

# 2018 Annual Report



Banking | Insurance | Wealth Management



**From  
here.  
All in.  
For you.**



**27,759**

PERSONAL & BUSINESS  
MEMBERS STRONG



**211**

EMPLOYEES



**\$189,353**

COMMUNITY  
INVESTMENT



## **VISION**

The leading financial cooperative,  
enriching the lives of all we serve.

## **MISSION**

As financial experts, we provide  
innovative solutions to our communities.

In February 2018, Integris' CEO Search Committee finalized their search and the Board confirmed the appointment of Alison Hoskins, as Chief Executive Officer. We were confident that Alison will lead our organization forward empowering her people through collaboration and innovation. Our confidence has been rewarded as she has delivered positive results and continues to strengthen Integris' financial position.

Our 2018, Board priorities were designed to address challenges we have with our capital levels, stabilization of our new banking system, and preparations for an on-site examination from our provincial regulator. Financial Institution Commission (FICOM) was on-site in June for five days conducting an in-depth examination of our operations. Part of this examination included in depth interviews with the Committee Chairs and the Board Chair. The results provided insight to allow us to continue to strengthen our organization.

In September, our Board Chair Dave Barry accepted a new employment opportunity outside

our region. Dave served as Board Chair for the previous two years and provided valued leadership during his tenure. I was elected Board Chair and Cheryl Wallace was elected Vice Chair.

Current Directors Robin Fennell (12 years) and Jillian Merrick (3 years) chose not to seek another term and retired from the Board. I would like to thank both for their years of service and commitment to the organization.

These events, along with expiring director terms, created five openings on the Board for the coming year. With five candidates and five positions, a formal member vote was not required and the candidates were elected by acclamation. Incumbents include Bruce Steele and Henk Hanemaayer, with Wendy Fellers and Ross Hyam acclaimed to three year terms and Jim Rivett appointed to a two year term.

Your Board of Directors would like to recognize the tremendous effort of staff in their continued commitment to enrich the lives of all we serve.

Cooperatively yours,

**Mark Churchill**  
Board Chair



**Back Row:** Mark Churchill, Henk Hanemaayer, Peter Valk, Robin Fennell, Norm Schmitz, Dave Barry, Bruce Steele

**Front Row:** Noella Herod, Cheryl Wallace, Wendy Schmidt, Jennifer Wilczek, Jillian Merrick





**Left to Right:**  
 Rita Harder,  
 Jeff Anderson,  
 Lorne Calder,  
 Alison Hoskins,  
 Brenda Astorino

In 2018, we rolled out new strategic language to our team of almost 240 people across seven branches in your communities. The creation of this language happened, like so many things happen at Integris, through collaboration, one of our highly prized values, and by recognizing the thoughts, beliefs and inherent value of our team. Our vision statement puts language to our aspiration to be the leading financial cooperative, enriching the lives of all we serve – and our impact is far reaching!

The incorporation of our cooperative roots into our vision was very deliberate. It is something that sets us apart from other financial institutions and it is the reason you have a voice at Integris! The cooperative system is deeply rooted in our history and its values permeate everything we do today.

In 2018, as a way to thank you for your member-

ship and investment in the capital of your credit union, we paid a dividend on your C Shares on Credit Union Day. Each year in October, we celebrate all that being a Credit Union is. Your membership is one of the things to celebrate! Choosing to invest in the Capital of Integris facilitates growth and is one way that you can help us enrich your communities. When you choose to invest in us, we, in turn, invest in you! If you aren't already a C Share holder, please speak to one of our Financial Experts who can help you determine if it is right for you.

As we close the books on 2018 and Gear Up for 2019, know we are committed to serving you and your families' financial needs. Everything we do at Integris to support your banking, your borrowing, your investing, your insurance, your benefits or your planning needs – is done with YOU in mind. We get YOU because at Integris we are From Here, All in, For YOU!

My very best,

**Alison Hoskins**  
 Chief Executive Officer



Capital is a little like the equity in your home – a reserve you can rely on in times of need. You know the money is there, but you won't touch it unless you really need it.

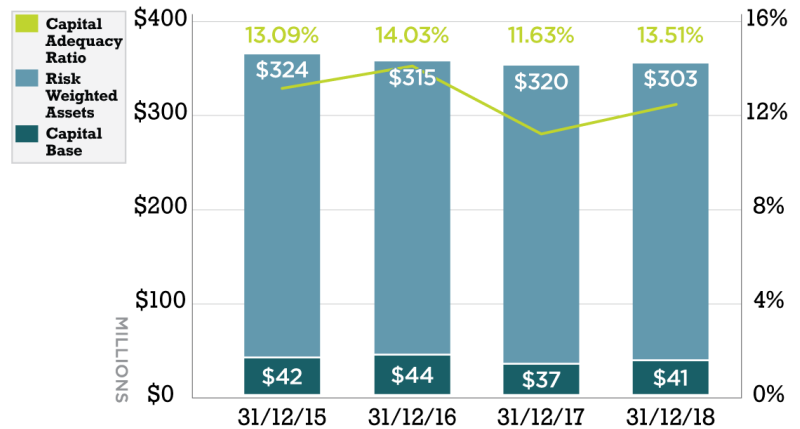
We retain capital as a risk mitigation practice to protect our members and our organization. The Financial Institutions Commission (FICOM) regulates the minimum amount of capital that Financial Institutions must have and our Board sets parameters for the risk tolerance.

Capital is not “on demand” funds – there are redemption restrictions because of the regulated minimum mandatory capital requirement. Capital takes place in the form of retained earnings (the accumulation of our net profit over time); however, our C Shares are a very important source of Capital and these investments are rewarded with higher than typical deposit rates.

