

Roger Inman Memorial Award 2016

Joint Effort



The Roger Inman Memorial Award is presented annually in recognition of a project, group or individual that has made a significant contribution to the economic development of the community. CCEC is committed to keeping our money and resources working in our community by actively supporting and promoting the development of strong, successful community businesses, projects and organizations.



Joint Effort - Women In Prison Support Group started in the late 1970's as a sub-committee of the BC Federation of Women. The prisoners' rights movement grew alongside liberty and equality seeking movements. While many of the issues prisoners faced mirrored the struggle on the outside, there was the additional issue of isolation. So when prisoners put out the call for outside support, The BC Federation of Women responded.

Since its' inception, countless women from the local activist community have been involved with Joint Effort, doing solidarity work and providing resources to the women on the inside, while at the same time providing a forum to bring prisoners voices to the community.



The group organizes skills building and information workshops in the prison that are facilitated by the prisoners, members of Joint Effort, or women from outside organizations. Workshops include

creative writing, arts and crafts, performances by local, national and international musicians and actors, and social, cultural, educational and sporting events. In 1990, they started the *Books 2 Prisoners* program in response to the need for current and diverse reading material.

Joint Effort is 100% volunteer run. They fundraise in the community by organizing events that highlight prisoners' rights issues. All funds raised go towards workshop supplies so the prisoners can attend all programs free of charge.

The activities of Joint Effort are wide ranging and include:

- Publishing "*Broken Silence*", a collection of prisoners writing and artwork and "*The Word is Out, A Women's Community News Service*" newsletter.
- Making a banner for the Women's Memorial March in the DTES.
- Making Christmas parcels and Prison Justice Day cards that are sent to women in prison in Kenya.
- Creating a "*Words from Women in Prison*" installation at the December 6th National Day of Remembrance and Action on Violence Against Women event organized by Rape Relief.

- Making a World Aids Day Card for a woman or youth in the community living with AIDS, HIV, or Hep C. The cards were distributed by A Loving Spoonful, Positive Women's Network & YouthCo.
- Making a quilt for Prison Justice Day to honour some of the women who have died unnatural deaths in Canadian prisons. The quilt was displayed at the Prison Justice Day Rally.
- Creating squares for a project called "*The Living Blanket*", a collective production of self-portraits on textile by women from around the world. It exhibited at A Space in Vancouver, and has continued to travel internationally.

For further information:
Email: jointeffort@prisonjustice.ca
Web: www.prisonjustice.ca

Visit the blog at ccec.bc.ca



CCEC Credit Union

Annual Report 2015



Report from Board and Management

Michelle Fortin, Tammy Lea Meyer, Co-chairs of the Board, and Ross Gentleman, GM

The 2014-2015 fiscal year has been one of engagement and renewal. CCEC initiated a set of roundtables to seek input from a variety of stakeholders early in the calendar year, and the Board and Management then developed a broad strategic plan that emphasizes the role of CCEC as a leader in social change.

With the facilitation assistance of CCEC member Nat Marshik, we hosted 5 community roundtables with 27 different participants drawn from community organizations – spanning the arts, social services, social justice & related activist realms. The process attempted to connect people as well as investigate community development needs. While also emphasizing the power of people when they network and support one another ("co-operate"), the conversations put several issues forward for CCEC to consider directly: financial literacy and the financial services barriers facing those on low incomes (including youth, immigrants and disabled); outreach to community groups, particularly youth; building our membership directory/network for cross referrals and mentorship; and enhancing the diversity of our membership.

In June the Board approved a new strategic plan, with the heading '*Financial services at the leading edge of social change!*' The Board sees CCEC playing a bigger role as an advocate for economic justice and co-operative development, in collaboration with our members and the broader progressive sector. Thanks to John Kay and his team from realize.coop for assisting with the process. The strategic plan identified the following three priorities:

Priority 1: CHAMPION ECONOMIC FAIRNESS AND DEMOCRATIC IDEALS

- GOAL: Provide leadership in the credit union movement.
- GOAL: Develop a real alternative to payday lenders.
- GOAL: Facilitate debate and policy proposals on major public 'economic justice' issues.

