

2022

Annual Report

Shared Vision

Shared Values



Mission Vision Values

- Mission** Kingston Community Credit Union's mission is to foster the financial health of members by delivering outstanding and affordable financial services using co-operative principles.
- Vision** To be the most trusted financial service provider and grow the well-being of our community.
- Values** We value: **Co-operation:** people helping people, **Integrity:** always doing what is best for our members, **Community:** commitment to strengthening our community, **Sharing:** sharing our success with our community and members, **Financial Strength:** building financial strength with co-operative and sustainable ethics, **Education:** sharing our expertise, and **Respect for All.**

Operating Objectives

- Member Financial Services**
- Offer superior personal service
 - Meet financial needs for all life stages
 - Provide products for entire wallet
 - Use best delivery channels for every generation
 - Leverage emerging financial technologies for our member services
- Community & Member Engagement**
- Build strong and co-operative relationships with members and the community
 - Engage our community to bank with us
 - Engage KCCU and staff in community building
 - Create a financial education strategy
 - Support our community charities, co-operatives and not-for-profits
- Financial Strength & Long Term Viability**
- Promote our co-operative market differentiation
 - Improve operational efficiency
 - Seek opportunities for growth
 - Improve the diversification of products & revenue sources
 - Share our profits with the members and foster the co-operative business model
- Organizational Growth**
- Advance effective recruitment and staff engagement
 - Build tomorrow's leaders
 - Communicate effectively and co-operatively
 - Seek mentorship opportunities
 - Seek collaborative opportunities

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Stay in touch by web, social and e-mail!

As your financial partner, we want to remain connected to keep you informed about our latest products, services, happenings, and provide you information on topics that are important to you! Whether you want to view a video on boosting your credit score, calculate your mortgage refinance payments, set up an appointment to discuss your finances, or just to know when our next charity BBQ is, be sure to stay in touch.

Here's how:

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- Connect with us on social
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kccu.ca

Board of Directors

Lisa Dirocco, The Bay	Chair	2024
Robert Trentadue, retired, Purolator	Vice-Chair	2022*
Reta McCormick, retired entrepreneur	Director	2023
Brent Bellamy, GM, Science '44 Co-op	Director	2022*
Paul Lorenz, retired, City of Kingston – Police Dept.	Director	2022**
Stephen Bach, Entrepreneur/Realtor	Director	2024
Josephine Matyas, Writer & Author	Director	2023
Mary Lowdon, Corporate Secretary		

*term expires

** intends not to run for re-election



Report of the Chair of the Board of Directors



Welcome everyone to this our 65th Annual General Meeting.

Reflecting to the first part of 2022, we were still challenged by the COVID-19 environment. What remained constant was the professionalism and willingness of our staff to adapt. They found ways to keep our membership safe while still providing service excellence, with integrity and respect.

This year our community involvement initiatives reflected the diversity of our membership, community and our staff. We continued our commitment to creating a positive impact, to build, strengthen and enhance the lives of members and our local community at large. I am proud of our philosophy of “people helping people”. One of our many community engagements is our partnership with the City of Kingston’s Climate Community Climate Action Fund. In addition to our donation, we also have lending products at rates that reward buying hybrid and electric vehicles and doing renovations that reduce the impact our member’s homes have on greenhouse gas emissions.

In 2022 the Board launched a renewal of our Strategic Plan, evaluating the profile and financial needs of the future membership, market conduct, community engagement, capital funding to support technological developments in member services and internal processes, payments modernization, and succession planning. The Board’s vision aligned well with the new Credit Union and Caisses Populaires Act (2020) and the risk-based supervisory framework introduced with the new Act.

Your Credit Union has had a very successful year from a financial point of view. The income we made will continue to keep us sustainable by funding our capital reserves and giving us the ability to grow, invest in technology and payments modernization, and attract skilled staff.

At this time, your Board would like to recommend for your approval a 5% dividend on member Equity Shares and a 10% service charge rebate on chequing account packages.

I would also like to acknowledge the contribution and collaboration of your Board Directors and the entire staff complement in providing for our members’ financial needs and keeping your credit union in a sound financial position.

I would like to thank retiring Board member Paul Lorenz for the insight and thoughtfulness he brought to the Board table for 15 years. Thank you Paul!

Sincerely,

Lisa DiRocco,
Chair
KCCU Board of Directors



Report of the Chief Executive Officer



Three years in the shadow of Covid-19 has put Kingston Community Credit Union to the test in a manner nobody had imagined beforehand, as it has for all Canadian families and workplaces. Our team rose to the challenge of the pandemic and adapted to often-changing public health restrictions to ensure every one of our members and employees had safe ways to bank and work. Our number one goal through it all was to continue offering our members the service they have come to depend on. We have maintained our level of in-branch personal service while responding to new member service preferences. The Pandemic accelerated the trend to bank online and we are continually expanding our virtual services. In 2022 we introduced Deposit Anywhere™, feature that allows you to remotely deposit a cheque using your mobile device, anytime of the day or night, without visiting a branch. Cyber-security has also been top of mind, with updates to our mobile apps and online account access, and we will shortly be introducing two-factor authentication to further protect your accounts and personal information. Our high interest savings account has been a resounding success, rising to almost 38 million in members deposits in three years.

