



2021 *Annual Report*





LAND ACKNOWLEDGEMENT



In the spirit of reconciliation, East Kootenay Community Credit Union would like to respectfully acknowledge the land on which we gather is within ʔamakʔis Ktunaxa, the traditional and unceded homelands of the Ktunaxa Nation.

2021 SURVEY RESULTS

The results for the Four Key Performance Indicators (KPI):

2021 KPI Review	Target	Result
Financial Institution of Choice (Online and In-house survey – Member value of EKC through COVID 19 Crisis)	80.0% Member Satisfaction	▲ EKC 84.7%
Employee Engagement compared to industry average	80.0%	Workplace Relationships ▲ EKC 88% • Central1 78% Growth and Development ▲ EKC 87% • Central1 74% Management Effectiveness ▲ EKC 90% • Central1 75%
Community Leadership Plan Success in 70th Anniversary Celebration Plan	90.0%	▲ EKC 100.0%

82% of retail members say EKC meets their needs, including 37% who say it meets all their needs.





When we bank at EKC, profits are returned to us and our communities

EKC IS SHARING

When you bank with EKC, profits are shared with members – some even received an extra \$1,500! It's all about local benefits for local banking.

- ▶ Patronage Rewards \$524,877
- ▶ Dividend on Shares \$21,313
- ▶ Community Giving \$90,164
- ▶ Money raised by staff \$1,240

OVER \$637,000 HAS BEEN GIVEN BACK LAST YEAR!

- ▶ Over \$5.2 million has been given back to members and our communities since 2000



COMMUNITY AND STAFF-RAISED DONATIONS



Pam Pinch, EKC Corporate Office, donates EKC's Chevrolet Equinox to College of the Rockies to support automotive and mechanics programs

87% of members surveyed felt EKC cares about the health & well-being of the staff & members



The success of the Elkford Nordic Ski Club could not have been possible without the support of



Marcel from the Elkford Nordic Club with signage from all the local sponsors – Elkford

STAFF AWARDS FOR SERVICE

25 YEARS
Jean-Ann Debrececi (Director)

20 YEARS
Eric Johnstone
Tanya Hansen

10 YEARS
Chelsea Kasner

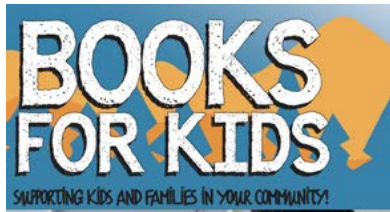
5 YEARS
Ken Lo
Debbie Ross
Stephen Gort
Kirsten Tunnicliffe



Lynnette Wray, Cranbrook Sunrise Rotary President, presents the Medio Team Champions trophy to EKC RIDER; accepting is Tanya, EKC Commercial Department – Cranbrook



EKC applied to partner Concentra (now Wyth) for a \$10,000 donation for The Foundry East Kootenay



EKC is proud to support Columbia Basin Alliance for Literacy and Books for Kids



EKC Sparwood presents Marcia with \$500 for Sparwood Coal Miners Days – Sparwood



84% of members give positive overall ratings to the branches, including just over half who describe them as 'excellent'.



Elkford Branch supports the local figuring skating club – Elkford



Tanya and Logan from EKC's Commercial Department support the 'My Hometown for Hunger' event, a Denham Ford fundraiser in support of the Community Foundation of the Kootenay Rockies EKC Fund which benefits Salvation Army Food Programs in Cranbrook and the surrounding area – Cranbrook



EKC, a pit stop, serving coffee and snacks for the Go by Bike Week – Cranbrook



EKC proudly supports Minor Ball – Sparwood



Ron Olson, winner of the Small Business Best Things Local – Cranbrook



Mindy and Lindsey present the winner of 'Best Things Local' Contest; Dawn chose Bridge Interiors for her \$1,000 gift certificate from EKC members' businesses – Cranbrook



EKC Sparwood branch presented Michelle from Elk Valley Housings' Lilac Terrace in Sparwood \$10,000 to renovate their community room to a bachelor suite – Sparwood



Ariane, EKC Sparwood, with Tami and Rosie from Twin Meadows Animal Rescue; EKC Sparwood donated 200 kg of kitty litter, \$200 plus Ariane adopted Rosie! – Sparwood

Our members are at the heart of our success



Linda Wilkins of Cranbrook won EKC's gift basket which contained a \$500 Community Bond and local goodies valued at \$1,000 – Cranbrook



The EKC sponsored PUCK TOSS was hugely successful; a total of \$2,150 raised for the U11 Cranbrook Bucks Minor Hockey Team! – Cranbrook



Congratulations to the winners of EKC Cranbrook Branch Sam Steele Virtual Chalk Art Competition!! The winner included Connor, Ethan, Skye, Ingrid, Halle, Tyler, Henry, Ezra, Alyssa, and Dylan! – Cranbrook



CBEEN

EKC was proud to work with Columbia Basin Environmental Education Network (CBEEN) in this timely initiative to bring the classroom outdoors.

EKC's \$8,000 donation went to 16 schools and supported the purchase of outdoor equipment that best suited schools and students.



EKC CONTINUES TO PROVIDE LOCAL SOLUTIONS for local needs while strengthening our commitment to grow the economy and celebrate the unique lifestyle of the East Kootenay.

