

Your Community · Your Credit Union

2021 Annual Report



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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Website, social media & e-mail

Refer a friend, apply for a loan, download the KCCU app for Ipad or Android, check out rates, see our newest products, and much more. Now, more than ever, you can get information about KCCU on-line! Visit your Credit Union's interactive website at kccu.ca or communicate with our staff through e-mail at kccu@kccu.ca.

Our Social Media websites are also accessible via our website. They will connect you to KCCU on Facebook, Twitter, Instagram, Wistia, You Tube and Google - a great way to keep in touch and stay current with happenings at KCCU and across the co-operative system.

KCCU encourages members to join the electronic mailing list on our website to receive less paper and help our environment. You may unsubscribe at any time. We encourage members to "like" us on facebook or follow us on Twitter or Instagram to receive the latest news and information.



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kccu.ca

Board of Directors

Robert Trentadue, retired, Purolator	Chair	2022
Lisa Dirocco, The Bay	Vice-Chair	2021*
Reta McCormick, retired entrepreneur	Director	2023
Bram Fisher, retired entrepreneur	Director	2021**
Paul Lorenz, retired, City of Kingston – Police Dept.	Director	2022
Brent Bellamy, GM, Science '44 Co-op	Director	2022
Stephen Bach, Entrepreneur/Realtor	Director	2021*
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
64th Annual General Meeting.

Unfortunately, nothing has changed regarding the environment with COVID-19 still affecting all our lives. Despite all the challenges COVID-19 has thrown at us, your staff have persevered and treated all members with excellent service, respect, and professionalism.

Our staff continued to support our community as shown by all the community organizations they helped in one way or another. A very sincere thank you to all our staff members.

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 attract specialized staff in areas of IT and human resources.

At this time, your Board would like to recommend for your approval a 3% dividend on Member Equity Shares.

I would also like to acknowledge the contribution of your Board members and senior staff have made in collaboration to keep your credit union in a sound economic position.

I would like to thank retiring Board member Bram Fisher for the insight and thoughtfulness he brought to the Board table.

Thank you Bram!

Sincerely,

A handwritten signature in blue ink that reads "Robert Trentadue". The signature is fluid and cursive.

Robert Trentadue,
Chair
KCCU Board of Directors



Report of the Chief Executive Officer



2020 had put our community and your credit union to the test as never before; 2021 started with renewed uncertainty yet another wave of the Covid-19 Pandemic hit us and the pace and timing of recovery for the health and the economy of our community became increasingly uncertain. Most severe has been the emotional toll on all of us. Your staff here at KCCU have been exceptionally adept in keeping the credit union running and your financial transactions processed, while having to navigate rapidly changing demands both at home and in the workplace, continually shifting priorities, pandemic protocols and so much more. The many positive results you see reported here are their achievements!

The credit union is all about knowing and interacting with our members and supporting you with a personal touch. Protocols for social distancing has been the hardest part of our day for the past two years, even while we have adapted to using remote contacts and digital signatures when necessary. As staff we have also missed each other, as we have for another year

kept employees at the three branches strictly segregated and had to settle for mainly virtual and socially distanced programs of community support, fundraising, sponsorship, and social events. Despite the obstacles, we have delivered on our strategic focus on *Community and Member Engagement* as best exemplified by staff-led involvement and support of our community charities, co-operatives, and not-for-profits. Yet again your staff made KCCU a Platinum supporter of the United Way. Elsewhere in this annual report you will find detailed discussion of all the community organizations that we engaged with in 2021.

The pandemic and its job losses and inflationary pressure has affected the least well-off among us most, and has only reinforced our focus on food security, shelters, and ground-level social services. 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 year as well as for those in shelters and on the street over the Christmas season.





Our second core strategic priority is excellence in *Member Financial Services*, and we had a busy year in 2021, expanding our capacity and expertise in financial planning and wealth management services both in branch and at our affiliate KCCU Wealth Solutions* located at Unit 5, 795 Gardiners Road. KCCU Wealth Solutions* offers advanced financial planning, retirement advice, life insurance and investments, complementing our in-branch investment and mutual fund services*; we are very proud to be able to offer our members comprehensive and the most appropriate financial planning for every stage of their life cycle.

There were many other new product developments in 2021, including a simplified single free account for children, youth, and students, thereby removing the need to switch account types as our young members grow up and move on in their life adventures. Within online banking we have integrated our credit cards with the other account transaction listings, expanded email money transfers access and limits, introduced login access credentials for additional account holders and signers for both personal and business memberships and you can now give both your deposit accounts and bill payment accounts nicknames (create your own labels).