The acute health threat of the Covid-19 has diminished but remains elevated for a vulnerable segment of our community and our health system remains under severe stress. Economically, the Pandemic “after-effect” is far from over as we are now faced with the threat of recession, elevated house prices, the certainty of inflation and rapidly increasing cost-of-living for our members, our staff and for our community. As such, the Pandemic continues to have a significant impact on our financial outcome. The rapid rise in interest levels in the second half of 2022 increased our loan interest revenue and almost doubled the investment income. Due to the continued economic uncertainty, the impaired loan provision increased by \$150,000, a prudent response, yet there has to date not been any significant increase in levels of delinquency or default. After recoveries, the net expense for the loan provision was \$160,000 (a minus -220,000 in 2021). Computing and information security expenses have increased and will remain elevated, and general operational expenses saw the impact of inflation.

Nevertheless, KCCU was able to post a solid result for the year and I applaud your team for what they were able to

achieve under very difficult circumstances. 2022 saw strong growth in lending by 12.5% or \$18 million, and income before taxes and dividends was \$1.46 million (\$1.56 million in 2021). After taxes and accumulated other comprehensive income (loss) this enables us to add \$956,000 to our undivided earnings that will continue to support our growth plans for member services and promote KCCU’s long-term sustainability. Our core mission is to foster the financial health of our members. Putting people before profits means that as an organization, we share our success with our members and your board is recommending that we return \$74,000 to our members in service charge rebates and a 5% dividend on your equity share.

The balance sheet grew by only 2.4% or \$5 million, which is a direct consequence of members who had accumulated savings during the Pandemic beginning to draw down those savings. This modest growth, combined with solid profitability, helps strengthen our regulatory capital position. Some of this outflow of member deposits funds went into investments in mutual funds and with KCCU Wealth Solutions*, as members took the opportunity to invest while the market was down, with net new investments of \$6.8 million. Total investment assets under management (AUM) is up slightly to \$55.7 million despite the market downturn. As a result KCCU now looks after \$268 million in member deposits and investments.





Kingston Community Credit Union (KCCU) presents a cheque for \$5,000 to the 2023 Kingston Community Climate Action Fund on Tuesday, Feb. 7, 2023. (L to R: Robert Trentadue, Director of KCCU, Jon Dessau, CEO of KCCU, Kingston Mayor Bryan Paterson, Kingston City Councillor Jimmy Hassan, Geoff Hendry of Sustainable Kingston, and Erin Monts, Director of Frontenac Club Day Care. Photo by Cris Vilela/Kingstonist.

Our strategic focus on Community and Member Engagement is best exemplified by staff-led involvement and support for our community charities, co-operatives, and not-for-profits. Yet again your staff made KCCU a Platinum supporter of the United Way. We sponsored a grant application for the Indigenous Food Sovereignty Garden and I would like to thank and acknowledge our partners at Concentra Bank and their Empowering Your Community Program. Other community highlights included our immediate support for the Mayor's Fund for Students from Ukraine, our second year of support for the City of Kingston Community Climate Action Fund, and for the Kingston Canadian Film Festival. Your staff conducted numerous financial literacy and investment educational events in the community, we were able to support a community organization in opening bank accounts for number of their homeless clients, and we sponsored the first annual Youth Imagine the Future Writing and Arts Festival. This is but a small number of the community causes and events we supported; please see our 2022 In Our Community Report for the amazing contributions your staff made in our community during the year. Finally, but not least, the staff Christmas Caring program collected presents, food and funds for those of our members that unfortunately fell into need during the course of the year as well as for families that were in shelters over the Christmas season.

In 2022 the new Credit Unions and Caisses Populaires Act, 2020 (CUCPA 2020) came into force, and with it a whole new set of Regulations, Authority Rules and Guidances governing out credit union sector. We also introduced the Credit Union Market Conduct Code. Your board and management have had a very busy year reviewing and updating our policies, procedures and business conduct to align with the new best practices. KCCU has over the past many years actively participated in the consultations leading to the new Act and Rules, and this welcome modernization of our legislative and regulatory framework will position KCCU and the Ontario credit union sector well for meeting the challenges of the future.

Respectfully submitted,

Jon Dessau, CEO



*KCCU Wealth Solutions is a program provided by Credential Financial Strategies Inc. offering financial planning, life insurance and investments to members of credit unions and their communities. Trade-mark(s) of KCCU Wealth Solutions are used under licence by Credential Financial Strategies Inc. Mutual funds, other securities, and securities-related financial planning services are offered through Credential Securities, a division of Credential Qtrade Securities Inc. Credential Financial Strategies Inc. and Credential Qtrade Securities Inc. are subsidiaries of Aviso Wealth Inc. Credential and Credential Securities are registered marks owned by Aviso Wealth Inc. and are used under licence.

