

The Best Thing About

Memories

...is making them



Lakeland Credit Union
2020 Annual Report



Our Why

We provide financial opportunity, choice & lifelong value.



Cold Lake Marina

Our Goal

We will be the most respected financial institution where:
new members seek to join;
meaningful careers are nurtured;
partners pursue collaboration and our collective community succeeds.

Celebrating

80 years

Honouring the Past, Treasuring the Future.

Lakeland CREDIT UNION

How do we do this?

"We partner with our members and our communities to enrich their lives through trusted advice and exceptional service".



Be a **FAT CAT** Open a Credit Union Youth Account today!

It's for just about everybody. Although the Youth Account has been designed for young people, anyone can open an account in a young person's name. A parent, or government trustee, starts an education fund for a new baby. A family friend could deposit birthday, Christmas or special holiday gifts.

Start a Youth Account today. To join, young members simply follow the same procedures as regular members when signing up. The Fat Cat Account pays a more positive rate of interest on savings. So start up to your Credit Union and open a Fat Cat Account today.

COLD LAKE CREDIT UNION LTD.
5207-51 Ave., Grand Centre, 594-4011



MEMORY LANE



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BOARD CHAIR'S MESSAGE TO THE MEMBERSHIP



This year has certainly been one of our country's most challenging. The Coronavirus Pandemic has affected our daily lives in ways that no one could have imagined. We have endeavored to support our members faced with uncertain financial stability by offering many options to address their unique needs. We thank you for understanding and adhering to the government and AHS regulations and protocols to continue to serve you daily, while protecting members and employees.

This past year marked Lakeland Credit Union's 80th year in business. During our 80 year history and legacy of success, we have created a great foundation built on our cooperative values of people helping people.

While the year has been difficult for all, we are pleased to share profits and opportunities with our members and communities in 2020 through initiatives like:

- Profit Sharing
- Patronage Rebates
- Investment in our communities (\$100,000 Foodbank Donation)
- Educational Scholarships and
- Financial Literacy Lessons for children and adults (both in person and virtually)

Our employees also contributed by volunteering 1,656 hours for local outreach to community groups and events.

Our CEO search came to a successful conclusion with the hiring of an exceptional new CEO, Kelly McGiffin. Kelly hit the

essential to our continued success. Member and staff engagement, community outreach, and financial results are but three examples that have benefited from his leadership.

Your Board of Directors has also experienced a year of intensified activity. In addition to the fundamental responsibility of ensuring roles and actions that keep Lakeland Credit Union strong and viable, we have, under the very competent leadership of our CEO, Kelly McGiffin, engaged in strategic overhauls in areas of organizational structure, credit, enterprise risk management, and culture and governance.

Our employees are at the very heart of the life of our credit union. Management and staff have shown their competence and willingness to engage in the increasing needs for transparency, documentation, and collaboration in an environment where accountability demands are high. We realize that these individuals are the faces of Lakeland Credit Union, and we salute them. They are key contributors to our future success, and we thank them wholeheartedly.

Our members are our owners. They are the reason we exist and are at the heart of everything we do. That means we are committed to continually improving our members' experience by providing relevant products, services, and advice with honesty, fairness, and respect. Your Board would like to extend our appreciation and gratitude to each member who has supported Lakeland Credit Union. With the involvement, feedback, and support of our members, leadership, and community, LCU remains financially strong, well-positioned, and poised for even greater things in the future.

Respectfully,

Charmaine Code, Board Chair

Board Chair, Charmaine Code volunteered at our Movie in the Park Events in Cold Lake & Bonnyville alongside Wendy Morrison, VP of Culture & Governance and Shirley Mayowski, VP Finance and Risk



What our Members say..

Because they support the community.



Been with them since 1976 + had no problems!!!

They have excellent service & benefits!! I love it here!



The staff is very friendly and always helpful

LCU FINANCIAL

Succes\$\$



LET'S BUILD A PLAN TO HELP YOU LIVE LIFE CONFIDENTLY



Krista Kardash
CFP®, CLU, FCSI
Financial Planner

You have aspirations - for what and who you care about, for today and for the future. But life is complicated, and figuring out how to make those aspirations a reality can be hard.

You need a plan - a financial plan. Only CFP professionals see your whole picture, no matter how complex, and work with you to help you understand where you are and where you want to be.