CONGRATS GRADS! WE'RE WITH YOU AS YOU TAKE YOUR NEXT STEP

Student Awards 2021

...Elk Valley Branches

Student Awards
 – since 2011 EKC
 has awarded
\$111,000 to 130
 students

...Cranbrook



\$1000
 Lauryn Sims
 Fernie Secondary



\$1000
 Samila Carr
 Fernie Secondary



Wilf Molnar \$1000
 Haylee Reed
 Elkford Secondary



Fred Marasco \$1000
 Olivia Murdoch
 Mt Baker Secondary



\$1000
 Zachary Perrault
 Fernie Secondary



\$1000
 Catrin Merritt
 Fernie Academy



\$1000
 Jayda Anselmo
 Fernie Secondary



\$1000
 Ruby Garrett
 Mt Baker Secondary



\$1000
 Fisher Marchand
 Fernie Academy



\$1000
 Sully Johnstone
 Fernie Academy



\$1000
 Tatum Kipnik
 Fernie Academy



Nelson Labonte Smith \$1000
 Shelby Lehmann
 Mt Baker Secondary



THE EKC BOARD OF DIRECTORS

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Credit Union Director Achievement (CUDA®) Program

THE CUDA PROGRAM DELIVERS THE MOST CURRENT THINKING ABOUT CREDIT UNION CORPORATE GOVERNANCE.

Designed for credit union directors, the CUDA Program is a road map to the knowledge and skills required to effectively govern co-operative financial businesses.

LEVEL A: FOUNDATIONS OF GOVERNANCE

1. The 7 Modules (can be completed online or in a 2-day in-class session) Overview of the Credit Union System The Board's Roles and Responsibilities A Director's Roles and Responsibilities Legal Basics Financial Statements Asset-Liability Management Monitoring Credit Union Performance
2. Foundations of Governance in Theory and Action Workshop (1-day, in-class) Upon successful completion, you will be awarded with a Foundations of Governance Certificate.

LEVEL B: GOVERNANCE IN ACTION

Four In-Class Workshops Accountability and Risk Oversight (1-day) Strategy: Planning and Oversight (1-day) NEW Board Performance, Development, and Evaluation (half-day) Management Recruitment, Performance Planning, and Evaluation (half-day)

LEVEL C: GOVERNANCE APPLICATION

Four In-Class Workshops The Role of the Audit Committee (half-day) NEW Governing Credit Risk* (half-day) Plus two (2) courses from the Continuing Education section of the program, which can be a combination of 1-day or half-day sessions.

PROGRAM COMPLETION

Recognition for completing the CUDA Program will be given to directors who complete all of the courses described in Levels A, B, and C. CUDA Program graduates will receive a certificate from CUSOURCE Credit Union Knowledge Network (CUSOURCE Knowledge Network) to acknowledge their achievement.

CONTINUING EDUCATION

The Continuing Education section of the CUDA Program is comprised of a dynamic list of courses that cover current governance issues and further explore certain core governance subjects. For directors in the process of completing the CUDA Program, these courses count for credit in Level C and provide continuing education (CE) credits for Accredited Canadian Credit Union Directors.

Since September 2007, credit union Directors have been able to earn a credential that attests to their knowledge and understanding of board governance. The accreditation – **Accredited Canadian Credit Union Director (ACCUD)** – is jointly awarded by the Credit Union Institute of Canada (the designation arm of CUSOURCE Credit Union Knowledge Network) and Dalhousie University in Halifax, Nova Scotia.





JEAN-ANN DEBRECENI

Cranbrook

Start date: 1997

Term completed: 2024

Meetings attended: 47 of 47

Merger meetings attended: 12 of 12

Committees:

Board of Directors – Chair
Elevatus Merger Steering Committee
participates in all committee meetings

Compensation paid: (including stipend and travel time): \$10,110.00

Expenses: (including training and travel costs): \$1,907.83

Career: Formerly a small business owner – Retired; Head of the Costuming Department at Fort Steele – Retired

Education: Small business courses including Simply Accounting

Credit Union Director Achievement Program (CUDA) program completed – Levels A, B, C; Accredited Canadian CU Director

Directorships (personal): Past director Cranbrook Community Theatre (CCT), Cranbrook and District Foundation, and Cranbrook Archives, Museum & Landmark Foundation

Affiliate and subsidiary directorships: Kootenay Insurance Services (KIS)

Other community involvement: CCT – theatre costuming and volunteering, Key City Theatre volunteer

Credit union member since: 1965

MORE ABOUT JEAN-ANN...

Some learn about credit unions later in life, and others are born into the tradition. In Jean-Ann Debreceni’s case, the latter is true, with both her father and father-in-law being early supporters of credit unions in Kipling, Saskatchewan.

As a small business owner, Jean-Ann knows the trials and tribulations of business and has experienced the stresses involved. For Jean-Ann, working with her local credit union meant the difference between receiving a generic big bank financial experience, which was less tailored to her unique needs, or a community credit union experience, which was a more tailored, local experience. Unlike the banks, Jean-Ann’s credit union was more interested in seeing her succeed as a local business, working with her to produce financial plans that were better at meeting her financial needs as a local business.

If you ask Jean-Ann what makes credit unions different, she’d probably tell you that they “help members get ahead with their home, business and savings dreams.” In other words, credit unions put their members first, approaching them on an individual basis, and not as just another number on a long list of clients.

With Jean-Ann’s history, it should come as no surprise that she is a community builder. In 2017, she was awarded the Sustainable Community Builder Award, and, in 2019, was nominated for the Influential Women in Business Award in the Kootenays.

Like the other members of EKC’s Board, Jean-Ann is committed to seeing her local community prosper and grow and is willing to step up where needed. She volunteers in various capacities with the Cranbrook Community Theatre, putting her creative mind to work as a costume seamstress for many plays performed over the years, and shares her love of gardening with her community as a contributing member of the Cranbrook Garden Club.

As an EKC Board Member since 1997, Jean-Ann is proud of the many firsts credit unions have accomplished, such as first financial institution to lend to a woman in her own name, first debit card service, first fully functional online banking service, and first loans based on borrower character, just to name a few.



