

# 2023

## Annual Report to Our Membership



BAY Credit Union is located on the traditional lands of the Fort William First Nation, in the Robinson Superior Treaty of 1850. This land is the traditional territory of the Anishinaabe and a place where the Métis people lived and travelled.

BAY Credit Union is committed to non-discrimination in all areas including creating an inviting and culturally diverse, non-judgemental environment for all our members, to supporting the findings of the Truth and Reconciliation Commission and to inclusive hiring practices.





## Cooperative Principles

### **Voluntary Membership**

Credit unions are voluntary, cooperative organizations offering services to people willing to accept the responsibilities and benefits of membership, without gender, social, racial, political, or religious discrimination. Many cooperatives, such as credit unions, operate as not-for-profit institutions with volunteer boards of directors. In the case of credit unions, members are drawn from defined fields of membership.

### **Democratic Member Control**

Cooperatives and credit unions are democratic organizations owned and controlled by their members, one member-one vote, with equal opportunity for participation in setting policies and making decisions.

### **Members' Economic Participation**

Members are the owners. As such, they contribute to and democratically control the capital of the cooperative. This benefits its members in proportion to the transactions with the cooperative rather than on the capital invested. For credit unions, which typically offer better rates, fees and services than for-profit financial institutions, members recognize benefits in proportion to the extent of their financial transactions and general usage.

### **Autonomy and Independence**

Cooperatives and credit unions are autonomous, self-help organizations controlled by their members. If the cooperative enters into agreements with other organizations or raises capital from external sources, it is done so based on terms that ensure democratic control by the membership and maintains the cooperative autonomy.

### **Education, Training and Information**

Cooperatives and credit unions provide education and training for members, elected representatives, managers, and employees so they can contribute effectively to the development of the cooperative. Credit unions place particular importance on educational opportunities for their volunteer directors and financial education for their members and the public, especially the nation's youth. Credit unions also recognize the importance of ensuring the general public and policy makers are informed about the nature, structure and benefits of cooperatives.

### **Cooperation Among Cooperatives**

Cooperatives and credit unions serve their members most effectively and strengthen the cooperative movement by working together through local, provincial, regional, national, and international structures.

### **Concern for Community**

Focusing on member needs, cooperatives and credit unions work for the sustainable development of communities, including people of modest means, through policies developed and accepted by the members.



## 78<sup>th</sup> ANNUAL GENERAL MEETING

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**Minutes of the 77<sup>th</sup> Annual General Meeting**  
**Tuesday, November 22nd, 2022 at 6:00 p.m.**  
**Current River Community Centre, 450 Dewe Ave., and digitally via Zoom**

**1. 17th ANNUAL ILKKA T. OVASKA AWARD FOR SOCIAL RESPONSIBILITY**

June Gaw was happy to announce the recipient of the 17th annual Ilkka T. Ovaska Award for Social Responsibility, Moses Sheppard.

Mr. Sheppard worked tirelessly in volunteering, helping many through the office of the Injured Workers Support Group and in representing injured workers in appeals and tribunals at no charge. Moses also worked in several occupations: with the Royal Canadian Navy, Royal Canadian Air Force, CN Rail, and with the United Steel Workers of America. BAY Credit Union was proud to recognize him as a force for social responsibility efforts in our community. Moses donated his \$500 award to the Salvation Army.

**4TH ANNUAL BAY CHAMP MEMBER COMMUNITY SERVICE AWARD**

Margaret Wanlin was happy to announce the recipient of the fourth annual BAY Champ-Member Community Service Award, Graham Saunders. Graham has been the president and vice-president of our area's most established environmental group — Environment North — for decades.

**2. ROLL CALL AND AGENDA**

Meeting called to order at 6:13 p.m. with quorum. The meeting opened with a land acknowledgement.

**3. MOMENT OF SILENCE**

Lorne Kellar called for a moment of silence for those who passed over the past year.