Whether you have a pressing issue or just need some help getting started, CFP professionals have the knowledge, skills, experience, and the ethics to help you build the financial plan that will let you live your life confidently.

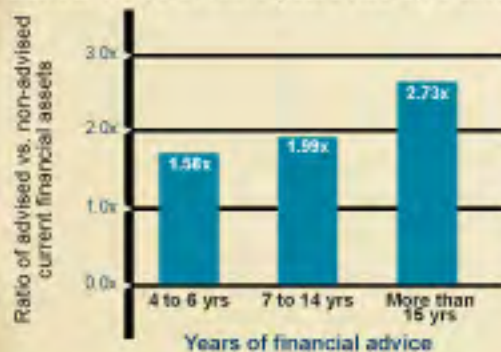
Schedule your financial checkup with LCU Financial's wealth management team to start building your plan today.



Bobbi Read
Wealth Advisor

Getting More For Your Money

An advised household that has worked with a financial advisor for 15 or more years has 2.73 times more assets.



This chart has been adapted from the original chart in the CIRANO research paper. The CIRANO chart included raw data (before removing the influence of the other factors). This chart shows only the econometric data, in which the influence of other factors has been removed.



Caitlin Royston
Wealth Coordinator



CREDIT UNION

RRSP

A great way to save for your future!

<p>Real Benefits: A Great Way to Retire: Maximize Savings. RRSP provides you with an immediate tax credit when you contribute.</p> <p>No Fees: With a Credit Union RRSP, there are no fees for contributions or withdrawals.</p> <p>Personal Service: At the Credit Union, you'll experience the best of service for retirement and the advice you'll need.</p>	<p>A Secure Investment: Your RRSP investments are held in a secure, insured trust.</p> <p>Competitive Rates: Compare the quality of interest that you can earn on your RRSP.</p>
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Get The Basics Free

Call 1-800-363-3636 or visit us online at www.cfu.ca

C.F.B. COLD LAKE SAVINGS and CREDIT UNION LIMITED
594-4011

RAPPORT DE LA PRÉSIDENTE DU CONSEIL AUX MEMBRES

Cette année a certainement été l'une des plus difficiles de notre pays. La pandémie du coronavirus a affecté notre vie quotidienne d'une manière que personne n'aurait pu imaginer. Nous nous sommes efforcés de soutenir nos membres confrontés à une stabilité financière incertaine en offrant de nombreuses options pour répondre à leurs besoins uniques. Nous vous remercions de comprendre et de respecter les protocoles du gouvernement et des réglementations de l'AHS, afin de continuer à vous servir au quotidien, tout en protégeant les membres et les employés.

La dernière année marquait la 80e année d'activité de la Caisse Lakeland Credit Union. Au cours de ces 80 ans d'histoire et d'héritage de succès, nous avons créé une solide fondation, bâtie sur les valeurs coopératives de l'entraide.

Bien que l'année 2020 ait été difficile pour tous, nous sommes heureux de partager les bénéfices et les opportunités avec les membres et les communautés, grâce à des initiatives telles que:

- Partage des profits,
- Remises de mécénat,
- Investissement dans nos communautés (don de 100,000\$ aux banques alimentaires)
- Bourse d'études et
- Cours de culture financière pour enfants et adultes (en personne et virtuellement).

Nos employés ont également contribué en offrant 1656 heures de bénévolat pour la sensibilisation locale à des groupes et événements communautaires.

La recherche d'un nouveau PDG, Kelly McGiffin. Kelly a pris le relais, inspirant une hausse de l'activité essentielle à notre succès. L'engagement des membres et du personnel, la sensibilisation de la communauté et les résultats financiers ne sont que trois exemples des bénéfices de son leadership.

Votre Conseil d'Administration a également connu une intensification de son activité. Outre la responsabilité fondamentale d'assurer les rôles et les actions pour maintenir la force et la viabilité de la Caisse LCU, et sous la direction très compétente de notre PDG, Kelly McGiffin, nous avons entrepris des révisions stratégiques dans le domaine de la structure organisationnelle, du crédit, de la gestion des risques d'entreprise, de la culture et de la gouvernance.