Jean-Ann receiving the Sustainable Community Builder Award from Mayor Pratt



RUSSELL PASK

Elk Valley

Start date: 2015

Term completed: 2023

Meetings attended: 40 of 40

Merger meetings attended: 2 of 2

Committees:

Audit

Investment and Lending

Nominating – Chair

Compensation paid: (including stipend and travel time): \$5,405.00

Expenses: (including training and travel costs): \$82.55

Career: Managed a mid-sized construction company for 35 years, retired 2011; Owner and president of Fernie Brewing Company

Education: Computer Technology Diploma from NAIT in Edmonton

Credit Union Director Achievement Program (CUDA) – Levels A, B, C

Affiliate and subsidiary directorships: EKC Property Holdings Ltd. director

Directorships (personal): Past director of Fernie and District Hospital Association, including term as chair

Other community involvement: Member of Fernie Elks Lodge #81 for over 25 years, served term in all posts

Credit union member since: 2006

MORE ABOUT RUSSELL...

When starting your small business, it's best to work with those who see the value in what you want to achieve. Take Russell Pask, who started the small business—the Fernie Brewing Company—with help from East Kootenay Community Credit Union. When Russell and his team first started the business, the big banks were not interested in investing in the start-up micro-brewery. On the other hand, EKC did invest and helped him build the small business into one of the most recognizable micro-breweries on the market.

So, what's the secret? If you asked Russell, he'd tell you that credit unions are different because "decisions are always local," a fact that makes them better at seeing the value in your small business. But credit unions are also unique because they draw on their community's local knowledge and talent when making their decisions. These community members include people like Russell, who, before becoming a Board Member for his credit union, managed a construction company for 35 years and studied computer technology at NAIT in Edmonton, Alberta.

As a local of the East Kootenay region, Russell enjoys the outdoor opportunities that the region has to offer. For Russell, the East Kootenay region provides him with the ideal location to enjoy his passion for horseback riding. This hobby is complemented by the local wilderness's natural beauty and the abundant community trails, which lend themselves to recreational activities like horseback riding, mountain biking, and hiking.

When out of the office—and off the trails—Russell enjoys spending time with his family at the lake and volunteering in his community. As a Board Member for EKC, Russell takes this opportunity to give back to his community, ensuring the continued growth and support of both local businesses and the community in general.



Russell Pask and the boys golfing at Will O Bend



LYNNETTE WRAY

Cranbrook

Start date: 2016

Acclaimed to next term: 2025

Meeting attended: 54 of 55

Merger meetings attended: 11 of 11

Committees:

Governance – Chair

Audit

Management Credit

Elevatus Merger Steering Committee

Compensation paid: (including stipend and travel time): \$8,850.00

Expenses: (including training and travel costs): \$2,175.55

Career: Executive Director Community Foundation of the Kootenay Rockies since 2017

Education: Masters of Education (Adult, Community, and Higher Education), BA (Psychology)

Credit Union Director Achievement Program (CUDA) program completed - Levels A, B, C

Accredited Canadian CU Director

Directorships (personal): Past president of Cranbrook Boys and Girls Club; past director of Cranbrook Women's Resource Society

Other community involvement: Cranbrook Sunrise Rotary incoming president 2020–2021

Credit union member since: 1997

MORE ABOUT LYNNETTE...

If a friend were to summarize Lynnette's character in a single sentence, they might say: "For Lynnette, community makes all the difference," and that would be getting at the heart of who Lynnette is.

As a lifelong learner and an active community member, Lynnette is always prepared to get involved in her community at the drop of a hat, bringing with her a wealth of knowledge and leadership expertise well suited to strengthen her community. Lynnette currently puts her talents to good use as the Executive Director for the Community Foundation of the Kootenay Rockies. This local foundation serves the communities of Elkford, Sparwood, Fernie, and Cranbrook, building permanently invested endowment funds, providing grants to local non-profits, and making our communities even better places to live, work, and play.

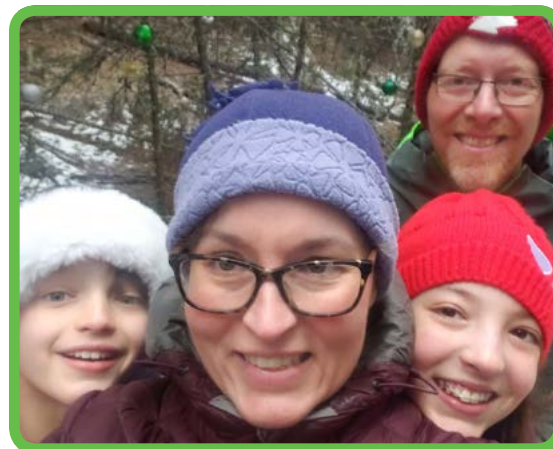
If you were to get to know Lynnette, you would soon find that she has focused her career on contributing to the community through the non-profit sector, including her time working with the Ktunaxa Nation's regional Fetal Alcohol Spectrum Disorder program, taking on several key roles with the Canadian Cancer Society in the Kootenay region, and serving as the interim Executive Director of the Cranbrook Boys and Girls Club.

As a Board Member/Secretary for East Kootenay Community Credit Union, Lynnette adds another community minded position to her resume and works to meet the needs of her growing community. If you asked Lynnette what she thinks of EKC, she'd tell you: "We are here to support the people in our communities," and that EKC's purpose is to "share our success with our members, employees, and community."