**4. AGENDA OF THE ANNUAL MEETING**

MOTION #1: To accept the Agenda for the Annual Meeting. Moved by June Gaw and Seconded by Erick Bruce. Carried.

**5. MINUTES OF OUR PREVIOUS ANNUAL MEETING**

Lorne Kellar addressed two errors in the 2021 Minutes. The representative from LCPS should read Mike Speer. The appointment of the auditors should read for the year 2022.

MOTION #2: To accept the Minutes of the 76th Annual Meeting held on November 23, 2021 as amended.

Moved by Greg Ribotto and Seconded by Cyndi Sereda. Carried.

**6. REPORT TO OUR MEMBERS**

Lorne Kellar presented his report to the membership. He remarked that the Credit Union had a solid year and was pleased to recommend a dividend for this year. Lorne thanked the hardworking staff for their dedication to the Credit Union. The dividend recommendation was presented for savings and

The group works to see that the interests of the environment are considered in planning and development decisions, and to inspire all of us to do our part in environmental sustainability. He often speaks about these issues in elementary and high schools, church groups and service clubs.

He has made formal presentations at professional and academic conferences and is consulted by our City on climate and weather-related matters. We're so happy to have him as such an outstanding member of our Credit Union. Graham will be donating his \$500 award to Environment North.

**2022 SIGNATURE DONATIONS**

This year's Signature Donations recognize that inflation and the increasing cost of living have been difficult for many people, particularly those with limited means. To that end, BAY Credit Union presented \$1,000 each to three agencies that provide food and support to people in need: Regional Food Distribution Association, Elevate NWO and Christmas Cheer Fund.

investments, lending rebates and additional capital shares.

Lorne was excited to announce our Cumberland branch will be handicap accessible by spring. This has been made possible with the support of Employment and Social Development Canada. The Credit Union was a successful recipient of a grant of \$100,000 under the Enabling Accessibility Fund (EAF) – Grants Program.

MOTION #3: To accept the Report to Our Members by President Lorne Kellar.

Moved by Cheryl Smith and Seconded by Alise Gore. Carried.

**8. MEMBER ENGAGEMENT AND SOCIAL RESPONSIBILITY COMMITTEE REPORT**

Margaret Wanlin relayed that to better reflect the intentions for the Committee's work – engaging with members expressing BAY Credit Union's social responsibility to our community – the Committee changed names to Member Engagement and Social Responsibility.

At the 2021 AGM, the MESR Committee awarded Kerry Atkinson the third annual "BAY Champ – Member Community Service Award", and the 16th annual Ilkka T. Ovaska Award was presented to Volker Kromm.

## **8. MESR REPORT CONT'D...**

Four \$1,000 scholarships were provided to members who are attending post-secondary educational institutions. The awards were given in the winter when finances just might be getting a little tight. BAY granted \$500 scholarships for four high school students who were graduating from high school and heading for post-secondary education. BCU is pleased to be investing in the next generation of Credit Union members.

Charity barbecues resumed this year after their Covid hiatus. BCU split the proceeds of the barbecues between the Faye Peterson Transition Home and Beendigen – Anishinabe Women's Crisis Home & Family Healing Agency.

As a "green" initiative, the Board replaced fluorescent lights with LED lights in the Cumberland Branch. Substantial energy savings are expected from this renovation.

MOTION #4: To accept the Member and Community Relations' Report for 2022.

Moved by Jessi Ruberto and Seconded by Kerry Morden. Carried.

## **LOAN OFFICER'S REPORT**

Cheryl Smith presented the Loan Officer's Report. The lending department granted 232 new loans and mortgages with the average loan totaling \$111,526. In total, 9 applications for credit were declined.

MOTION #5: To accept the Loan Officer's Report. Moved by June Gaw and Seconded by Linda Huston-Carter. Carried.

## **9. AUDIT COMMITTEE REPORT**

Erick Bruce, First Vice-President for the Board of Directors, presented the Report of the Audit Committee for 2022.

