

Focused
on our members
today, tomorrow,
and always



Our Mission

We are a sound financial institution that provides competitive products, services and advice to help members achieve their financial goals.

Our Values

Our Members. They are the reason we exist and they are at the heart of what we do. For us, this means a commitment to continuously improving our members' experience by delivering relevant products, services and advice with honesty, fairness and respect.

Our Employees. Our people are our strength and the basis of our ability to provide an exceptional member experience. We strive to be an employer of choice, where employees are also treated with honesty, fairness and respect; offered opportunities to learn and develop; are paid fairly; and are empowered to carry out their duties.

Our Community. We serve a broad community, and we also benefit from that community. We recognize our responsibility to make a positive contribution to its health and quality of life.

Co-operation. We believe in the principles of co-operation and the continuing development of CCCU and the credit union system in Manitoba, Canada and around the world. Our members are our owners and benefit in many ways from ownership, including having a say in how their credit union is run, and sharing in our profits.

Strong Governance. The Board of Directors is elected by the membership, and is committed to ensuring effective oversight of the credit union with a view to ensuring a sustainable future.

Our Heritage. CCCU has a long history in Manitoba, and we honour our past and the original members who brought our credit union to life.

Our Vision

To be recognized as a leading credit union, where every member feels valued and supported as they achieve their financial goals.

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Message from Board of Directors and Management



Mona Forsen
Chief Executive Officer



Ingrid Loewen
Chair of the Board of Directors

Focused on Our Members Today, Tomorrow, and Always

At Crosstown Civic Credit Union, we're always looking for ways to improve our member experience. When members ask for more ways to connect and greater convenience, we take it to heart.

During 2019, we completed a number of strategic changes all aimed at helping our members succeed. In one short year, Crosstown Civic Credit Union delivered new member service channels, upgraded to a modern and secure banking system, enhanced day-to-day banking services, and announced a potential merger with another Manitoba credit union. These are not small achievements.

The most significant development was our banking system conversion, which took place the weekend of July 19. The new system allows us to offer ongoing improvements to our product and service lines, and to support our commitment to keep pace with modern technology. It also prepares us for new opportunities and partnerships. The updated technology opens doors for us to integrate new systems and programming, and create future synergies in our business processes and procedures, training programs, and delivery channels.

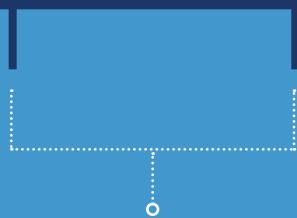
MAR

APR

MAY

JUN

JULY



Merger discussions initiated



Launched Member Solutions Centre and Mobile Mortgage Team



Launched new banking system

The success of the banking system conversion was due to the diligence and perseverance of our entire CCCU team, and we are proud to say all systems were back online as scheduled, with few challenges. To ensure we were ready for conversion, the team logged more than 3,000 training hours.

The conversion enabled new online banking features, such as enhanced security options and member-to-member transfers, giving our members more tools to do their banking on their terms.

Business Online Banking offers business members new timesaving features and upgrades such as dual signature approvals, consolidated account views, the ability to pay and file business taxes, and the option to authorize users to view or initiate transactions.

We recognize that change sometimes comes with uncertainty and discomfort. The decision to convert to a new system was focused on the long-term, future success of our members. We acknowledge the transition was difficult for some members and especially for those using online banking. We thank you for your patience and support throughout the changes.

While the new banking system provides future opportunities for digital service delivery options, we did not forget the importance and value of personal relationships and the security of hearing a live voice. Delivering new member service channels, like our Member Solutions Centre and Mobile Mortgage Specialists team, provides our members with more service options when and where they need it most.

AUG

SEPT

OCT

NOV



**Launched
new features in
online banking**



**Announced
merger
discussions**



“

***During 2019,
we completed a
number of strategic
changes all aimed
at helping our
members succeed”***



Message from Board of Directors and Management (continued)

Launched in May, the Member Solutions Centre (MSC) offers our members extended hours and Saturday service. This phone and web-based support team is staffed with trained and experienced employees who provide members with the option to do many of their basic banking transactions over the phone or via email. You are guaranteed to speak to a live, in-person Crosstown Civic Credit Union employee who can help with digital banking technical support, provide you with your account balance, change an account package, make a transfer, pay a bill, and much more.

