



**STELLERVISTA CREDIT UNION**  
**(Formally operating as East Kootenay Community Credit Union)**

**73rd ANNUAL GENERAL MEETING**  
**WEDNESDAY, MAY 3, 2023**

**VIRTUAL MEETING VIA ZOOM, IN PERSON IN CRANBROOK AT PRESTIGE ROCKY MOUNTAIN RESORT AND CASTLEGAR AT CASTLEGAR AND DISTRICT COMMUNITY COMPLEX**

**7:02-8:21pm MT**

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## **MINUTES**

- *Throughout 2022, what is now known as StellerVista Credit Union operated as two separate and independent credit unions.*
- *Although the performance of both East Kootenay Community Credit Union (EKC) and Heritage Credit Union (HCU) will be reviewed at a high level during this meeting, our provincial regulator and legal counsel have both confirmed that, given the structure of our merger, the requirements of the meeting (and the relevant motions) must pertain to the 2022 operations of what was formerly known as East Kootenay Community Credit Union.*
- *What was formerly known as Heritage Credit Union, is not required to have an AGM. For further information on HCU's 2022 year, members can bring their request forward, to be addressed at a later time by our CEO, CFO, and MNP, the external auditor for HCU.*
- *The full financial statements of both operations were included for members review in the registration package and are available at StellerVista.com.*

### **1. Call to order**

*In the spirit of reconciliation, StellerVista Credit Union would like to respectfully acknowledge the land on which we serve our membership and meet is within ʔamakʔis Ktunaxa, the traditional and unceded homelands of the Ktunaxa Nation, as well as the traditional and unceded homelands of the Syilx, Sinixt, and Secwepemc.*

Lynnette Wray, Chair of the Board of Directors, called the 73<sup>rd</sup> Annual General Meeting of StellerVista to order at 7:02pm, MT via Zoom virtual meeting, in person in Cranbrook and in person in Castlegar.

### **2. Roll Call (quorum 25 members)**

It was established there was a minimum quorum of 25 members present with a total of 91 members (virtually via Zoom 48 members, 18 in person in Castlegar and 25 in person in Cranbrook).

### **3. Adoption of Agenda**

The agenda was provided via email and in paper copies in the venues in Castlegar and Cranbrook.

**MOTION:** THAT THE 2023 STELLERVISTA AGM AGENDA BE ADOPTED AS PRESENTED.

Moved by D. Eveneshen; seconded by T. Cumming; **AIF/CARRIED**

#### **4. Appointment of Recording Secretary**

Pam Pinch was appointed the recording secretary for the meeting.

#### **5. Appointment of Parliamentarian**

Glen Purdy was appointed the parliamentarian for the meeting.

#### **6. Introduction of Officers**

The Board of Directors leading StellerVista Credit Union, are a team built from the legacy boards of both HCU and EKC. In 2022, both credit unions had their own independent Board of Directors, both of which were unanimously in favour of bringing the merger vote to members, and both of which independently selected which of their directors would carry on into a merged credit union.

The Board of Directors of StellerVista Credit Union now includes five directors from the 2022 Board of HCU and six directors from the 2022 Board of EKC.

Chair Wray introduced the directors, officers, and special guests of StellerVista Credit Union. She also extended an additional welcome to our past HCU and EKC directors joining us:

- Denine Milner, EKC
- Diane Byford, EKC
- Dean McKerracher, EKC
- Cindy Corrigan, EKC
- Dan Wack, HCU
- Shirley Falstead, HCU
- Robert McCrae, HCU
- Marg Poohachoff, HCU
- Larry Brown, HCU

## **7. Adoption of Rules of Order**

The Rules of Order were provided via email and are available online.

**MOTION:** THAT THE RULES OF ORDER FOR THE 2023 AGM BE ADOPTED AS CIRCULATED.  
Moved by L. Bomak; Seconded by D. Eveneshen; **AIF/CARRIED**

## **8. Adoption of Minutes from the 72<sup>nd</sup> AGM, held April 27<sup>th</sup>, 2022**

**MOTION:** THAT THE MINUTES OF the 72<sup>nd</sup> ANNUAL GENERAL MEETING HELD APRIL 27<sup>th</sup>, 2022, BE ACCEPTED AS CIRCULATED.