Nos employés sont au cœur même de la vie de notre Caisse Populaire. La direction et le personnel ont montré leur compétence et leur volonté de répondre aux besoins croissants de transparence, de documentation et de collaboration, dans un environnement où les exigences de responsabilité sont élevées. Nous nous rendons compte que ces personnes sont les visages de la Caisse LCU et nous les saluons. Ils sont les principaux contributeurs à notre succès futur, et nous les remercions de tout cœur.

Nos membres sont nos propriétaires. Ils sont la raison pour laquelle nous existons et ils sont au cœur de tout ce que nous faisons. Cela signifie que nous nous engageons à améliorer continuellement l'expérience de nos membres en fournissant des produits, des services et des conseils pertinents, avec honnêteté, équité et respect. Le Conseil souhaite exprimer son appréciation et sa gratitude à chaque membre qui a soutenu la caisse LCU. Grâce à l'implication, aux commentaires et au soutien de nos membres, de nos dirigeants et de notre communauté, la caisse LCU reste financièrement solide, bien positionnée et prête pour les défis à venir.

Respectueusement

Charmaine Code,
présidente du conseil



CEO REPORT TO MEMBERS



There is little debate that 2020 has been a year of change and adjustment for every Canadian and every Lakeland Credit Union member. In our area, we were just normalizing adjustments to the energy sector's downturn when COVID-19 took hold of our lives. The world has been changed by these events and the Lakeland area has not been spared those forced changes, in fact one might speculate that we've borne more than our share.

Starting the year without a permanent CEO and a Senior Credit Officer, just as 2020's exaggerated economic peril was thrust upon us, was a daunting position. When I arrived in early April I was amazed at the job of coverage that our Board of Directors and our three interim "Co-CEOs" had been able to maintain. Those early months of uncertainty were managed very effectively and the ship, while understandably rocky, was able to stay upright and in great shape through that point of the storm.

Our gratitude will be forever warranted for this group of dedicated volunteers (our Board) and our Executive team. I arrived at a point where further stabilization and decision on a path forward were needed and was happy to work with this group to explore the options we had in front of us. We first addressed some structural areas by bringing in some much needed expertise in the Credit and Treasury areas, reset a few of the organizational divisions and moved people into focus areas that would further ensure the stability needed.

Next, we pursued options for Lakeland Credit Union as we advance and strategically and methodically discussed merger and what would be needed to stay independent in this new economic environment. As you were made aware, the Board led these two studies and went through a very thorough due diligence process. In the end, the decision to stay independent was made and I am proud to say that your Board did so with the full understanding of all the other options.

The Capital position of our credit union has been a key strength for many years and the leadership of the past must be given full credit for putting reserves aside for future 'rainy days.' This fiscal responsibility allows us to move forward with strong confidence in our ability to weather the current storm and future storms from a unique position of strength for a mid-sized credit union.

Though 2020 was perhaps the most difficult year of our lives, we expect a similar year in 2021, as none of us in this country are out of the woods yet. While Lakeland Credit Union was not immune to the fiscal effects of the resulting economy, our returns show it, as does every other business in the area; I will share with you that we expect similar results in 2021.

The challenges we face as an independent credit union include the realized cost of expertise needed to operate independently, continued margin compression, and most relevantly, the economic challenge in our region. The good news is that 2020 has been a great process of learning. While we expect 2021 to offer continued challenges, we know those challenges well and are positioned to not only weather them, but be there to help our members and our communities weather them.

Our staff, our management, and our Board stepped up in 2020, and I expect that they will do the same in 2021. I want to thank them publicly for their dedication and their hard work through many of our changes and in anticipation of continued adjustments as we work toward a new future. We ARE in this together and Lakeland Credit Union is here for you, just as we have always been.

These groups of volunteers and employees have proven to me that they can handle whatever comes our way and that they are solely focused on ensuring the Lakeland area and the communities we serve are at the very forefront of our mission.

Thank you for your support, your welcome and your commitment to our credit union.

