

2020 BOARD OF DIRECTORS ANNUAL REPORT

DALE WELDON, PRESIDENT

Introductory Comments

It is nice that we are back on our regular AGM schedule this year, since we have experienced a paradigm shift over the past year related to the new normal of working and coping during the COVID-19 pandemic. One definition of paradigm shift is “an important change that happens when the usual way of thinking about or doing something is replaced by a new and different way”.

Some people are change resistant; however, I must say that your Board of Directors, leadership, and staff of our Credit Union are very resilient, have wholeheartedly embraced change and continually look to adapt, improve, and find new ways.

Last year’s virtual AGM was certainly a new and different way of meeting and our hope for this year was that we could have had a combined virtual and in-person annual general meeting, but hopefully next year! However, due to the restrictions still in place on large, non-family bubble gatherings, we are still meeting electronically this year. We had discussed the combined concept for several years before the pandemic, but were concerned about the technological aspect of a virtual AGM; however, the pandemic has made this technology commonplace and easy.

Your Board of Directors is pleased to say that our financial position exceeded our expectations, especially given three reductions in the prime interest rate! More about our financial position later in this report

Your Board of Directors

It is with great pleasure that I introduce your 2020 Board of Directors, starting with one new director who you elected at the AGM last year:

Ronna Gauthier – Ronna is an NBTA teacher wellness counsellor and has hit the ground running as a new director. She has embraced her role and brings us a fresh wellness perspective, introducing wellness breaks at our monthly board meetings to break up the long day of meetings. Ronna sits on the Credit, Governance and Youth/Marketing committees.

Derek Taggart – Derek is a teacher at Leo Hayes High School and always bring a hearty laugh and seriousness when required at our meetings. Derek sits on the Credit and Youth/Marketing committees and is our Corporate Secretary.

Dylan Shaw – Dylan teaches at Kingsclear First Nation and brings a youthful perspective to all of our meetings. He sits on the Nominating, Audit, Youth/marketing, and Personnel committees.

Moira McLaughlin – Moira, along with Derek and Dylan, joined our board in 2019 and thoroughly enjoys her director role. She sits on the Nominating, Governance and Audit committees.

Dale Weldon – I joined your board in 2016 and have sat on almost every committee prior to being elected as your President. I immensely enjoy working with such a diverse and talented group of directors and interacting almost daily with the leadership and staff of your Credit Union.

Directors reaching the end of their three-year term can offer their candidacy for re-election of another three-year term. This year we have four directors reaching the end of their terms, and three are seeking re-election:

Ken McIntyre- Ken continues to bring us a historical and fresh perspective to all of our meetings and that serves us all well in his work on the Credit committee and as Chair of the Governance committee. Since FCNB has assumed the role as NB Credit Union's regulator, Ken has led his team in a thorough review of our bylaws and policies.

Sandra Boone – Also a former board member and retired teacher, Sandra again agreed to chair the Scholarship committee and reviews all scholarship applications and makes recommendations to the board, a task which she takes great pride in. Sandra took over chair the Credit committee following our AGM last year and sits on the Governance Committee as well.

Jim Dysart – Jim has enjoyed his first three years on your board and is also seeking re-election. He is Second Vice-President and enjoys his time on the Audit, Youth/Marketing and Personnel committees. He also helps us with technological issues when we are setting up our zoom meetings.

Peter Palmer – Peter has decided not to offer for re-election of a final three-year term and his experience and input will be greatly missed on your board. He has been chair of the Audit committee for many years, is First Vice-President and sits on the Youth/Marketing Committee.

Thank you very much for your exceptional contributions for the past six years Peter!

Your Board of Directors are very hard working and dedicated to helping make your Credit Union as successful as possible and keep the interests of you our membership, leadership, and staff at the forefront of their work and decision making at all times. I would also express our thanks to **Bob Fitzpatrick** for continuing to sit on the Audit committee and moderating our strategic planning exercises. **Great job Bob!**

Financial Results

Marge will provide more details on our financial position, but I am pleased to say we are very happy with our year-end results which exceeded our expectations.

Our assets at December 31, 2020 were approximately \$71M, an increase of \$9M, which is phenomenal growth during the pandemic. We are growing faster than we anticipated; however, our equity position is still very strong at 8.09%, and far above the Credit Union Act's minimum requirement of 5%. Our loan portfolio grew by 3.3% and we added 171 new members.

We finished the year with a strong profit of \$319,248 before taxes and a patronage rebate. We are down approximately \$100,000 as compared to last year, but we are very pleased with this performance during the pandemic and with three decreases in prime interest rates!

Your board of directors will be recommending another patronage rebate this year to continue our membership profit sharing philosophy.

Community Support

The Credit Union philosophy is to support the community and our members. We continue to financially support the Stan Cassidy Foundation with a \$6000 donation, and the NBTA Counselling Program with funding of \$18,000. Kevin Montague continues to collect pop tabs to support the Muscular Dystrophy Foundation.

2021 marks the 50th anniversary of the NBTA Credit Union and numerous activities have been planned throughout the year, such as monthly giveaways to our members, additional community donations and random acts of kindness throughout New Brunswick communities, among others. Next year's President's report will provide a detailed summary of our activities to celebrate this important milestone. Thank you to Meghan Reed and her committee for their work so far!

Committees

Your board meets ten times per year and the Audit and Credit Committees have an additional meeting in August. We have adapted to Zoom technology for our meetings when necessitated by following the rules set forth during the pandemic, but we definitely prefer meeting in person, when deemed safe for everyone. The governance, youth/marketing, personnel, nominating, and scholarship committees meet several times per year, and the chairs of each committee present a summary of their meetings to the board of directors. Each year, we strive to offer directors some diversity in committee membership to enhance their experiences, while maintaining a balance of experience on the committees. Each board member is enrolled in continuing education through the Credit Union Director Achievement (CUDA) program with the goal of receiving their accreditation certificate, and following the completion of each course, the director gives a short summary on what they learned in the course to the board.

Conclusion

More than one year has passed since we all heard rumors about some virus called COVID-19, and we had no idea how much the paradigm shift would change our personal and business lives. A couple of relatable quotes come to my mind, one old and one new. First by Socrates, “the secret of change is to focus all of your energy, not on fighting the old, but on building the new”. Second, by Kiran Mazumdar-Shaw, “Ultimately, the greatest lesson that COVID-19 can teach humanity is that we are all in this together”. The directors and I cannot be prouder on how the leadership and staff of your Credit Union have worked together during this difficult and different time on building a new way of doing things so that everyone, especially our members, succeed in every way possible.

For several years now we have emphasized how new member growth is absolutely vital to our continuing success. This report has highlighted our many achievements in 2020, but, while exceeding our expectations during the pandemic, some key indicators are down from last year. We need our membership to increase in this and future years. Please tell our story to friends and family.

Thank You

Thank you for again embracing the electronic format of our AGM, and I trust it will be an enjoyable experience for you all.

Thank you to our excellent, hard-working, dedicated, and forward-thinking staff who throughout the past year have always kept a smile on their face.

Thank you, Marge and Patria, for your amazing leadership.

Thank you to the board of directors and volunteers for your continuing commitment and hard work.

And finally, thank you to you and all of our members. We are pleased to work for you and the continuing success of the NBTA Credit Union.