Our new Mobile Mortgage Specialists team will meet at a time and a place that suits you—making it easier than ever to apply for a Crosstown Civic mortgage. This team was developed especially to support members who cannot make it to a branch for a daytime appointment.

To keep up with our fast-paced and competitive business environment, the Board and Executive Management team conducted ongoing strategic discussions to re-evaluate and update our existing five-year (2017-2021) Strategic Plan. Executing a strategic merger was determined to be the next priority. Announcing the merger discussions with Access Credit Union early in the process recognized the importance of involving and engaging our membership in the process. Our intent was full transparency and we will continue to follow this through the remainder of the process in 2020.

In this reporting year the credit union enjoyed asset growth of 6.86% for 2019, ending the year at just over \$2.58 billion. We welcomed over 500 new youth membership accounts, bringing our total memberships to 32,000. We distributed over \$2.5 million in new patronage shares and we are pleased to announce that we paid out almost \$3.4 million in cash redemptions to our members. Our income, after taxes and Member Equity Plan distributions, was approximately \$10 million and our efficiency ratio ended the year at 58.65%.

As we move forward in 2020, our focus remains on sustainable growth and efficiency, growing our membership, enhancing our community involvement, helping our personal and business members thrive, and expanding our product and service offerings – and making sure we can meet members' expectations, whether they choose an in-person or digital experience.

In today's changing landscape, it remains important to continue to invest in technology so we can offer our members the access and options they want and need, when they need them. We are making today's improvements for tomorrow's opportunities.

In closing, we wish to express our shared gratitude to our Board of Directors for their support and dedication to the success of our credit union and to our executive management team for their tireless efforts in executing our Corporate Strategic Plan as well as the day-to-day management of this great organization. We offer our heartfelt thanks to each CCCU employee for the passion and dedication they demonstrate each day. And finally, to our members, we cannot thank you enough for the trust you continue to place in Crosstown Civic Credit Union for your financial needs.

Sincerely,



Mona Forsten

Chief Executive Officer



Ingrid Loewen

Chair of the Board of Directors

By the Numbers



100%

owned by our members



9
Locations



1
Commercial department



1
Member solutions centre



2
Mobile mortgage specialists

32,000

members

Patronage

In 2020 we:

- Allocated over **\$2.5 million** of our 2019 earnings to our members, distributed in the form of Member Rewards
- Paid out approximately **\$3.4 million** to members as part of surplus share cash redemptions.

Member Solutions Centre:

15,558

calls handled

4152

emails handled

Since July 1, 2020

Online Banking

15,343

members signed up
for online banking

62,358

average monthly logins

More than **675** business
online banking users using
the application monthly

10,195

total users subscribed
to security alerts

13,597

members viewing
statements digitally

Mobile App

63,640

average monthly logins
(43,726 Apple / 19,914 Android)

Member Rewards

The Member Rewards Program rewards you for your relationship with us. As true owners, CCCU members can share in our annual profits.* The amount you receive is based on the amount and type of services you use. Remember, the more borrowing and saving you do with us, the bigger your reward. Since 1992, CCCU Member Rewards has returned over \$66 million to our members.

Member Rewards
are our way of saying
Thank You!

What's your share in \$66 Million?

Year	Patronage Rate	Share Rate	Total Allocation	Redemption Rate	Cash Redemptions	Misc. Redemptions	Surplus Shares
1992 to 2011	2.0% to 9.5	4.0% to 6.0%	35,938,696	10.0% to 50.0%	15,484,323	4,208,946	16,245,427
2012	3.0%	3.5%	2,592,049	10.0%	1,390,448	523,744	16,923,284
2013	5.0%	3.5%	4,032,826	15.0%	2,341,201	607,566	18,007,343
2014	10.0%	3.5%	7,983,499	30.0%	5,959,085	559,009	19,472,748
2015	5.0%	3.0%	4,335,533	15.0%	2,583,565	735,129	20,489,587
2016	3.50%	2.75%	3,217,262	20.0%	3,352,386	671,156	19,683,307
2017	3.25%	2.75%	3,130,585	20.0%	3,115,982	703,006	18,994,904
2018	2.75%	3.00%	3,071,779	20.0%	2,932,491	614,453	18,519,739
2019 (est)	2.03%	2.75%	2,544,000	25.0%	3,383,000	-	17,680,739
Cumulative			66,846,229		40,542,481	8,623,009	

How are the patronage and share allocations calculated?