MOTION #6: To accept the Audit Committee's Report. Moved by Erick Bruce and Seconded by Greg Ribotto. Carried.

## **10. FINANCIAL STATEMENTS**

Mike Speer of LCPS Chartered Accountants spoke about the Statements.

MOTION #7: To accept the 2022 Financial Statements as printed.

Motioned by Erick Bruce and Seconded by Margaret Wanlin. Carried.

## **11. NEW BUSINESS**

### **DECLARATION OF PROFIT SHARING**

Lorne Kellar presented the recommended distribution rates: 2.25 % for deposit, .1% rate for savings interest, 2.25 % loans rebate and a 5% for supplemental (additional cap shares).

MOTION #8: To approve the recommended distribution.

Moved by Alise Gore and Seconded by Cheryl Haapsaari. Carried.

### **ELECTION OF THE BOARD OF DIRECTORS**

Margaret Wanlin remarked that three Board members' terms expired at this time: Greg Ribotto, Lorne Kellar, and Jessi Ruberto.

Unfortunately Jessi Ruberto will not be renewing his term; however, Lorne Kellar and Greg Ribotto both agreed to stand for nomination for another three year term on the Board (expiring 2025). Margaret noted there are vacancies on the Board for anyone interested in joining.

MOTION #9: To accept the appointment of the Board of Directors.

Moved by Margaret Wanlin and Seconded by Jessi Ruberto. Carried.

### **APPOINTMENT OF THE AUDITORS**

MOTION #10: To accept the recommendation of the Board of Directors and engage the services of LCPS Chartered Accountants as our external auditor for 2022.

Moved by June Gaw and Seconded by Benoit Kuziora. Carried.

### **MARKET CONDUCT CODE**

Lynne LeGros spoke to the membership about the new Market Conduct Code. Credit unions have been operating for over 100 years to provide primary products and services to members. Moving forward, the credit unions' financial regulator is establishing structure for every credit union in Canada to adhere to. The code will ensure fair practice for members. Staff, management and Board will work over the next 8 months to train and meet compliance. Lynne encouraged members to submit any feedback.

### **ADJOURNMENT:**

MOTION #11: To adjourn the meeting at 6:45 p.m. Moved by Greg Ribotto.

# Report to our Membership

*OUR VISION is to provide financial services for the economic well-being of our community.*

*OUR MISSION is to do so in a socially acceptable manner.*

On behalf of the Board of Directors, the management, and the staff, I would like to welcome you, the membership, to the 78th Annual General Meeting of BAY Credit Union.

At BAY Credit Union we are supported by hard-working staff, a competent and professional management team, a loyal and diverse membership base, and an excellent Board with all the skills and experience necessary to perform all the functions that are required of them to provide the support that management needs and the leadership that the future will demand.

As Canadians, we have had a lot to wrestle with over the past year. From tight labour markets, new regulations, threats of cyber-attacks, extreme weather events, rising interest rates as a direct result of inflation, our staff and Board has had to remain agile and rethink every aspect of our operations to ensure we are delivering the best possible service to our members while maintaining a safe and solid Credit Union. Thanks to the dedication of the BAY Credit Union Team for ensuring this has transpired.

The Board of BAY Credit Union is recommending a distribution to members as follows: We are recommending a .50% distribution rate deposit; a .05% rate for savings interest distribution; a 2.0% distribution rate for loan interest paid and a 5% distribution rate for supplemental shares. As your Board, we are responsible for the growth and stability of our Credit Union and to ensure BAY Credit Union continues as a solid, healthy credit union.

Our Cumberland Branch is now fully accessible. In addition to a Lift and accessible washroom, partially funded by a \$100,000 grant received from Employment and Social Development Canada to help us to implement the project, we also reconfigured the office to enable a more accessible and secure area for both staff and members. This project makes BAY Credit Union compliant with the Accessibility for Ontarians with Disabilities Act, 2005.