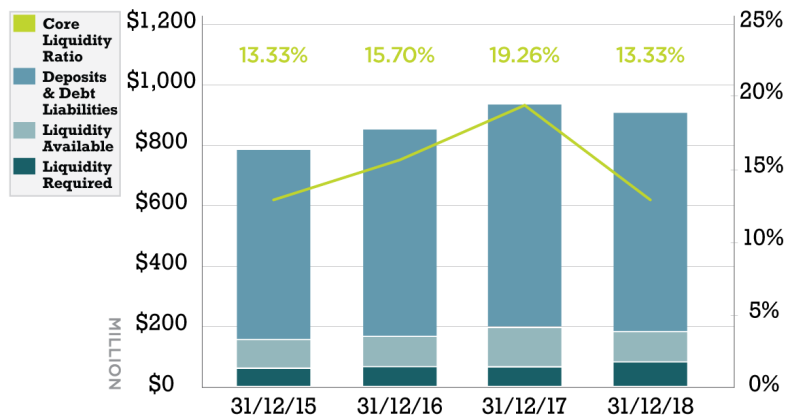
This year, we held a special resolution vote to make changes to C Shares. The changes would allow us to qualify C Shares as Tier 1 Capital and also increase the allowable limit up to \$250,000.

Capital may be regulated by FICOM and the Board may have a threshold tolerance level for risk mitigation. What capital is really about is reinvesting back in our business which in turn allows us to invest in our region.

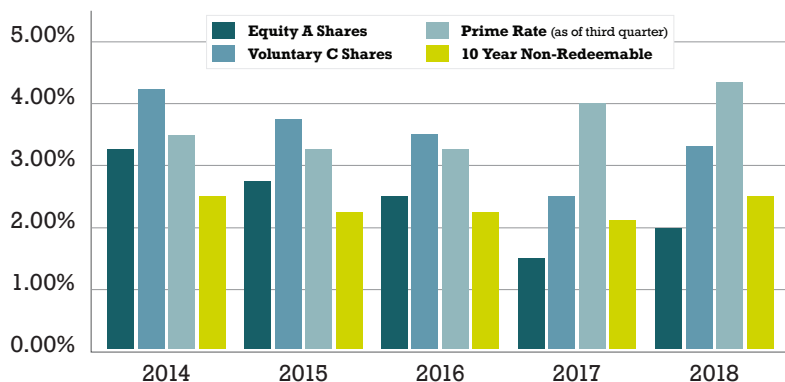
Capital Trends



Liquidity Trends



Dividend Rates





We are committed to providing great value to our members at a fair price while staying true to our values as a financial cooperative.

To us, it's not just an interest rate. We value our relationship with you and honour our community commitment and regional impact. In 2018, Integris invested \$189,353 in diverse community initiatives. We issued \$8,621,070 in deposit interest, including \$518,637 in member dividends. Our staff live, work and play here, and their salaries and benefits create further economic impact.

We set our rates with a number of factors in mind:



**Financial Income**

money earned on lending and income



**Financial Expenses**

money paid out on your deposits



**Non-Financial Income**

subsidiary income, fees, commissions, etc.



**Operating Expenses**

salaries, building maintenance, community enrichment, etc.



**Relationship Pricing**

the more business you choose to do with Integris, the better your rates will be



**External Considerations**

economic and competitive factors

As of...

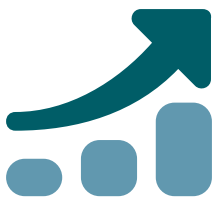


**24,457**

**Personal Members**

**3,302**

**Business Members**



**\$518,637**  
2018 Dividends

**221,325**  
e-Transfers



**1,520,696**  
Online banking log-ins

**5,423**  
Deposit Anywhere





In July 2018, I joined Integris as a Senior Manager, Commercial Services after a 38 year career with a chartered bank and over 25 years in commercial banking. If you ask me why – why I choose to work here, bank here, build here, and invest local - it's because I have the privilege of loving what I do, and doing what I love. That is the Integris difference: the people here are all working towards a common goal, enriching the lives of all we serve.

I had a front row seat to the evolution of global banking, where financial resources were diverted from local service to centralized call centers and digital development labs back East, and how Toronto decisions are made based on profits and with little regard for local communities or customer's needs.

*This* commercial department looks after the borrowing needs of our business members, providing trusted advice and personalized service – something the big banks have a hard time offering. From those just starting out, to well-established companies, the member is our #1 focus. We provide lending solutions for a number of purposes including working capital, real estate, and expanding current business operations, to name only a few.



Our commercial solutions are just one piece of the full service relationship we strive to earn with new and existing members. Our department has the opportunity to collaborate with Integris' other business units – Banking, Insurance, Wealth Management and Group Benefits – so that our entrepreneurs, small businesses, and commercial members can benefit from solutions. Our collaborative approach provides customized solutions for our members and is unmatched by other institutions.

Cooperatively yours,

**Cindy Whitecotton**

Senior Manager, Commercial Services

### Group Benefits

An employee benefit package is one of the best ways to attract and retain top talent because the key to success for any business comes down to your people. A great employee benefits package instills an employee's trust in your company and is considered a business owner's most necessary investment. Integris Group Benefits offers customized Group Registered Retirement Savings Plans, Defined

Contribution Pension Plans, Defined Benefits Pension Plans, Life and Insurance solutions to suit any sized organization. We bring the best in the industry through a comprehensive group benefits program that is backed by the strength of our market leading group of service providers. Speak with our representatives about your Group Benefits today.