Respectfully,

Kelly McGiffin, CEO



SUCCESS
BUSINESS

OPTIONS



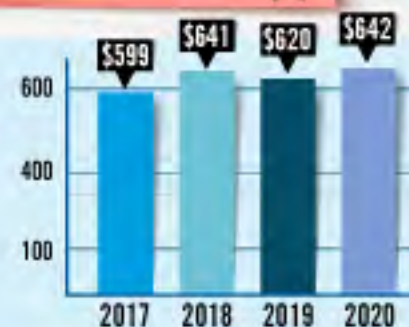
Loans · Millions (\$)



Deposits · Millions (\$)



Assets · Millions (\$)



Members Equity · Millions (\$)



Profitability · Millions (\$)



Profit Sharing · Millions (\$)



PROGRESS
START
MAX



\$ FINANCIAL OVERVIEW



2020 challenged Lakeland Credit Union in unanticipated ways. Not only were we faced with the unique impact of a pandemic, we were also affected by a second recession inducing shock from the decline in oil demand, and prices. Because of our concentrated exposure to the oil and gas industry, external factors such as increased unemployment rates and decreased household spending were amplified. This resulted in increased delinquencies, deferrals and a decrease in loans.

These variables have led to a reverse in balance sheet trend that Lakeland Credit Union hasn't experienced for years. A further financial effect of the pandemic is an increase in our deposit base; member's savings have grown due to a combination of less opportunity to spend disposable income and government relief programs. Our members wanted a deposit product that gave them quick access to their savings to deal with unforeseen situations. LCU responded by introducing a new

product called the Advantage Savings that offers a strong daily return. This proved very successful and our deposits grew by 4.5%. Our members were also prudent and paid down their debt, which resulted in a 9% decline to our loan portfolio. As a result of these balance sheet effects, we are well positioned to fund loan growth once the economy gets going again.

This past years' combination of a reducing rate environment, decreasing loans, and growing deposits has led to an adverse effect on our financial margin and net income. Despite this, due to strong relationships with our members, and prudence in our expenses, we have remained successful in generating positive net income. These results enabled us to continue sharing our profits with our members, in the form of dividends and patronage. In 2020, we were able to provide a cash rebate of 20%, supporting our members and the communities in which they live and work in a time when they needed it most.



SAVE AND BORROW THE CREDIT UNION WAY

DIVIDENDS ON SHARES
4% (w) calculated on minimum quarterly balance

INTEREST REBATE 25%

SAVINGS AND LOAN INSURANCE
Life Insurance on Shares to maximum of \$2,000 per member

TRUST ACCOUNTS ARRANGED

Why not come in and discuss saving and borrowing with
MR. FRED ZINK, Manager

STATION GOLD LAKE SAVINGS AND CREDIT UNION
Phone 248-4011 Northlight Building Phone 248-5347

RAPPORT DU PDG AUX MEMBRES

Il n'y a pas de doute que 2020 a été une année de changement et d'ajustement pour chaque canadien, canadienne et chaque membre de la Caisse LCU. Dans la région du Lakeland, nous étions en cours de l'énergie, lorsque le covid-19 s'est emparé de nos vies. Le monde a été changé par ces événements et la région du Lakeland n'a pas été épargnée par ces changements forcés. On peut dire que nous avons eu plus que notre part.

Ce n'était pas trop encourageant de commencer l'année 2020, avec le début d'une pandémie qui annonçait un bouleversement économique imprévisible, alors que nous étions sans PDG permanent et sans agent de crédit senior. Quand je suis arrivé, au début avril, j'ai été étonné du travail accompli par le conseil d'administration et les trois «co-PDG» intérimaires. Les premiers mois d'incertitude ont été gérés efficacement et le navire, ballotté par cette tempête, s'est maintenu à flot.

Nous sommes aussi reconnaissant au groupe de bénévoles dévoués, dont notre Conseil d'Administration et de notre Equipe de Direction. Nous étions arrivés au point où il était nécessaire de prendre une décision sur la voie à suivre pour une stabilisation. J'ai été heureux de travailler avec eux pour explorer les options devant nous. Nous avons d'abord abordé certains domaines structurels en apportant une expertise indispensable dans les domaines du crédit et de la trésorerie. Nous avons ré-établi quelques divisions organisationnelles et déplacé des gens vers des domaines prioritaires pour assurer la stabilité nécessaire.