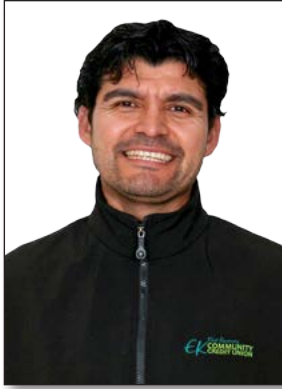
Outside of work, Lynnette is an active community volunteer, volunteering not only as a Board Member for EKC, but also as the 2020-2021 President of the Cranbrook Sunrise Rotary Club. Lynnette enjoys playing recreational sports with her friends and family, including woman's hockey, cycling, and hiking. Lynnette and her husband are proud parents to a daughter and son who are busy with various school and extra-curricular activities.

Lynnette's community involvement has not gone unnoticed. It has resulted in her being nominated for the 2018 Influential Woman in Business Awards and receiving the 2013 and 2015 Canadian Cancer Society, BC & Yukon Staff Award.

In other words, Lynnette's work and volunteer history is linked by a characteristic love for her community and a will to see it enriched through grassroots engagement and initiatives.



Lynnette Hiking at Mistletoe Lane



JOSE GALDAMEZ

Cranbrook

Start date: 2013

Acclaimed to next term: 2025

Meetings attended: 42 of 42

Merger meetings attended: 2 of 2

Committees:

Conduct Review – Chair
Governance

Compensation Paid (including stipend and travel time): \$5,535.00

Expenses (including training and travel costs): \$681.55

Career: Lead Business & Project Enhancement Officer – Ktunaxa Nation Economic and Investment Sector

Education: Bachelor of Commerce in Entrepreneurial Management, Engineering Design and Drafting Technology Diploma

Credit Union Director Achievement Program (CUDA) program completed - Levels A, B, C,

Directorships (personal): Past director Cranbrook Youth Soccer; Peer Group 3 Representative on behalf of EKC

Other community involvement: Advisory role within the First Nations Technology Council; photography production for not-for-profit organizations

Credit union member since: 2000

MORE ABOUT JOSE...

Rarely do people take much consideration for the land beneath their feet. The soil, the history, and geography's significance go largely unappreciated, that is, unless your Jose Galdamez. With a background as a Geographical Information System analyst, Jose knows that gathering mapping data does not simply involve recording the earth's surface contours. By understanding the land beneath our feet, Jose reveals the potential hidden within, including the resources and each acre's historical significance.

Through his work, Jose leads and implements business and procurement measures in negotiated agreements on behalf of the Ktunaxa Nation Council. The goal is to increase the Ktunaxa Nation's participation in economic activities with industry partners throughout the traditional territory. To be successful, the relationships between Ktunaxa businesses, Ktunaxa communities, and industry partners must be transparent, built on trust, and must recognize the importance of mutual collaboration for long-term success.

This all means that Jose has a knowledge and expertise about the Kootenays that includes that geographical significance of the land and people on which the community is built. If you were to ask Jose about EKC, he'd tell you that it is a "Kootenay made solution," a credit union that specializes in the economic well fair and prosperity of its members and local community. For Jose, credit unions are all about seeing their members succeed, and their purpose is to provide quality services tailored to their members' needs, and that's what makes credit unions unique: because when members succeed, EKC succeeds, and when EKC succeeds, the profits are returned to the members and the community in turn.

Like the other Board Members, Jose does not just work for the Kootenays, he lives here and raises his family in the Kootenays as well. As an avid mountain biker and photographer, Jose has many opportunities to enjoy the natural beauty of the region and doesn't hesitate to capture and share his journeys with others.



Jose and family



DIANE BYFORD
Cranbrook

Start date: 2013

Term completed: 2023

Meetings attended: 38 of 38

Merger meetings attended: 2

Committees:

Conduct Review

Investment and Lending

Nominating

Compensation Paid (including stipend and travel time): \$5,835.00

Expenses (including training and travel costs): \$681.55

Career: Heritage Resource Officer/
Consultant

Education: B.A. in Social Anthropology

Credit Union Director Achievement Program (CUDA) program completed - Levels A, B, C

Directorships (personal): Past director Cranbrook Garden Club, Kootenay Country Fair, Festival of the Performing Arts, City of Cranbrook Heritage Advisory Council and SD5 PAC

Credit union member since: 1984

MORE ABOUT DIANE...

If you had to pick a metaphor for credit unions, gardening is likely in the top five. Just like gardeners, credit unions work to plant the seeds of well-being in their local community, and, with love and care, they help nurture those seeds into nourishing fruit for the benefit of the community. But before the metaphor begins comparing credit union members to plants, it's time to introduce an actual gardener who volunteers with East Kootenay Community Credit Union, that being Diane Byford.

As a UBC Vancouver alumni, specializing in Social Anthropology, Diane has led a career dedicated to preserving and interpreting local and regional heritage sites and history. From her time as the Visitor Services Manager for Fort Steele Heritage Town, to her work as a Curator for the National Exhibition Center in Castlegar, it is safe to say that regional heritage sites have benefited from Diane's commitment.

As a Board Member for EKC, Diane brings her passion for heritage and gardening with her as she works to support her community. If you were to ask her what EKC's role in the community is, she would probably tell you that as a co-op, a credit union can play a significant role in giving young people the opportunity to earn a living locally, instead of having to leave town to find work. In other words, by nurturing the community's economic potential, EKC is able to foster growth that has local results, making local communities more attractive for our youth.

Diane's love for gardening has made her a passionate supporter of local agriculture. She buys local, grows her own food, and supports local restaurants and grocery stores that do the same. In retirement, Diane plans to develop an unused acre of land into a fully productive farm, contributing to food sustainability in the Kootenays. With experience like hers, Diane is looking forward to mentoring the next generation of credit union supporters as they put down their own roots in the Kootenays.



