

From the Big Chair

On March 26, Unity Credit Union welcomed members to an in-person supper and Annual General Meeting (AGM) to inform members of the workings of their credit union.

Members were reminded that deposits held in Saskatchewan Credit Unions are fully guaranteed by the Credit Union Deposit Guarantee Corporation. Prevention is the key deposit protection strategy. Prevention includes three lines of defense: sound credit unions, strong levels of liquidity and capital and a strong guarantee fund, which ensures even the largest deposits are fully guaranteed.

Asset growth does not occur without growth in member deposits. Asset growth in 2023 was surprising and significant. Total assets increased over \$18.2 million or 5.52% to end the year at another all-time high of \$348,643,237. Memberships increased by 43 to end the year at 4423. Due to growth and Innovation Credit Union becoming a federal credit union, we ended the year as the 10th largest credit union in Saskatchewan and the largest single branch credit union in the province. At yearend there were 32 provincially regulated credit unions in Saskatchewan and one federally regulated credit union.

We enjoyed some growth in the loan portfolio in 2023. The portfolio ended the year at \$234,931,754 which, like total assets, was an all-time high. The growth was a combination of local demand, financing leases and syndicating loans with neighbouring credit unions. We also ran some promotions in 2023, which had success in attracting new loans. Delinquency over 90 days ended the year at 3.11%, which was an increase from 2022.

Through the years, Unity Credit Union has invested in venture capital investments. These investments have provided a source of revenue but are considered riskier than other forms of investments. Through the years we have taken a conservative approach to accounting for these investments as returns from them are not guaranteed. As our holdings increased and their value increased over time, we began accounting for these differently in 2023. Instead of accounting for these at their cost value, we began to account for them using their fair value. This resulted in an unrealized gain. This increased our revenue in 2023 but also increased our expenses, as we had to allow for future taxes that may be owed to Revenue Canada on these investments.

Part of our risk management processes require us to review our portfolio and

evaluate the probability of repayment. In 2023 due to various economic stresses including increased borrowing rates, the effect of high inflation and struggles faced by some members, we chose to increase our allowance on loans. The increase was significant, increasing our provision expense by \$2.4 million. While we do not like the effect of this on our financial results, building allowances as a means to offset potential losses is a prudent practice.

Increased rates in 2023 meant that we generated more money from loans and investments but also paid more on member deposits. Operating expenses decreased from 2022 despite several of our costs increasing significantly due to inflationary factors.

The net result of revenue minus expenses was an operating surplus of \$1,329,908. This was significantly lower than 2022, but 2022 had the one time increase from the sale of Concentra Bank. Our operating surplus was attained after making an allocation of \$400,000 to be repaid to members through our Member Rewards Program.

There were three director positions to fill this year. Three nominations were received. Incumbent Terri McAleer, Michael Soloski and Ward Snell were declared elected by acclamation. Ethan Bertoia joined Danielle Bowker as the newest Junior Board member. There were several personnel changes as people retired, moved or took advantage of new opportunities.

The growth, use and dependency on technology by both members and organizations have us continuing down the path of finding and using new technology programs. All of these new programs take human capital as well as financial capital so that is why these decisions are not taken lightly.

We introduced a new pricing matrix for member investment accounts that aligns with the relationship pricing we use when granting loans. This also supports our Member Rewards Program, which is focused on recognizing relationships as well.

The credit union system and the partners we have relied on for many years continue to change. We have continued to seek ways to work with our neighbouring credit unions to support each other without rushing to merge.

One of our co-operative principles is Concern for Community. As a credit union, we are very conscious of this

principle and try to put words into action. We continued to be involved in our community in various ways through participation, sponsorship and donations. Our significant donations from 2022 resulted in an expansion of the walking paths at the north end of town and new beds at the Unity Health Centre.

