is a significant cost. The provision expense almost doubled. We are required to hold a collective or general allowance calculated by applying several economic factors to our loan portfolio. Due to the economic challenges a substantial increase in the collective allowance was generated. Based on all the factors outlined, our efficiency increased to 65.49% from 54.41%.

Two of the primary measures of financial strength are capital and liquidity. We are pleased to report that we met or exceeded all regulatory requirements related to both.

There were four director positions to fill. Four nominations were received. Incumbent Keith Wilson, returning directors Rhonda Brandle and Christine Lang, and new director Terri McAleer were declared elected by acclamation. Kerrigan Bowey joined Abby Rutley as the newest Junior Board member.

While we have no interest in merging at this time, we sought ways to work together. We have found the sharing of thoughts, ideas and approaches invaluable in these changing times.

In 2020, marketing was focused more on keeping members informed than promoting our products and services. We kept members informed of health restrictions and our ability to serve members, the requirements in order to do business, government programs and the credit union's involvement in them and support to members and the community.

The pandemic did not slow advances in technology. Technology allowed us to serve members from a distance. Google Pay was implemented to allow Android users to pay with their phones. Mobile Pay was discontinued. Integrated Voice Response (IVR Banking) was decommissioned as the utilization was minimal and there are other options. The Office 365 suite of products was introduced. DocuSign was used extensively to obtain electronic signatures. The drive thru ATM was officially opened. We began implementation of a Customer Relationship Management program. We began work on a new public website as our online banking platform is being updated, which will encompass the website, online banking and mobile app. The Canadian Payments Association has mandated a significant change for payments, which is being worked on by the Canadian system. We continue to learn about Open Banking, or Consumer Directed Finance as it has

come to be known.

Community support always ranks near the top of our list of accomplishments. We made donations to the Food Bank, Museum, Unity Library, Dance Studio and Community Resource Centre. Sizeable donations were made to the Unity Golf Club and Unity Curling Club as support for their projects. Annual scholarships were provided to the grads through their virtual ceremony. Members were rewarded takeout meals offered through all the restaurants in town. Those eligible for a service charge refund received a gift certificate to be used at Unity merchants. This was done to demonstrate the benefits of belonging to the credit union as well as supporting the community. 104.9 FM radio did a "Spotlight on Unity" outside our front doors. We rounded out the year by participating in the Winter Lights Parade.

As 2021 begins, uncertainty continues as the pandemic still looms. We anticipate more technological advances, both for the benefit of the credit union and for members. We will monitor activities in the system and determine their effect on our organization. It remains our belief that Unity Credit Union must evolve and change to remain relevant for our current members and our members of the future. If we can get through 2020 by adapting and changing, with your continued support and commitment to the credit union, "We'll always be there." Continue to stay safe.

Gerald Hauta
Chief Executive Officer



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UNITY CREDIT UNION NEWSLETTER

CU in the Community

Winter Lights Parade



Unity Credit Union participated in the Winter Lights Parade on December 3, 2020. The annual Winter Wonderland had to be cancelled due to COVID. In its place, many businesses and residents of Unity took part in this parade of lights.

Donation to UCRC

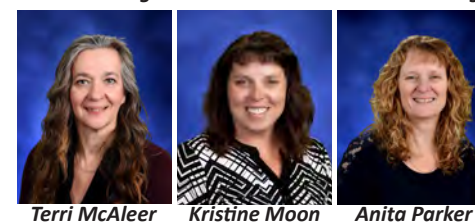
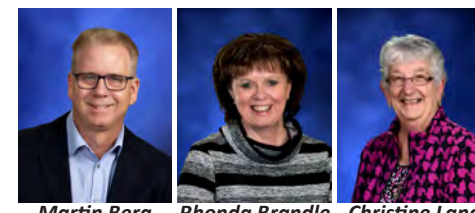
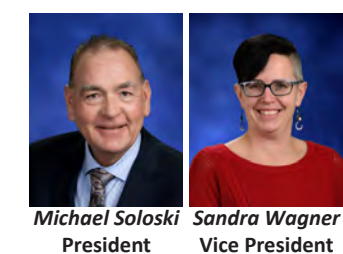


Pictured is Andrea Eddingfield, Member Service Support, presenting a cheque to the Unity Community Resource Centre Co-ordinator, Kristi Baker.

We were pleased to donate \$500 to the Unity Community Resource Centre. This donation was approved by our Board of Directors to be used for the purchasing of children's winter attire, such as jackets, ski pants, and boots.

Board of Directors

We are pleased to announce our 2021/2022 Unity Credit Union Board of Directors!



Unity Library Donation



Pictured is James Acuna, Technology Co-ordinator/Data Analytics and Michelle Schumack, Librarian.

Unity Credit Union donated \$830 to the Unity Public Library. This represented staff donations to be able to "dress down" on Fridays from July to December 2020.

Employee Feature



My name is **Rommel Varron**. I joined Unity Credit Union in September, 2020 as a Member Experience Representative. I worked in the hotel

industry prior to moving to Unity in March, 2019. I like interacting and assisting the Unity Credit Union members in the community and nearby. I enjoy watching movies/series' from various streaming platforms like Netflix and Disney + and travelling if I have the time and opportunities to discover the world.

Our New Website

We have a new website! Our new look was unveiled in early April.