Report of the Audit Committee

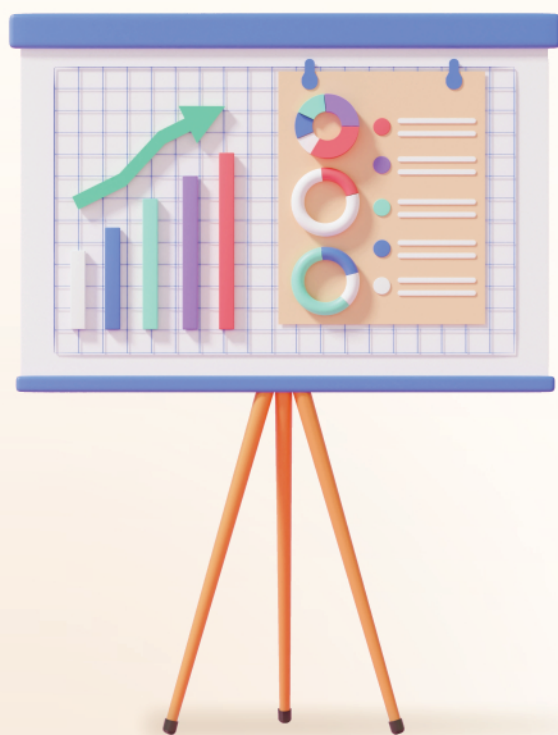


The Audit Committee is established by the Board of Directors and is composed of members appointed by the board from among its directors. The Committee meets, at minimum quarterly and is an integral part of the overall framework of corporate governance and oversight.

Together with senior management, internal and external auditors, the Audit Committee provides oversight that fosters an environment where:

- Risks are assessed and adequately mitigated
- Reporting is accurate, timely and relevant
- Assets and member interests are safeguarded
- Positive ethics are upheld; and
- Compliance is assured.

The Audit Committee's oversight responsibilities include the review of financial reporting, risk management and controls, audit activities and compliance activities. The Committee maintains open communication between internal and external auditors, management, and the board. The Committee reports directly to the Board of Directors following each meeting.



During the four times the Audit Committee met during the 2022 fiscal year the following key activities were undertaken:

- Review of the Audit Committee Charter to ensure compliance with the Act, the Regulations and any other applicable legislation
- Review of annual Audit Committee Work Plan
- Review and make recommendation to the board about the annual audited financial statements and year-end results with the external auditors
- Review and make recommendation to the board about all audit examination findings and letters, including the auditor's Management Letter
- Review with auditors the scope and plan of internal and external audit activities
- Review and make recommendations to the board regarding the effectiveness of credit union's internal and external audit practice, degree of independence of the auditors, mandates, work plans, performance of auditors and any problems or issues raised relating to the performance of the audit or auditors
- Review the performance of auditors, their proposed engagement letters, and make recommendations to the board about the engagement and remuneration of internal and external auditors
- Review of all other audit findings, responses from management and/or action plans
- Review any reports about the affairs of the credit union made by the regulator, monitor the implementation of any significant recommendations and report to the board on the progress of such implementation(s)
- Review of all regulatory filings to ensure timely submissions
- Review of the effectiveness of the Audit Committee in carrying out its duties
- Review of the credit union's policies, procedures, and controls in place for legislative compliance
- Review of the Business Continuity Plan
- Monitoring risk management practices to safeguard credit union's assets
- Monitoring the adherence of directors, officers, and employees with the credit union's standards of business conduct and ethical behaviour including related policies and Market Conduct Code
- Review of any material legal issues
- Review of complaints
- Review of any accounting issues

- Reporting any significant changes in accounting principles and practices to the board
- Review and assessment of credit union staff to ensure adequacy to fulfil accounting and financial responsibilities
- Review of director and officer expense claims
- Annual performance review of the CEO
- Review of Director's Training and Qualification self-assessments, identifying training gaps and reporting results with Board
- Development of an effective Director Training and Growth Plan and review of progress to plan throughout the year
- Review of IT security committee and IT steering committee activities
- Review of the Enterprise Risk Management framework which includes ongoing identification and monitoring of significant risks to the credit union and recommendations for actions when necessary.

The Audit Committee, through its oversight role, helps ensure KCCU operates in a safe and prudent manner and adheres to applicable legislation including CUCPA 2020, Ontario Regulation 105/22, and FSRA Rules. Our focus is excellence in service to members with strong oversight. The Audit Committee has overseen another year of outstanding audit results, strong controls, solid financial performance, and effective risk management. Through improvements in productivity and efficiencies, strong controls, and good management, KCCU has continued to expand its capacity in 2022. This capacity will allow us to further grow and to develop new products, services, and technology that better serve our members and attract new ones.

On behalf of my fellow Committee members, Reta McCormick, and Lisa Dirocco, I can confirm that the Committee is conducting its activities in accordance with the Act, Regulations, Rules, and that management has implemented all Committee recommendations. There are no legal matters which the Committee believes should be reported to the members and I will defer to legal counsel or the CFO to confirm. There are no other matters which are required to be disclosed pursuant to the Act or the Regulations.

I would also like to take this opportunity to express my appreciation to the committee members for their diligence and attention in the significant work the committee completed throughout the past year.