Moved by J. Debreceeni; seconded by D. Eveneshen; **AIF/CARRIED**

## **9. Business Arising from the Minutes**

There was no business arising from the minutes of the 72<sup>nd</sup> AGM.

## **10. Board Chair Report – delivered by Chair, Lynnette Wray**

Chair Wray thanked all our staff and members for getting us to where we are today. We recognize and celebrate our legacy credit unions, Heritage Credit Union and East Kootenay Community Credit Union, now united as StellerVista Credit Union.

Our decision to enter this new relationship was built on our desire to keep our shared values and to ensure that we remained local and relevant, striving towards excellence for our members, communities, and staff.

In early 2022, both boards had a vision to move into the future via a combined credit union. With similar mission, vision, and values at the helm, bringing our credit unions together was the focus of our work for the past year, while simultaneously doing our very best for our members and communities through the lingering effects of the pandemic, interest rate fluctuations, and an ever-changing cyber banking landscape.

Our journey together has all the makings to be a best seller, and we continue to work through the challenges that come our way with ambition, passion, and professionalism. Our focus and vision are only achievable by being conscious of our members' experience, staff needs, and community support.

Our member relationships are key to our long-term sustainability. We continue to provide a range of channels for us to maintain and enhance our strong relationships with members.

The re-opening of our Member Solution Centre in August of 2022 is a prime example of our commitment to providing exemplary service to our members and elevating their experience with us. Due to severe staffing challenges, we were required to close our Member Solutions Centre in December 2021. However, we are pleased that this new “branch” is thriving and a welcomed method of serving members.

The Board wishes to thank the management and staff for all their hard work which made this past year such a success. Our staff were an intricate part of completing all the steps necessary to achieve our merger within our timelines.

Although the pandemic has changed the way EKC and HCU has been able to participate in the community over the past three years, 2022 was a year where we were able to embrace a renewed vision of serving our communities. Staff were able to get back into the community, doing what they love, helping where their interests lie.

Student Awards and Scholarships were handed out in our various communities in 2022 to students graduating from grade 12 and continuing to post-secondary education.

We look forward to 2023 as we continue to strengthen our relationships and build a new, shared organizational culture.

## **11. CEO Report – Jody Burk**

2022 was a big year for our respective credit unions operationally. We saw some major changes on the IT front, made great strides in hiring, saw the successful launch of our MSC call center, built a new brand, and worked through the process of completing a merger transaction.

We will be reviewing our 2022 financial performances from both HCU and EKC as well as a look into the future as StellerVista. Historically we measure success on a balanced scorecard. Community value, member satisfaction, employee engagement, financial performance.

As of January 1, 2023, we have over 18,000 members, over 1750 small businesses and 250 not for profit organizations. Our asset size grew to over \$735 million with over \$600 million in member loans, over \$650 million in member deposits and 120 employees.

We are proud of our strength and including our senior management team. Jody introduced the senior management team.

### **Financial Performance**

Jody reviewed the legacy strength of growth in assets, deposits and loan growth for both HCU and EKC. EKC had strong commercial lending growth in 2022. Return on Assets (ROA) by percentage was reviewed with a comparison to our Peer Group credit unions and System average (all BC credit unions) credit unions. In 2022, EKC was over the system average and HCU was below the system average.

Over \$400,000 in patronage rewards were paid to legacy EKC members in 2022, which are based on the business they have with the credit union. This included over 33% return of service charges paid throughout the year. We also paid 7% additional deposit interest and 1% of interest paid on loans and lines of credits.

We now have over 120 employees come from a variety of branches and departments. Our subsidiaries also contribute to our overall success.

### **Employee Engagement**

While we had a significant shortage of staff in 2022, our overall employee engagement was 83%, which is over the system average of 77%.