Our Board, our Audit Committee and our staff continue to monitor all aspects of our situation and ensure our compliance with all regulations to protect the financial health of our Credit Union. We are assisted by the internal audit firm of BDO, external auditors LCPS Chartered Accountants and by reviews from both our Provincial Regulators and our Bonding Company.

The financial statements as audited by LCPS Chartered Accountants have been reviewed and fairly represent the year-end position of BAY Credit Union. We have performed all of the duties required of both the Board of Directors and the Audit Committee. BAY Credit Union is financially in solid shape.

Building on past achievements, we will continue to grow and provide services to support your personal financial journey. BAY Credit Union is truly local in all ways and the best choice for your community, your family, you and, most importantly, your personal financial success.

BAY offers Investments about you...Loans about you... Banking about you... Help us spread the word.

Together we are stronger.

Lorne Kellar, Chair  
BAY Credit Union

# Loan Officer's Report

During the past year, our lending department granted 130 new loans and mortgages with the average loan totaling \$120,323. In total, 10 applications for credit were declined. It was in the best interest of the credit union as well as the applicant, not to grant these loans.

BAY experienced the aggressive pace of interest-rate hikes that resulted in slowing loan growth in our lending portfolio. Higher borrowing costs cut into mortgage growth, with would-be homebuyers sitting on the sidelines.

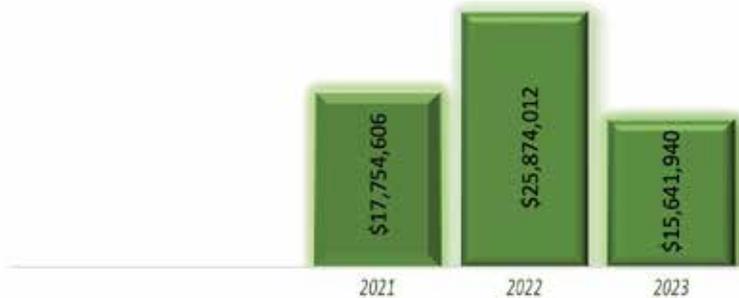
Our focus during 2023, has been maintaining the existing portfolio with a focus on renewals and, as always, guidance for members to ensure they are able to adjust to these higher rates.

The efficacy of our lending department is of paramount importance to us. Ensuring a comprehensive understanding of our position and devising strategies for continual enhancement enables us to provide exceptional service to our valued members.

The following loans were reviewed and approved:

Loan Purpose	Disbursed	Amount
Automobile	16	\$462,656
Consolidation	3	\$27,337
Home Improvement	1	\$10,377
Real Estate	4	\$518,636
Household Expense	1	\$22,464
Recreational Vehicle	1	\$5,584
1 <sup>st</sup> Mortgage	60	\$12,686,485
Other	5	\$218,887
Line of Credit	12	\$121,500
Authorized Overdraft	5	\$2,800
Primeline	22	\$1,565,215
<b>TOTAL</b>	<b>130</b>	<b>\$15,641,941</b>

Total loans more than 90 days delinquent	2 - \$15,532.80
Total mortgages more than 90 days delinquent	0
Total authorized overdrafts more than 90 days delinquent	0
Total unauthorized overdrafts more than 90 days delinquent	0



*Respectfully Submitted,*

*The Lending Department*

# Member Engagement and Social Responsibility Report

BAY Credit Union is pleased to make contributions to our community, support the advancement of young members, and recognize the leadership of individuals who make our community better.

Four \$1,000 scholarships were provided to members who are attending post-secondary educational institutions. The awards were given in the winter when finances just might be getting a little tight.

We granted \$500 scholarships for three students who were graduating from high school and heading for post-secondary education. BCU is pleased to be investing in the upcoming generations of Credit Union members.