Don Holt, Diane and Jody Burk, CEO (pre-COVID image)



BARB NUNES

Elk Valley

Start date: 2011

Term completed: 2024

Meetings attended: 46 of 47

Merger meetings attended: 10 of 12

Committees:

Audit – Chair

Nominating

Governance

Conduct Review

Elevatus Merger Steering Committee

Compensation paid (including stipend and travel time): \$7,075.00

Expenses (including training and travel costs): \$1,419.55

Career: Director of Finance of the District of Sparwood – retired in 2015

Education: Certified General Accountant designation received 1979

Credit Union Director Achievement Program (CUDA) program completed - Levels A, B, C

Accredited Canadian CU Director

Directorships (personal): Director of Community Foundation of the Kootenay Rockies; Elk Valley Seniors Housing Society (treasurer)

Credit union member since: 2005

MORE ABOUT BARB...

Through her own life experience, and as a result of her profession as an accountant, Barb Nunes knows how community can make all the difference when facing financial difficulties. Financial difficulties can feel unmanageable, and, for most people, this stress comes with the added pressure of feeling singularly responsible for solving the problem. But this is not the case, and Barb would tell people feeling these stresses that community support can play a huge part in managing the financial difficulties you are dealing with.

Barb has immense gratitude for the part that her community played in supporting her throughout the years as she raised a young family. Now, as a Board Member for East Kootenay Community Credit Union, Barb actively supports her community. If you asked Barb why she does it, she'd tell you that "supporting the wider community is vital to keeping ourselves happy and healthy." It's in this wisdom that we find the power of community: by lifting up your community, your community will lift you up too. As each community member contributes their own part to the whole—in whatever form it takes—we create a community that is capable of enriching the lives of its members.

For Barb Nunes, her career as a chartered professional accountant has given her firsthand experience with how financial pressures affect people. Having worked in small business, construction, public accounting and local government—and through the highs and lows of a changing economy—Barb has seen how the financial institution you work with can affect how you fare through those situations. During the 1980's down-turn, Barb watched how several banks failed to react effectively with their customers, resulting in some customers being sent into receivership, a situation that could have been avoided and was avoided when people worked with their local credit union.

You might wonder how this is the case, but if you asked Barb, she'd tell you that the reason is simple: "local credit unions work with their members to see them through the financial situations they face, be that strikes, mill closures and the rest, so that people and small businesses come out of the situation whole".

In the end, the difference comes down to community. As Barb can attest to, when you have your community by your side, the problems of the day are more manageable and your goals more achievable.



Santa and Barb at the Sparwood branch



GEORGE FREITAG
Cranbrook

Start date: 2019

Term completed: 2024

Meetings attended: 41 of 44

Merger meetings attended: 1 of 2

Committees:

Conduct Review

Investment and Lending – Chair

Governance

Compensation paid (including stipend and travel time): \$6,435.00

Expenses (including training and travel costs): \$681.55

Career: Proprietor of Elizabeth Lake Lodge

Education: BCIT Hotel Administration Diploma, ITM Hotel School Semmering Austria

Credit Union Director Achievement Program (CUDA) program completed – Levels A, B, C

Accredited Canadian CU Director

Affiliate and subsidiary directorships:
EKC Property Holdings Ltd. Director;
MoneyWorks Director

Credit union member since: 2005

MORE ABOUT GEORGE...

For the people of Cranbrook, a living testament to the perfection of hospitality is embodied in the Elizabeth Lake Lodge and its cherished Mini-Golf course. Recognized as a Top 10 Small Hotel in Canada for the past ten years, Elizabeth Lake Lodge has a legacy unmatched in the community as a prime birthday party location and as exceptional lodgings for visitors.

The couple behind this local miracle is George and Rachel Freitag, the hotel owners and builders. As a distinguished member of the Association of Tourism Professionals, George’s career in the hospitality industry is dynamic and extensive. Since 1997, George has been involved as a member of almost two dozen, four and five-star hotel openings, sixteen franchise changes, and the construction of the Elizabeth Lake Lodge.

A BCIT alumni specializing in Hotel Administration, George knows how to take care of people, and he does so with dedication and attention to detail. This dedication is manifested in the quality and consistency of his hospitality. As a Board Member for East Kootenay Community Credit Union, George brings this reputation with him to the boardroom table.

In addition to being a Board Member, George has also worked with EKC as a member. In fact, EKC worked with the Freitags to establish their hotel, the Elizabeth Lake Lodge. If you asked George why they worked with EKC, he would probably tell you that EKC “gave credit for my experience and rewarded me with better interest rates as I met my targets”. In other words, when the Freitags proposed their hotel plans to the credit union, EKC participated not only as an investor, but as an active partner, composed of fellow community members who believed in the Freitags and saw value in what they were aiming to do.

For George, EKC has “felt like a positive partner throughout the years.” Now, as a Board Member, George aims to bring the same experience to other members of his local community, just as he does each day for the guests of Elizabeth Lake Lodge.



George and Rachel Freitag



STEPHEN FAIRBAIRN

Elk Valley

Start date: 2019

Acclaimed to next term: 2025

Meetings attended: 43 of 45

Merger meetings attended: 2 of 2

Committees:

Audit

Investment and Lending

Conduct Review

Compensation paid (including stipend and travel time): \$5,990.00

Expenses (including training and travel costs): \$1,040.55

Career: Municipal Councillor, teacher and small business owner

Education: Masters of Education, Bachelors of Arts in Geography, Bachelors of Education, Specialist Qualification in Special Education (Ontario)

Credit Union Director Achievement Program (CUDA) program completed – Levels A, B, C

Directorships (personal): Founding board member, Elkford Housing Society and Gracie Lou Foundation (treasurer)

Other community involvement: Elected Councillor, District of Elkford

Credit union member since: 1994

MORE ABOUT STEPHEN...