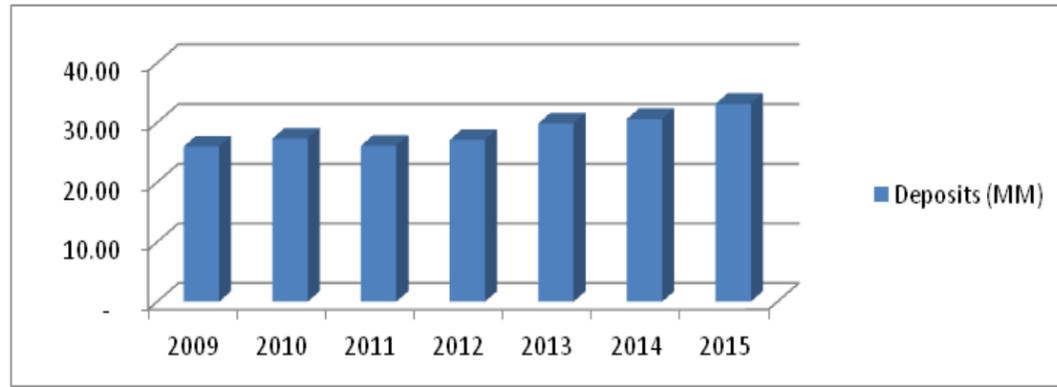
Priority 2: ENSURE MEMBERSHIP GROWTH AND RETENTION

- GOAL: Expand our active membership.
- GOAL: Add new member organizations and related individual members.

Priority 3: SUSTAINABILITY, PRUDENCE AND REGULATORY COMPLIANCE

- GOAL: Develop and retain excellent managerial leadership.
- GOAL: Ensure good financial performance.
- GOAL: Build and enhance staff team capacity.

Report from Board and Management cont.



During the year CCEC participated actively in the credit union system deliberations and submissions to government on a review of credit union legislation. We have vocally championed the place for small credit unions in the face of increasing regulatory burdens. Our GM sits on the Central 1 Legislative Committee.

CCEC is the only financial institution registered as an intervener on the Trans Mountain Expansion application before the National Energy Board. CCEC sponsored films at DOXA and the Just Films Festival, and also sponsored the Queer Arts Festival. CCEC works with the Canadian Centre for Policy Alternatives to champion a people-centred economy, and our GM currently sits on one advisory committee. And CCEC is furthering collaborations with Groundswell, Building Opportunities for Business, the Galiano Land and Community Housing Trust, and others.

CCEC has worked closely with the BC Co-op Association to facilitate the Momentum Fund (a loan guarantee fund for co-op start-

ups), and to co-host our credit union day pancake celebration. CCEC works with several housing co-ops and has funded several loans to non-profit co-ops in the recent months.

CCEC has also stepped in to provide financial services to businesses in new industries that are not being well served by larger institutions.

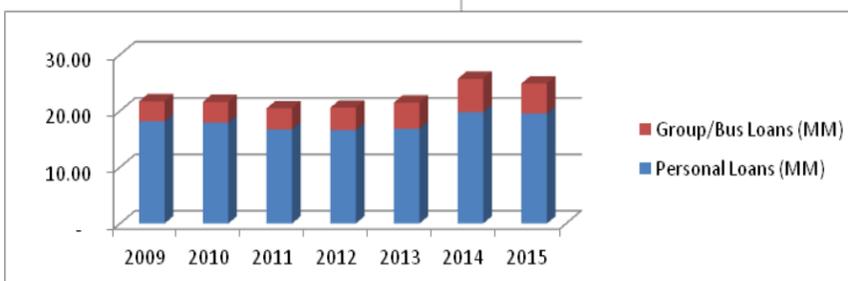
The financial results and achievements are all consistent with the plans and budget set by the Board in 2013-2014. On the plus side, our deposit growth has far exceeded our expectations. Deposits grew by \$2.5 million (8.4% compared to all BC credit unions at 6.4%).

At the same time loan growth has moderated, but loan growth in the previous two years had been very strong. The community/commercial loan portfolio

declined by @10%, due to some loans being paid out.

CCEC has provided loans to an array of projects and personal needs. We also report that during the year CCEC made 200 short-term emergency loans (a CCEC response to predatory "PayDay loans") to credit union members with modest incomes and limited access to credit other than through CCEC (or predatory lenders). We made 286 such loans last year. Overall delinquency is controlled, with one mortgage now in foreclosure being the single significant problem.

As a consequence of deposit growth and low loan demand, our liquid assets have risen from \$6.2 million to \$9.7 million over the fiscal year. These funds are invested at Central 1 Credit Union. The credit union's liquidity ratio was 29% (2014; 20%).