The following is an example:

	Patronage	Shares
Balance of Surplus Shares and RRSP Surplus Shares held		\$2,000
Eligible interest on deposits paid to you during the year	\$4,000	
Loan interest paid by you during year	\$6,000	
Share allocation on existing shares at 2.75%		\$55
Patronage allocation on loan and deposit interest at 2.03%	\$203	

*Please see our website for more details on our Member Rewards Program.

Empowering the Future

Each year, Crosstown Civic Credit Union awards up to **\$3,000** in scholarships to six deserving high school graduates as they begin their first year of post-secondary education. This year's recipients were chosen to receive the scholarship on the basis of outstanding academics and remarkable participation in extracurricular activities.



Aidan Zeglinski
Seven Oaks Met School



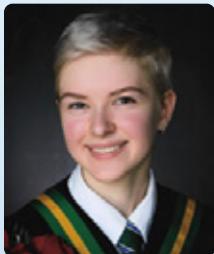
Anan (Fong) Ma
J.H. Bruns Collegiate



Lindsay Wieler
Linden Christian School



Meixi Zhang
Grant Park High School



Olivia Wilde
Balmoral Hall School



Lukas Sawatsky
River East Collegiate



Community Giving

We are proud to invest in our communities through donations, volunteering, sponsorships, and partnerships. We consistently review and prioritize contributions to a wide range of charitable programs and local events to improve the communities where we live, work, and play.

More than
60
non-profit and charitable organizations supported

More than
\$140,000
given in charitable donations

24,600 lbs
shredded at our Annual Shred Day events

Shred Day



Crosstown Civic Credit Union and Access Information Management of Canada (formerly Phoenix Recycling) partnered to host our 12th year of Annual Shred Days on Saturday, April 27th

and Saturday, September 14th, with onsite mobile shredding units at our 1200 Henderson Highway, 3161 Portage Avenue, 1450 McPhillips Street, and 515 St. Anne's Road branches, respectively. This event is open to all residents in Winnipeg, allowing them to securely shred personal documents on-site. This year we accepted donations on behalf of Child Nutrition Council, with CCCU matching the community donation. In 2019, the Annual Shred Day events brought in more than **\$14,500** to help school children learn, grow, and succeed by supporting breakfast, snack, and lunch programs.



Siloam Mission

We supported the Launch a Laundry Business capital campaign to provide a new beginning for those looking to re-enter the workforce and earn on-the-job skills and knowledge.

United Way

Crosstown Civic partnered with United Way for our annual employee campaign drive, resulting in almost **\$24,000** raised for our local communities.

Inner City Youth Alive (ICYA)

We supported ICYA through our Denim Days initiative where we allow employees to wear denim and Jets gear on home game days when they donate to a local charity. The 2018/2019 Winnipeg Jets regular season and playoff season supported ICYA.

We also donated funds toward a new air conditioning unit this past summer to help ICYA provide a safe, active, and nurturing environment for children and youth in Winnipeg.



Habitat for Humanity

In September, Crosstown Civic sponsored nine employees to participate in two Habitat for Humanity Team Builds at 303 Patrick Street in Winnipeg. One of the lead builders had one of our build teams sign a piece of 2 x 4 wood that would be displayed in the laundry room of the home once completed. It meant so much that we could add a personal message for the homeowner, reminding them that their community supports them in such a big way!



"The support from Crosstown Civic last year has impacted young upcoming leaders from the North End, seeking to serve the North End. Leaders like Kamara who grew up in the North End and has attended ICYA's Bridge Drop-in since she was in diapers. From a young age, it was clear to see that she had natural leadership abilities. Today, Kamara is a part-time staff member at ICYA while working on her pre-nursing courses. Thank you for your gifts that empower many leaders like Kamara!"

