



Sudbury Credit Union 
Community Banking Services



2024
Annual
Report





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Community Minded... Just Like You.

\$168,133

Total donations made to **81** local organizations and charities in 2024.



Sudbury Credit Union Hike for Hospice

SCU was proud to be the title sponsor of the annual Hike for Hospice in support of the Maison McCulloch Hospice. This year's event raised over \$130,000!



Maison
McCulloch
Hospice



La Fondation
de la Maison de soins palliatifs de
Sudbury Hospice Foundation



Champions for Children

SCU was a recipient of the 2024 Champions for Children Award from Our Children, Our Future. The award recognizes community partners who are contributors to the well-being of children and their families through their support of organizations such as Our Children, Our Future.

Photos on page 4 (left to right, top to bottom)

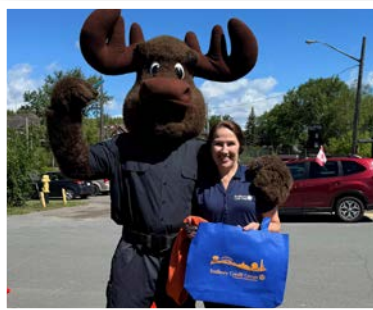
1. SCU youth member, Callie, at the Co-operative Young Leaders camp. SCU sponsors 2 young members to attend each year.
2. Recipients of the 2024 SCU Student Bursary. \$3500 in bursaries is awarded each year.
3. Branches collect items for the Sudbury Women's Centre Bra Drive.
4. SCU staff hand out "I Love SCU" temporary tattoos at the New Sudbury Days festival.
5. Staff and Board members tour the new MRI at Health Sciences North. SCU has donated \$250,000 towards the MRI over 5 years.
6. Greater Sudbury Chamber of Commerce Meet the Minister luncheon with Rechie Valdez, Minister of Small Business, sponsored by SCU.
7. SCU staff attend the Healthy Aging Fair.
8. Mimi, CEO, hands out reusable shopping bags at the Copper Cliff CAN Community Yard Sale.



MRI | IRM
 With grateful appreciation to our donors | En reconnaissance de nos généreux donateurs

<p>\$500,000 - \$999,999 Carman & Sandy Fielding Dalron Group Limited Glenore Technica Mining</p>	<p>\$250,000 - \$499,999 Sudbury Credit Union \$100,000 - \$249,999 Pioneer Construction Inc. Sudbury Imaging Specialists</p>	<p>\$50,000 - \$99,999 Estate of Irene Muraska Freelandt Caldwell Reilly LLP, CPAs The Paquette Family & Bull Powertrain Snow Squad</p>
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\$25,000 - \$49,999
Bilk Crut
Dr. Ian
McLean E
theAt





Sudbury Credit Union Named “Best Place to Work”

We are honoured and thrilled to have been selected as the winner of the Best Place to Work Award at the Greater Sudbury Chamber of Commerce 2024 Business Excellence Awards.

Beyond banking, we are focused on taking care of the financial health of our members and that begins with our employees. They are the heart of this organization. Their knowledge and expertise, their care and compassion for each and every member, and their commitment to their role in building a stronger community is what sets us apart.

Each SCU team member has fully embraced our core principle of ‘people helping people’. It’s evident in the way they take care of our members’ financial health, in the way they help out in our community by volunteering with local organizations and charities, and in the way they care for and support their co-workers.

Congratulations to each and every one of our employees and Board Members!





A Message From Our Chief Executive Officer

As we reflect on another year of progress and achievement, it is my privilege to present to you the highlights of our credit union's successes and the strategic initiatives we will continue to pursue moving forward. This report provides an overview of our key achievements over the past year and outlines the five pillars that will shape our future direction. We are proud of our efforts and the positive impact we have made in the lives of our members, employees, and the broader community.

Our credit union's success is rooted in our dedication to our values and principles, which include a deep commitment to our employees, our members, and the communities we serve.

Highlights of the Year

Community Commitment

This year, our credit union has remained deeply involved in giving back to our local communities. We proudly supported 81 community-minded

organizations with sponsorships exceeding \$168,000; fulfilling our goal to give 5% of our pre-tax profit. This demonstrates our ongoing commitment to strengthening the communities we serve and investing in initiatives that promote social well-being and positive change.