As of September 30, 2015 the Board of Directors was comprised of:

Carolyn Bell is a visual artist and writer active in the local arts community. Served since February 2014.	Audit Committee, Conduct Review Committee.
Helesia Luke is an independent communications consultant working with a variety of community & not for profit organizations. Served since February 2009.	Corporate Secretary, Audit Committee, Conduct Review Committee, Executive Committee, Nominations Committee.
Jan Berman is a teacher in the Richmond School District and active in several community organizations. Served since January 2011.	Audit Committee, Conduct Review Committee, Investment and Lending Committee, Nominations committee. Delegate to Central 1 Credit Union.
Marty Frost is an independent management consultant assisting worker co-ops and other community projects. Served since February 2013.	Audit Committee, Conduct Review Committee, Investment and Lending Committee. Strategic Planning and Member Engagement Committee. Also director of CCEC Development Society.
Michelle Fortin is ED at Watari Counseling and Support Services Society. She is also active in social service and philanthropic projects. Served since February 2007.	Co-chair, Audit Committee, Conduct Review Committee, Executive Committee, Nominations Committee.
Randy Hooper is a principal in Discovery Organics Ltd and an advocate for sustainable agriculture. Served since February 2014.	Audit Committee, Conduct Review Committee, Strategic Planning and Member Engagement Committee. Also director of CCEC Development Society
Scott Nelson is a technology professional with a leading role at crowdgift.ca. He is also active in other community projects. Served since June 2015.	Audit Committee, Conduct Review Committee. Also director of CCEC Development Society.
Steve Kisby is a principal in a computer services business and is actively involved with the Green Party of Canada and other social change projects. Served since September 2014.	Audit Committee, Conduct Review Committee, Strategic Planning and Member Engagement Committee. Also director of CCEC Development Society.
Tammy Lea Meyer is a community organizer active in many projects, including Living the New Economy and Sensible BC. Served since February 2009	Co-chair, Audit Committee, Conduct Review Committee, Executive Committee, Strategic Planning and Member Engagement Committee. Also director of CCEC Development Society



Directors' Disclosure and Accountability

The following information is provided pursuant to the FICOM Governance Guideline. Directors of CCEC Credit Union are elected by and from the membership. Directors sit as volunteers and receive no compensation for their time and efforts. The duties of the Board of Directors are set out in the Credit Union Incorporation Act and the Financial Institutions Act, and the directors collectively are responsible for the overall management of the credit union. The legislation requires the directors to establish three committees with specified responsibilities; the Audit Committee (overseeing financial reporting), the Conduct Review Committee (overseeing related party transactions), and the Investment and Lending Committee (overseeing investments, loans and risk management). The Board has defined first two committees as 'committees of the whole'.

The Board may establish other committees and, at year-end, three committees were in place; the Executive Committee, the Strategic Planning and Member Engagement Committee, and the Nominations Committee. Some directors may also serve on the board of the CCEC Development Society.

The CCEC Rules limit a director to serving no more than 3 consecutive terms of three years. Pursuant to Board policy, the credit union covers all costs related to basic training and may also cover professional development costs as appropriate. The credit union also covers the costs related to external advisors to the Board, out-of-pocket expenses incurred, and meeting related costs (e.g. food).

In the fiscal 2014-2015, the total

expenses incurred for director training, advisors, and meeting expenses totaled \$16,280, specifically \$4,771 for training, \$7,943 for external resources, and \$3,566 for meetings (2013-2014 \$4,632).

The CCEC General Manager's compensation is set by the Board to be consistent and competitive with compensation packages at similar institutions, and comparable with other community based non-profits. Management remuneration includes a base salary, a comprehensive benefits package, and a bonus that is paid at the discretion of the Board, which is based on select performance targets that do vary from year to year. In the fiscal 2014-2015, the total compensation paid to the GM was \$ 96,740, excluding out-of-pocket expenses claimed (2013-2014 \$96,723).



CCEC is not simply a pawn in the larger consumer economy.....

Report from Board and Management cont.

Earnings have been sustained in fiscal year 2015. Our net operating income was \$101.5k (2014: \$103.6k); 0.31% of total average assets (2014: 0.33%).

The low interest rate environment continues to put pressure on CCEC. The need to be efficient is present and non-financial expenses rose slightly from \$1.14 million to \$1.15 million. CCEC continues to offer rates that are 'in the market', and we revise fees and rates as circumstances require.

Lastly, one key measure is our capital ratio, our capital base divided by risk weighted assets pursuant to legislation. Our capital base is almost entirely comprised of retained earnings.

The ratio at 2015 is 16.2% (2014: 15.6%).

The Board of directors oversees the credit union business and maintains the committees and internal controls required under the Financial Institutions Act and other legislation. Through the required structures (Audit, Conduct Review and Investment and Lending Committees) the Board ensures the business is prudently managed and members' interests are well protected. In addition, the Board tries to determine where CCEC can meaningfully contribute to a more just society and serve our member needs. In 2016 Board is seeking a new General Manager to take over on Mr. Gentleman's retirement. The Board has also

authorized investment in a new banking system and the conversion is planned for the coming months.