For KCCU it is not only what we do that is important but crucially how we do it and KCCU has helped develop a nationwide Market Code of Conduct for credit unions. KCCU has adopted and supports the specific Ontario Credit Union Market Conduct Framework to both guide our own training and practices, and to advocate for financial consumers across the province.

Our third core strategic focus on *Financial Strength and Long-Term Viability* has been front and centre for your board and staff, with a two-track development plan for strengthening governance, and for accelerating product and digital innovation. Your board Governance Committee has been hard at work on modernizing policies, oversight, and succession planning. We are investing in recent technologies and products to ensure that KCCU will be well positioned to continue to provide state of the art banking services and meet the challenges of continual digital transformation. The strong 2021 financial results positions KCCU well for the future. Our assets grew by 12.3% to \$207 million, member loans and mortgages by 11.3% to \$145 million and member deposits by 11.2% to \$188 million. Mutual fund and investment assets under management* are up 31% to \$54 million. Our capital, liquidity and liquidity coverage ratios continue well above regulatory and policy minimums; KCCU has excellent capacity to support future growth, new technological developments, and expanded service offerings.



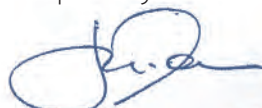
Supporting Each Other

The annual general meeting of Kingston Community Credit Union is the ideal time for us to celebrate the uniqueness of our credit union and demonstrates to me and all my colleagues on the staff the privilege it is working for you. To support and sustain the success of your staff, *Organizational Growth* is the key fourth strategic priority. The Pandemic has shown to all of us the importance of the fundamentals and proven our ability to deliver essential services for our members, supporting members and staff both in times of need and in achieving their future aspirations. While the excellent outcomes for 2021 demonstrated the resilience of KCCU and our strategic plan, the urgent needs of the Pandemic also imposed a pause in the development of our next strategic plan. We have adapted well to the moving targets we were faced with over the last two years. In 2022 your Board is looking forward to developing our next strategic plan, and I believe the experience we have been through in this Pandemic will make it stronger. I know that all my colleagues on staff and the Board are looking forward to crafting our new vision for the organization.

Behind the scenes there has been considerable investment in systems and security during 2021. New security solutions have been deployed to safely support remote work, and new fraud detection platform has been deployed to help protect your email money transfers, in addition to ongoing upgrades to our banking system and mobile apps.

Finally, it is to my 39 colleagues on the staff that we owe our success and strong growth in 2021. Their dedication to you, to service and to our community is exemplary. On your behalf I offer them my humble thanks!

Respectfully submitted,



Jon Dessau, CEO



*KCCU Wealth Solutions is a program provided by Credentia 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 Credentia Financial Strategies Inc. Mutual funds, other securities, and securities-related financial planning services are offered through Credentia Securities, a division of Credentia Qtrade Securities Inc. Credentia Financial Strategies Inc. and Credentia Qtrade Securities Inc. are subsidiaries of Aviso Wealth Inc. Credentia and Credentia Securities are registered marks owned by Aviso Wealth Inc. and are used under licence.

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. Men and women 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

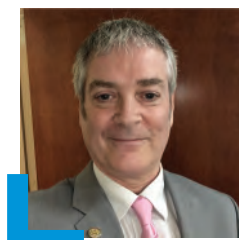
Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

7th Principle:

Concern for Community

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

Report of the Chief Financial Officer/ Credit Manager



I have now spent over half my life at KCCU. I've seen three recessions, strikes, layoffs, unemployment, real estate cycles, a pandemic, leadership and director changes and a resilience on the part of members and colleagues past and present to succeed together and to support each other. Together we have worked for the good of our members and each other with pride bound by our Mission Statement and Operating Objectives. We are independent, local, caring, cooperative and unlike any other financial institution I have ever worked for. I have always felt that KCCU creates a sense of belonging in our lives and the lives of our friends and neighbours in the communities we serve through our actions. The people I have met and worked with over the years all have one thing in common – they care, and they want to help and do meaningful things to bring their community together and raise us all up, leaving no one behind.