Best regards,

**Kevin Botham**

Manager, Group Benefits



The cornerstone of our investment philosophy is our commitment to protect and enhance members' wealth over time in a conservative and prudent manner. The objective of Integris Wealth Management Services is to achieve these results without taking excessive risk. We are here to help you make sense of investing as your Trusted Advisor. In our experience, quality matters, so we recommend stocks, bonds and mutual funds that we believe offer the potential for solid performance over time, through good and bad markets.

Our financial experts are here to help you create a tax-efficient, sustainable cash flow. Whether you are accumulating wealth, investing a lump sum, or drawing on life savings, we are your guides, helping you to understand and navigate the complexities of your financial world.

We stay current on critical industry knowledge and training. We welcome the opportunity to discuss your financial goals and to work with you to establish your investment, tax and retirement planning strategy.

Cooperatively yours,

**Sukhi Klair**

Senior Manager, Wealth Management

### About Aviso Wealth

Aviso Wealth is a national, integrated financial services company serving the wealth management needs of virtually all of Canada's credit unions. Aviso provides comprehensive services and solutions that empower Canadians to achieve financial well-being, and allow our team to offer an outstanding wealth management experience to our members and clients.

Aviso is a new company, but one with decades of experience and notable strengths in all areas of wealth management. It unites the talents and resources of three successful, industry-leading firms:

- ✓ Credential Financial
- ✓ Qtrade Financial
- ✓ NEI Investments

As one of Canada's largest independent financial services providers, these combined organizations have greater resources to invest in new and better products, services, technology, and support. Aviso provides us with everything we need to establish a sophisticated, competitive, and growth-oriented wealth program. Drawing on extensive experience in the credit union space, Aviso delivers solutions designed to grow our business, protect our member relationships, and reach our long-term goals. Aviso stands for advice and much more. It stands for service, expertise, partnership, cooperation, guidance, and prudence — principles which constitute our promise to partners and clients.



Last year was a year of reflection for our Insurance Division. We focused on where we were, looked at where we want to be, how to get there, and what differentiates us from other insurance brokers in our industry.

In early 2018, we launched our Strategic Fitness Assessment at the Insurance Division AGM. At the outset, it was obvious that strategic fitness was much more than financial results. Strategic fitness needed to focus on things like our relationships with our insurance brokers – we needed to involve our key insurance providers to continue to provide us with unique products and ideas exclusive to Integris. We also learned that, in order to maintain good strategic fitness, we had to have a vast understanding of our members and our communities. We started asking questions – who does business with us and how? And, if they don't, how do we reach out to tell them our story and showcase our value that is distinctive to Integris?

Building on the foundational relationships we've built with our customers, we saw growth and customer retention on target in 2018. Our relationships with our insurers have never been stronger, nor more interactive, as we plan the future together. We have plotted an internal path within Integris to make sure we stay automated and positioned to find our advantage with the evolution of communication including face to face, online, by phone, text or email or some combination of communication streams. We found ways to tell the Integris story to our members and communities with projects such as wildfire and catastrophe preparedness, membership contact campaigns, and a referral program that asks our centers of influence to help us share the Integris insurance experience. In 2018, we were All In and it was a great year of strategic focus.

Best Regards,

**Kevin Gull**

Senior Manager,  
Insurance Services



## New Insurance Lines:

- ✓ Broker of choice for the Prince George Chamber of Commerce, offering protection for business, home, and recreational insurance needs. The product offering, expert advice, and savings that Chamber members benefit from is also extended to their staff, so that they too can enjoy the perks of cooperative partnerships. As financial experts, our team is here to empower and educate, providing a comprehensive package to protect your interests.
- ✓ In 2018, we introduced a mobile road service; if you're purchasing a vehicle from a dealership in Prince George, be it commercial or personal, Integris Insurance will arrive at the dealership to cover your insurance needs.
- ✓ In 2019, ICBC users will see the biggest reported changes in the history of the corporation in regards to premiums and driver based rating. Our staff are staying up to date on insurance training to ensure they can best serve you in 2019. Speak with one of our representatives for a risk review or coverage options today.
- ✓ Integris Insurance is proud to announce a unique advantage for our Logging and Resource sector clients, offering premier coverage and competitive rates with our key insurance partners.

In January 2018, Credit Unions of BC, including Integris, made the move to Collabria – our new credit card provider. The new Mastercards integrated effectively with our existing technology, and allowed members to easily make PIN changes at the ATM and receive surcharge-free cash advances for the first time. In addition to offering these two new

services, we also incorporated a USD Mastercard with cash back options giving you endless products to choose from. With an already existing app (The Exchange Network®) and the biggest ATM network in Canada offering service from coast to coast to coast, the Integris Mastercard became even more priceless.





Prior to 2016, our approach to community events and fundraisers was completely conventional: we would provide cash sponsorships and, in many cases, Integris volunteers would be there to help out. Every year, we directed considerable resources in support of a wide range of initiatives. It got us “out there”, but we struggled to measure the “return” on the investment of time and money.

The idea of the Integris Credit Union Barbeque (#ICUBBQ) was born out of our need to activate our brand as a unique community supporter. Our “Life Out Here™” brand is about connecting

people to their community and what better way to do that than through fun and food?!

Since 2016, the ICUBBQ has attended more than 125 events across the region and has helped raise over \$125,000. In 2018 alone, the ICUBBQ attended 48 events and provided \$46,000 in fundraising for our community partners.

The ICUBBQ has surpassed even our most enthusiastic fundraising projections. It has become a hot commodity activating the Integris brand in unique ways while making significant contributions to our region.



**125**  
TOTAL BOOKINGS



**#ICU  
BBQ**



**\$125k+**  
TOTAL MONEY RAISED





# Community Impact

Community is everything to us here at Integris!

As your financial cooperative, Integris is committed to enriching the lives of all we serve by providing innovative solutions to our communities.