Special thank you to our members of the Committee Committed to Positive Change committee who work to improve our employee engagement throughout the year.

### **Community Investment**

This includes donations which have full staff commitment to local initiatives including student awards, scholarships and bursaries which totaled \$26,000 from both HCU and EKC in 2022. Overall, HCU donated over \$73,000 in 2022 and EKC donated over \$52,000 in 2022.

### **How we got to Today**

To get to where we are today, the members had to vote in favor. We thank everyone who came out to vote, and are please to see higher than normal participation levels, when compared to the rest of the credit union system in BC. Even if you voted no, we thank you for your involvement, and know that your view is rooted in the desire to have the best possible credit union – one that will serve our small and rural communities for years to come – and this is exactly our plan.

StellerVista Brand Video was shown.

### **Where we are now**

The goal for StellerVista is to be ourselves, while serving members that can be comfortable doing the same. Banking can be a pretty standard thing for many, but we know that we have custom and flexible solutions for small town living, that we know the economic landscapes of our communities better than any bank does, and that we are outright the best choice for banking in rural BC. Our new names comes with a renewed commitment to the communities we serve.

Our merger work is about strengthening and maintaining the credit union system right here in our own region. There is a lot of change in banking, and high pressure to grow – we feel we can meet that pressure, by growing in our own way and by aligning with partners that hold the same values we do. With out that alignment of values, this merger would have never happened.

### **Where we are going**

We are aiming to reduce merger impact on our members who got us here. We are looking to attract younger families and new members by improving products and our service profile. We will aim to attract and help small business owners by investing in new and better technology. We will also be strengthening our advice networks to build better financial well being for members. We will create career growth and team engagement for all employees.

## **12. Auditor's Report including overview of Financial Statements - David Adams**

- Auditors Report was reviewed which includes a summary of the work that management did for the audit.
- A clear opinion was rendered for this year's audit.
- Statement of Consolidated Financial Position was reviewed and indicated it was a very strong year for EKC in 2022.
- Assets increased to \$483 million for 2022.
- Liabilities increased to \$454 million in 2022.
- Members' equity increased to \$29.3 million in 2022.
- Deposits increased to \$445 million in 2022.
- Loans increased to \$408 million in 2022.
- Revenue increased to \$17.5 million in 2022.
- Expense increased to \$15.9 million in 2022.
- Net income was \$1,700,000 for 2022.
- Earnings before Distributions were \$2,458,000 with \$330,000 to Corporate Taxes,

\$408,000 in Member Rewards, \$53,000 in Community Giving and \$1,667,000 in Retained Earnings.

- It is the auditor's opinion that the member's investment in the credit union is safe and sound and had an excellent year.
- Financials are available to members online.

**MOTION:** THAT THE AUDITOR'S REPORT AND THE FINANCIAL STATEMENTS FOR 2022 PRESENTED BY DAVID ADAMS of ADAMS WOOLEY CHARTED PROFESSIONAL ACCOUNTANTS BE ACCEPTED.

Moved by D. Milner; seconded by D. Eveneshen; **AIF/CARRIED**

### **13. Nominating Committee Report including Director's Election Results – Barb Nunes**

- Barb Nunes, Chair of the Nominating Committee, reported that nominations opened on February 3, 2023 and closed on March 5, 2023 with one director position expiring. We received one nomination during this period, which we are pleased to acclaim Dean McKerracher to a 2 year term as our Elk Valley representative.

**MOTION:** THAT THE NOMINATING COMMITTEE REPORT BE ACCEPTED AS PRESENTED.

Moved by J. Debreceni; seconded by D. Ross; **AIF. Carried**

### **14. Ordinary Resolution**

- We are proposing an increase to director remuneration due to several reasons:
  - Our regulatory requirements have increased with our asset size increasing, due to the merger, which means increased review and risk for directors of the credit union.
  - Professional development must continue for directors to be up to date and knowledgeable about current trends and risks that affect the credit union, especially in our new asset size group.
  - Our Board has grown in size from the recent merger (from nine to 11) and we cover significantly more area, which requires additional travel.
- This increase has been recommended with a comparative analysis completed against the benchmarking metrics with other similar BC credit unions of asset size.
- The percentage of increase in asset size is 60% in relation to the proposed increase is a 31% increase.