Credit unions create services for their members and maximize member benefit. That is an entirely different motivation than the competition who cannot escape the pressure to increase shareholder value. The thing about credit unions is that the shareholders do business with us – They are you and me. At other financial institutions, management and employees have to create surplus benefit for holders of their stock, who may or may not do business with the institution they are invested in. I don't have anything against profit or rising stock values, but credit unions deliver that increased shareholder value to the people who receive the service in lower loan and mortgage rates, higher deposit rates, more direct services, community involvement and donations. KCCU, like many other credit unions builds the communities it serves. As soon as the pandemic hit, KCCU was among the first financial institutions to offer members six months of no payments on their mortgages, loan layoff assistance and a willingness to put people over profits when making key decisions. This way of being, emanates from the needs of members and is reflected by your Board. It is part of the way all staff from the CEO down, view their duties and the meaning of what they do every day.

In 2021, KCCU had a record year in terms of dollar growth in the credit portfolio, asset and deposit growth. Broker referrals of \$25.2M (\$18.2M approved and closed vs. \$7.89M in 2020) along with regular member mortgage demand helped KCCU acquire new members, expand its area of service into Prince Edward County, and use its large excess of deposits to fund mortgages for new and legacy members. Our approach continues to be to treat these requests end to end in the

same fashion that we underwrite all loans and mortgages. The credit portfolio is now \$145.4M and growing quickly! Our commercial loan portfolio grew by 40.6% up \$2.42M.

In 2021, KCCU innovated quickly providing new products in a safe environment like enhanced business services, electronic account opening and credit, more advanced commercial lending, expanded mortgage products, the High Interest Savings Account (HISA – now over \$34M in under two years) and the enhanced Wealth Management offering through our partners, including web meetings. Our ability to adapt quickly has permitted business expansion despite changing pandemic restrictions and safety conditions in the community. These are now all key components of our strategic plan, service offering, and future growth model.

Our annual growth was led by deposits (up 13.5%, just over \$22M) causing assets to increase by 12.2% and mortgages as members refinanced higher rate credit (loans) into mortgages to benefit from low rates and save money. In 2021, we continued with the successful broker referral program, green loans, and pre-approved loan campaign with strong results.

There were no rate changes in 2021 after the Bank of Canada rate fell by 1.5% the year before. Credit losses before recoveries continue trending down as the percentage of mortgages vs. personal loans grew as well as due to our prudent lending policies and underwriting. In 2021, losses before recoveries were \$101,570. This compares to \$90,061 in 2020, \$94,196 in 2019, \$148,733 in 2018 and \$185,261 in 2017. KCCU is growing and yet steadily reducing losses due to an emphasis on mortgages and commercial lending with real estate as collateral, some CMHC-insured, all others under 80% loan-to-value, considerably reducing our potential losses compared to partially secured or unsecured personal loans.

Recoveries were slightly above last year's level at \$48,304 vs. \$33,509 (2020), \$32,135 (2019) and \$56,700 (2018). Losses after recoveries were at \$53,266 on a \$145M credit portfolio; low compared to our peers and industry.

In 2021, KCCU's credit portfolio grew +11.1% (\$14.5M) compared to +8.94% (\$10.74M in 2020) versus +10.3% (\$11.23M in 2019). Personal Loans and Lines of Credit decreased by \$932K (-7.7%) compared to -13.3% (2020) and 6.5% growth in 2019. We attribute this to the pandemic, low

mortgage rates and government stimulus. Mortgages again led our growth in 2021, up \$13.04M (compared to \$11.39M, \$8.5M and \$7M in each of the past three years). The breakdown for mortgages is a \$13.5M increase in Fixed Mortgages (up 13.1%) and -\$468,695 (4.7% decrease) in Variable Mortgages (Home Equity Lines). Lines of Credit appear to have dramatically increased from \$1.38M to \$5.25M, but \$3.9M of these were short-term bridge loans, so adjusted to \$1.35M in 2021.

In 2021, personal loan bad debts were 0.90% (0.47% after recoveries) compared to 0.74% (0.49% after recoveries in 2020), 0.67% (0.48% after recoveries in 2019). In 2020, mortgage bad debts were 0.0% the same as all past years. As a percentage of the entire credit portfolio (\$145.4M), write-offs after recoveries this year were 0.037% (compared to 0.043% 2020), and 0.05% and 0.13% (in 2019 and 2018). Data from the past five years shows an average of 0.103% before recoveries and 0.067% after. These results illustrate the long-term cooperative nature of collection at KCCU as well as the quality of our credit policies, procedures and underwriting.