You, the Integris member-owner, form our communities. You are closely connected to the people, projects and priorities that make Life Out Here™ great! Accordingly, we invest in your connections so that we all enjoy richer opportunities throughout a stronger region. These investments are best described as time and money.

Over the years, Integris has had considerable impact through financial contributions to many initiatives across our region. It is also important to recognise our ALL IN employees and the significant value they add through their volunteerism. When Integris staff invest their time into community projects / events, great things happen!

In order to continue making these investments, we must provide you – the Integris Member – with a richer financial experience. We do this to continue to earn your business – and that of your family, friends and neighbours. Our success enables us to grow our business so as to increase our positive community impact.

Integris profits *stay here* becoming your dividends and our shared Community Impact investments. Thank you for choosing Integris – together, we are investing in one another to make our home the best it can be!

In 2015, we launched a refreshed Integris Brand. The look and feel of your renewed brand is all about *lifestyle* and *landscape*. Simply put, our intent has been to transcend ‘products & services’ and transactional banking. We endeavour to be trusted advisors and a financial partner enriching our members’ lives while making meaningful contributions to our communities.



## Staff Volunteerism

In 2018, Integris Staff and Board of Directors invested over 2,400 volunteer hours in our communities.

For every 36 hours that an individual staff member volunteers, they are provided with \$100 to donate to a charity of their choice (to a maximum of \$500/staff member).

In 2018, Integris provided an additional \$3600 of community investment through our ALL IN volunteers!

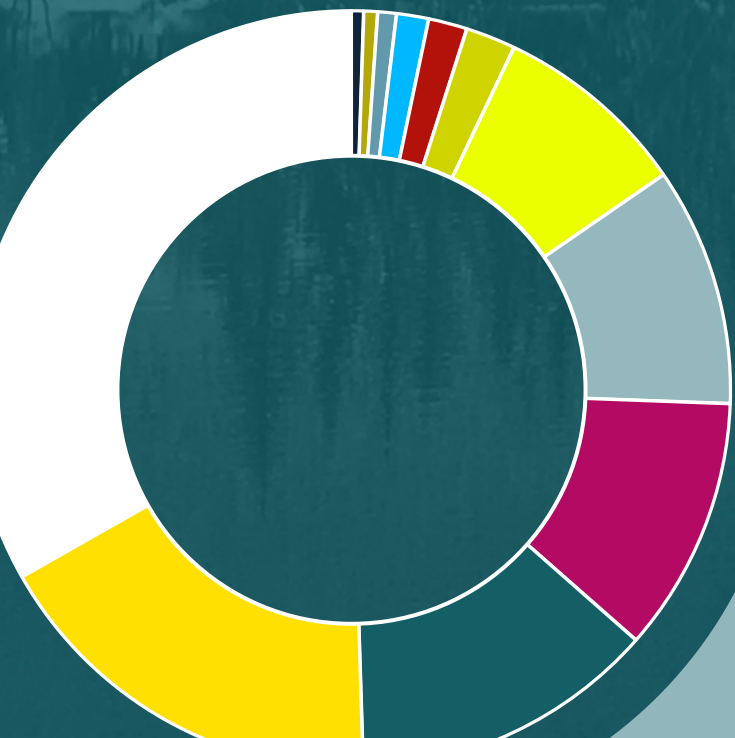


# Our Partners

Integris' Vision, Mission and Values are achieved through the many innovative partnerships that enrich lives and communities here in North Central BC.

A partnership is an agreement where two or more parties cooperate in order to advance their mutual interests. To us, partnerships are more than handing out a cheque. As a financial cooperative, we leverage our resources (financial and human) to enable the work of our partners – the organizations who do the heavy lifting of community.

- ✓ **Women's Fall Challenge**
- ✓ **IDIDALAP4CANCER**
- ✓ **Clinton Rodeo / Heritage Week**
- ✓ **Prince George Iceman**
- ✓ **Hubspace**
- ✓ **Big Brothers Big Sisters**
- ✓ **UNBC Timberwolves**
- ✓ **Kids of Steel Triathlon**
- ✓ **Billy Barker Days**
- ✓ **Art Wells Festival**
- ✓ **Cops for Cancer - Tour de North**
- ✓ **Integris Freedom Youth Art Series**
- ✓ **Foundry PG**
- ✓ **Coldsnap - Community Workshops**
- ✓ **MakerLab**
- ✓ **Integris Community Centre - YMCA**
- ✓ **Relay for Life**
- ✓ **PGYSA Community Schools Program**
- ✓ **Frozen Warriors**



## Community Enrichment

	<b>Values:</b>	\$980.00		<b>Art</b>
	<b>BBQ:</b>	\$1128.26		<b>Enrichment</b>
	<b>Culture:</b>	\$1495.94		<b>Support</b>

# What our partners are Saying ...

Photo by Trevor Derksen

## YMCA of Northern BC

“Our partnership with Integris has a tremendous effect on the YMCA’s ability to impact the health and well-being of individuals, families and communities. Integris and the YMCA are building a stronger region through a number of initiatives including the Integris Community Centre in Vanderhoof and Foundry PG. Through our collaborative approach, we provide innovative solutions to our communities.”



**YMCA of Northern BC**

**Amanda Alexander, CEO**



**ISLAND MOUNTAIN ARTS**

## Island Mountain Arts - ArtsWells Festival

“A huge THANK YOU to our incredible partner Integris Credit Union! Integris has been a supporter of ArtsWells and Island Mountain Arts for over a decade. In addition to funding and providing resources like the Integris Community BBQ, which helps us feed all our artists and volunteers, this year Integris staff volunteered ALL WEEKEND with the Integris truck to pick up recycling and garbage from the entire festival site. Now that’s dedication to community!!”