Operational Success

2024 was a strong year for growth as member deposits grew by more than \$40 million, member loans grew by over \$8 million and we contributed \$2.7 million to member equity. We launched a Helping Hand loan to support our members in managing their debt payments more easily, as, despite prime rate decreasing from 7.20% at the end of 2023 to 5.45% by December 2024, the cost of living remained unchanged. We further helped members by offering a special low mortgage rate (3.99% for five years) in the last quarter of 2024, continuing into 2025.

Recognition: Best Place to Work

We are excited to announce that our credit union was recognized as the Best Place to Work by the Business Excellence Awards. This recognition

speaks volumes about the culture we have built, one where employees feel valued, supported, and engaged in their work. It is a testament to the strength of our workplace environment and our dedication to creating an exceptional employee experience. Our employees are the heart of our organization, and this honour reinforces our commitment to nurturing an environment where talent and passion can thrive.

Forward-Looking Strategy: Our Five Pillars

As we move forward, we will focus on five key pillars that will ensure we continue to provide exceptional service, maintain operational excellence, and create value for our members. These pillars will guide our actions and initiatives in the coming year.

1 Information Security: Safeguarding Member Data

Protecting member data is of the utmost importance. As the digital landscape evolves, so too do the threats that challenge our systems. We are committed to safeguarding the personal and financial information of our members through continuous improvements in our information security measures. We will remain vigilant in ensuring a high standard of data protection practices and that our members' trust in us is never compromised.

2 Operational Efficiency: Building Resilience

Our credit union remains focused on enhancing operational efficiency through process optimization and collaborative practices. This year, we will continue to streamline our operations, ensuring that our services are delivered effectively and with minimal complexity. By building resilience into our operations, we will be able to adapt to changes, improve our efficiency, and maintain the highest standards of service for our members.

3 Regulatory Compliance: Meeting Increasing Expectations

As the regulatory landscape becomes more complex, especially with regard to the Financial Services Regulatory Authority (FSRA), we are committed to ensuring that we meet all compliance expectations. FSRA's growing expectations are increasing the workload for financial institutions, but we are confident that with our dedicated teams and strategic initiatives, we can build the resilience needed to meet these challenges. In 2025 we will add a new role to our organization which will focus on risk. Compliance will continue to be a top priority as we maintain transparency and uphold the highest standards of governance.

4 Employee Engagement: Empowering Our Team

Our employees are the heart of our organization. In the coming year, we will continue to foster a work environment where our team members feel engaged, empowered, and equipped with the tools and knowledge needed to succeed. By providing meaningful opportunities for personal and professional growth, we will help our employees align their values with our organizational mission. Our goal is to create an environment where our employees can find purpose and fulfillment in their work, which ultimately translates to exceptional service for our members.

5 Growth: Fostering Financial Health and Expanding Relationships

At the core of our mission is the financial health of our members. We are committed to helping our members achieve their financial goals, and we will continue to focus on growing and strengthening these relationships. We are also dedicated to expanding our reach by attracting new members and embracing opportunities for growth. Through personalized services and a focus on long term financial well-being, we will continue to deliver value to our members and ensure the sustainable growth of the credit union.

Appreciation for the Board of Directors and our Dedicated Team

As we look back on a year of achievement, we acknowledge the leadership of our Board of Directors. Their steadfast dedication to our vision, mission, and values has provided invaluable guidance as we navigate both challenges and opportunities. The Board's strategic direction has ensured that we remain aligned with our goals while maintaining a strong focus on the well-being of our credit union and our community.

I also extend appreciation to all of our employees for their hard work and dedication throughout the year. Their efforts help us achieve our milestones. A special thank you goes to our senior team, whose leadership, commitment, and tireless support have been pivotal in driving our success. Their expertise and passion inspire us all to strive for excellence.

Together, with the collective dedication of our Board, senior leadership, and employees, we are poised to continue moving forward with

confidence and purpose, furthering our shared mission and vision.

This has been a successful year for our credit union, one marked by growth, community impact, and a strong commitment to the financial well-being of our members. As we move forward, we remain focused on our five strategic pillars that will guide our decisions and actions in the coming years. Our goal is clear: to continue being a trusted partner to our members, a valued employer to our employees, and a committed supporter of our community.

We are excited about the future and confident that with the continued support of our members, the dedication of our employees, and the guidance of our Board of Directors, we will achieve even greater success in the years ahead.

Thank you for your continued trust and support.

Mimi Regimbal,
Chief Executive Officer





A Message From Our **Board Chairperson**

I am pleased to highlight our commitment to sound governance oversight, prudent risk management, and forward-thinking strategic planning as we prepare for the future. Our Board and Senior Management have worked together diligently to provide clear oversight and direction in an ever-evolving financial landscape, ensuring that every decision and policy we implement is guided by our shared values and the best interests of our community.