The Ilkka T. Ovaska Award is given to any member of our community who has provided exemplary service to making our community a better, more compassionate place. The winners have been committed to social responsibility over an extended period. This year's award was presented to Moses Sheppard. It recognizes his decades of work to protect workers' health and safety at work and to support injured workers. The award comes with a \$500 donation to the charity of the winner's choice. Moses selected the Salvation Army.

Members of BAY Credit Union are wonderful people who are contributing to the community in many ways. As part of our Social Responsibility Strategy, the Credit Union wants to honour and thank these people for the volunteer work they do in our community for the benefit of the community as a whole. This year's winner of the BAY Champ Community Service Award has an eye on the sky, an ear to the ground, a toe in the water, and a concern for all living things. Graham Saunders has been the President and Vice President of our area's most established environmental group - Environment North - for decades. That group works to see that the interests of the environment are considered in planning and development decisions and to inspire all of us to do our part in Environmental Sustainability. The Credit Union donated \$500 to Environment North at Graham's request.

This year's Signature Donation recognizes that inflation and the increasing cost of living have been difficult for many people, particularly those with limited means. The pressures that people are facing are putting unprecedented pressure on the emergency food systems. To that end, BAY Credit Union presented \$5,000 to the Regional Food Distribution Association which provides food to a variety of foodbanks and other organizations that offer food to clients throughout the City and region. And we are offering a challenge! The need is great and what we can do as an organization is small. We invited Credit Union members and friends to make donations to the RFDA which BAY Credit Union will match, up to an additional \$5,000.

Thanks to our hardworking core group of Board members, our charity barbecues were a success again this year. The proceeds of the barbecues were shared between the Salvation Army and Shelter House Thunder Bay.

We are very pleased to announce that the accessibility of the Cumberland Branch has been enhanced with a lift that reaches both floors and a ramp to gain access into the building. Thank you to Employment and Social Development Canada which provided a grant to cover a share of the renovation costs. Thank you, also, to the Accessibility Committee (Chair: Greg Ribotto. Members: Lorne Kellar, Erick Bruce and Lynne LeGros.) for your work on this project. Special thanks to Lorne who "went above and beyond" to make sure the project was completed effectively. Accessibility for all is a standard that we are now pleased to be able to meet.

# Report of the Audit Committee

## **BAY CREDIT UNION LIMITED REPORT OF THE AUDIT COMMITTEE (2023)**

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Bay Credit Union Limited has maintained an audit committee pursuant to sections 35,36,37,38 of the "Ontario Regulation 105/22 General" of the "Credit Unions and Caisses Populaires Act, 2020" and section 199 of the "Cooperative Credit Associations Act (Canada)". The Audit committee is comprised of four members from the current Board of Directors that meet at least quarterly.

The committee develops a work plan for each year that is approved by the Board of Directors. The Committee evaluates its effectiveness annually.

The Audit Committee's responsibilities encompass four critical responsibilities:

1. Oversight and review of financial reporting;
2. Oversight of risk management and controls;
3. Oversight of the external and internal audit activities; and
4. Oversight of compliance activities.

The Audit Committee is responsible for reviewing both new and existing credit union policies and procedures and recommends the adoption of those policies and procedures to the board of directors.

The Audit Committee works closely with management, staff, as well as internal and external auditors to ensure that the credit union follows all pertinent legislation. This includes regulatory compliance audits, security audits, FINTRAC audits, and the reports of our internal auditors and external auditors. Our review includes follow-up responses when required. Our Auditors review operational activities, including personal and mortgage loan processes, various accounting transaction procedures, cash counts and internal controls and procedures on a regular basis to ensure compliance with operational policies and practice.

The Audit Committee met six times throughout the year. We are pleased to report to the members of the Credit Union that the Audit Committee has fulfilled its mandate and hereby confirms that it is conducting its affairs in accordance with the Act and the Regulations. The Committee received full co-operation and support from Management enabling it to play an effective role in maintaining the quality of financial reporting to the Members. Any questions or concerns raised by the Audit Committee were addressed in a timely, courteous, and professional manner. We have no recommendations or unresolved matters to report back to the membership.