— John Janzen, Director of Development,
Inner City Youth Alive

Here are some of the other organizations we supported this year:

Assiniboine Park Conservancy

Big Brothers Big Sisters of Winnipeg

Boys & Girls Club

CancerCare Manitoba

Children's Hospital Foundation

Co-operative Development Foundation of Canada

Green Action Centre

Heart & Stroke Foundation

Learning Disabilities Association of Manitoba

LITE (Local Investment Toward Employment)

Main Street Project

Manitoba Museum

Mennonite Central Committee

Salvation Army

St Amant Foundation

STARS Air Ambulance

Winnipeg Harvest

Employee Focus

Our people are our strength and our greatest asset. Our employees are committed to the success of our members, each other, and the community at large. We are focused on the development and retention of our existing stellar workforce, and we continue to recruit high-performers. To ensure we maintain our commitment to current staff and stay relevant for new hires, we added new roles and invested in specialized training that continues in 2020.

Investing in Our People

Over the past several years, we've worked to enhance our training program for Member Services Representatives. We developed and implemented the MSR II training program, designed to give our frontline staff the knowledge and tools to better serve our members. The program consists of supplemental eLearning courses and case studies, and requires students to research, prepare, and deliver an in-branch presentation.

The following five members of our team graduated from the MSR II program in 2019:

Iman M

Nerlee C

Katherine P

Sarah H

Breanne F

Congratulations to this dedicated team of Member Service Representatives!



Offering New Opportunities

We added the Member Solutions Centre and Mobile Mortgage Specialists teams to our workforce. These new roles were created to offer more service options for our members, and have effectively increased our total workforce, enhanced our organizational structure, provided new opportunities for existing Crosstown Civic team members, and opened the door for new hires.

Celebrating Milestones

We strive to be an employer of choice, where team members are treated with honesty, fairness and respect, are offered opportunities to learn and develop, are paid fairly, and are empowered to carry out their duties

An employer of choice attracts and retains superior employees, which is why we are proud to present 9 recipients with long-term service awards in 2019, exceeding more than 150 years of combined service.



Kerri L
Commercial Department



Joyce P
St. Vital Branch



Edith S
1250 Portage Branch

Greg D
Pembina Branch



Mary F
Corporate Office

Irene G
Pembina Branch



Irma A
Henderson Branch

Governance

The Crosstown Civic Credit Union Board of Directors is responsible for ensuring the credit union has strong, effective management, and that the credit union's strategic objectives align with your best interests. Corporate governance is embedded in everything we do, and through governance we stay committed to the highest standards of operation for our members, our employees, and the communities we serve.

Crosstown Civic Credit Union is governed by a nine-person Board of Directors representing **32,000** members.



Ingrid Loewen, *Board Chair*
Board Committees 2019:
Governance & HR,
Joint Steering Committee
Meeting Attendance:
33 of 33 meetings



Randy Schartner, *Board Vice Chair*
Board Committees 2019:
Credit & Market Risk, Audit & Ops Risk,
Governance & HR, Joint Steering Committee
Meeting Attendance:
31 of 31 meetings



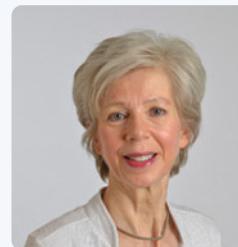
Catherine Burns
Board Committees 2019:
Audit & Ops Risk, Governance
& HR, Nominations
Meeting Attendance:
25 of 25 meetings



Henry Dyck
Board Committees 2019:
Credit & Market Risk, Nominations
Meeting Attendance:
22 of 23 meetings



Donovan Toews
Board Committees 2019:
Credit & Market Risk
Meeting Attendance:
16 of 16 meetings



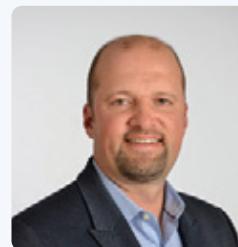
Deborah Harri
Board Committees 2019:
Credit & Market Risk,
Audit & Ops Risk, Nominations
Meeting Attendance:
22 of 23 meetings