With the successful completion of Stage Two of our year-long strategic planning exercise, we have set a robust and collaborative direction for 2025 - 2027. The Board provided management with comprehensive information, feedback, and direction to build our Strategic Plan. This collaborative process has laid a strong foundation for future growth and operational excellence, ensuring that our strategic initiatives are aligned with the needs of our members and the evolving financial landscape.

In our continuous effort to uphold strong governance, the Board has also maintained

oversight of the regulatory assessments of SCU. We are proud to sustain this level of oversight as we navigate a complex regulatory environment. In line with this commitment, our active participation in regulatory conferences has built relationships with the regulatory authorities which has provided us with valuable insights into emerging trends and best practices in the financial services sector. Our full Board involvement in the Director's Forum conference has enriched our understanding and fostered an exchange of ideas with industry peers, ultimately enhancing our strategic outlook and ensuring that we reflect and remain steadfast in our local member dedications.

It is with mixed emotions that I also announce the resignation of Bette Choquette from our Board of Directors, effective at the 2025 AGM. For 21 years, Bette's service has been nothing short of extraordinary. Bette's dedication and director leadership have not only strengthened our governance and risk management frameworks, but have also embodied the spirit of community, cooperation, and progress that defines our credit union. On behalf of the Sudbury Credit Union Board of Directors, its leadership, and our entire membership, I extend our deepest gratitude for

Bette's exemplary contributions. While we will deeply miss her presence, her legacy will continue to inspire and guide us as we advance our strategic initiatives and serve our members with unwavering commitment.

Looking ahead, I am confident that our focus on a member-driven and risk-aware strategic plan will empower us to navigate challenges and seize new opportunities. We remain dedicated to preserving the core values that make our credit union unique: being approachable, dependable, and truly community minded. Together, we will continue to evolve, innovate, and build a stronger future for all our members.

Thank you for your ongoing support and trust as we embark on this exciting next chapter.

David Vares,
Board Chairperson

*Thank you,
Bette!*



Our Mission

With pride and excellence, Sudbury Credit Union is dedicated to identifying and fulfilling your financial needs and those of our community.

Our Vision

Committed to the well-being of our employees, our members and our community.

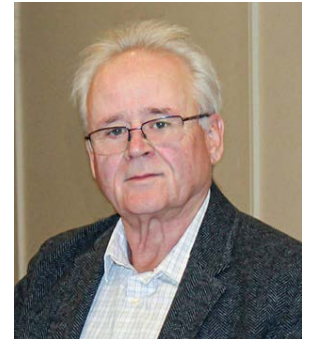
Our Values

We are approachable; dependable; fair; ethical; professional; trustworthy... we are people helping people.

Meet our **Board of Directors**



David Vares
Chairperson



Lindsay Liske
Vice Chairperson



Leo Racette
Past Chairperson



Lise Roy
Secretary



Michael Bellmore
Director



Bette Choquette
Director



Jamie Conroy
Director



Grace Navarro
Director

As per the Credit Union and Caisses Populaires Act, 2020, section 103: “The board of every credit union shall report annually on the gender diversity of the board.”

Sudbury Credit Union Board of Directors includes three female and five male directors.



Director	Board & Committee Meetings Attended
Michael Bellmore	12/13
Bette Choquette	16/17
Jamie Conroy	14/14
Lindsay Liske	19/19
Pat Marcuccio *Resigned May 27, 2024	5/5
Grace Navarro	13/14
Leo Racette	18/18
Lise Roy	14/15
David Vares	13/13 + 8 additional meetings as Ex-Officio

Director Annual Remuneration

The 2024 honorarium by role is as follows:

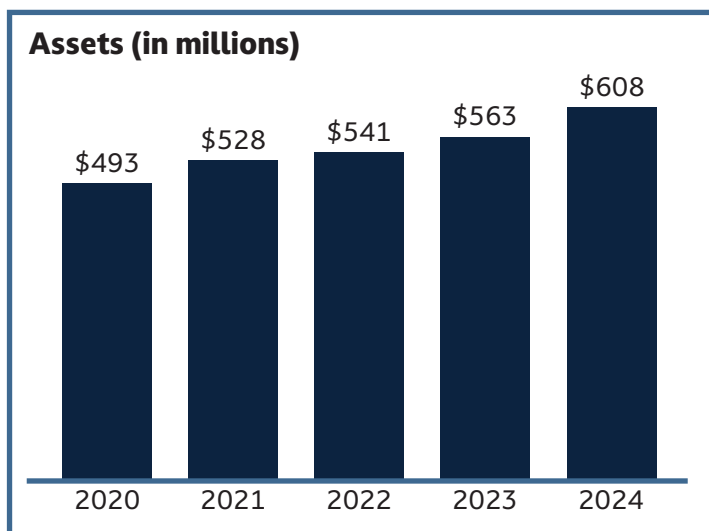
Role	Honorarium
Chairperson	\$6,500
Vice Chairperson	\$5,000
Secretary	\$5,000
Audit Committee Chair	\$5,500
Director	\$4,000