The Audit Committee would like to thank the management and staff for their cooperation, dedication, and support during the past year.

Respectfully submitted by the Audit Committee,



Erick Bruce,  
Audit Committee Chair

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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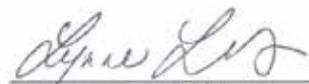
These financial statements form the basis for all of the financial information that appears in this annual report.

The financial statements and all of the information in this annual report are the responsibility of the management of Bay Credit Union Limited and have been reviewed and approved by the Board of Directors. The Board of Directors is responsible for ensuring that management fulfills its financial reporting responsibilities. LCPS Professional Corporation Chartered Professional Accountants, has audited the financial statements.

Management has prepared the financial statements according to International Financial Reporting Standards (IFRS). Under IFRS, management has made certain estimates and assumptions that are reflected in the financial statements and notes. Management believes that these financial statements fairly present Bay Credit Union Limited's statement of financial position, the statement of comprehensive income, changes in members' equity and the statement of cash flows.

Management has a system of internal controls designed to provide reasonable assurance that the financial statements are accurate and complete in all material respects. Management believes that the internal controls provide reasonable assurance that our financial records are reliable and form a proper basis for preparing the financial statements, and that our assets are properly accounted for and safeguarded.

The Board of Directors has appointed an Audit Committee, which is made up of unrelated and independent directors. The Audit Committee's responsibilities include reviewing the financial statements and other information in this annual report, and recommending them to the board of directors for approval. The internal auditors and the members' auditors have free and independent access to the Audit Committee.

  
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President  
\_\_\_\_\_  
CEO

Thunder Bay, ON  
October 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Bay Credit Union Limited

### *Opinion*

We have audited the financial statements of Bay Credit Union Limited (the company), which comprise the statement of financial position as at September 30, 2023, and the statements of comprehensive income, changes in members' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at September 30, 2023, and the financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report to the Members of Bay Credit Union Limited *(continued)*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Thunder Bay, ON  
October 30, 2023

LCPS Professional Corporation  
Chartered Professional Accountants  
Authorized to practise public accounting by the  
Chartered Professional Accountants of Ontario



**BAY CREDIT UNION LIMITED**

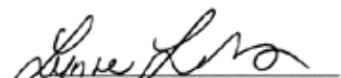
**Statement of Financial Position**

**September 30, 2023**

	2023	2022
<b>ASSETS</b>		
Cash (Note 4)	\$ 8,316,138	\$ 5,984,596
Investments (Note 5)	6,538,338	7,994,703
Current income taxes recoverable (Note 13)	-	-
Derivative financial instruments (Note 6)	57,570	83,412
Other assets (Note 10)	195,973	204,973
Loans to members (Note 7)	72,736,411	69,246,770
Intangible assets (Note 9)	132,897	152,810
Property and equipment (Note 9)	869,484	710,846
	<u>\$ 88,846,811</u>	<u>\$ 84,378,110</u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>Liabilities</b>		
Accounts payable and accruals	\$ 397,839	\$ 436,251
Income taxes payable (Note 13)	586	19,343
Deferred income tax liability (Note 13)	10,778	13,700
Deferred revenue	-	100,000
Derivative financial instruments (Note 6)	57,570	83,412
Members' deposits (Note 11)	83,235,075	78,753,152
<b>Total Liabilities</b>	<u>83,701,848</u>	<u>79,405,858</u>
<b>Members' equity</b>		
Membership shares (Note 14)	995,227	1,071,632
Retained earnings	4,149,736	3,900,620
<b>Total Members' Equity</b>	<u>5,144,963</u>	<u>4,972,252</u>
	<u>\$ 88,846,811</u>	<u>\$ 84,378,110</u>

ON BEHALF OF THE BOARD:

 President  
Lorne Kellar

 CEO  
Lynne LeGros

(see also notes to financial statements)

**BAY CREDIT UNION LIMITED**  
**Statement of Comprehensive Income**  
**Year Ended September 30, 2023**

	2023	2022
<b>INTEREST REVENUE</b>		
Interest on personal loans	\$ 233,939	\$ 193,339
Interest on mortgages	2,383,039	1,835,241
Interest on investments	288,877	204,574
	<u>2,905,855</u>	<u>2,233,154</u>
<b>INTEREST AND LOAN RELATED EXPENSES (RECOVERIES)</b>		
Interest on members' deposits <i>(Note 11)</i>	833,473	314,948
Distribution to members' <i>(Note 14)</i>	60,006	68,325
Allowance for impaired loans <i>(Note 8)</i>	31,604	(16,559)
	<u>925,083</u>	<u>366,714</u>
<b>OPERATING MARGIN BEFORE THE FOLLOWING</b>	<u>1,980,772</u>	<u>1,866,440</u>
<b>OTHER INCOME</b> <i>(Note 15)</i>	<u>481,670</u>	<u>447,935</u>
<b>OPERATING MARGIN</b>	<u>2,462,442</u>	<u>2,314,375</u>
<b>OPERATING EXPENDITURES (see schedules)</b>		
Administration	360,855	329,756
Advertising and communications	65,256	62,776
Computer and equipment	239,399	251,367
Member security	125,174	106,551
Occupancy	116,086	115,325
Other	81,653	72,146
Salaries and benefits	1,190,239	1,081,145
	<u>2,178,662</u>	<u>2,019,066</u>
<b>OPERATING INCOME BEFORE THE FOLLOWING</b>	283,780	295,309
Current income tax expense <i>(Note 13)</i>	(37,586)	(38,425)
Deferred income tax recovery <i>(Note 13)</i>	2,922	2,396
	<u>249,116</u>	<u>259,280</u>
<b>NET COMPREHENSIVE INCOME</b>	<u>\$ 249,116</u>	<u>\$ 259,280</u>

(see also notes to financial statements)

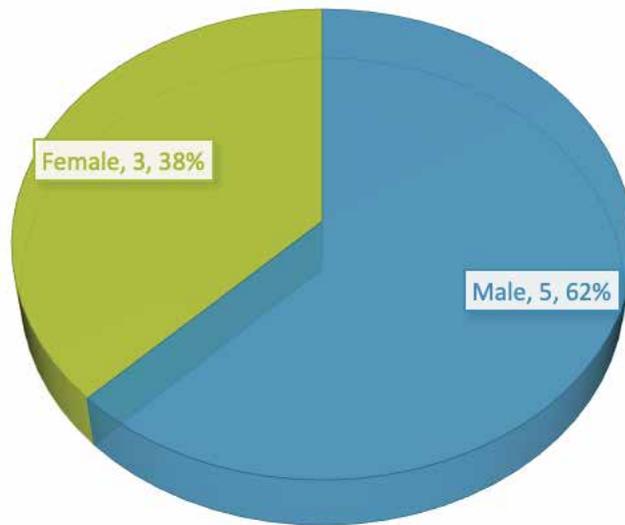
**BAY CREDIT UNION LIMITED****Schedule of Operating Expenses  
Year Ended September 30, 2023**