Fraud Prevention



According to the Canadian Anti-Fraud Centre, since January 31, 2021, Canadians have lost \$10.1 million to fraud. The conversation around fraud can be difficult, as not only does it leave us vulnerable, it can be embarrassing to admit we fell for scams. Your personal and financial information can only stay safe as long as you are following best practices. We'll share a few tips, but if you want

to learn more about how to stay safe online, or otherwise, talk to us at Unity Credit Union.

- Before sending an e-transfer, double check the recipient's e-mail address with them in person or over the phone.
- Before buying clothing or other items from a website advertised on social media, confirm it is a real business by doing your own online research.
- Digital relationships can be great, but when one party starts asking for money, often through untraceable methods, it's probably a romance scam. Never send texts, videos or pictures of your ID or credit card. Even if you trust the recipient, if your device or e-mail accounts is hacked, hackers may be able to access these copies for criminal

purposes.

- When you receive an unexpected text or e-mail claiming you have a refund from Amazon, another retailer, or any other unexpected message, never click the link. If you do, you open yourself up to all sorts of vulnerabilities. Instead, first access your account with that retailer in a new browser, to see if the refund is legitimate. And if you don't actually have an account with the sender, it's definitely a scam!
- Never go to your online banking site by Googling the name of your credit union and clicking on a link. Enter the actual URL of your credit union's website and navigate to online banking from there. Once there, you can set a bookmark for future use. Fake websites are very commonly used to steal account ID and login information.

Surcharge-free from coast to coast

One of the common misconceptions about belonging to a credit union is you're limited to using only your own credit union's ATMs, and that when travelling, you'll pay a surcharge at those belonging to other credit unions.

Not true!

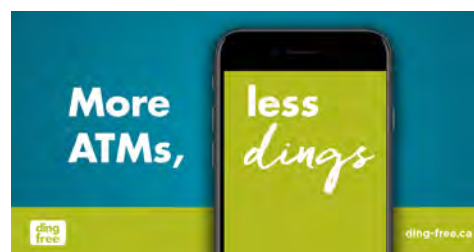
The reality is that belonging to a credit union gives you surcharge-free access to an ATM network that spans the entire country. Whether you're

travelling elsewhere in the province or halfway across Canada, you have access to the funds in your account at any credit union ATM - surcharge-free.

You have access to hundreds of surcharge-free ATMs throughout Canada, from Vancouver Island to Newfoundland.

Best of all, if you're on the road and you're not sure where to look for a surcharge-free ATM, there's an app that can help you locate the nearest

one. The ding free® ATM locator app can be downloaded for free at <https://ding-free.ca/download-the-app/>. The app allows you to quickly and easily find the closest ATM, anywhere in Canada.



Graduating this spring? Time to start thinking about retirement!



If you're set to graduate from high school, college or university this spring, you have a million things on your mind, such as how to land your dream job in the midst of a pandemic, or even just what to tackle next.

One thing likely not on your mind is retirement - but it should be. While it's never too late to start saving for

your retirement, the earlier you get started the better. We know you've probably heard this before, but the earlier you start, the less you need to save each month.

- Let's consider someone who is 10 years away from their desired retirement date. If they were to invest \$554.90 monthly in a mutual fund with an average rate of return of 8%, they would be able to build a nest egg of \$100,000.
- By starting earlier, say 20 years earlier, they would only need to put away \$176.55 a month to get that \$100,000 nest egg.
- If they started 30 years ahead,

that monthly contribution would only need to be \$66.66.

- Starting 40 years ahead, they would only have to put away \$28.50 a month to save \$100,000.

The point being that the sooner you begin making regular contributions to an RRSP, the sooner you can begin taking advantage of the power of compound interest to maximize your savings. Best of all, if you start right away, you'll never miss the monthly contributions.

If you have questions about how to set up an RRSP, contact Unity Credit Union at 306.228.2688.

Credit Card vs Line of Credit? What is right for you?

Right now, you may be looking for some additional flexible credit to help you through the uncertainty we are facing as a nation. The two most available forms of flexible credit are credit cards and lines of credit. There are a few things to consider when looking at these products, and you shouldn't rush into either. Talk to an Account Manager at Unity Credit Union before making any final moves.

Credit Cards - Credit cards are an excellent secure means to pay for things online, in person, or through subscriptions, but they do come with a cost - which in some cases can be quite high. Credit cards are considered high-interest debt as

interest is paid on purchases, often in the double digits, and minimum monthly payments are mostly designed to cover the interest and only a small amount of principle. The higher the debt load on a credit card, the higher the interest payments, and the longer it will take to pay off the principal.

The best use of a credit card is to pay for things you already have the money for, or to earn points and rewards, if those are important to you. It's also the best tool for paying for things online as there are built-in security features to protect you from fraud.

Lines of Credit - A line of credit is

not entirely unlike a credit card, as it provides a flexible account with the ability to spend or pay down the balance on your own schedule, at a much lower interest rate than a credit card. It is often used to pay down high-interest debt, make larger purchases, or provide a rainy-day source of funds if you don't have savings available.

A line of credit should not be used as 'free money.' It is a tool to help stabilize your financial situation in a number of different ways; post pandemic, a line of credit might be worth considering if you're facing high-interest debt or other financial uncertainty.