In addition to the honorarium noted above, directors receive \$200 for each meeting attended.

A Look at our Key Financial Results

Balance Sheet

In 2024, Sudbury Credit Union experienced high asset growth, increasing total assets by \$45.3 million, from \$563 million to \$608 million by year-end. This growth rate of 8.1% surpassed financial projections for the year.



Member Loans

Loans to members increased by \$8.8 million, or 2.1%, primarily due to an increase in retail mortgages. Unfortunately, this growth did not meet expectations, leading to a higher than planned balance in cash and investments.

Member Deposits

Member deposits saw a large increase of \$41.7 million, representing 8.2% growth, exceeding projections. A significant portion of this increase stemmed from the high interest rate environment and resulting high interest being paid to members on their deposits.

Members' Equity and Regulatory Capital

Members' equity grew by \$3.5 million, driven by net income of \$2.7 million that was reinvested into retained earnings. This reinvestment strengthened capital reserves. As a result, regulatory capital, an indicator of long-term financial stability, improved by \$3.1 million and remains well above the required minimum levels.

Regulatory Capital Ratios

	Year End 2024	Regulatory Minimum	Additional Capital
Total Capital	21.9%	8.0%	13.9%
Capital Leverage	9.0%	3.0%	6.0%

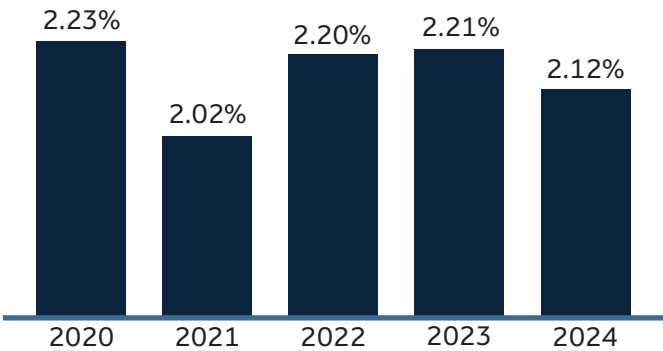
Income Statement

Net Interest and Non-Interest Revenue

Net interest income for 2024 was \$12.4 million, or 2.12% of average assets. This ratio declined from 2.21% as a result of asset growth outpacing the growth in net interest income. On the revenue side, interest earned on the credit union's investments began to decline as available investment interest rates decreased. On the expense side, member term deposit expense increased with many deposits continuing to reprice in a high rate environment. Despite these conditions, financial margin remained strong and continued to cover all non-interest expenses.

Non-interest income increased by \$71,000 (3.6%), reaching \$2.03 million.

Financial Margin



Operating Expenses

Operating expenses grew by \$529,000 (5.0%), increasing at a slower pace than asset growth, despite inflationary pressures and higher technology investments. SCU continued its commitment to cost control and operational efficiency.

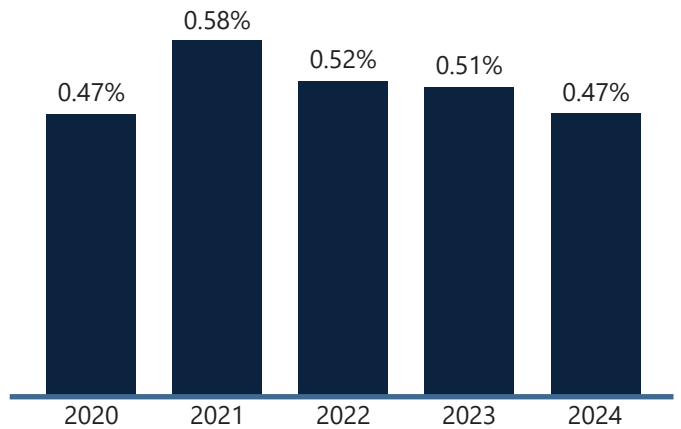
Net Income

Net income after tax was \$2.7 million. While net interest income declined, the impact was offset by controlled operating costs and lower than expected loan losses. As a result, the return on average assets was 0.47%, down slightly from 0.51% in 2023. A strong financial year for Sudbury Credit Union.