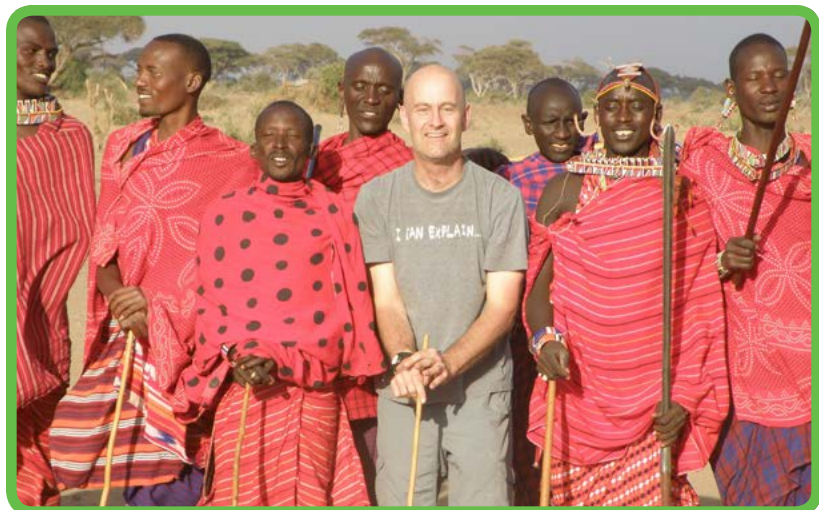
As an Elkford, Municipal Councillor, volunteer ski instructor, and the Gracie Lou Foundation founder, Stephen Fairbairn is an active community member to say the least. As the owner and founder of Strings and Things Music, a music store located in Elkford and Fernie, B.C, and as a Secondary School teacher for multiple schools across the country, Stephen's work history is also impressive and diverse. Stephen was also the Union President of the Fernie District Teachers' Association for six years and a provincial representative on the BCFT Social Justice Committee, the Teachers' Pension Plan Advisory Committee, the Teachers' Pension Plan Committee (two related groups) and numerous overseas projects with the Canadian Teachers' Federation/CIDA, once as a team leader setting up a new program of teacher development. If you were to find a unifying theme in his work, though, it doesn't take long to realize a trend: Stephen has a passion for serving people, be that through education, government, or business.

As an active volunteer ski-instructor for Canadian Adaptive Snowsports, Stephen enjoys sharing his passion for alpine skiing with others in his community who have physical, visual and cognitive impairments. Through this program, Stephen helps community members adapt so that they can participate fully in skiing.

Like skiing, music is also a passion for Stephen, who enjoys performing and listening to music. It was from this passion for music that his home-business was born—Strings and Things Music—and, through this business, he served his community's music needs for a decade, enabling other community members to foster and share their love of music.

As an alumnus of Carleton University, Queens University, and the University of Lethbridge, Stephen prides himself on being a lifelong learner, always reading and challenging himself through further education. Through his volunteer and employment history, he has fostered the love of education in the lives of others in his community.

As a Board Member for East Kootenay Community Credit Union, Stephen takes up the familiar role of serving people by ensuring the continued financial independence of the residents of the Elkford community. If you asked Stephen what he likes about EKC, he'd probably tell you that he likes how the EKC's goal is "serving our members." In other words, Stephen appreciates that EKC puts the community first, prioritizing its members over the profitability. In this way, the financial needs of Stephen's community are reliably met, regardless of the community's size.



Stephen Fairbairn with Masai in Kenya on volunteer trip

IN MEMORY OF DON HOLT

1941–2021

EKC BOARD MEMBER

VALUED MEMBER TO OUR COMMUNITIES



With great sadness, we announced the passing of Don Holt, EKC Board Member and part of our EKC family.

Don was a Board Member of EKC since 1999. Although he held various roles over his 22 years on the Board, he held the position of Board Secretary from 2000 to 2003 and chaired the Board for 10 years, from 2004 to 2014.

As a lifelong credit union member, Don fit naturally as a Board Member. He made things happen, whether he led the charge or created energy on the team. Don's legacy in his community will be enduring, and his community involvement will represent a central part of how his community remembers him: as a leader, a teacher, and a mentor.

Don fostered local growth and prosperity. He was a passionate camper and gardener, ensuring the Cranbrook's branch flower boxes thrived. Together we offer our condolences to his wife Linda, their family, and the people Don influenced in our communities. He will be missed.





EKC'S SUBSIDIARY AND AFFILIATE COMPANIES, AND JOINT VENTURES

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SUBSIDIARY COMPANY: WHERE EKC OWNS A MAJORITY OF THE COMPANY SHARES.

- ▶ EKC Property Holdings Ltd. – Directors are Russell Pask, George Freitag and Jody Burk

AFFILIATE COMPANY: WHERE EKC OWNS A MINORITY OF THE COMPANY SHARES.

- ▶ Kootenay Risk Services Ltd.

- EKC's ownership is 25%
- Jointly owned with Grand Forks Credit Union, Nelson and District Credit Union and Columbia Valley Credit Union
- Chair is Michael Strukoff, Grand Forks Credit Union
- Reporting quarterly financials to owner credit union as per shareholder agreement

- ▶ Kootenay Insurance Services Ltd.

- EKC owns 100% of East Kootenay Community Insurance Services Ltd. (EK CIS) which owns 25% of Kootenay Insurance Services Ltd.
- Jointly owned with Kootenay Savings Credit Union, Nelson and District Credit Union and Summerland and District Credit Union
- Chair is Forrest Drinnan, Kootenay Savings Credit Union
- Reporting quarterly financials to owner credit union as per shareholder agreement

- ▶ 0948859 BC Ltd. operating as MoneyWorks

- EKC owns 100% of East Kootenay Community Financial Services Ltd. (EK CFS) which owns 33% of 0948859 BC Ltd. operating as MoneyWorks
- Jointly owned with Nelson and District Credit Union and Grand Forks Credit Union
- Chair is Michael Strukoff, Grand Forks Credit Union
- Reporting quarterly financials to owner credit union as per shareholder agreement

JOINT VENTURE:

Where EKC enters into an agreement with other Credit Unions or businesses for a specific project. There is a time limit and we have a clear stated limit on their purpose.