	2023	2022
<b>ADMINISTRATION</b>		
General administration fees	\$ 35,355	\$ 38,034
Interac charges	233,412	214,215
Interest and bank charges	258	180
Professional fees	71,133	66,097
Training	20,697	11,230
	<u>\$ 360,855</u>	<u>\$ 329,756</u>
<b>ADVERTISING AND COMMUNICATIONS</b>		
Advertising and promotion	\$ 30,000	\$ 27,083
Postage and courier	13,692	16,144
Telephone and fax	21,564	19,549
	<u>\$ 65,256</u>	<u>\$ 62,776</u>
<b>COMPUTER AND EQUIPMENT</b>		
Alarm monitoring expense	\$ 7,537	\$ 8,026
ATM amortization	12,793	12,793
Computer and equipment repairs	159,759	161,473
Computer amortization	2,065	2,065
Furniture and fixtures amortization	7,221	11,601
Software amortization	50,024	55,409
	<u>\$ 239,399</u>	<u>\$ 251,367</u>
<b>MEMBER SECURITY</b>		
Bonding insurance	\$ 30,823	\$ 28,494
Cyber monitoring	13,423	-
Deposit Insurance Corporation of Ontario premium	62,838	60,796
General insurance	18,090	17,261
	<u>\$ 125,174</u>	<u>\$ 106,551</u>
<b>OCCUPANCY</b>		
Building amortization	\$ 12,469	\$ 12,989
Parking lot amortization	1,638	1,781
Property taxes	21,907	21,343
Repairs and maintenance	57,729	57,499
Utilities	22,343	21,713
	<u>\$ 116,086</u>	<u>\$ 115,325</u>
<b>OTHER</b>		
Collection expense	\$ 6,565	\$ 5,133
Meetings and conventions	1,629	1,622
Office	73,459	65,391
	<u>\$ 81,653</u>	<u>\$ 72,146</u>
<b>SALARIES AND BENEFITS</b>		
Employee benefits	\$ 212,202	\$ 183,455
Honoraria	11,710	7,765
Salaries and wages	966,327	889,925
	<u>\$ 1,190,239</u>	<u>\$ 1,081,145</u>



## Diversity Report

In accordance with section 103 of the Credit Unions and Caisses Populaires Act, 2020, the Board of Directors of BAY Credit Union Limited is pleased to report that, as of our fiscal year-end of September 30, 2023, three out of seven board seats are held by women. The remaining five board seats are held by men.



BAY Credit Union is proud of its member centric culture; a culture whose foundation continues to evolve and where members and employees of all genders feel valued, respected, and supported.

# Board of Directors



Board Members hosting charity BBQ's at Algoma and Cumberland branches

**DIRECTOR**  
*Term Expired*

**Lea Matyuska**

**DIRECTOR**  
*Term Expires 2025*

**Greg Ribotto**

**CHAIR**  
*Term Expired*

**Lorne Kellar**

**DIRECTOR**  
*Term Expired*

**Benoit Kuziora**

**DIRECTOR**  
*Term Expired*

**Neil Irwin**

**DIRECTOR**  
*Term Expired*

**Erick Bruce**

**DIRECTOR**  
*Term Expires 2024*

**Margaret Wanlin**

**DIRECTOR**  
*Term Expired*

**June Gaw**



## STAFF

<b>TARA SILVER</b>	<b>NICOLE LALONDE</b>
<b>LYNNE LEGROS</b>	<b>TATIJANA PERAUD</b>
<b>ALISE GORE</b>	<b>KELLY KNOWLES</b>
<b>ALYSON FORD</b>	<b>KIM PRICE</b>
<b>LEANNE LORENTSON</b>	<b>LINDA HUSTON-CARTER</b>
<b>GAIL MACDOUGALL</b>	<b>KERRY MORDEN</b>
<b>CHRIS BAYKO</b>	<b>HELEN RAPINO</b>
<b>PENNY GUIDONE</b>	<b>TAMARA KEMPE</b>
<b>CHERYL HAAPSAARI</b>	<b>AMANDA KUKKO</b>
<b>CHERYL SMITH</b>	<b>SUSANNA NIEMI</b>
<b>CYNDI SEREDA</b>	<b>DAVE NORMAND</b>
<b>DEREK DSOUZA</b>	



[baycreditunion.com](http://baycreditunion.com)

Algoma Street Branch  
807.345.7612  
142 S. Algoma Street

Cumberland Street Branch  
807.345.8153  
406 N. Cumberland Street