Nous avons ensuite étudié les options pour la Caisse LCU. Après des discussions stratégiques et méthodiques sur l'option de la fusion d'une part, et d'autre part sur ce qui serait nécessaire pour rester indépendant dans ce nouvel environnement économique. Comme vous le savez, le conseil a mené ces 2 études et a suivi un processus de diligence raisonnable très poussé. En fin de compte, la décision de rester indépendant a été prise et je suis fier de dire que votre Conseil l'a fait en ayant pleinement compris toutes les autres options.

La situation du capital de notre coopérative de crédit a été une force clé pendant de nombreuses années et les dirigeants du passé doivent être pleinement reconnus pour avoir mis des réserves de côté pour de futurs «jours de pluie». Cette responsabilité financière nous permet d'aller de l'avant avec une grande confiance dans notre capacité à résister à la tempête actuelle et aux tempêtes à venir, en position de force, unique pour une Caisse Populaire de taille moyenne.

Bein que 2020 ait peut-être été l'année la plus difficile de nos vies, nous nous attendons à une année similaire en 2021 car aucun de nous dans ce pays n'est encore sorti du bois. Bien que la Caisse LCU n'ait pas été à l'abri des effets fiscaux de l'économie qui en a résulté, nos résultats le montrent, comme toutes les autres entreprises de la région; je partagerai avec vous, que nous attendons des résultats similaires en 2021.

Les défis auxquels nous sommes confrontés en tant que coopérative de crédit indépendante, comprennent le coût réel de l'expertise nécessaire pour fonctionner de manière indépendante, la compression continue des marges et surtout, le défi économique de notre région. La bonne nouvelle est que 2020 a été un excellent processus d'apprentissage. Alors que nous prévoyons que 2021 offrira des défis continus, nous connaissons bien ces défis et sommes en mesure non seulement de les surmonter, mais aussi d'être là pour aider nos membres et nos communautés à les surmonter.

Notre personnel, notre direction et notre Conseil d'Administration ont intensifié leurs efforts en 2020, et je pense qu'ils feront de même en 2021. Je tiens à les remercier publiquement pour leur dévouement et leur travail acharné à travers bon nombre de changements et en prévision des ajustements continus pour travailler vers un nouvel avenir. Nous sommes tous dans le même bateau et la Caisse LCU est là pour vous, comme nous l'avons toujours été.

Ces groupes de bénévoles et d'employés m'ont prouvé qu'ils peuvent gérer tout ce qui se présente à nous et qu'ils se concentrent uniquement sur le fait que la région du Lakeland et les communautés que nous servons, soient au premier plan de notre mission.

Merci pour votre soutien, votre accueil et votre engagement envers notre Caisse Populaire.

Respectueusement,

Kelly McGiffin, PDG

*We Value community,
integrity, excellence
the co-operative system
and of course for those
who made it all possible
Our People*



COMMUNITY OUTREACH

FREE FRIDAY FRENZY



September 2020 Member Appreciation Event at Rodeo grounds in Bonnyville



Lakeland Credit Union News
 Friday 18th September
 Issue 1948
 Lakeland Credit Union Supports The Communities

SPECIAL REPORT
 Lakeland Credit Union donates **\$100,000** to Local food banks

THE INSIDE STORY

Lakeland Credit Union donates \$50,000 to the Bonnyville Food Bank

Lakeland Credit Union donates \$50,000 to the Cold Lake Food Bank

September 2020 Member Appreciation Event at AG Society in Cold Lake



Years of Service (Celebrated During 2020)

35 Years

Shirley Mayowski
Susan Urichuk-Roth

25 Years

Nanette Fox

10 Years

Jason Cusack
Nicole Michaud
Ronda Morin

5 Years

Kami Cline
Jazmin Joyal
Melissa Vasseur
Sheila Isbister
Jenni Warman

Accreditations Received in 2020

- Beau Ferbey – Accredited Business Lender
- Shani Daw – Mutual Funds License
- Karen Dows – Change Management Certificate



Burgers to Beat MS
Isabelle, Nanette, Monique

LAKELAND'S PEOPLE



Board of Directors

First Row: Charmaine Code (Board Chair), Judy Cabay (Vice Chair)
 Middle Row: Kurt Richard, Brian Hamilton, Paulette Fersovitch, Marc Goulet
 Back Row: Dean Dube, Lance Marchand, Salman Arabi