Board and management are pleased to report the results and activities for this fiscal year. We thank all the volunteers (directors & credit committee members), management and staff for their great work. We also want to thank the many artists who made our space at CCEC more inviting and reflecting of the tremendous creative talent of our members.

As we have always done at CCEC, the Board recommends that the earnings for the year should be retained to build the capital base of the credit union.





Credit Committee Report

by Willem Haan & Sean Tyson on behalf of the Committee

The past year members of the Credit Committee (an all volunteer committee) have been: Heather MacKay, Faune Johnson, April Sumter-Freitag, Armando Pinzon, Willem Haan and myself, Sean Tyson. We have been given duty to oversee the lending activity of CCEC and to approve new loans that are beyond the normal policy set by the credit union. While all of these applications for loans/ mortgages/ overdrafts have been scrutinized by the staff first: committee approval is required if amounts exceed the staff lending limits, if the loans are exceptions in some other way, or if loans are to related parties. We review the key information related to: credit history, collateral, and debt service capacity, including GDS (Gross Debt Service Ratio) and TDS (Total Debt Service Ratio).

The committee looks at a member's history and relationship to CCEC and the current circumstances of the borrower. We work with the staff to suggest ways to further protect our investments, including the possibility of a co-signer, securing collateral or recommending

them to the Development Committee for lower value loans.

The committee also monitors collections activity and lending done by staff. The delinquency reports are reviewed monthly to ensure all reasonable efforts are being made to bring loans up to date. The committee also provides input on lending policies and potential changes to those policies.

The committee is pleased with the lending activity reported for the year. The credit union is stepping in to make important loans to individuals, community groups, and small businesses – and helping many who are not well served by traditional lenders. Our statistical summary accompanies this report.

During the past year, FICOM (the government regulator for credit unions) asked if they could meet with representatives of the credit committee, Faune Johnson and Willem Haan graciously took the time. While pleased

with the results of the meeting it was decided that the Credit Committee, being made up of primarily lay people, would benefit from training in certain areas to help us in evaluating applications in greater detail. The staff agreed and we now have workshops built into our committee meetings to help us critically assess proposals and further our understanding of the documents required in each distinct case.

We do need new members currently and invite others to put their names forward to join the committee. We meet no more than once a month, usually on a Wednesday evening from 6-8pm at the latest and just down the street at the branch. At each meeting there is food served, humour shared and people helped. As this is a volunteer position we hope we can entice a few more people to join the committee in hopes that we can consistently achieve quorum while allowing those on the committee to have a holiday once in a while and know that our members and their needs are still being looked after.

Getting To Know You . . .



Lending Statistics

Funds approved during the period October 1, 2014 to September 30, 2015

PERSONAL LOANS	2015		2014	
	NUMBER OF LOANS	AMOUNT APPROVED	NUMBER OF LOANS	AMOUNT APPROVED
1. Share Capital for Groups	1	1000	4	16500
2. Medical/Dental/Legal	11	39942	14	55500
3. Trade & Education	3	8200	4	10021
4. Transportation	13	147989	19	170709
5. Compassionate Needs	4	22600	1	5000
6. Debt Consolidation	9	151850	7	76532
7. Consumer Purchase	72	464560	74	366269
8. RRSP	12	86270	16	109080
10. Line of Credit	30	226678	29	319600
SUB-TOTAL	155	1,149,089.00	168	1,129,211.00
MORTGAGES:				
SUB-TOTAL	27	5,836,549.00	34	5,931,598.00
COMMERCIAL LOANS				
11. Tools of Trade	1	23766	0	0
12. Transportation	1	12000	1	40000
13. Equipment Purchase	7	205810	5	238873
14. Interim Funding	0	0	2	40525
15. Real Estate	1	312038	6	1219124
16. Operating Loan	9	230500	8	350000
17. Other Term Loan	8	146397	12	145555
SUB-TOTAL	27	930,511.00	34	2,034,077.00
TOTAL NEW LOANS APPROVED	209	7,916,149.00	236	9,094,886.00
RENEWALS				
	125	8733560	155	9755896
TOTAL APPROVALS	334	16,649,709.00	391	18,850,782.00
AVERAGE LOANS VALUES				
Personal Loans	7413		6721	
Commercial Loans	34463		59825	
Mortgages	216168		174458	
NUMBER OF LOANS APPLICATIONS REJECTED				
Personal Loans	14		34	
Business Loans	0		0	
Mortgages	0		0	
TOTAL VALUE OF LOANS OUTSTANDING AT YEAR END				
All loans (including Mortgages)	24,433,813.00		25,734,561.00	
Mortgages(all)	20,256,655.00		22,230,569.00	