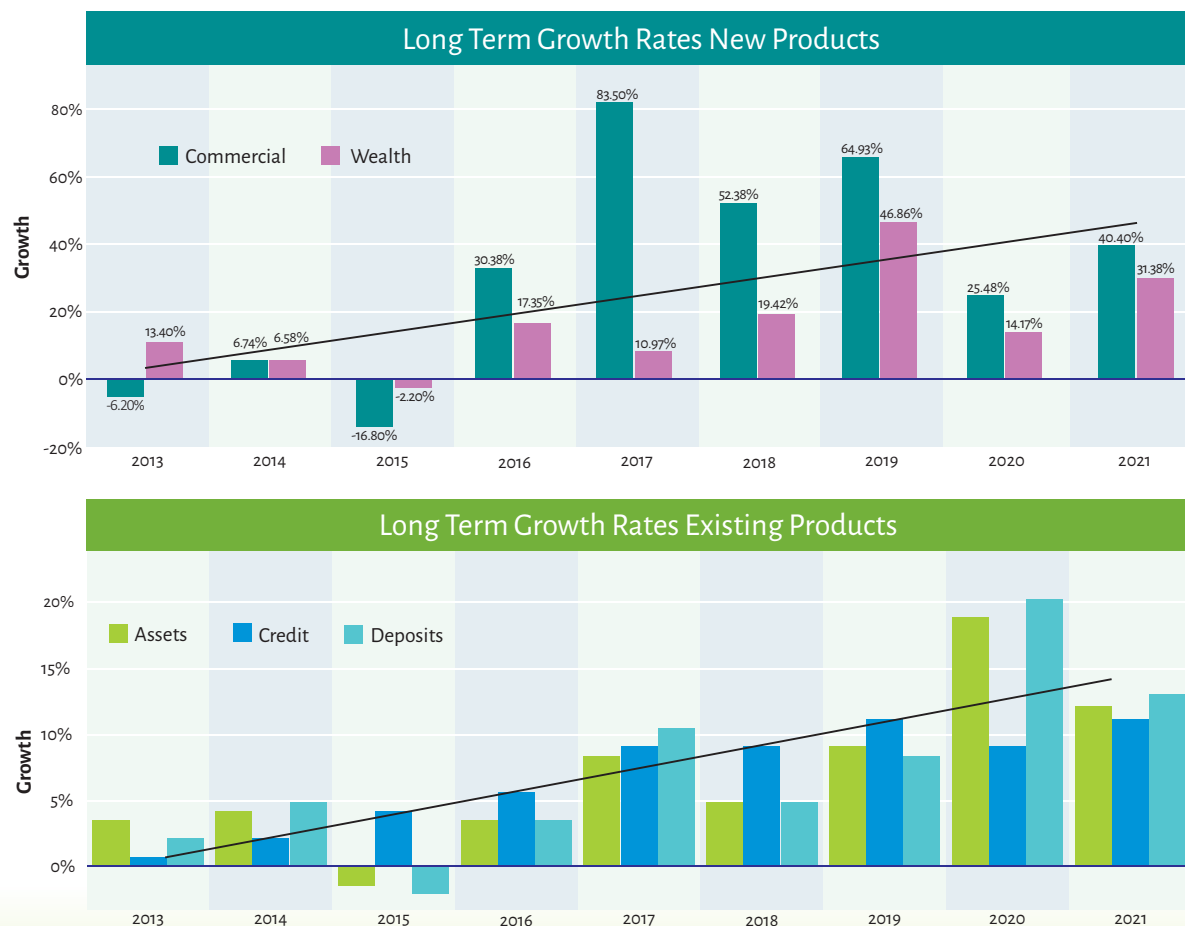
The Covid Member Assistance Program (CMAP) has been fully wound down. At its peak, we had provided 189 members with mortgage relief representing over \$16M of member credit. All members have returned to normal

payments this year. We continue to administer business loans under CEBA through EDC (Export Development Canada) and Central 1.

On December 31st, 2021, there were 13 delinquent loans over 90 days in arrears representing \$64,428 after security. This compares to 21 loans for \$117,577 (2020), 25 loans for \$108,592 (2019) and 21 loans for \$153,838 (2018) - a clear downward trend.