**Julie Fowler, Executive & Artistic Director**

## PG Folkfest Society - Coldsnap

“Sending a huge shout-out to our incredible community partner, Integris Credit Union! They have been the title sponsor of our free Come In From The Cold community outreach events for the past several years, and a sponsor of the festival for years before that. Integris shares Coldsnap’s goal to provide the opportunity for all members of society to experience the music of the world-class performers visiting Prince George for the festival. Thank you, Integris!”



**PG Folkfest Society**

Animals:	\$2600.00	Health:	\$15,784.50	Youth:	\$24,641.50
Environment:	\$3,141.04	Arts:	\$19,290.70	Education:	\$32,723.18
Seniors:	\$4,030.79	Sport:	\$20,654.22	Community:	\$62,883.16
				<b>Total:</b>	<b>\$189,353.29</b>





In 2002, the Nechako Valley Credit Union created the Community Foundation designed to promote and provide charitable assistance in Vanderhoof, Fort St. James, Fraser Lake and the surroundings areas. The Foundation - a growing capital fund - was renamed the Integrus Credit Union Community Foundation in January 2007. Since 2002, the Integrus Community Foundation has invested over \$900,000 in Vanderhoof, Fort St. James and Fraser Lake.

In 2018, the following organizations were successful in their applications for Foundation Grants:

## **Vanderhoof Men's Shed**

### **Utility Trailer \$5,000**

Men's Sheds are modern, shared versions of the home workshops that have long been part of the Canadian way of life. The Shed's primary purpose is to provide a place for men to gather, to share and learn new skills and to serve their community in a variety of ways. The Utility Trailer provides transport capability for the Men's Shed's many community-enhancing projects, as well as enabling an important service to seniors who need to have hospital beds delivered to their homes.

## **Nechako Valley Search & Rescue**

### **Garage Project \$10,000**

"Nechako Valley SAR has benefited tremendously from the Integrus Community Foundation for many years, but most recently with funding for both our new Mobile Command Centre (MCC) and the 3 bay heated garage to store it. A purpose built, well designed, and equipped MCC is a critical element for every SAR group, and when we needed to replace our previous one, the Foundation was instrumental in providing critical funding for both the MCC and the garage to safely and securely store all our response vehicles. SAR is always there for the citizens and visitors to BC, and it's great to have organizations like the Integrus Community Foundation there for SAR when we need."

**Chris Mushumanski**

## **Royal Canadian Legion (Fraser lake)**

### **Backyard/Garden Project**

The Foundation provided a small grant of \$4,322 to the Royal Canadian Legion in Fraser in support of their Backyard Garden Proj-

ect. The garden will supply fresh produce to the Legion's kitchen as they prepare more than 30 supper meals per day. The kitchen provides healthy food to people in Stellat'en, Fraser Lake, and the surrounding area.

## **YMCA of Northern BC**

### **The Integrus Community Centre Playground**

The partnership between Integrus, the YMCA of Northern BC, and the District of Vanderhoof was formed to provide quality childcare, improved recreational services, and increased community capacity for residents of Vanderhoof and Saik'uz First Nation. Since 2016, the Integrus Foundation has invested over \$56,000 in the Community Centre to further enable the YMCA's childcare services. 2018's contribution was \$26,500 toward the construction of a multi-age playground at the Centre. Access to outdoor play contributes to improved physical and mental health, improved kindergarten readiness, and promotes a sense of community among children and their families.

## **Nechako Valley Exhibition Society**

### **Kitchen Upgrade \$25,000**

A significant portion of NVES's income comes from the Fall Fair and other private and community bookings at the riding arena. The Kitchen Upgrade is required to sustain and increase these bookings. This necessary improvement will enable the NVES to increase capacity for all future hosting and to entice larger events/bookings. This will contribute to enhanced financial viability for the Society and a better experience for facility users.



In keeping with our mission to provide innovative solutions to our communities, Integris partnered with the PG Cougars in a one-of-a-kind fundraiser turned community celebration on January 19, 2018.

While Integris was not the first to join the Cougars Mega Jackpot, we were the first to do so with such broad community impact. Until Integris came along, the jackpot sponsor chose one charity ... we chose 18. By differentiating our Mega Jackpot and leveraging our relationships with numerous community partners, we were extremely successful. Here are the highlights:

- ✓ Integris initial investment was **\$20,000**
- ✓ The Jackpot grew to **\$94,647**
- ✓ The **18** organisations shared in **\$47,323**
- ✓ Used the hashtag **#FillTheRink**
- ✓ Attendance was **5,138** – the highest of the season

At the game, our partner organisations were afforded the opportunity to build their profiles, engage the public and showcase the community impact they generate. The buzz around town leading up to, during and after that game had spectacular promotional and brand building value for Integris.

Here is what our **#FillTheRink** partners said:

“Thank you for inviting the Prince George Native Friendship Centre to be a partner to this event. I attended the event, as did many of our staff teams with their clients, and with their own families and I’ve heard from many that it was a great outing for them. I enjoyed seeing many of our staff enjoying the game, but was especially proud to see our Moosehide Campaign at the event and those men from our organization role modeling and sharing information about ending violence toward Indigenous women and girls. Thank you again!”

**Bark Ward-Burkitt**

Prince George Native Friendship Centre

“I hope you appreciate the difference that you and your peeps made on Friday night ... not only the accomplishment for the 18 charities, AND the fact that you took a fundraising revenue maker that was on the decline in this city and turned it around!”