Provision for Credit Losses

The loan loss expense for 2024 was negative \$10,000. There were no significant loan write-offs, and the allowance for future losses remained stable as a percentage of total loans. With a relatively low proportion of variable-rate loans, Sudbury Credit Union was able to mitigate much of the impact of higher interest rates on members. For those mortgages that did renew in 2024, member advisors continued their efforts to support members in navigating the changing rate environment.

Return on Assets



\$608M
Total Assets

\$8.8M
Increase in
Member Loans

\$41.7M
Increase in
Member Deposits

\$2.7M
Net Income

Report of the Audit Committee

The Audit Committee of Sudbury Credit Union Limited was established in accordance with the Credit Unions and Caisses Populaires Act, 2020 (Ontario) (“the Act”). The committee, which consists of members of the Board of Directors, holds primary responsibility for overseeing the Credit Union’s financial reporting, risk management, ethics, and compliance activities. The committee’s objectives, duties, and operations are governed by written terms of reference.

Throughout the year, the committee held four meetings. At these meetings, the committee engaged with senior management, internal audit, and KPMG LLP, the external auditors, to ensure that the Credit Union’s financial activities were well-managed and compliant. The Audit Committee undertook the following key actions in 2024:

- 1. External Audit Review:** The committee reviewed and made recommendations to the Board regarding the annual external audit engagement letter, the audit scope, and the overall audit plan.
- 2. Approval of Financial Statements:** The committee carefully reviewed the audited financial statements and accompanying notes before their final approval by the Board of Directors.

- 3. Internal Audit Oversight:** The committee approved the Annual Internal Audit Plan and examined the Internal Audit reports, focusing on key areas of internal controls to safeguard the Credit Union’s assets.
- 4. External Audit Assessments:** The committee reviewed all audits conducted by external parties and approved the Management responses to address any identified risks.
- 5. Risk Management Review & Controls:** The committee thoroughly examined the Credit Union’s risk management policies and related assessments, ensuring that appropriate processes were in place to measure, monitor, and mitigate significant risks.

These activities were carried out with the objective of ensuring the safeguarding of the Credit Union’s financial and operational integrity.

The Audit Committee remains satisfied with the progress made in addressing all identified recommendations. All suggestions from the committee have either been fully implemented or are in the process of being executed by management. Based on its ongoing reviews, the Audit Committee confirms that there are no outstanding issues requiring disclosure under the Act or its regulations.

Conclusion

The Audit Committee continues to function effectively, in full compliance with the Act. Through the ongoing cooperation and support from Credit Union management, the committee continues to play a vital role in ensuring the quality of the Credit Union’s financial reporting, risk management processes, ethics management and adherence to compliance requirements, thereby enhancing overall operational control of the Credit Union.

Respectfully submitted on behalf of the Audit Committee,

Jamie Conroy, Committee Chair
Lindsay Liske
Grace Navarro
Lise Roy
David Vares, Ex-Officio

Report of the Independent Auditors on the Summary Financial Statements

Opinion

The summary financial statements of Sudbury Credit Union Limited (the “Credit Union”), which comprise:

- the summary statement of financial position as at December 31, 2024;
- the summary statement of income and comprehensive income for the year then ended;
- the summary statement of changes in members’ equity for the year then ended;
- and related note to the summary financial statements

are derived from the audited financial statements of the Sudbury Credit Union Limited as at and for the year ended December 31, 2024 (audited financial statements).

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the criteria disclosed in Note 1 in the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Financial

Reporting Accounting Standards Board. Reading the summary financial statements and the auditor’s report thereon, therefore, is not a substitute for reading the Credit Union’s audited financial statements and the auditor’s report thereon.

The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

On our report dated February 24, 2025:

- We expressed an unqualified opinion on the audited financial statements.

Management’s Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the criteria disclosed in Note 1 in the summary financial statements.

Auditors’ Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards 810, Engagements to Report on Summary Financial Statements.