Total deposits grew from \$166.2M to \$188M. Deposit growth was up this year by 13.1% (\$22.2M) a second year of high deposit levels vs. 19.8% (\$27.4M in 2020) and 8% (\$10.3M in 2019). Deposit growth was unexpectedly high for the second year in a row due to the higher savings rate and government stimulus due to the pandemic complimenting the popularity of off-book deposit vehicles such as mutual funds* and other securities during the long sustained low interest rate environment. This has helped us secure funding for mortgages well into 2023 and possibly longer to permit future margin gains.

The breakdown shows Term Deposits decreased by \$1.1M similarly to last year's decrease of \$942,154 (compared to an increase of \$2.46M in 2019 and decreases in each of the previous four years). People favour demand deposits with short terms when rates are historically low as evidenced by



Supporting Each Other

the growth of the High Interest Savings Account (\$34.4M since inception Nov 2019). Registered Deposits decreased by \$700,332 versus an increase of \$1.67M (2020) and an increase of \$1.9M (2019). Demand deposits increased by a \$23.6M (+20.0%) like the previous year's \$26.7M (+29.3% in 2020) compared to historically more normal increases of \$5.9M in 2019 and \$7.7 M in 2018.

The overall Wealth management portfolio increased by 31.4% and now stands at \$54.1M (last year +14% at \$41.2M). The two previous years we increased by 47% and 19% respectively. The KCCU Wealth Solutions Office* now has \$32.9 Million of assets under administration (compared to \$24.5M in 2020 and \$18.6M in 2019). We are building the KCCU Wealth Solutions office and brand with a fully integrated system for determining the optimal financial planning needs of each individual. Client meetings have been challenging during the pandemic due to the need for thorough health and safety measures and the adoption of some electronic business methods.

When things are less than perfect in the world, the place that supports you and anticipates your needs with empathy will always be the credit union. KCCU stands with its members and the community, and we'll get through this together.

Respectfully Submitted,



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

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



Consolidated Loans

	2021	2020
Personal Loans and Lines of Credit	11,252,512	12,185,385
Commercial	8,373,000	5,955,919
Fixed Mortgages	116,288,976	102,783,681
Variable Mortgages / HELOCs	9,484,906	9,953,601
Total Loan Applications Received	1006	982
Total Loan Applications Declined	384	412

Deposits

Term Deposits	19,314,609	20,422,274
Savings/Chequing	141,962,532	117,721,856
Registered Deposits (RRSP, RRIF, TFSA)	27,396,857	28,097,178
Wealth Management AUM*	54,166,462	41,229,992

Other

Assets	207,272,099	184,498,505
Member Ownership (Equity Shares)	1,074,688	1,105,696
Members	9,626	9,709

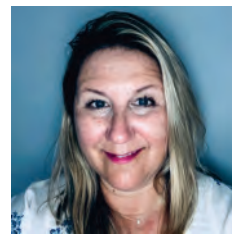
Approved Loans

Personal Loans	341	5,201,912	318	4,848,939
Lines of Credit	76	5,248,530	69	1,383,600
Mortgages	191	45,356,346	183	36,117,580
Total Approved Credit	615	58,810,718	570	42,350,119
Commercial	7	3,003,930	8	2,325,000
Canada Emergency Business Account (CEBA)**	36	1,765,201	38	1,520,000

*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 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 2021 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 of the annual audited financial statements and year-end results with the external auditors
- Review of all audit Examination Findings and the auditor's Management Letter
- Review with auditors the scope and plan of internal and external audit activities
- Review and recommendations to the board regarding the effectiveness of credit union's internal audit practice, degree of independence of internal auditor, mandate, work plan, performance of internal auditor and any problems or issues raised relating to the performance of the audit or auditor
- Review the performance of auditors, their proposed engagement letters, and recommendation 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 of all regulatory filing 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 to safeguard credit union's assets
- Monitoring the adherence of Directors, Officers, and employees with the Credit Union's policies and code of conduct

- Review of any material legal issues
- Review of any material 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 and identifying training gaps. Share 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 the Standards of Sound Business and Financial Practices. 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. Continual improvements in productivity and efficiencies, strong controls, and good management KCCU has continued to expand capacity in 2021. This capacity will allow us to continue to grow and to develop new products, services, and technology to better serve our members and attract new ones.

