

2022

Annual Report



WINNIPEG POLICE
CREDIT UNION

Protecting You and Your Money.

CORPORATE VISION

“To be the financial institution of choice to employees in the law enforcement community, their families and associates.”

CORPORATE MISSION

“To be a leader in providing a superior and professional level of financial products and services to employees of the law enforcement community, their families and associates.”

CORPORATE VALUES

Honesty and integrity

Member focused

Competitive products and superior service and advice

Innovative spirit Commitment to community – police community and credit union system

Commitment to business ethics and standards

Professional conduct in all dealings with members and suppliers

Commitment to co-operative principles

CO-OPERATIVE PRINCIPLES

Open and voluntary membership

Democratic member control

Member economic participation

Autonomy and independence

Education, training, and information

Co-operation among co-operatives

Concern for Community



**Winnipeg Police Credit Union Annual Meeting Agenda
January 25th, 2023, 7:00 P.M.**

Call to order by the President
Establishment of a quorum
Welcoming of guests
Tribute to deceased members
Reading of the minutes of the 72nd annual meeting
Business arising out of the minutes
Director's report (President)
Chief Executive Officer's report and Auditor's report & financial statements
Election of directors
Appointment of auditors for 2023
Service awards presentation
Other business
Adjournment

Winnipeg Police Credit Union – Board of Directors

Gordon Gold, <i>President</i> (2022)	Andrew Zurawsky, <i>Vice Pres.</i> (2023)
Maurice Sabourin, <i>Secretary</i> (2024)	Adam Cheadle (2024)
David Kroeker (2022)	Ron Smolik (2024)
Fred Thomas (2023)	Cory Wiles (2023)

Dates in brackets indicate the year in which term of office expires.

Winnipeg Police Credit Union – Management and Staff

Executive

Cal Berzuk, *Chief Executive Officer*
Heather Kozubski, CPHR Candidate, C.I.M., C.Mgr., FCUIC, *Chief Risk Officer*

Management

Agnes Balcerzak BA, CFP®, PFP®, RIS, *Director Wealth Management*
Serena Goebel, *Director Sales & Service*

Staff – 300 William Ave

Pamela Carreon, *Manager, Member Services*
Shaunna Asselstine, *Senior Loan Administrator*
Elvira Attazada, *Financial Account Manager*
Efi Dimakou, *Member Service Representative*
Mackenzie Hamm, *Member Service Co-ordinator*
Diane Hammerling, *Internal Audit & Compliance Officer*
Maria Jamora, *Member Service Representative*
Paige Keen, *Loan Administrator*
Sam Kozalk CPA, *Controller*
Stephanie Patrick, *Financial Service Representative*
Dawn Piche, *Wealth Management Administrator*
Irene Sallee, *Loan Administrator*
Joseph Wilson, *Member Communications & Administration Officer*
Susanne Wilson Oko, *Financial Account Manager*

Staff – 230-266 Graham Ave

Kimberly Caetano, *Senior Financial Advisor*
Sharon Hrycyk, *Member Service Representative*
Zaneta Milan, *Financial Advisor*

BOARD OF DIRECTORS REPORT

The primary role of the Board of Directors is to ensure that in general the service needs and the assets of the members are met and protected respectively. They approve operating policies and help guide the future direction for the Credit Union through the establishment of both strategic and operating business plans. To help facilitate that the organization is successful the Chief Executive Officer (CEO) is selected to lead the operation of the Credit Union towards ultimately achieving its stated goals and objectives.

The role also very much includes ensuring the Winnipeg Police Credit Union (WPCU), remains your financial institution of choice.

In 2022 the increasing challenges of high inflation, the sudden change from historically low to higher interest rates, mixed in with supply chain delay issues, a growing fear of recession, the threat of an expanding warfront in Europe along with the continuing but now more acceptable Coronavirus (COVID19) lingering pandemic made for a confusing year. Stability in the economic community sense was challenging if not somewhat lacking.