Respectfully Submitted,

Robert J. Trentadue

Bob Trentadue
Audit Committee Chair



Report of the Chief Financial Officer/ Credit Manager



In 2022, the KCCU credit portfolio grew by over \$18M, a new record for loan growth. Broker referrals of \$16.5M (\$12.4M approved and closed added to organic member demand) helped KCCU acquire new members. Our approach continues to be to underwrite broker referrals end-to-end in the same manner as we treat all loan and mortgage requests. Our commercial loan portfolio contracted by \$500,000 as many businesses had received government stimulus over the past couple of years and they were paying back monies instead of taking on more debt.

This year's annual growth was led by credit (up 12.55%). Deposits were up and down but impacted by spending of accumulated savings over the past three years. Slow deposit growth (up 2.1%, just over \$4.07M) directly impacts asset growth which increased by a similar 2.4%. When credit growth far exceeds deposit growth, margin improves leading to the next year often being one of deposit gathering and higher deposit expense to maintain long-term asset growth.

There were several prime rate increases in 2022. The Bank of Canada was aggressively fighting inflation and the central bank rate was at 4.25% by year end, having started the year at 0.25%. Credit losses before recoveries continue to be low as the percentage of mortgages vs. personal loans grows. Member's home equity was growing for years until March of this year when we saw an almost across the board decrease in real estate close to 25% by year end. KCCU was using a 2% higher rate (a stress test) to qualify members to ensure they could afford their mortgages in case rates rose. We have been doing this since 2014 and we considered this a critical component of prudent lending policies and underwriting.

In 2022, losses before recoveries were \$57,586.44. This compares to \$101,570 in 2021 and \$90,061 in 2020 and to as high as \$185,261 back in 2017. KCCU's credit portfolio is growing well yet experiencing low losses for the past decade.

Recoveries were slightly above last year's level at \$52,850. Losses after recoveries were the lowest ever at \$4,736 on a \$163.6M credit portfolio, low compared to our peers and industry.



In 2022, KCCU's credit portfolio grew +12.2% (\$18.2M) compared to +11.1% (\$14.5M in 2021) +8.94% (\$10.74M in 2020). Personal Loans and Lines of Credit increased by \$1.03M (+9.1%) compared to last year -\$932K (-7.7% in 2021). This year's success in personal loans was led by pre-approved loans, car, consolidation and RSP loans. Mortgages again led our growth in 2022, up 14.1% (\$17.7M gain), vs. 2021's \$13.04M growth which has steadily increased over the past 5 years. The breakdown for mortgages is a \$15.4M increase in Fixed Mortgages (up 13.3%) and +\$2.25M (23.7% increase) in Variable Mortgages (mostly Home Equity Lines).

In 2022, personal loan bad debts were 0.47% (0.04% after recoveries) compared to 0.90% (0.47% after recoveries in 2021) and 0.74% (0.49% after recoveries in 2020). In 2022, mortgage bad debts were 0.0% the same as all past years. As a percentage of the entire credit portfolio (\$163.6Million), write-offs after recoveries this year were 0.035% compared to 0.037% (2021). Data from the past five years shows an average of 0.74% before recoveries and 0.04% after. These results show the benefits of working on behalf of members and the long-term cooperative nature of collection at KCCU as well as the quality of our credit policies, procedures, and underwriting.

KCCU continues to administer business loans under CEBA through EDC (Export Development Canada) and Central 1.