On behalf of my fellow Committee members, Bob Trentadue, Reta McCormick and Bram Fisher, 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 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,

Lisa Dirocco
Audit Committee Chair

2021 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 60 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 2021:

- Amherst Island Radio/Radio Free Stella
- Boys & Girls Club Kingston
- Corus Clothes for Kids
- Dawn House
- Extencicare Kingston
- The Food Sharing Project
- The Forgotten Ferals
- HARS Kingston
- Integrated Care Hub
- International Credit Union and Co-op Week
- Juvenis Festival
- KCCU Community Sharing & Christmas Caring Programs
- Kingston 4 Paws
- Kingston Canadian Film Festival
- Kingston Community Climate Action Fund - City of Kingston
- Kingston Community Health Centres Butterfly Way Project
- Kingston Community Health Centres Operation Warm Feet
- Kingston Community Health Centres KCCU Care Kits
- Kingston Humane Society
- Kingston Professional Firefighters Association
- Kingston School of Art
- Kingston Seniors Association
- KEYS
- LionHearts
- Loving Spoonful
- Martha's Table
- Modern Locavore (Local Food Directory)
- Memorial Centre Farmers' Market Association
- Ontario Credit Union Charitable Foundation – CU Succeed Youth Bursary
- Pete Peterson Basketball League
- Partners in Mission Food Bank
- Sandy Pines Wildlife Centre
- Socks Kingston
- South Frontenac Community Services
- South Frontenac Community Services Food Bank
- St. Vincent de Paul Kingston





We also support our local community charities, cooperatives and not for profits by offering a no-fee 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 of our local support organizations and agencies have been unable to hold their regular fundraising events both this and last year due to Covid-19 restrictions. Most also have higher needs. Last year, when the pandemic initially hit, we took immediate action to help by donating \$25,000 to local food-providing organizations: Partners in Mission Food Bank, South Frontenac Community Services, The Food Sharing Project, Kingston Home Based Housing, Dawn House, and St. Vincent de Paul Kingston. We have continued to support these and other non-profits this year. In the last quarter of 2021 alone KCCU donated over \$20,000, through fundraising and corporate donations to local organizations.

In 2021 we developed a successful new partnership with the City of Kingston and the Kingston Community Climate Action Fund. The KCCAF was developed to support local charities and not-for-profit organizations, and their initiatives to reduce greenhouse gas (GHG) and/or air emissions; increase energy conservation or efficiency; reduce or divert organic waste; or assist with Climate Change adaptation and technology innovation reduce greenhouse gas emissions (GHGs). KCCU agreed to actively promote the projects, the fund and committed to match donations made at our branches up to \$5,000. In Spring 2021 the fund helped to support green projects for Martha's Table and Habitat for Humanity. Kick off for the 2022 KCCAF was held in December 2021 with three projects planned: Rain Gardens by Sustainable Kingston, Valet Bicycle Parking

by Cycle Kingston and a Hydroponic Greenhouse by Extend-A-Family Kingston. Refer to our website for more details on these projects and how you can contribute.

We were most pleased to present \$7,000 to South Frontenac Community Services in May 2021. \$5,000 was awarded from Concentra's Empowering Your Community program plus an additional \$2,000 from KCCU. The funding supported SFCS greenhouse and gardens which in turn contributes to food security, volunteerism, and education.

KCCU remains an active participant in the KFL&A United Way Workplace Employee Campaign with employee contributions, along with a corporate top up, bringing our donation to over \$9,000 this year. KCCU was also recognized by KFL&A United Way for our Platinum status with 42 straight years of achieving 100% staff participation!

We continued to help support the community where we could in 2021. We held a fall book sale with proceeds going to St. Vincent de Paul, helped with fundraising efforts for the Kingston Humane Society by selling their 2022 calendars and accepted donations for Corus Clothes for Kids and the Kingston Community Climate Action Fund at our branches. We also promoted these fundraisers in branch, on social media and our website.

Our year ended helping 8 member families (33 people, 14 children) by providing groceries and gifts through our Christmas Caring Program. We also assembled numerous KCCU Care Kits which were distributed throughout the community via Kingston Community Health Care Centre.

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

SUPPORT Local SUPPORT Kingston

Support Local

As a local business we understand the importance of local support. We have actively joined the Support Local – Support Kingston initiative since the start of the first shut down and have featured many local businesses on our website and social media.

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 this and last year due to Covid. We also offer a full library of fun financial learning videos on our website - 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 for 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 has actively promoted 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. Congratulations to our two student recipients in 2021! The CU Succeed Youth Bursary was established in 2016 by the OCUF and, over the past six years has awarded \$436,000 to 327 students.



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!

