



## 2016 Annual Report



We See What You See



### **Mission Statement**

Motor City Community Credit Union's Mission is to enhance the quality of life of our community by delivering quality financial products and services effectively, efficiently and with excellence.

### **Vision Statement**

Motor City Community Credit Union strives to be an innovative provider of superior services for the benefit of our member-owners. We operate under the philosophy of "people helping people help themselves".

### **Values**

**Trust:** We will establish an environment that is responsible, innovative and financially sound.

**Integrity:** We will always provide our products and services with confidence, pride, dignity and a positive attitude focusing on the best interests of our member-owners and the community.

**Honesty:** We will provide our member-owners and community with open and direct communication.

**Accountability:** We will be responsible to our member-owners, employees, colleagues and communities for the results of our decisions and actions.

**Social Responsibility:** We will act to promote environmental sustainability and uphold the co-operative principles as responsible corporate citizens.

**Loyalty:** We will reward our member-owners for their loyalty.

# Board of Directors



**Joe Graziano**  
Chair

Term Expires: 2017



**Don Fraser**  
Vice Chair

Term Expires: 2016



**Marc Moore**  
Corporate Secretary

Term Expires: 2018



**Jim Angus**  
Director

Term Expires: 2018



**Joe Barile**  
Director

Term Expires: 2018



**Stephane Boucher**  
Director

Term Expires: 2018



**Randy Dupuis**  
Director

Term Expires: 2017



**Wendy Dupuis**  
Director

Term Expires: 2016



**Deborah Livneh**  
Director

Term Expires: 2017



**Carl A. Merton**  
Director

Term Expires: 2016

## Director Attendance

The Board of Directors mandate is to protect and enhance Motor City's assets and is responsible for ensuring Motor City has a clear strategic direction. The Board of Directors goal is to serve and protect the best interest of the Members and stakeholders. It is further responsible for overseeing Management to ensure that operations are managed according to sound business standards.

The Board of Directors has determined that "Attendance by Directors" is important to them in achieving their goal of proper oversight of the organization. As such, the Board continues to track attendance on a twelve month basis. The attendance record and percentages of our respective Directors pertaining to the period May 1, 2015 to April 30, 2016 are noted below.

### Board of Directors Meeting Attendance (2015 Fiscal Year)

Director	Board of Directors		Committee		Total		
	Attend	Held	Attend	Held	Attend	Held	%
Jim Angus	16	16	12	13	28	29	97
Joe Barile	13	16	9	13	22	29	76
Stephane Boucher	12	12	16	16	28	28	100
Randy Dupuis	15	16	16	16	31	32	97
Wendy Dupuis	14	16	18	20	32	36	89
Don Fraser	15	16	14	15	29	31	94
Joe Graziano	15	16	13	13	28	29	97
Deborah Livneh	14	16	7	10	21	26	81
Carl Merton	16	16	13	13	29	29	100
Marc Moore	16	16	15	18	31	34	91

# CEO & Board of Directors' Report

What a great year.

Over the past year we celebrated the 75th anniversary of the incorporation of Printers Industrial Credit Union on June 24, 1940. The people at the Windsor Star didn't wait for incorporation to start helping their fellow employees and the community though. They started serving the community a full two years earlier in 1938 but at that time the Province of Ontario wasn't accepting any new Credit Union incorporations while it reviewed and made changes to the Credit Union Act.

A similar review is currently under way and it is promising to make some exciting changes to the Act that governs all the Credit Unions in Ontario. These proposed changes will impact you, many of them in a very positive way. For example the proposed changes will increase the insurance limit on deposits from \$100,000 to \$250,000. It will also give Credit Unions greater access to Municipal, University, School and Hospital (MUSH) sector deposits, which will better allow us to meet the borrowing needs of you, our member.

Unlike banks, most of the money Credit Unions lend to members comes from deposits. The proposed change to the Act that will allow the MUSH sector to more easily deposit their funds locally in Credit Unions will help them and us to better grow our communities.

Motor City also had a great year financially. We lent out \$37,000,000 in new loans in support of our members in the community. We were also able to grow the Credit Unions total equity by \$565,000 in the year that will help keep Motor City strong and help us continue to meet your needs in the years to come.

Because of your support for your Credit Union we also gave back to your community over \$100,000 in the form of sponsorships, in-kind donations and student scholarships.