At the WPCU adjustments were made throughout the year to respond to these and other challenges to best serve our members.

As well five years' experience has been gained operating the Headquarters Branch with overall success and is showing to be popular with our members.

We encourage you, your family, and friends to please continue to choose us as your trusted and experienced financial institution and to recommend us to other friends and co-workers who support the Police Community. You serve others; allow us to serve you.

The Board of Directors would like to acknowledge and thank our CEO, Cal Berzuk, and his team of excellent management and staff members for their dedication and service to our members. And we thank you, our members, for allowing us to assist you with your very important financial needs.

The Board of Directors acknowledge and thank Cory Wiles for his seventeen years of contributions and dedication serving on the Board. With his departure he now faces the challenges confronting the Winnipeg Police Association as its newly elected President. Best wishes for your continued success Cory.

Gordon Gold
President
Board of WPCU Directors

On behalf of:

Andrew Zurawsky	Adam Cheadle	Ron Smolik	Cory Wiles
Maurice Sabourin	David Kroeker	Fred Thomas	

CEO'S REPORT

Resilience is what comes to mind when reflecting on and summarizing 2022. As business and the economy began reopening, so too came rapidly rising inflation accompanied by unprecedented interest rate increases. Dealing with seven rate increases from March onward amounted to a four full percentage point rise in interest rates. Absorbing these changes requires a strong balance sheet to withstand the shock to the portfolio, and fortunately, WPCU has just that and continues to prosper despite the challenging times.

Operationally, within the organization, the major change was the installation of cash recyclers for both WPCU locations. The cash recyclers, installed in the member service areas, allow for greater accuracy and efficiency the handling of cash transactions.

While the pandemic created continual challenges and obstacles for our business, the changes thrust upon us forced adaptation that will continue as society returns to 'normal.' One such change was the electronic delivery of loan and mortgage documentation and in this vein, we continued to expand the services offered remotely. We are proud to now offer investment transactions, including mutual funds and even stop payment orders, virtually, removing the need for members to be onsite to process.

Financially in 2022, WPCU had another profitable year with a net income in line with the previous year and a growth in loans of approximately 2.5%. Membership growth was again strong with WPCU welcoming 135 new members. Assets remained constant at \$214 million, however, our assets under management grew by over 30% to just over \$18 million in mutual funds.

Highlights of the year include:

- The credit union's equity position increased to just under \$14 million, improving the equity as a percentage of assets to 6.54%.
- Net income after patronage dividends and taxes was \$275 thousand.
- Total assets remained constant at \$214 million.
- Member loans increased to \$178.6 million.
- Member deposits also remained on par with the previous year at \$199 million.

For 2023, a summary of our plans includes the following:

- Converting to a new and enhanced online banking platform.
- Developing a new and modern WPCU website.
- Continued growth and expansion of our membership base with the focus on attracting individuals with a desire to enjoy a boutique financial experience while showing their support for the Winnipeg Police Service.

In closing, I would like to thank the WPCU staff for their exceptional commitment, the dedicated Board of Directors for their tireless work and leadership, and mostly you, our members, for your continued loyalty. It is our pleasure to serve you.

Sincerely,
Cal Berzuk, CEO

Independent Auditors' Report

To the Members of Winnipeg Police Credit Union Limited:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at September 30, 2022, and the summary statement of comprehensive income for the year then ended, are derived from the audited financial statements of Winnipeg Police Credit Union Limited (the "Credit Union") for the year ended September 30, 2022.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1 to the summary financial statements.