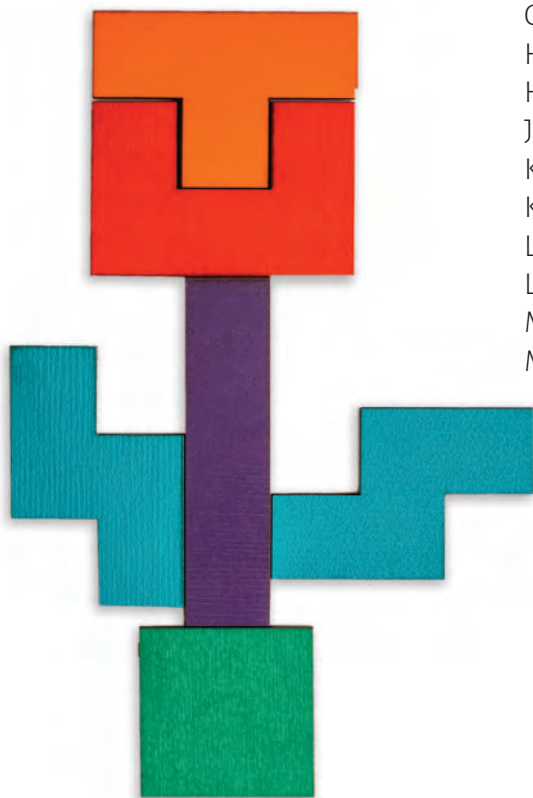


In Memoriam 2021

Adams, Kenneth
Andres, Juan
Andrews, Robin
Arbuckle, Andrew
Arthurs, Carl
Baker, Carolyn M.J.
Barclay, Hugh
Bauder, John
Blakey, Frank
Boffa, Michele
Boston, Elizabeth
Brassard, April
Briceland, Timothy M.
Burns, Wayne
Caron, June
Carr, Diana

Cooke, J. Roger
Cowdy, Cecilia
Crawford, Earl G
Csik, Steven F
d'Esterre, Margaret
Dee, Shelley
Dickson, Robert
Dora, Mihaly
Dundon, Grace Mary
Etheridge, Ron
Fenlon, Helen
Flaherty, Janet
Forbes, Roy
Forkes, Leslie
Gilmour, Barbara
Green, Marvin
Greenough, Joan
Gregg, Donald
Hermiston, Edna G.
Higlett, Betty
Jordan, Deborah
Kelly, Alphonse J
Koen, Lorene
Law, Richard
Lyman, Doreen
Massey, James
McFadden, Lois

McGinn, John
McIsaac, Kaye
McManus, Stephanie
Metcalf, Elva
Mol, Alice
Moulton, Ross
Nickerson, Gloria
Nurse, Ruth
O'Donnell, Christopher
Pai, Ramesh
Parfitt, Anthony
Parish, Nora
Poelwyk, Gerardus
Priest, Mary
Pringle, George
Ramsay, Peter
Richer, Joseph
Ritchie, Sandra
Stevenson, Jean
Stevenson, Martha
Stinson, Glenn
Thompson, Reta
Walker, Kay B
Wilson, John Neill
Youmans, Mike
Wanless, Jill
Way, Yvonne



Balance Sheet

Kingston Community Credit Union Limited
Statement of Financial Position
as at December 31, 2021

	2021	2020
Assets		
Cash and cash equivalents (Note 3)	8,792,968	10,534,015
Investments (Note 4)	50,706,983	41,142,549
Member loans (Note 5)	145,195,599	130,422,817
Property, plant and equipment (Note 6)	1,859,880	2,075,178
Other assets (Note 7)	611,549	269,950
Deferred income tax (Note 8)	105,120	53,996
Total assets	207,272,099	184,498,505
Liabilities		
Member deposits (Note 9)	188,251,265	166,623,789
Income taxes payable	87,034	-
Other liabilities (Note 10)	1,025,931	1,008,307
Dividends and interest rebate payable	31,760	32,767
Obligations under capital lease (Note 11)	1,463,722	1,581,605
Membership shares (Note 12)	1,074,688	1,105,696
Total liabilities	191,934,400	170,352,164
Members' equity		
Members' equity	14,245,940	12,939,861
Reserves	1,206,480	1,206,480
Accumulated other comprehensive income	(114,721)	-
Total equity	15,337,699	14,146,341
	207,272,099	184,498,505

Approved on behalf of the Board of Directors:



Director



Director





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

