

MINUTES OF 2024 ANNUAL GENERAL MEETING

Date: April 9, 2024
Time: 7:00 p.m.
Location: Bryston's-On-the-Park, The Bryston Room, 5 Creighton Rd, Copper Cliff, ON
Directors: D. Vares, *Chairperson* | L. Liske, *Vice Chairperson* | B. Choquette, *Corp. Secretary* | L. Racette, *Past Chairperson* | G. Navarro, *Director* | J. Conroy, *Director* | M. Bellmore, *Director*
Presenters: D. Vares, *Chairperson* | L. Liske, *Audit Committee Chairperson* | G. Navarro, *Nominating Committee Chairperson* | M. Regimbal, *CEO* | D. Korzeniecki, *CFO* | T. Cecchetto, *External Auditor, KPMG*
Minutes: A. Gauvin
Apologies: P. Marcuccio, *Director* | L. Roy, *Director* | P. Sarazin, *Intern Director*

CALL TO ORDER

Chairperson, D. Vares, called the meeting to order at 7:01 p.m.

Chairperson welcomed all members to the meeting and introduced Board Members, noting two directors that sent their regrets and the Intern Director that sent her regrets, noted presenters, and guests.

Chairperson advised of the formal business of the meeting and provided instructions on how to move and second a motion. Chairperson noted gender diversity of the Board as well as director meeting attendance record included in the 2023 Annual Report.

ESTABLISHMENT OF QUORUM

Corporate Secretary, B. Choquette, advised, in accordance with By-Law No. 1, a member who, by such means, votes at the meeting or establishes a communications link to the meeting shall be deemed for all purposes, to have been present at the meeting. She confirmed 60 members were present in the room and 132 online votes cast prior to the meeting.

ADOPTION OF AGENDA

Motion: *It was moved by M. Bellmore and seconded by J. Conroy that the agenda be adopted as presented. Carried.*

ADOPTION OF MINUTES

Corporate Secretary confirmed the minutes of the 2023 Annual General Meeting were made available to attendees both in-branch, online prior to the meeting, and at the meeting.

Motion: *It was moved by W. Soule and seconded by C. Strom that the minutes of the Annual General Meeting held on April 18, 2023 be adopted. Carried.*

REPORT OF THE CHAIRPERSON

The Chairperson, spoke to the report 'A Message from the Board Chair' included in the 2023 Annual Report.

He highlighted that the Board is:

- Committed to strategic planning, risk management, and oversight of policy compliance.
- Governance focused on behalf of the members; the Board's main focus is providing effective oversight of management's decisions, plans, and processes.
- Collaborative with regulators as evidenced by the director's participation in the FSRA Conference for Credit Union Directors in September 2023. Collaborating with FSRA, the Board has established communication channels and demonstrated their dedication to maintaining regulatory standards.

- Highly focused on prioritizing compliance with regulatory standards by staying informed on any updates and ensuring adherence to new regulations as they come into effect.
- Adaptive and receptive to change; the Board will remain vigilant in monitoring the economic landscape for potential factors such as fluctuations in inflation rates and adjustments to interest rates.
- Educated and informed and continues to prioritize ongoing training to remain informed on industry trends and developments.
- Dedicated to supporting local member organizations and the financial needs of our members.
- Engaged in proactive measures to plan for changes; including strategic planning exercise; that will be completed in three stages, the Board of Directors will meet with Management in May 2024 to complete stage 3 of the strategic planning process.

The Chairperson concluded his report by highlighting the focus of the Board in maintaining Sudbury Credit Union's reputation as a proactive and locally-rooted financial cooperative and thanked the members for their support and confidence.

REPORT OF THE CEO

The Chief Executive Officer, CEO, M. Regimbal, emphasized the importance of Sudbury Credit Union as a cooperative where members, employees and directors work together for the mutual benefit of each other and the Sudbury Community.

She highlighted:

- With a strong financial standing, our credit union is well-equipped to expand online and in-branch offerings to members and contribute positively to the community.
- The stewardship and leadership of our Board of Directors have strategically guided our credit union to remain focused on our members and on assisting our local community.
- Employees prioritize members' financial needs by establishing meaningful relationships, working closely with members to find individualized solutions, reflecting our cooperative, caring, and locally-focused approach.
- Our credit union places a high priority on the financial security of our members by training our staff to detect fraud; embodying our philosophy "people helping people."
- Beyond offering financial products, we operate as a cooperative governed by our members, with a strong emphasis on community engagement. In the year 2023, we donated over \$186,000 to various organizations in the Sudbury Community.
- Our primary goal is to assist others, with a clear mission, vision, and values that prioritize community welfare over profit.