**Erin Reynolds**

Canadian Cancer Society – Cops Tour de North

“I just wanted to give Integris a huge THANK YOU for being such amazing, generous, effective, and overall awesome people. It was truly a pleasure working with you on this game, and everyone involved with Integris was first class and incredibly friendly and helpful. Apart from being amazing people, the money you put up for this game was significant, to put it mildly, and I was so happy to see it leveraged in such an effective way, to help so many organizations and people. We really are very fortunate in Prince George to have a business like yours and the people that run it ... THANKS AGAIN!!!!”

**Andy Beesley**

PG Cougars





## Summary Consolidated Financial Statements, December 31, 2018

### REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Members of Integris Credit Union

#### Opinion

The summary financial statements, which comprise the summary consolidated statement of financial position as at December 31, 2018, and the summary consolidated statements of comprehensive income, changes in members' equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Integris Credit Union (the "Credit Union") for the year ended December 31, 2018.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements in accordance with Article 128 of the Financial Institutions Act of British Columbia.

#### Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Credit Union's audited consolidated 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 28, 2019.

#### Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with Article 128 of the Financial Institutions Act of British Columbia.

#### Auditor's Responsibility

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

*Deloitte LLP*

Chartered Professional Accountants

Prince George, BC  
February 28, 2019

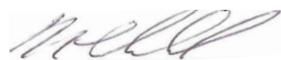
**Deloitte.**

**Integrus Credit Union**

Summary consolidated statement of financial position  
as at December 31, 2018

	2018	2017
	\$	\$
<b>Assets</b>		
Cash and equivalents	11,917,067	12,074,330
Investments	88,715,602	122,489,932
Member loans	638,417,505	614,437,185
Property and equipment	17,594,257	18,748,247
Intangible assets	12,192,474	12,065,201
Other assets	4,835,754	5,398,958
	<b>773,672,659</b>	<b>785,213,853</b>
<b>Liabilities</b>		
Member deposits	732,268,816	744,953,292
Other liabilities	2,275,882	2,838,125
Loan securitization financing	715,005	922,003
	<b>735,259,703</b>	<b>748,713,420</b>
<b>Members' equity</b>		
Members' shares	11,490,862	11,150,287
Contributed equity	6,953,743	6,953,743
Retained earnings	20,334,012	18,773,786
Accumulated other comprehensive loss	(365,661)	(377,383)
	<b>38,412,956</b>	<b>36,500,433</b>
	<b>773,672,659</b>	<b>785,213,853</b>

APPROVED BY THE BOARD



Director



Director



**Integrus Credit Union**

Summary consolidated statement of comprehensive income  
year ended December 31, 2018

	2018	2017
	\$	\$
<b>Financial income</b>		
Interest income	24,080,434	22,915,631
Investment income	2,115,373	2,276,696
<b>Total financial income</b>	<b>26,195,807</b>	<b>25,192,327</b>
<b>Financial expenses</b>		
Interest expense - deposits	8,621,070	8,419,542
Other interest expense	41,530	43,829
<b>Total financial expenses</b>	<b>8,662,600</b>	<b>8,463,371</b>
<b>Financial margin</b>	<b>17,533,207</b>	<b>16,728,956</b>
Allowance for credit losses	377,023	1,002,073
Net interest margin	17,156,184	15,726,883
Other operating income	9,373,789	8,803,602
Operating margin	26,529,973	24,530,485
Operating expenses	24,111,004	24,341,923
Distributions to members	150,844	114,175
Income before income taxes	2,268,125	74,387
Income taxes	402,630	59,731
<b>Net income</b>	<b>1,865,495</b>	<b>14,656</b>
Other comprehensive income (loss)	3,265	(971,948)
Income taxes relating to OCI	8,457	163,287
Other comprehensive income (loss)	11,722	(808,661)
<b>Total comprehensive income (loss)</b>	<b>1,877,217</b>	<b>(794,005)</b>

**Integrus Credit Union**

Summary consolidated statement of changes in members' equity  
year ended December 31, 2018

	Total
	\$
<b>Balance, beginning of year</b>	36,500,433
Total comprehensive income	1,877,217
Issued membership shares	848,151
Redeemed membership shares	(875,370)
Dividends on investment shares	62,525
<b>Balance, end of year</b>	<b>38,412,956</b>

**Integrus Credit Union**

Summary consolidated statement of cash flows  
year ended December 31, 2018

	2 0 1 8	2 0 1 7
	\$	\$
<b>Cash generated (used) from</b>		
Operating activities	(31,175,152)	34,710,050
Investing activities	31,715,406	(40,384,017)
Financing activities	(479,510)	486,309
Net change in cash and equivalents	60,744	(5,187,658)
Cash and equivalents, beginning of year	12,074,330	17,255,716
Effects of exchange rate changes on the balance of cash held in foreign currencies	(218,007)	6,272
<b>Cash and equivalents, end of year</b>	<b>11,917,067</b>	<b>12,074,330</b>

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



## Director Compensation

The Integris Credit Union Board of Directors consists of twelve directors that represent Integris' membership and works with the Executive management team to determine the direction of the company.

The Board is accountable for hiring the Chief Ex-

ecutive Officer, financial statements, corporate strategies, establishing corporate goals, and approving major financial decisions. The Board is also accountable for allocating major resources, representing the interests of members, supervising the operations of the Credit Union, and representing Integris in the community.