Our support to our members is not just financial though. We launched Personal Financial Management (PFM) through our online banking platform. PFM allows you, our member, to better manage your finances. It allows you to setup and maintain budgets and track expenses through online banking and it is simple and easy. The system automatically categorizes your expenses and will help setup an initial budget based on your past spending. You can then customize it as much or as little as you want.

The system also allows you to manage your complete financial picture; not just what you have at Motor City. By linking your Credit Cards, investments and other financial institution accounts to your Motor City account you can get a complete and accurate picture that will allow you to make smarter decisions about spending and help you to meet your long-term goals.

Motor City Community Credit Union is the first Credit Union in Ontario and the third in Canada to offer our members Personal Financial Management.

Over the past year we negotiated a new three-year contract with our unionized employees. As part of this we were able to give raises to all classes of our bargaining unit employees. Motor City has been recognized as a living wage employer and it is important to us that our full staff continues to be properly compensated for the important contributions they make to our members financial well being. Without the support of all our staff, Motor City would not be the credit union it is today and we thank them for that.

# CEO & Board of Directors' Report

Over the coming year Motor City has some important decisions to make.

The first will be around something that when rolled out the general membership should have no awareness of - Our banking system.

The biggest investment any financial institution makes is often around its banking system and the current system that we put in place back in 1999 needs to be updated. In the coming months we will be making this important decision based on which system will help the Credit Union achieve its mission of helping to improve our members lives and support its strategic directions of making banking simple and easy, as well as helping to build closer relationships with our members.

This is an important decision and with the support of the Board of Directors this will help Motor City move forward and support our members for many years to come.

Youth is also going to continue to be a focus of your credit union. As our current membership ages and moves from one stage of their lives to the next, it is always important to make sure that we are serving the next generation as equally as we did the last. The choice of a new banking system will support this. Our online presence also supports this giving potential new members a look and feel for Motor City in a way that they understand. We have and will continue to actively pursue technologies that help us to build closer relationships with younger members. Mobile banking and Deposit Anywhere™ are only two examples of this and we are always looking for more.

In the coming year we are also going to be making some changes to our Chequing accounts. Over the past year we have looked at our accounts and how you use them. Fewer cheques are being written and certified cheques are a thing of the past. Currently, members want to do more and more electronically, such as email money transfers, mobile cheque deposits etc.

We are planning to make changes to our chequing accounts to help provide you with the things you use the most in the best way and at a cost that covers the expense but is not a burden to our member.

More information on this and other exciting changes will be forthcoming in the next few months.

Our goal continues to be to **enhance the quality of life in our community** and over the coming years we are going to continue to do that.



A handwritten signature of the name Charles Janisse.

**Charles Janisse**  
CEO



A handwritten signature of the name Joe Graziano.

**Joe Graziano**  
Chair

# Community Connection

Thank you to our Motor City Community Credit Union members and the Windsor community. Providing financial services and products has been our honour. We shared our story of 75 years in 2015 and as a member, it is your story. Recalling our credit union memories by reflecting on our past, yet looking forward... moving forward. Many credit unions have formed our rich heritage and it is the great people from diverse backgrounds who have made us what we are today. People sharing great stories about banking the credit union way... helping members and working through challenging times. Providing options, solutions, community support to various sectors and listening. Reaching out at grassroots level to citizens, members, organizations, groups, institutions and businesses that have built Windsor's community to what it is today. Our continued effort to give back begins under our own roof. The credit union way begins with our people, who help each other and extend outward to members and the community.

As we took a look back at the local credit unions that formed our rich heritage, we also made a promise to move forward. We have. With new ways to bank, and updated products we offer our members the tools they need to improve their financial lives. We continue to reach out and strengthen community and business relationships at a local level. Buying local is also banking local.

**Being locally owned and operated means that all decisions are made right here, from approving a loan to introducing a new product or service. Motor City also benefits from being a part of a system of credit unions that work co-operatively on the national, provincial and local level to guide members in achieving financial well-being. Motor City's Financial Services Representatives can help you get there. Co-operative banking the credit union way sets us apart.**

The top five values that people associated with financial service co-operatives are:

- Being a member
- Investing in the community through sponsorships and donations
- Being a shareholder on the business
- Supporting local economic development
- Treating all members equally

Last year, Motor City continued to uphold its commitment to helping build a better community by giving back in a variety of ways. In addition, Motor City donated items for fund raisers. Staff and Board of Directors also gave of their own time to participate in events and support the effort of community organizations.