Chartered Professional Accountants, Licensed
Public Accountants

Sudbury, Ontario

March 3, 2025

Summary Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Cash and cash equivalents	\$ 37,632,258	\$ 17,408,285
Loans to members	432,867,509	424,110,319
Investments	130,163,331	114,084,892
Other assets	2,771,079	2,271,385
Property, equipment and intangibles	4,832,949	5,080,141
Total assets	\$ 608,267,126	\$ 562,955,022
Liabilities and Members' Equity		
Members' deposits	\$ 548,781,078	\$ 507,071,217
Accounts payable and accrued liabilities	1,330,810	1,397,034
Deferred income taxes	328,404	88,762
Lease liabilities	1,017,256	1,126,325
Liabilities qualifying as regulatory capital	6,242,229	6,175,899
Total liabilities	557,699,777	515,859,237
Members' equity:		
Contributed surplus	5,484,655	5,484,655
Retained earnings	43,637,501	40,896,823
Accumulated other comprehensive income	1,445,193	714,307
Total members' equity	50,567,349	47,095,785
Total liabilities and members' equity	\$ 608,267,126	\$ 562,955,022

Summary Statement of Income

December 31, 2024, with comparative information for 2023

	2024	2023
Revenue:		
Interest		
- Non-mortgage loans	\$ 2,618,104	\$ 2,491,177
- Mortgage loans	17,231,984	15,221,363
Investment income	5,868,376	4,289,235
	25,718,464	22,001,775
Cost of financing:		
Interest		
- Demand deposits	472,896	392,869
- Term deposits	6,092,920	4,537,504
- Registered accounts	6,383,505	4,499,099
Interest on external borrowings and lease liabilities	41,651	43,438
Dividends on investment shares	292,111	336,572
	13,283,083	9,809,482
Net interest income	12,435,381	12,192,293
Recovery of credit losses	(10,391)	(46,541)
Net interest income after recovery of credit losses	12,445,772	12,238,834
Non-interest revenue	2,025,916	1,955,015
	14,471,688	14,193,849
Operating expenses:		
Salaries and employee benefits	6,165,387	5,885,126
General	3,394,562	3,053,089
Occupancy	697,268	808,920
Organization	242,549	258,125
Insurance	602,357	567,489
	11,102,123	10,572,749
Income before income taxes	3,369,565	3,621,100
Income taxes	628,887	832,224
Net income for the year	\$ 2,740,678	\$ 2,788,876

Summary Statement of Comprehensive Income

December 31, 2024, with comparative information for 2023

	2024	2023
Net income for the year	\$ 2,740,678	\$ 2,788,876
Other comprehensive income:		
Items that may be subsequently reclassified to net income:		
Net gain on financial assets measured at FVOCI:		
Unrealized gains in fair value of investments	587,039	529,719
Income tax expense	(155,565)	(140,376)
	431,474	389,343
Reclassification of realized (gains) losses to the statement of income	647	(1,401)
Income tax expense (recovery)	(171)	371
	476	(1,030)
	431,950	388,313
Items that will not be reclassified subsequently to net income:		
Actuarial (loss) gain related to defined benefit pension plan	406,700	(63,100)
Income tax recovery (expense)	(107,764)	16,706
	298,936	(46,394)
Total other comprehensive income for the year	730,886	341,919
Total comprehensive income for the year	\$ 3,471,564	\$ 3,130,795

Summary Statement of Changes in Members' Equity

December 31, 2024, with comparative information for 2023

	2024	2023
Contributed surplus:		
Balance, as at January 1 and December 31	\$ 5,484,655	\$ 5,484,655
Retained earnings:		
As at January 1	40,896,823	38,107,947
Net income	2,740,678	2,788,876
Balance, end of year	43,637,501	40,896,823
Accumulated other comprehensive income:		
As at January 1	714,307	372,388
Other comprehensive income	730,886	341,919
As at December 31	1,445,193	714,307
Members' equity, end of year	\$ 50,567,349	\$ 47,095,785

Note to Summary Financial Statements

Year ended December 31, 2024

1. Basis of Preparation:

The summary financial statements are derived from the complete audited financial statements, prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, as at and for the year ended December 31, 2024.

The preparation of these summary financial statements required management to determine the information needed to ensure they are consistent, in all material respects, with or representing a fair summary of the audited financial statements. The summary financial statements do not include the statement of cash flows, summary of material accounting policies or notes to the financial statements.

The complete audited financial statements of Sudbury Credit Union Limited as at and for the year ended December 31, 2024 are available upon request by contacting the Credit Union.



We ♥ Our Members!

Throughout the year, our branches gave away special gifts, just for members. With locally made sugar cookies on Valentine's Day, reusable insulated bags on Earth Day, mini notebooks in the fall, and 2025 SCU calendars at Christmas, we loved saying thank you to each of our members for continuing to choose SCU!