Ellie Krahm
Board Committees 2019:
Governance & HR, Nominations
Meeting Attendance:
25 of 25 meetings



John Zacharias
Board Committees 2019:
Credit & Market Risk,
Audit & Ops Risk, Nominations
Meeting Attendance:
22 of 23 meetings



Ken Braun
Board Committees 2019:
Credit & Market Risk,
Audit & Ops Risk, Nominations
Meeting Attendance:
22 of 22 meetings

Report of the Independent Auditor on the Summary Financial Statements

To the Members of Crosstown Civic Credit Union Limited:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2019, and the summary statement of comprehensive income for the year then ended, are derived from the audited financial statements of Crosstown Civic Credit Union Limited (the "Credit Union") for the year ended December 31, 2019.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 1 to the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated February 18, 2020.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in Note 1 to the summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Winnipeg, Manitoba

February 18, 2020


Chartered Professional Accountants

A full set of audited financial statements is available from the Credit Union



Crosstown Civic Credit Union Limited
Summary Statement of Financial Position
As at December 31, 2019

	2019	2018
Assets		
Funds on hand and on deposit	92,149,942	54,081,982
Investments	424,521,999	294,247,556
Members' loans receivable	2,052,184,669	2,056,619,418
Property, equipment and intangible assets	15,896,959	14,737,300
Other assets	1,968,130	852,465
Deferred taxes	78,000	147,000
	2,586,799,699	2,420,685,721
Liabilities		
Members' savings and deposits	2,402,684,066	2,242,736,991
Accounts payable	10,188,884	13,719,084
Income taxes payable	874	240,533
Lease liability	940,412	-
	2,413,814,236	2,256,696,608
Members' equity		
Members' shares	18,679,354	19,149,024
Provision for issue of Surplus shares	2,546,407	3,074,187
Retained surplus	151,759,702	141,765,902
	172,985,463	163,989,113
	2,586,799,699	2,420,685,721

Approved on behalf of the Board

Signed "Ingrid Loewen", Director

Signed "Catherine Burns", Director

A full set of audited financial statements is available from the Credit Union



Crosstown Civic Credit Union Limited
Summary Statement of Comprehensive Income
For the Year Ended December 31, 2019

	2019	2018
Financial income		
Interest from members' loans	73,739,480	69,588,560
Investment income	11,930,613	7,159,446
	85,670,093	76,748,006
Cost of funds	54,229,642	44,382,756
Financial margin	31,440,451	32,365,250
Operating expenses		
Administration	4,338,480	3,813,931
Member security	2,175,985	2,066,333
Occupancy	1,668,874	1,715,380
Organizational	1,115,877	1,064,027
Personnel	12,269,121	11,277,714
Gross operating expenses	21,568,337	19,937,385
Other income	(5,334,675)	(4,946,128)
Net operating expenses	16,233,662	14,991,257
Income from operations before provision for loan losses, Member Equity Plan distribution and income taxes	15,206,789	17,373,993
Provision for loan losses	549,989	57,621
Income from operations before Member Equity Plan distribution and income taxes	14,656,800	17,316,372
Member Equity Plan distribution	2,544,000	3,070,000
Income before provision for income taxes	12,112,800	14,246,372
Provision for income taxes	2,119,000	2,302,000
Income and comprehensive income for the year	9,993,800	11,944,372

A full set of audited financial statements is available from the Credit Union

Crosstown Civic Credit Union Limited
Notes to the Summary Financial Statements
For the Year Ended December 31, 2019

1. Basis of the summary financial statements

Management has prepared the summary financial statements from the Credit Union's December 31, 2019 audited financial statements which can be obtained at the Credit Union. The detailed notes included in the audited financial statements are not included in these summary financial statements.

2. Compliance with minimum capital and liquidity requirements

The Credit Union is in compliance with the capital and liquidity reserve requirements at December 31, 2019 established by the Regulations to The Credit Unions and Caisses Populaires Act of Manitoba.

Readers of the summary financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity, the reader must refer to the audited financial statements and notes for the year ended December 31, 2019, which contain the information detailing the calculation.

A full set of audited financial statements is available from the Credit Union







Working for you. Owned by you.