We know the future will involve change and challenge. Technology will continue to challenge human and financial resources. Another challenge is recruiting and retaining qualified staff, especially for specialized positions. Changes in the credit union system across Canada provide new challenges for all credit unions but especially smaller ones. Another challenge is preparing staff for the future to serve members in new and different ways than we have relied on in the past. Frauds, scams and compromises add challenges unheard of just a few years ago. These challenges make remaining an independent, autonomous credit union more difficult. We hope that being local, supporting our community and knowing our members will still be differentiators and reasons for members to want to deal with their local financial institution. We are in the community and our decisions are made for the community. We ask for your support as we wish to continue to serve you as Unity Credit Union.

Gerald Hauta
Chief Executive Officer



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UNITY CREDIT UNION NEWSLETTER

CU in the Community

Board of Directors

We are pleased to announce our 2024/2025 Unity Credit Union Board of Directors! The Board of Directors are chosen by our members. They come from all walks of life, bringing with them a wide variety of experience, skills, knowledge, and viewpoints. That's what makes our system so rich and unique.



Martin Berg



Brittany Herbertson



Brett Kuhn



Colette Lewin



Terri McAleer



Kristine Moon



Anita Parker



Ward Snell



Michael Soloski



Danielle Bowker
Junior Board Member



Ethan Bertoia
Junior Board Member

Unity Miners Hockey Game



Pictured is Vanessa Spendelow and Kerri Green with FAT CAT®.



Pictured is Crystal O'Brian and Ashley Hamilton from Aviso.

Unity Credit Union and our Aviso office co-sponsored the Unity Miners hockey game in January! We had free coffee and hot chocolate with toppings and gave away door prizes.

Employee Features



My name is Zhuye Che. I joined the Unity Credit Union team in September, 2023, as the System and Data Analyst. Becoming a part of Unity Credit Union has been a significant

milestone in my career, and I'm proud to contribute to the organization's success. In my spare time, I enjoy travelling and exploring new cultures, cuisines, and landscapes. I look forward to meeting all the members in the community.



My name is Debbie Veit. I joined Unity Credit Union's Member Experience team in October, 2023. I am excited to

meet members and use my 29 years of experience in the credit union system to serve them as best I can. Away from work, you will find me helping out on the family farm with my husband and three daughters, caring for my pets, and spending summers at the lake with my family and friends.



My name is Denise Miller. I joined Unity Credit Union in December, 2023, as a Member Experience

Representative. I am thrilled to be a part of Unity Credit Union's team and look forward to meeting and serving all members in the community. Away from work, I enjoy spending time on my farm, family Sunday dinners with my children and granddaughter, painting and renovating, travelling, and working in my garden.

Getting Your Kids Active in Savings

Saving money doesn't often generate feelings of excitement in many people, especially young kids.

How can you help your kids get involved in saving?

Set a Goal

Having a large but attainable goal, like a dirt bike, go-cart, computer gaming console or something else of value, makes it easier for kids to hand over that birthday money for deposit into a savings account. These goals should be feasible, but also require some diligent savings to reach.

Create Guidelines

Having some guidelines for how money comes in or goes out will help your child keep a strong balance and prevent them from spending

their money frivolously. This means forming expectations. For example, whenever your child receives some birthday money, deposit it into their savings account for them, remind them what they are saving for, and let them know how close they are to their goal. Also, set the expectation that this money is not to be withdrawn until the goal of their choice is reached.

Show Them Their Savings

Whenever your child makes a deposit, be sure to log in to their account and show them the difference their deposit has made. Having a real-time view of their savings reminds them of why they are doing it and proves they are moving closer to their goal. It can be difficult for a child to fully grasp why they are being given money, only

to have it immediately disappear. While kids don't have bills to pay, they are advertised to relentlessly and have their own internal list of things they'd like to buy. Helping them practice fiscal responsibility and restraint will go a long way for them later in life.

Use our Coin Counter

Unity Credit Union has a coin counter. This machine is located just inside our doors, and is free to use for members. The machine counts the coins quickly, tallying the coins and displaying the amount on the screen. The process is exciting for our young members to watch, and can show them that their coins can add up to a lot of money deposited into their bank account.