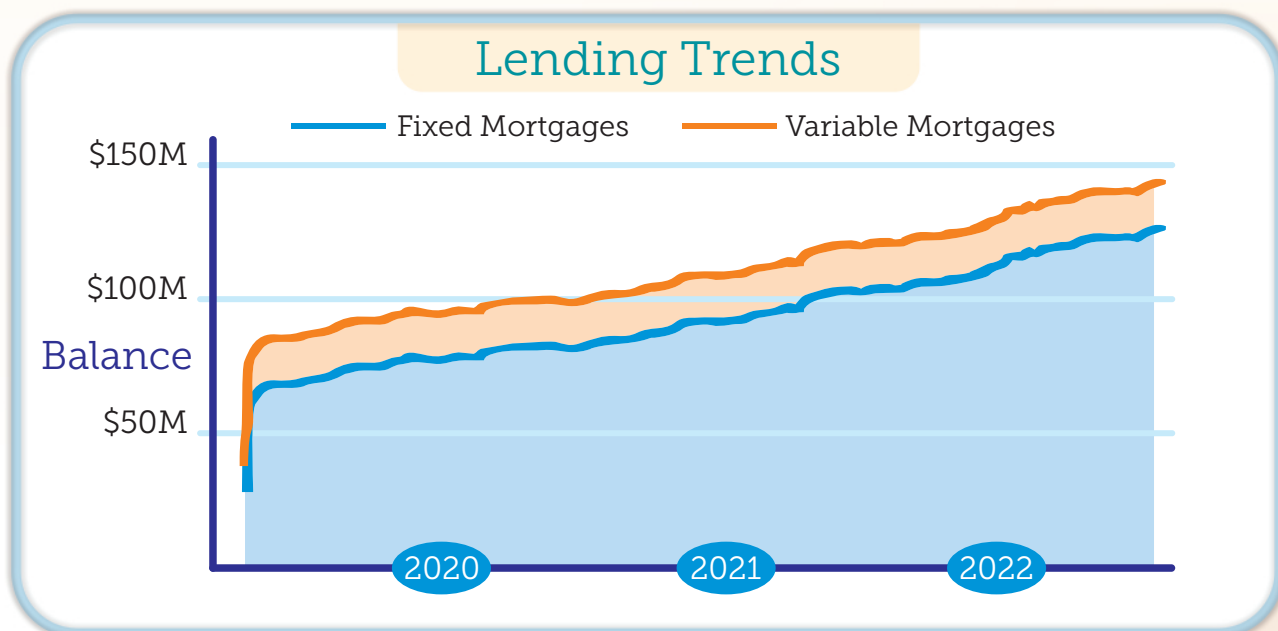
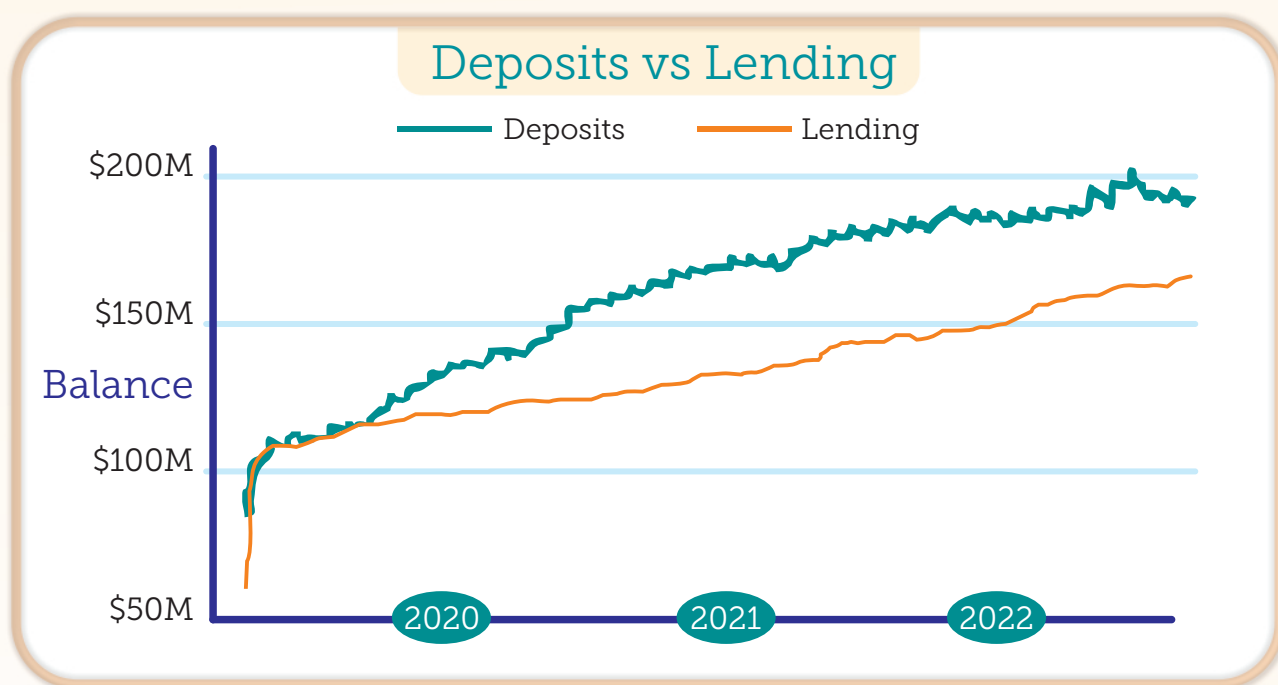
On December 31st, 2022, there were 5 delinquent loans over 90 days in arrears representing \$14,879 after security. This compares to 13 loans for \$64,428 (2021) and 21 loans for \$117,577 (2020), 25 loans for \$108,592 (2019) and 21 loans for \$153,838 (2018). The trend is quite favourable considering the growth during the same period.

Total deposits (not including accrued interest) grew slowly from \$194.0M to \$198.08M. Deposit growth was restrained compared to last year as members spent their accumulated savings. In September deposit growth was up much higher, but it was transitory. In 2021 deposits grew by 13.1% (\$22.2M), and 19.8% (\$27.4M in 2020) and 8% (\$10.3M in 2019).

The breakdown shows Demand deposits decreased by \$643K in 2022. Members invested and spent monies built up over the past couple of years as evidenced by Term Deposits increasing by \$3.4M (unlike previous years where they declined possibly due to low interest rates and member preference for non-deposit-insured financial alternatives such as mutual funds and other securities).

Members favoured demand deposits with short terms when rates were historically low as evidenced by the growth of the High Interest Savings Account (\$37.9M since inception Nov 2019). Registered Deposits grew by \$1.32M, almost double last year's \$700,332 increase. This shows that the demand for deposit products with longer terms was motivated by higher interest rates after a large increase in demand deposits in 2021 (+\$23.6M) due to a combination of real estate profits, government stimulus and members not spending money during the pandemic.