- ▶ No joint ventures to date



EKC EXECUTIVE COMPENSATION POLICY

*Excerpt taken from HR Policy 201
Salaries and Compensation*

CEO COMPENSATION

EKC Credit Union CEO is employed under an Employment Agreement contract for a five year term. This contract is reviewed annually as part of the Governance Committee Terms of Reference and the Board of Directors determines renewal/negotiation in the fourth year of the contract term. Remuneration is based upon an annual “Market Place Value”, as determined by Central1 credit union, based upon a regression analysis of Credit Union CEO’s in Western Canada, placing the Credit Union CEO in the 75th percentile. A regression analysis is a report of all Credit Union CEO’s in Western Canada (from reporting credit unions) on a grid with the on/off book assets for their credit union, with their level of pay, then placing EKC Credit Union CEO on the grid based upon on/off book assets, and determining a annual pay for that position based upon their peer credit unions size and Credit Union CEO pay. EKC places the incumbent Credit Union CEO at the 75th percentile. This is in recognition of the unique business model and size of EKC, performance expectations required from the organization, as well the age and performance record of the incumbent, and leadership competitiveness in the credit union industry.

EXECUTIVE COMPENSATION

Executive compensation will be reviewed annually by the Credit Union CEO, in relations to the Central1 Executive Compensation Survey. The Credit Union CEO will use comparison data for all participating like sized BC credit unions in the survey and EKC Executive to be paid at the average of those credit unions. EKC Executive Annual Cost of Living Allowance (COLA) increase to base salary will be paid annually utilizing Central1’s Executive Salary Survey’s upcoming year “Forecasted Increases to Actual Base Salary”. Executive compensation is reported to the Governance Committee annually.

CEO AND EXECUTIVE BENEFITS

The Credit Union CEO and Executive benefits are reviewed annually by the Governance Committee. This review is done in consultation with Central1 benefit survey, and management benefits in general are within the average of credit union industry average and Kootenay credit union benefit averages.

CEO AND EXECUTIVE VARIABLE PAY

EKC’s Variable Pay Program subscribes to a philosophy of valuing, motivating and rewarding managers and non-union employees who influence organizational success. This program is a pool of money each non-union employee can earn, over and above their base pay. It is measured on the success of the credit union along with individual, organizational and departmental performance. EKC’s Board of Directors, as part of their planning process, regularly reviews the strategic direction for the credit union. From this, the Board then determines Key Performance Indications (KPIs) which describe what the Credit Union needs to achieve in order to be successful. The Credit Union CEO and Executive are responsible for achievement of these KPIs and are reflected in their variable pay targets as well as individual performance; payout/non- payout of the plan is approved annually by the Board of Directors.

EKC Variable Pay Plan is reviewed at a minimum every 5 years with outside expertise, as part of the Governance Committee Terms of Reference, to ensure the plan drives balanced strategic success for EKC and is within credit union industry standards and competitiveness.



BOARD - 102 PROFIT ALLOCATION POLICY

To be reviewed biennially by the Governance Committee
(Issued November 2002, Revised March 25, 2021)

The Board will approve patronage rewards based upon this policy and the Capital Policy ensuring solid financial management.

PROFIT ALLOCATION

Profit allocation is focused on the long-term success of EKC and delivering on EKC Mission of “providing our communities with quality service from a secure financial base in a professional and caring manner”. The policy ensures profit allocation is distributed to our members, community and that Retained Earnings are used in a balanced method to deliver long term success for EKC and that this policy is communicated to our members.

Members

Dividends: The dividends are paid on the minimum quarterly balance in the share account. The payment of the dividend is effective dated to the 1st of the month following the end of the quarter.

Class “A” Membership Equity Shares	1.50%
Class “C” Voluntary Equity Shares	1.50%
Class “D” Non-Equity Shares	0.05%

This recommendation is to take effect October 1, 2020 which is the start of the 4th quarter of 2020.

RETAINED EARNINGS

At all times EKC will comply fully with all regulatory capital requirements. EKC will follow its strategic objectives in arranging its capital structure, including Retained Earnings. Exposure to capital inadequacy will be properly assessed. The capital requirements of the EKC’s new business ventures and its expected growth and expansion will form an integral part of the planning process. Such ventures will not go ahead unless capital support has been identified. Adequate monitoring and reporting on capital position and adequacy will be maintained and compliance responsibilities will be adhered to. For further detail on EKC Retained Earnings guidelines, compliance and reporting, see ERM 14 Capital Management Policy.

PATRONAGE

As set out under Section 69 of the Credit Union Incorporation Act (CUIA) and the deductibility of patronage allocations from income, for income purposes, governed by Section 137 of the Income Tax Act, East Kootenay Community Credit Union Patronage and Profit Allocation Policy is as follows:

Payout Trigger: All three of the following criteria will be met for patronage rewards to be paid. The Board of Directors reserves the right to review patronage in the event the triggers are not met.

1. net operating income as a percentage of average assets greater than or equal to 90% of system average ROA
2. Capital Adequacy rate greater than or equal to 13%
3. Retained Earnings as a percentage of risk weighted assets greater than or equal to 8%

PAYOUT AMOUNT:

90% System ROA	Meets 100% System Average ROA	Meets 110% System Average ROA	Meets 120% System Average ROA	Over 120% System average ROA
5.0%	9.0%	12.0%	15.0%	Board Discretion

Payout Amount: is a percentage of Net Operating Income, (not a percentage of Patronage as a percentage of Assets).