Summary Financial Statements

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

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated December 21, 2022.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1 to the summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Winnipeg, Manitoba

December 21, 2022


Chartered Professional Accountants

MNP LLP

True North Square

242 Hargrave Street, Suite 1200, Winnipeg MB, R3C 0T8

1.877.500.0795 T: 204.775.4531 F: 204.783.8329

Winnipeg Police Credit Union Limited

Summary Statement of Financial Position

As at September 30, 2022

	2022	2021
Assets		
Funds on hand and on deposit	5,626,680	28,113,036
Investments	24,464,206	6,620,015
Members' loans	180,250,421	177,338,505
Prepaid expenses and deposits	113,927	104,243
Income taxes recoverable	-	56,969
Property, equipment and intangible assets	3,153,671	3,243,645
	213,608,905	215,476,413
Liabilities		
Members' savings and deposits	198,634,323	200,027,892
Income taxes payable	1,651	-
Accounts payable	447,068	1,114,117
Deferred taxes	265,000	218,000
Lease liability	339,683	352,905
	199,687,725	201,712,914
Members' equity		
Members' shares	1,759,076	1,876,982
Retained surplus	12,162,104	11,886,517
	13,921,180	13,763,499
	213,608,905	215,476,413

Approved on behalf of the Board

signed "Andrew Zurawsky"

signed "Maurice Sabourin"

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union or at www.wpcu.ca.

Winnipeg Police Credit Union Limited

Summary Statement of Comprehensive Income

For the Year Ended September 30, 2022

	2022	2021
Financial income		
Interest from members' loans	5,164,271	5,442,809
Investment income	649,649	405,234
	5,813,920	5,848,043
Cost of funds	3,190,627	3,178,499
Financial margin	2,623,293	2,669,544
Operating expenses		
Administration	522,930	613,935
Member security	172,922	174,087
Occupancy	512,217	505,128
Organizational	79,116	89,534
Personnel	1,599,349	1,452,295
Gross operating expenses	2,886,534	2,834,979
Other revenue	(719,566)	(731,907)
Income from operations before provision (recovery) for loan losses, patronage refund and income taxes	456,325	566,472
Provision (recovery) for loan losses	27,500	(51,448)
Income before patronage refund and income taxes	428,825	617,920
Patronage refund	33,925	28,682
Income before provision for income taxes	394,900	589,238
Provision for income taxes		
Current	72,313	39,002
Deferred	47,000	75,000
	119,313	114,002
Income and comprehensive income for the year	275,587	475,236

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union or at www.wpcu.ca.

Winnipeg Police Credit Union Limited

Notes to the Summary Financial Statements

For the Year Ended September 30, 2022

1. **Basis of the summary financial statements**

Management has prepared the summary financial statements from the Credit Union's September 30, 2022 audited financial statements which can be obtained at the Credit Union. The detailed notes included in the audited financial statements are not included in these summary financial statements.

2. **Compliance with minimum capital and liquidity requirements**

The Credit Union is in compliance with the capital and liquidity reserve requirements at September 30, 2022 established by the Deposit Guarantee Corporation of Manitoba in its Standards of Sound Business Practice.

Readers of the summary financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity, the reader must refer to the audited financial statements and notes for the year ended September 30, 2022, which contain the information detailing the calculation.

A copy of the complete financial statements including significant accounting policies and other explanatory information is available from the credit union or at www.wpcu.ca.



In Memoriam

Allan Klatt
Alphonse Buors
Alphonso Carboni
Barbara Pilcher
Barry Frailick
Crystal Einfeld
David John Brown
Dwayne Robin Dennis
Geraldine Bain
Grace Curry
Howard Skrypnyk
James Cook
Joan Lagiewka
Joanne Yetman
Jodine Lacroix
Joyce Evelyn Gardner
Lillian Bond
Linda Kavitch
Lucielle Robert
Michael Klepatz
Monica Scott-Herridge
Normand Labossiere
Richard Bourrier
Richard Donovan
Robert Paquin
Robert Toutant
Roberta Richardson
Ronald Land
Shaun Howell
Terence G Whiteside
Thelma Bell
Yeni Yasmin Harridial
Zygmunt Kolodenny



WINNIPEG POLICE CREDIT UNION

Protecting You and Your Money.

300 William Avenue
Winnipeg, Manitoba R3A 1P9

HQ Branch
230-266 Graham Avenue (Skywalk)
Winnipeg, Manitoba R3C 0J8

www.wpcu.ca