Name	<b>Mark Churchill</b> RFT, CCD
Residence	<b>Vanderhoof</b>
Position	<b>Board Chair</b>
Director Since	<b>2009</b>
Current Term	<b>2018 - 2021</b>
Committees	<ul style="list-style-type: none"> <li>• Executive Committee</li> <li>• CEO Recruitment Committee</li> <li>• Ex-Officio</li> <li>• All Committees</li> </ul>
Director Training	Certified Credit Union Director designation- Rotman School of Business, Credit Union Director Achievement (CUDA) - Levels A, B & C

Honorarium	Meeting Stipends	Meetings	Travel
\$4,012	\$10,925	36	\$1,375
Total		\$16,312	

Name	<b>Dr. Jennifer Wilczek</b> OD Optometry
Residence	<b>Prince George</b>
Position	<b>Corporate Secretary</b>
Director Since	<b>2014</b>
Current Term	<b>2017 - 2020</b>
Committees	<ul style="list-style-type: none"> <li>• Investment &amp; Lending Committee</li> <li>• Executive Committee</li> <li>• Conduct Review / Corporate Governance</li> </ul>
Director Training	Credit Union Director Achievement (CUDA) - Levels A, B & C

Honorarium	Meeting Stipends	Meetings	Travel
\$2,575	\$8,000	32	\$437
Total		\$11,012	

Name	<b>Cheryl Wallace</b> CPA,CMA, MBA
Residence	<b>Prince George</b>
Position	<b>Vice Chair</b>
Director Since	<b>2017</b>
Current Term	<b>2017 - 2020</b>
Committees	<ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• IT Governance Committee</li> <li>• Executive Committee</li> </ul>
Director Training	Credit Union Director Achievement (CUDA)- Levels A and B

Honorarium	Meeting Stipends	Meetings	Travel
\$2,875	\$8,650	32	\$375
Total		\$11,900	

Name	<b>Henk Hanemaayer</b>
Residence	<b>Clinton</b>
Position	<b>Member at Large</b>
Director Since	<b>2015</b>
Current Term	<b>2016 - 2019</b>
Committees	<ul style="list-style-type: none"> <li>• Conduct Review / Corporate Governance Committee</li> <li>• Audit Committee</li> <li>• Executive Committee</li> <li>• CEO Recruitment Committee</li> </ul>
Director Training	Credit Union Director Achievement (CUDA)- Levels A, B & C

Honorarium	Meeting Stipends	Meetings	Travel
\$2,575	\$10,075	35	\$4,400
Total		\$17,050	

Name	Robin Fennell		
Residence	Clinton		
Position	Director		
Director Since	2005		
Current Term	2016 - 2019		
Committees	• Investment & Lending Committee		
Director Training	Credit Union Director Achievement (CUDA)- Levels A, B & C		
Honorarium	Meeting Stipends	Meetings	Travel
\$2,575	\$6,800	28	\$3,125
Total		\$12,500	

Name	Jillian Merrick		
Residence	Prince George		
Position	Director		
Director Since	2016		
Current Term	2016 - 2019		
Committees	• Conduct Review / Corporate Governance Committee		
Director Training	Credit Union Director Achievement (CUDA)- Levels A, B & C		
Honorarium	Meeting Stipends	Meetings	Travel
\$2,575	\$5,300	22	\$775
Total		\$8,650	

Name	Norm Schmitz CPA,CGA, ACCUD		
Residence	Prince George		
Position	Director		
Director Since	2014		
Current Term	2017 - 2020		
Committees	• IT Governance Committee • Nominating Committee		
Director Training	Credit Union Director Achievement (CUDA)- Levels A, B & C, Accredited Canadian Credit Union Director (Dalhousie University)		
Honorarium	Meeting Stipends	Meetings	Travel
\$2,575	\$8,000	30	\$425
Total		\$11,000	

Name	Noella Herod		
Residence	Vanderhoof		
Position	Director		
Director Since	2009		
Current Term	2018 - 2021		
Committees	• Audit Committee		
Director Training	Credit Union Director Achievement (CUDA)- Levels A, B & C		
Honorarium	Meeting Stipends	Meetings	Travel
\$2,575	\$5,025	22	\$675
Total		\$8,275	

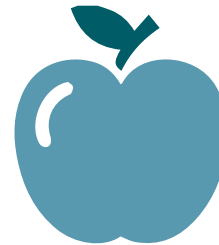
Name	Wendy Schmidt ACCUD		
Residence	Prince George		
Position	Director		
Director Since	1996		
Current Term	2018 - 2021		
Committees	• Conduct Review / Corporate Governance Committee • Nominating Committee • CEO Recruitment Committee		
Director Training	Credit Union Director Achievement (CUDA)- Levels A, B & C, Accredited Canadian Credit Union Director (Dalhousie University)		
Honorarium	Meeting Stipends	Meetings	Travel
\$2,575	\$8,175	29	\$75
Total		\$10,825	

Name	Bruce Steele ACCUD, CUDA		
Residence	Quesnel		
Position	Director		
Director Since	1998		
Current Term	2016 - 2019		
Committees	• Conduct Review / Corporate Governance Committee • Investment & Lending Committee		
Director Training	Credit Union Director Achievement (CUDA)- Levels A, B and C, Accredited Canadian Credit Union Director (Dalhousie University)		
Honorarium	Meeting Stipends	Meetings	Travel
\$2,575	\$7,825	33	\$1,700
Total		\$12,100	

Name	Peter Valk		
Residence	Fort St. James		
Position	Director		
Director Since	2004		
Current Term	2017 - 2020		
Committees	<ul style="list-style-type: none"> <li>• IT Governance Committee</li> <li>• Investment &amp; Lending Committee</li> <li>• Corporate Governance Committee</li> <li>• Nominating Committee</li> <li>• CEO Recruitment Committee</li> </ul>		
Director Training	Credit Union Director Achievement (CUDA)- Levels A, B and C		
Honorarium	Meeting Stipends	Meetings	Travel
\$2,575	\$10,425	36	\$2,525
Total		\$15,525	

Name	Dave Barry		
Residence	Prince George		
Position	Retired Board Chair (August 2018)		
Director Since	2009		
Current Term	Resigned		
Committees	<ul style="list-style-type: none"> <li>• Executive Committee</li> <li>• Ex-Officio</li> <li>• All Committees</li> </ul>		
Director Training	Credit Union Director Achievement (CUDA)- Levels A, B and C, CUES Leadership Designation		
Honorarium	Meeting Stipends	Meetings	Travel
\$6,187	\$7,200	19	\$675
Total		\$14,062	

Honorariums and Meeting Stipends are established by the Board of Directors based on comparative analysis of like sized credit unions every three to five years (last updated in 2015). Training includes CUDA training, conferences, and industry workshops. Board members are encouraged to increase their knowledge and understanding of board governance. Out-of-pocket expenses are covered based on the established Integris Expense Policy.