In the illustration below we can see the growth of credit and deposits from Dec 31, 2019 – Dec 31, 2022.



The overall Wealth management portfolio increased by +2.8% and now stands at \$55.7 Million (vs. last year +31.4% at \$54.1M and in 2020 +14% at \$41.2M). The KCCU Wealth Solutions Office* now has \$36.3 Million of assets under administration (up 10.2% in 2022, compared to \$32.9M (2021) and \$24.5M (2020)). We are very proud of the progress of our KCCU Wealth Solutions office and brand with a fully integrated system for determining the optimal financial planning needs of each individual. Client meetings have become a hybrid of in person and non-contact solutions focussed on member preference and health and safety solutions for members and staff to minimize risk.

The last few years have demonstrated how important it can be being part of a co-operative organization. From the onset of the pandemic, in addition to no contact options

and branch innovations, KCCU provided flexible credit solutions to better the lives of its members with mortgage deferrals offering low and no payment options, knowledgeable service, emergency lines of credit and CEBA loans for businesses.

Respectfully Submitted,



David S. Bull, B.A.
CFO/Credit Manager

"The best ideas are common property".
-Seneca (5 BC – 65AD)

Consolidated Loans

	2022	2021
Personal Loans and Lines of Credit	12,278,144	11,252,512
Commercial	7,871,523	8,373,000
Fixed Mortgages	131,755,293	116,288,976
Variable Mortgages / HELOCs	11,737,020	9,484,906
Total Loan Applications Received	1072	1006
Total Loan Applications Declined	391	384

Deposits

Term Deposits	22,711,479	19,314,609
Savings/Chequing	140,650,229	141,962,532
Registered Deposits (RRSP, RRIF, TFSA)	28,714,960	27,396,857
Wealth Management AUM*	55,693,274	54,166,462

Other

Assets	212,284,337	207,272,099
Member Ownership (Equity Shares)	1,050,837	1,074,688
Members	9,642	9,626

Approved Loans

Personal Loans	391	6,642,753	341	5,201,912
Lines of Credit	83	2,645,337	76	5,248,530
Mortgages	206	47,792,603	198	48,360,276
Total Approved Credit	681	57,180,692	615	58,810,718
Commercial (included in Mtgs and LOCs above)	1	100,000	7	3,003,930
Canada Emergency Business Account (CEBA)**	31	1,540,291	36	1,765,201

*AUM refers to Assets under Administration. KCCU Wealth Solutions is a program provided by Credential Financial Strategies Inc. offering financial planning, life insurance and investments to members of credit unions and their communities. Trade-mark(s) of KCCU Wealth Solutions are used under licence by Credential Financial Strategies Inc. Mutual funds, other securities, and securities-related financial planning services are offered through Credential Securities, a division of Credential Qtrade Securities Inc. Credential Financial Strategies Inc. and Credential Qtrade Securities Inc. are subsidiaries of Aviso Wealth Inc. Credential and Credential Securities are registered marks owned by Aviso Wealth Inc. and are used under licence.

** off book (administered on behalf of Export Development Canada for the government of Canada)

Report of the Governance Committee



The Governance Committee is established by the Board of Directors and is composed of members appointed by the Board from among its directors. The Committee meets, at minimum quarterly and is an integral part of the overall framework of corporate governance and oversight.

The Governance Committee is constituted as an advisory committee as per article 5.05 of the By-Laws of the Credit Union. The objective of the Governance Committee is to make recommendations to the Board with respect to board succession planning, governance practices and board-level policies.

The Committee is comprised of a minimum of three Directors appointed by the Board with four currently serving on it. The Committee is assisted by Senior management.

The Committee researches, develops and maintains an effective Board Succession Planning Strategy, develops, and maintains Terms of Reference for the Corporate Secretary, reviews, and drafts Governance Policies, and makes further recommendations to the Board with respect to best governance practices and board-level policies.

During the four times the Governance Committee met during the 2022 fiscal year the following key activities were undertaken:

- Discussion of Covid 19 Health and Safety Protocols
- Review of FSRA Rule 001– Sound Business and Financial Practices
- Review Board Honorarium, Chair Remuneration, Compensation Survey and recommendations to the Board for compensation
- Review of Risk Based Supervisory Framework
- Discussion and draft development of Governance Committee duties, work plan and corresponding Charter
- Sourcing Board Planning Meeting resource - locating, interviewing, and engaging a Strategic Plan Facilitator
- Review of current Director Training Plan

On behalf of my fellow Committee members, Stephen Bach, Paul Lorenz, and Josephine Matyas, I can confirm that the Committee is conducting its activities in accordance with the Act and Regulations and that management has implemented all Committee recommendations. There are no other matters which are required to be disclosed pursuant to the Act or the Regulations.

I wish to also thank the Committee members for their diligence and attention to detail in the important tasks the Committee completed over the past year.