The CEO concluded her report by expressing appreciation to the staff for their assistance with meeting set-up and to the employees, Board of Directors for their continued dedication to Sudbury Credit Union. She proudly acknowledged Nancy Stenabaugh, Administrative Accounting Clerk, for her nearly four decades of service to the credit union system. She extended special thanks to all the members for their attendance at the Annual General Meeting and for their continued commitment to reinvesting in our local community.

EXTERNAL AUDITOR'S REPORT

The External Auditor, T. Cecchetto from KPMG, provided the External Auditor's Report. She confirmed that KPMG is independent of Sudbury Credit Union, and that KPMG had met with the Audit Committee. It was reported that all tests and procedures have been conducted as required and that Sudbury Credit Union has been given a clean, unqualified audit opinion. T. Cecchetto confirmed the full cooperation of management in completing the audit; all matters have been addressed.

Motion: *It was moved by S. Spencer and seconded by J. Conroy that the External Auditor's Report be received. Carried.*

REPORT ON THE FINANCIAL STATEMENTS

The Chief Financial Officer, CFO, D. Korzeniecki, gave a summary of the 2023 audited Financial Statements highlighting:

- A solid financial position with growth in assets, deposits, and loans.
- An increase in investments as loans grew slower than deposits, challenging financial margin in 2024.
- Member deposits continue to fund 100% of members' loans; members invest their funds with us, and we lend them back to our community.
- A net income of \$2.8 million with steady interest margin, decreased other income, and controlled operating expenses despite increasing technology spending and high inflation.
- A strong capital position, demonstrating our ability to absorb future challenges and meet our community's current and future financial needs.

Motion: *It was moved by M. Roy and seconded by D. Blackburn that the Financial Statements be received as printed and presented. Carried.*

AUDIT COMMITTEE REPORT

The Audit Committee Chairperson, L. Liske, provided highlights of the 'Report of the Audit Committee' included in the Annual Report and spoke to the function and duties of the Audit Committee.

Motion: *It was moved by K. Kanerva and seconded by L. Genno that the Audit Committee Report be received. Carried.*

APPOINTMENT OF EXTERNAL AUDITOR

Motion: *It was moved by L. Racette and seconded by W. Soule that the firm of KPMG, LLP, Chartered Accountants be retained as external auditors for the fiscal year 2023. Carried.*

ELECTION OF DIRECTORS

The Chairperson of the Nominating Committee, G. Navarro, discussed the election process and that each person holding a membership share was invited to vote for up to three of the five candidates via the online voting prior to the AGM. The three candidates with the highest number of votes will be elected for three-year terms.

Candidates in order of received nominations:

- Leo Racette
- David Vares
- William Soule
- Michael Bellmore
- Sally Dunton

The Nominating Committee Chairperson announced the election results for the board positions, in alphabetical order by first name. The successful candidates were:

- David Vares
- Leo Racette
- Michael Bellmore

The Nominating Committee Chairperson congratulated the successful candidates and expressed thanks to all the candidates.

Motion: *It was moved by M. Roy and seconded by J. Conroy to destroy the ballots in thirty days. Carried*

OTHER BUSINESS

The CEO and Chairperson responded to inquiries submitted through the online election platform about the discontinuation of annual dividends, the credit union's community engagement efforts, and the credit union's involvement with the stock market.

- Sudbury Credit Union discontinued annual 'patronage' dividends in 2008 when introducing a no-fee account which reached a wider member base. Sudbury Credit Union continues to pay a preferred dividend to our Class B investment shareholders. For 2023, we paid 5.75% for a one-year return.
- Sudbury Credit Union is actively involved in the community beyond donations, with employees and directors volunteering and promoting community initiatives. The Board considers eco-economics in their decision-making process, prioritizing the impact on the environment and community.
- Sudbury Credit Union as an entity does not directly invest in the stock market but has well informed member advisors that can assist our members in various investment vehicles including stocks.

ADJOURNMENT

The Chairperson thanked all the presenters, guests, and members for their participation.

The Chairperson declared the meeting adjourned on April 9, 2024 at 7:53 pm.

CONFIRMED by a motion of the membership of Sudbury Credit Union Limited at a meeting duly held at Sudbury, Ontario on the _____ day of _____, 2025.

Chairperson

Date

Corporate Secretary

Date