WHEREAS the members of East Kootenay Community Credit Union approved total

director remuneration of \$95,000 in 2022, when the assets of EKC totaled \$456,273,041 and 9 directors made up the board and

WHEREAS as of January 1, 2023 the assets have increased to \$732,155,524 and 11 directors make up the board as a result of the merger with Heritage Credit Union

BE IT RESOLVED:

THAT TOTAL DIRECTOR REMUNERATION BE APPROVED NOT TO EXCEED \$125,000 IN ANY ONE CALENDAR YEAR.

Question from the Floor in Castlegar: what percentage per director is the increase proposed?

Answer: It is not broken down by each individual director. This is a budget for the entire board to work within for the year. The previous increase was in 2022 for EKC to \$95,000.

**MOTION:** THAT THE RESOLUTION TO INCREASE THE TOTAL DIRECTOR REMUNERATION TO \$125,000 IN ANY ONE CALENDAR YEAR BE APPROVED AS PRESENTED.

Moved by M. Cumming; seconded by D. Graham; **Two objections in Castlegar were noted. Motion Carried.**

## 15. Appointment of Auditors

**MOTION:** THAT ADAMS WOOLEY, CHARTERED PROFESSIONAL ACCOUNTANTS, IS APPOINTED AUDITOR FOR 2023 WITH REMUNERATION TO BE DETERMINED BY THE BOARD OF DIRECTORS.

Moved by D. Ashton; seconded by L. Normington; **AIF/CARRIED**

## 16. New Business and Member Questions

Question from the online virtual Chat: Do we have directors' and officers' insurance?

Answer: We don't have individual directors pay this insurance. For the director's remuneration budget, this is not allocated per director but rather per meeting remuneration. Attendance of meetings is outlined per director in the Annual Report as well as total remuneration per director for the membership to view.

Question from the Floor in Castlegar: What is next for environmental sustainability for



StellerVista?

Answer: BCFSa is expected to provide a Guideline for in the coming months for credit unions to put into place and address how we are going to mitigate environmental risks. We are also aiming to work on our Corporate Social Responsibility program in Q4 of 2023 so we would have further updates at our next AGM.

Comment from the Floor in Castlegar: It is noted that portions of the membership would like to see a net zero initiative with the credit union and would like to see a policy developed.

Comment from Management: We have business recovery plans in place at the credit union for environmental disasters as well as policy development regarding corporate social responsibility is set for 2023.

Comment from the Floor in Castlegar: It is noted that portions of the membership would like to have increased consultation with memberships on branding initiatives going forward.

Comment from Management: We have planned to establish a Member Advisory Committee by the end of 2023 with participation from all seven communities that our credit union serves.

Question from online virtual Chat: Does director remuneration include travel expenses?

Answer from Management: Today it does not but in the future it may. Mileage and meals are currently not included in remuneration.

Comments were made by Veronica Tanner, local union rep for Local 405 regarding the relationship and representation of both collective agreements from EKC and HCU. The CEO responded that the relationship continues to be worked on with the Local 405.

## **17. Good and Welfare**

- Special recognition to outgoing director, Russ Pask, for his 8 years of service at EKC and StellerVista and sharing his knowledge and advocating for the Fernie and Elk Valley region. During his time on the board, Russ served as Chair of the Nominations Committee, Investment and Lending Committee, Conduct Review Committee and most recently, our Integration Committee.
- Long Term Staff Awards were acknowledged – there were two 30-year recipients – Stacey

Kabatoff and Nancy Justason as well as one 35-year recipient, Kelly Renz.

## **18. Adjournment**

**MOTION:** THAT THE 73<sup>RD</sup> STELLERVISTA CREDIT UNION AGM BE ADJOURNED.

Moved by L. BOMAK; **AIF/CARRIED**

The meeting was adjourned at 8:21pm MT.