Respectfully Submitted,

Brent Bellamy
Governance Committee Chair



In Our Community

Cooperation, Community, Education, and Sharing are core values of Kingston Community Credit Union. We strongly believe in building cooperative relationships with our members and our community. For over 65 years Kingston Community Credit Union has made a positive impact in our local community with charitable giving, volunteerism, and financial education. We have a proud tradition of cooperative business ethics and a commitment to continually demonstrate our mission, vision, and values. As part of the credit union philosophy of People Helping People, KCCU is committed to building, strengthening, and enhancing the lives of those in our community.

We were proud to support the following organizations in 2022:

- Amherst Island Radio/Radio Free Stella
- Almost Home
- Boys & Girls Club Kingston – Pink Shirt Day
- Big Brothers and Big Sisters
- Canadian Ukraine Foundation
- Corus Clothes for Kids
- Dawn House
- DECA – Kingston Secondary School
- Extendicare Kingston
- The Food Sharing Project
- The Forgotten Ferals
- Greater Kingston Chamber of Commerce
- Integrated Care Hub
- International Credit Union and Co-op Week
- KCCU Community Sharing & Christmas Caring Program
- Kids for Kids Hockey Organization
- Kingston 4Paws
- Kingston Canadian Film Festival
- Kingston Community Climate Action Fund - City of Kingston
- Kingston Community Health Centres
- Kingston General Hospital
- Kingston Humane Society
- Kingston Police Association
- Kingston Seniors Association
- Kingston Women's Art Festival
- Lasalle Secondary School
- Loving Spoonful
- Loving Spoonful Indigenous Food Sovereignty Garden
- Luke's Place
- Martha's Table
- Mayor's Fund for Students from Ukraine
- Motion ball Kingston
- Memorial Centre Farmers' Market Association
- Ontario Co-operative Association
- Ontario Credit Union Charitable Foundation
- CU Succeed Youth Bursary
- Partners in Mission Food Bank
- Royal Canadian Legion – Ladies Auxiliary
- Socks Kingston – 835 Pair donated in 2022
- South Frontenac Community Services
- South Frontenac Community Services Food Bank
- Street Health Centre
- St. Vincent de Paul Kingston
- Trellis HIV and Community Care
- United Way of KFLA
- University Hospitals Kingston Foundation
- Youth Imagine the Future Writing and Art Festival



KCCU also supports our local community charities, cooperatives and not for profits by offering a no-fee Co-operation Plus Account (for qualifying members) and a low fee Community Account for clubs, teams, and organizations.

Community Support and Involvement.

We recognize the continued need for support within our community. Many local organizations and agencies have found it difficult over the past few years with an increased demand for their services and difficulty to fundraise due to Covid-19 restrictions and decreased disposable income for many contributors. Times are tough and we know it! In 2022 KCCU supported many local organizations, through fundraising, corporate donations, and grants. We also went beyond our borders, raising \$4440 in member donations in branch and adding an additional \$1,300 donation from KCCU which was provided to the Canadian Ukraine Foundation in support of the people of Ukraine.

United Way.

KCCU remains an active participant in the KFL&A United Way Workplace Employee Campaign with employee contributions and corporate matching, bringing our donation to over \$12,700 in 2022! We have also been recognized by KFL&A United Way for our continued Platinum status with 43 straight years of achieving 100% staff participation! Way to go team KCCU!

Kingston Community Climate Action Fund.

In 2020 we began a partnership with the City of Kingston to introduce and support the Kingston Community Climate Action Fund. In the three years that the fund has benefited local projects aimed at reducing greenhouse gases and working towards Kingston's goal of carbon neutrality by 2040, KCCU has actively promoted the projects, the fund, assisted in fundraising, and donated \$15,000 to the fund and its projects. Refer to our website for details on the projects and how you can contribute.

Return of in-person events.

As covid restrictions were lifted in 2022, we were excited to return to some in-person events. With the help of our dedicated staff, we were able to hold and participate in several fundraising events with the proceeds going directly to support local community organizations. BBQ's, book sale, coffee break, calendar sales, and staff casual days raised funds for Kingston 4Paws, St. Vincent de Paul Kingston, The Food Sharing Project, Kingston Humane Society, Alzheimer Society of KFL&A, as well to purchase supplies for Dawn House, Integrated Care Hub, Forgotten Ferals, and Luke's Place.

We also dusted off our tent and participated in Kingston Community Health Centre's Community BBQ, Memorial Centre Farmers' Market Zucchini 500, Almost Home Family Fund Day, Loving Spoonful's Night Market, Big Brothers' and Big Sisters' Teddy Bear Picnic, and offered our account services and branches as donation drop off locations for Corus Clothes for Kids, the Kingston Community Climate Action Fund, and the Mayor's Fund for Students from Ukraine.

We proudly celebrated 65 years in business on October 28, 2022, with branch festivities.



Empower Your Community Grant.