Payout Method: members’ equity share accounts will be credited within the month of December of each year.

Calculation Period: Nov. 1 of the prior year to Oct. 31 of the current year.

Patronage Allocation: Interest paid on personal and commercial borrowings Interest earned on savings, term and RRSP accounts Service charges paid

Patronage Entitlement:

1. All members of EKC are entitled to receive a patronage reward excluding non lead lender syndicated mortgages, and the large negotiated deposit accounts.
2. A member will not receive a patronage reward if their account, where their patronage allocation has been calculated, has been closed at the time of payout.
3. A member will not receive a patronage reward if:
 - they have been on the watch list during the calculation period
 - they have been risk rated unsatisfactory during the current calculation period
 - they have been overdrawn for more than 30 days during the current calculation period
 - they have not made their loan payment for more than 90 days during current calculation period

Annual Process: Management will recommend annually in November, a patronage reward payout. Also, to be included is a projected year-end financial review.

COMMUNITY GIVING

Contributing to the growth and vitality of our communities is a core value of East Kootenay Community Credit Union. EKC is a secular, non-religious financial institution. EKC does not support campaigns/activities which promote the adoption of a specific religion (e.g. Christmas Shoebox program) or which primarily benefit the membership of a specific religious institution. EKC does, however, support campaigns/activities which are offered/organized by a specific religious institution(s), are non-religious in nature, and broadly benefit the community-at-large (e.g. Salvation Army food programs). EKC’s community giving will prioritize local, sustainable, and culturally appropriate community giving. Through our Community Giving Strategy, we provide support and funding to numerous charities and non-profit organizations through the communities we serve. Our donations are aligned with our primary target markets and business development focuses.

BUDGET

The Annual Budget for donations will be established in during the budget planning season of each year for the upcoming year. It will be up to a maximum of 5% of the average of the projected operating income for the current year and projected operating income for the next year, utilizing the 5 year business plan operating income.

(Approved by Board of Directors on April 21, 2016)
Branch budgets are based on assets.

GUIDELINES:

From each donation we are looking for a return back to EKC in the form of advertising, promotion or direct business. Management will seek input from staff and directors through committees in each community and will seek balance in the community giving strategy. Each donation shall follow the credit union values, mandate and shall be of an important topic in today’s world focusing on social responsibility and sustainability. Giving should be disbursed as much as possible around the following themes:

Example is as follows:

• Scholarships/Bursaries	10%
• Community Programs	20%
• Youth Education/Services	20%
• Festivals and Tournaments	15%
• Health Initiatives	15%
• Recreation Programs	10%
• Philanthropy	10%

APPROVAL PROCESS

As part of the annual business plan approval process, management will recommend the branches Community Giving plans for the coming year to EKC Board. Large donations >\$10,000 will be excluded from this budget and presented to the Board for approval.

CAMP YES

Camp YES is a cooperative youth leadership training camp where participants from all over British Columbia go to gain awareness of co-operatives and credit unions and to develop future leaders.

EKC will sponsor a minimum of two approved applicants from Cranbrook, one from Elkford, one from Fernie and one from Sparwood, to attend the Basic Summer Camp. Cost of camp registration is to be paid by EKC and if requested, a onetime \$200 payment will be made to the parents to go towards travel costs to Kelowna so that campers can catch the bus to camp. This will be provided after the camper has returned from camp.

- Participants who attended the summer camp who wish to attend the fall reunion camp will have camp registration costs but not travel paid by EKC.
- Participants who attended the summer camp who wish to attend the advance camp will have camp registration costs but not travel paid by EKC.
- Participants who have successfully attended the summer camp and advanced camp who wish to attend the graduate camp will have camp registration costs but not travel paid by EKC.

STUDENT AWARDS

Effective, February 21, 2017, the Governance Committee will oversee the details pertaining to all Student Awards distributed by EKC. The Student Awards shall be budgeted for within the Administration budget.

One member of the Governance Committee will be present at the Cranbrook scholarship selection meeting. The Elk Valley branches include their area directors in the selection meetings.

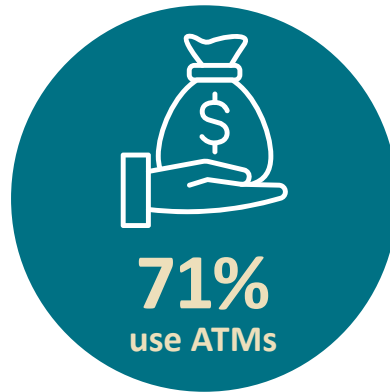
COMMUNICATION

This policy will be communicated to our members annually through the EKC annual report and the EKC website.

POLICY REVIEW

This policy will be reviewed biennially by the Governance Committee.

EKCCU.COM USAGE BY MEMBERS



COVID-19 AND EKC

IN 2021 OUR COVID UPDATES ON OUR WEBSITE HAD...





At the end of 2021, EKC had given back over **\$5.2 million** in total community investment since 2000

YEAR	MEMBERS	ASSETS	RETAINED EARNINGS
1993	7,279	\$44,671,510	\$2,438,680
1999	9,408	\$85,781,566	\$4,214,524
2009	9,500	\$202,363,179	\$9,983,174
2021	10,866	\$456,422,873	\$25,319,139

2021 SURVEY COMMENTS AND STATS



“EKC is moving in the right direction. An upgraded website seems to be on the way and that is perhaps the most important change required right now.”

“They kept my account running smoothly and enabled uninterrupted services during the Covid measures.”

“Pleasant atmosphere at bank. Polite and considerate staff to explain procedures.”