Am I Too Young to Contribute to an RRSP?

If you've just entered the workforce, retirement may seem a long way off. So far off, in fact, that you may be wondering if you need to bother contributing to a registered retirement savings plan (RRSP) yet.

If you are 18 years of age or older, you can contribute to an RRSP and the earlier you start, the better. One of the big advantages of RRSPs is that your contributions entitle you to a tax deduction. In addition to that, they generate investment income that isn't taxable until it's withdrawn (usually at a lower rate because retirement income is generally lower). The

interest earned on your contributions also compounds, meaning the sooner you contribute, the longer they'll have to compound and grow. It's a good idea to contribute as soon as you possibly can, even in smaller amounts!

Each year, you can contribute up to 18 per cent of your income (less the pension adjustment), up to a maximum of \$31,560.

When contributing to an RRSP, you can choose from many different investment options, including mutual funds, term deposits, stocks, bonds

and more. This means you can choose how to invest the money you put into your RRSP account.

If you've never contributed before, and you're interested in learning more about RRSPs and other investment options, contact our Investment Specialists at 306.228.2688. We can help you get a jump start on your retirement planning.



How to Avoid Becoming the Target of a Phishing Scam

Phishing scams are modern day scams where a malicious user or entity will mimic a trusted organization's identity to gain information or access to personal accounts and data. These scams exist in numerous forms – emails, phone calls, and fake websites and login portals, among others.

There are some simple steps you can follow to reduce the chances you will be targeted by a phishing scam when doing online banking – a common place for phishing emails, fake websites and login portals:

- Never search for your credit union website on a search engine when looking to do online banking. Always type in the credit union's actual URL and then navigate to online banking.
- Once at the right website, navigate to the login page and look for these clues to verify that you are on the credit union's

actual, secure online banking site:

- All credit union websites use Hypertext Transfer Protocol Secure (HTTPS), which means their links all start with HTTPS. If your login page link starts with HTTP, then you may be using a spoof site.
- If you see any typos on the website you are using to login to your online banking, this is a very strong indicator it is a fake page.
- Most secure login sites show a small padlock next to the link. This indicates you are visiting the website using a secure connection.
- Browse around the site before entering any information to ensure it actually has more pages than just the login or home page. Check the other pages for typos or any other unusual elements.

- Once you have verified you are on the correct, secure site, bookmark it. That way when you use the bookmark in the future, you will know you are on the credit union's secure site.
- Before logging in, especially on a mobile device, be sure to close any other downloaded apps that may be running in the background.
- Never login to your online banking from an email. If asked to view your account, open online banking in a separate window and use your bookmarked link to get to the website. You can also simply type in your credit union's actual URL.
- Make sure you are online banking from a device free of malware, spyware and any viruses.

Loan or Line of Credit? Which is Right for You?

Do you have debt you are looking to consolidate? Perhaps there is a larger purchase you would like to make? Regardless of why you might be interested in exploring some of your available credit options, it's important to know which vehicle is best for you. Some of the more typical avenues you might explore include personal loans or lines of credit.

A personal loan is simply a sum of money that would be loaned out with an interest rate determined by

the lender. Regular payments are made by the borrower, on a schedule, until the sum is returned (including the interest). A line of credit acts more like a credit account. You receive a credit limit with an interest rate, which can be accessed at any time. However, payments are made similarly to credit cards, with monthly minimums required and the ability to pay back the debt at any time, or carry the debt for a longer period.

If you are consolidating debt,

something like a loan might make more sense as loans have a finish date where the sum is completely paid off. A line of credit has the possibility of becoming another source of regular debt unless purchases are paid off regularly.

It boils down to what you think is right for you. If you're interested in finding out more about either a loan or a line of credit, contact our lending team at Unity Credit Union at 306.228.2688!