Over the past two years, Loving Spoonful has partnered with the urban Indigenous community in the Kingston area, including the Kingston Indigenous Language Nest (KILN) and the Indigenous Diabetes Health Circle Eastern Region (IDHC) to support the creation of the two-acre Indigenous Food Sovereignty (IFS) Garden. KCCU was most pleased to present \$12,000 in support of this project. \$10,000 was awarded to KCCU for the project from our co-operative partner, Wyth Financial through their Empowering Your Community program plus an additional \$2,000 from KCCU directly. The funding was used to offer honorariums to Indigenous youth for the management of the vegetable gardens and food forest at the IFS Garden. The youth provided crucial support for the maintenance of the Garden throughout the growing season, supported the implementation of land-based language learning programs offered by KILN at the IFS Garden, and managed the distribution of garden produce to food insecure members of the Indigenous community. The IFS Garden programming and donated produce benefited over 100 community members.

The second component of this project was the creation and distribution of Home Garden Kits for members of the Indigenous community who are unable to participate in the IFS Garden due to accessibility challenges. Kits included everything households needed to produce food and traditional medicines at home including a planter, soil, vegetable seedlings and seedlings for traditional medicine plants. 100 kits were funded and distributed by IDHC and KCCU to Indigenous households throughout eastern Ontario.

Christmas Caring and Community Sharing.

Our 2022 year ended with us helping 7 member families (24 people, 10 children) by providing groceries and gifts through our Christmas Caring Program. In addition, we assembled numerous KCCU Care Kits which were distributed through the Integrated Care Hub to those in need. KCCU also presented corporate donations of over \$8,000 to several local community partners in December.

Kingston Community Credit Union takes pride in setting a caring example in our community and appreciates the generosity and commitment of our members, board, management, and staff in supporting these initiatives.



Our Financial literacy initiatives.

We are committed to educating our members and our community. We regularly share our experience and knowledge with local schools, groups, and organizations by providing financial literacy sessions on topics such as budgeting, saving, credit, and investing. We moved our session to an online format the last few years due to covid and are now offering both online and in-person sessions. Our website hosts a full library of fun financial learning videos - just click on the "Learn" icon on our home page to check them out. A new Junior Series was introduced in 2021 to support financial learning for our little ones. All videos are a fun and light way to learn about financial products and provide answers to your financial life questions. We also provide information and resources on our social media channels so please connect with us there.

If you know of a group or organization that would be interested in receiving financial literacy training, please contact us at kccu.ca.



Our Staff.

Our staff are paramount to our engagement with, and support of, our community. Our employee run Social and Fundraising Committee is instrumental in planning and executing many of our initiatives. The Committee is also responsible for our Christmas Caring and Community Sharing programs along with creating spirit and fun within our branches. Special thanks to all the members of the Social and Fundraising Committee for all you do!

Bursaries

KCCU continued to actively promote the Ontario Credit Union Foundation CU Succeed Youth Bursary. The CU Succeed Youth Bursary program is open to resident Ontario post-secondary students in need of financial assistance for academic, technological, or vocational training. The CU Succeed Youth Bursary was established in 2016 by the OCUF and, over the past six years has awarded Over the past seven years, they have awarded \$536,000 to 407 students. Applications for 2023 will open on April 30.

Credit Union Difference.

Being part of a credit union means doing more with your money. It's making the choice to keep your dollars local, and putting your own health, the health of your community, and your local economy ahead of someone else's bottom line. It's about putting your interests first, aligning your money with your values, putting people above profit, and choosing co-operation over competition.

Thank you for being part of our cooperative!

SUPPORT Local 
SUPPORT Kingston



International Co-operative Alliance Statement on Co-operative Identity

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise.

Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1st Principle:

Voluntary & Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle:

Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. People serving as elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

3rd Principle:

Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible, benefitting members in proportion to their transactions with the co-operative, and supporting other activities approved by the membership.

4th Principle:

Autonomy & Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle:

Education, Training & Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public — particularly young people and opinion leaders — about the nature and benefits of cooperation.

6th Principle:

Co-operation Among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle:

Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

Balance Sheet

Kingston Community Credit Union Limited
Statement of Financial Position
as at December 31, 2022

	2022	2021
Assets		
Cash and cash equivalents (Note 3)	9,878,634	8,792,968
Investments (Note 4)	36,574,745	50,706,983
Member loans (Note 5)	163,353,251	145,195,599
Income taxes recoverable	54,878	-
Property, plant and equipment (Note 6)	1,704,505	1,859,880
Other assets (Note 7)	538,921	611,549
Deferred income tax (Note 8)	179,403	105,120
Total assets	212,284,337	207,272,099
Liabilities		
Member deposits (Note 9)	192,442,318	188,251,265
Income taxes payable	-	87,034
Other liabilities (Note 10)	1,069,925	1,025,931
Dividends and interest rebate payable	74,087	31,760
Obligations under capital lease (Note 11)	1,353,428	1,463,722
Membership shares (Note 12)	1,050,837	1,074,688
Total liabilities	195,990,595	191,934,400
Members' equity		
Members' equity	15,452,124	14,245,940
Reserves	1,206,480	1,206,480
Accumulated other comprehensive income	(364,862)	(114,721)
Total equity	16,293,742	15,337,699
	212,284,337	207,272,099

Approved on behalf of the Board of Directors:



Director



Director



Shared Vision • Shared Values



We celebrate our success, as together we have built more than just a credit union.
We have built a foundation of cooperation and friendship.