Management

- | | | | | |
|--|--|--|---|---|
|
Karen Dews, CLSSGB
VP, Innovation and Member Solution |
Jacklynn Trifaux, M.Ed., CPHR
Manager, People & Culture |
William Aketo, MBA, BCS
Manager, Brand Experience |
Daryl Desjardins, B. Mgt
Manager, Finance & Risk |
Jason Casack, PMP
Manager of IT and Projects |
|
Noella Williams
Branch Manager, Bonnyville |
Susan Ulrich-Roth
Branch Manager, Cold Lake |
Nikita Normand
Asst. Branch Manager, Bonnyville |
Kimberley McRae
Asst. Branch Manager, Cold Lake |
Gail Cote, CAMLI - PA
Manager, Compliance |



Kelly McGiffin
Chief Executive Officer

Executives



John Peters
Chief Credit Officer



Shirley Wayowski, FCUIC, CCE
VP, Finance & Risk



Wendy Morrison, GPC.D
VP, Culture & Governance



Renda Morin, CCE
VP, Credit



Randy Tate, WMCCU, CUDE
VP, Member Experience

Volunteer Hours:
1656



Profit Sharing:
\$1.3
More than \$1.3 Million in 2020 Or \$45.6 Million back to our members since 1995



Town of Bonnyville

\$26,134
Service charge rebates for local non-profit and community organizations

Community Donations & Sponsorships
\$114,198
to 85 different events and organizations

Care Wear donations
\$7,848
Split between 5 different local non-profit organizations

STAFF GRANTS:
In 2020 there were 9 staff members that took advantage of the LCU staff volunteer grants.
\$2,500
Was awarded to the non-profit organizations that they have volunteered their time with.

Scholarships Awarded
\$10,000
Was given to 10 deserving students in the Lakeland

TIMELINE OF LAKELAND CREDIT UNION

1994

Caisse Populaire - Bonnyville Credit Union and Cold Lake Credit Union amalgamated to form Lakeland Credit Union

1985

Caisse Populaire St. Louis Credit Union changed their name to Caisse Populaire - Bonnyville Credit Union

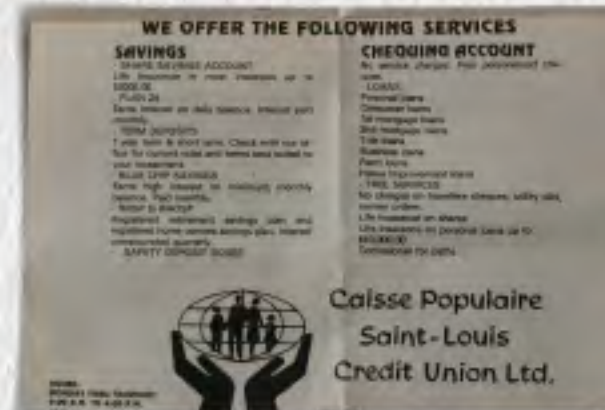
CFB Cold Lake Savings & Credit Union moved into Grand Centre and joined CGCL Credit Union to form Cold Lake Credit Union.

1976

Cherry Grove Credit Union moves to Grand Centre and changes their name to CGCL (Cherry Grove, Grand Centre, and Cold Lake) Credit Union

1940

St. Louis Savings and Credit Union



1948

Cherry Grove Credit Union

1959

Station Cold Lake Savings and Credit Union

1965

St. Louis Savings & Credit Union changed their name to Caisse Populaire St. Louis Credit Union

1967

Station Cold Lake Savings and Credit Union changed their name to CFB Cold Lake Savings & Credit Union

Memorable Moments

Lakeland Credit Union
 New Lakeland Credit Union Logo

Lakeland Credit Union Branch Renovations
 2010 Cold Lake Branch
 2015 Bonnyville Branch

INTRODUCING THE
HEROES
 SPECIALTY ACCOUNTS

Lakeland Credit Union donates
\$100,000
 to Local food banks (Bonnyville & Cold Lake)

2020 MFRC Wreath and Cheque Presentation

BONNYVILLE

5016-50 AVENUE, P.O. BOX 8057, BONNYVILLE, AB T9N 2J3

P: 780.826.3377

COLD LAKE

5217-50 AVENUE, P.O. BOX 1110, COLD LAKE, AB T9M 1P3

P: 780.594.4011

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