## \$34,754

Total Director Training

## Executive Management Compensation

Top 5 Earners

Salaries & other short term benefits	\$905,417
Total pension & other post employment benefits	\$100,614
<b>Total</b>	<b>\$1,006,031</b>



Every year the Co-operative Development Foundation of Canada (CDF) hosts Canada's Women's Mentorship Program. This year, Integris was excited to participate and welcome Beatrice Limbanga from Michinji Civil Service Sacco in Malawi. The Women's Mentorship program welcomed twelve women from eight countries including Philippines, Mongolia, Kenya, Nepal, Uganda, Rwanda, Nigeria and Malawi. Beatrice started her exciting journey in Ottawa where she trained with the CDF for two and a half weeks before joining her host credit union.

This credit union exchange program offers women in leadership roles the opportunity to learn about several different aspects of credit union operations including human resources, liquidity management, marketing, delinquency control, and gender issues to name a few.

Beatrice's visit to Canada has been highly anticipated. She first applied to the Women's Mentorship program in 2017; however, her visa application was declined without enough time to reapply for the program. Luckily, Beatrice was able to attend the program in 2018 and receive training and mentoring she will use in Malawi to better her credit union (Sacco) and the women who work there.

In her role as Marketing Manager she manages day to day operations and focuses on loan disbursement, product development, and member solutions – the Women's Mentorship program will give her the tools to succeed in her role and also champion other women in similar roles.

One of the biggest problems in the Malawi banking sector has to do with the large number of unbanked individuals; many people do not have bank accounts. Beatrice hopes to better inform the people of Malawi of the risks of carrying cash and focus on long term budgeting and financial goals.

Of the Women's Mentorship program, she says this: "It is a way to empower women to participate fully in economic life. Those that go through the program can provide guidance, advice and support women in character building and confidence in the workplace, thereby helping build strong leaders and progress in career. We can better understand our rights for equal opportunity and realize our full potential.

Beatrice left Integris having gained a wealth of knowledge and returned to Ottawa for a week of final training before heading home to Malawi.



Beatrice Limbanga from Michinji Civil Service Sacco in Malawi meets Mayor Lyn Hall of Prince George while visiting on the Canadian Co-operative Associations 2018 Women's Mentorship Program.



Fraud is ever evolving, and financial institutions and individuals must keep up the pace with the sophisticated schemes and malicious actors. From e-transfers, card tap payment solutions, identity theft, romance scams, phishing attempts, account takeovers and hacking, the list is endless.

At Integris, our internal risk management department monitors suspicious or potential fraudulent transactions on a daily basis. We are alerted via Interac when an incoming or outgoing E-Transfer to your account is deemed suspicious or if you use your debit card at a compromised Point of Sale or ATM terminal. We receive fraud alerts when you use your card for domestic or international transactions on one side of the country and then minutes later when a transaction occurs on the other side of the country.

Our risk management team is fully trained and will ask questions about activity in order to protect you from fraud as fraud is becoming increasingly more prevalent given the amount of information shared online. We want your banking credentials to remain protected and uncompromised.

Diligently yours,

**The Integris Risk Management Team**

Affectionately known as the Integris Fraud Squad.

**Things you can do to ensure your credentials are secure include:**

- ✔ Protect your online banking with our free malware protection software Trusteer Rapport that is easily downloaded from our website.
- ✔ Use a complex password using a combination of upper and lower case letters, numbers, and symbols and change it regularly.
- ✔ When using ATMs or POS terminals, check them over to make sure they haven't been tampered with.
- ✔ Protect your PIN when using terminal devices – many times card duplication still requires PIN information and something as simple as covering your PIN could ensure that your banking information is not compromised.
- ✔ Monitor your banking transactions on a regular basis and report any unauthorized transactions within 30 days of receipt of your statement.
- ✔ Ask your branch staff how to protect yourself from fraud.
- ✔ Finally, know your responsibilities as a member and ensure that you are protected with our online security guarantee.







**Corporate Office**

T: 250-612-3456  
1598 - 6th Avenue  
Prince George, BC  
V2L 5B5

**5th & Central Branch**

T: 250-612-3456  
530 Central Street  
Prince George, BC  
V2M 3B7

**Clinton Branch**

T: 250-459-2173  
1507 Highway 97 North  
PO Box 549, Clinton, BC  
V0K 1K0

**Fort St. James Branch**

T: 250-996-8667  
366 Stuart Drive West  
Fort St. James, BC  
V0J 1P0

**Quesnel Branch**

T: 250-992-9216  
253 Reid Street  
Quesnel, BC  
V2J 2M1

**River Point Branch**

T: 250-612-3456  
#100, 2150 Ferry Avenue  
Prince George, BC  
V2N 0B1

**Town Centre Branch**

T: 250-612-3456  
1532 - 6th Avenue  
Prince George, BC  
V2L 5B5

**Vanderhoof Branch**

T: 250-567-4737  
201 West Stewart Street  
Vanderhoof, BC  
V0J 3A0