This is managed locally to ensure equitable distribution to the organizations, associations and volunteer efforts within the community. Our focus is on education, the arts, health & wellness and recreation. Preference is given to those organizations likely to provide lasting benefits and whose values best reflect similar values held by the Motor City membership.

Thank you for all members who continue to refer members to Motor City. Our advertising efforts go beyond traditional methods to include on line and social media. As always, your recommendation to family and friends to bank with Motor City can only strengthen your credit union and community.

Our commitment is to provide to you, the membership competitive products and services, to encourage you to seek Motor City Community Credit Union as your primary financial institution, because "We See What You See".

# Community Connection

## 2015 – 2016 Community Partners



Motor City sponsored Walkerville Brewery's Cheers & Beers event with proceeds donated to United Way's Emergency Assistance Fund.



WEtech Alliance Gets Boost from Motor City Community Credit Union as a Tech Titan with a \$5,000 sponsorship.



Motor City proud to support Junior Achievement Southwestern Ontario for the second consecutive year.

## PROUD TO SUPPORT AND PARTNER

In Honour of the Ones We Love  
(Ronald McDonald House Windsor)

Scholarships and Bursaries

Junior Achievement  
South Western Ontario

Windsor Youth Centre

Windsor Youth Theatre Group

Welcome Centre Shelter for Women

Big Brothers & Big Sisters  
Windsor-Essex

WEtech Alliance

Life After Fifty

WEST of Windsor

Run for Rocky

Alzheimer Society

Windsor Lacrosse

Windsor Minor Hockey

Special Olympics

WECSO

Windsor Essex County  
Association of Agriculture

Bluesfest Windsor

Unemployed Help Centre

Downtown Windsor  
Business Accelerator

Windsor Regional Hospital

Hotel Dieu Grace Hospital

CIPBA

Heart & Stroke Foundation

United Way Emergency Relief Fund

Wounded Warriors Canada

Windsor Legion

Essex Kent Junior Golf

St. Clair College Scholarship

Windsor Police Association

Windsor Firefighters Benefit Fund

Windsor Residence for Young Men

# Motor City At A Glance



Motor City staff at Chilifest supporting the Windsor Firefighters Benefit Fund



*Photo courtesy of Snapd Windsor and Simon Wyn Edwards Photography*

Anita Imperioli, In Honour of the Ones We Love with Charles Janisse



Annual Can Drive donation for Unemployed Help Centre



City Centre donates many useful items during the holidays



Connie Dennis celebrates 40 years of dedicated service at Motor City



Motor City team at the annual Goodfellows box packing



Motor City's Linda Lee (center) becomes a Canadian citizen



Many Motor City team members observe Remembrance Day on November 11



*Photo courtesy of Snapd Windsor and Simon Wyn Edwards Photography*

Motor City's Matt Senechal donates his hair at the Cut for a Cure event



Commercial team with CEO Charles Janisse during the holidays



Sonia Lenhardt receives the Finance Exec on the Money award from Biz X Magazine



Motor City staff decorates the Welcome Centre Shelter for Women at Christmas

## Built around the needs of our Members

Our members need to bank anywhere, anytime. Below is a short list of products that we offer. For a full list, please visit a branch of your choice or visit [www.mcccucu.com](http://www.mcccucu.com) at your convenience.

### Savings & Chequing Account

### Tax-Free Savings Account

### Strictly Community Account

### Student Account & Line of Credit

### Mortgage

### Merit Line

### Loans & Lines of Credit

### Investments

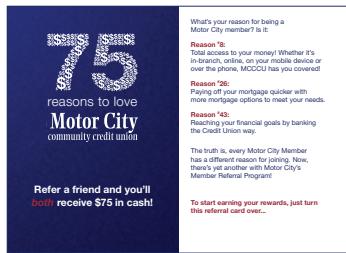
### Canadian and US Business Services



Use one of over 3,300 ATMs on the Exchange Network across Canada!  
Use your mobile app to find the closest ATM.

## Marketing

2015 was a year spent on re-establishing the Motor City brand. We have spent some time developing a cleaner look for our ads and developing new looks for our product specials. Below are just a few examples of some of the material that went out this past year.



## Digital Services

As our youth membership continues to grow so do we. In early 2016 we launched the new look of our website! The new look is clean and bold. By making our website simple and easy to use we anticipate this will allow members and prospective members a more enriched experience.

Members can also continue to connect with us online on Facebook and Twitter. Coming in Summer 2016 we will be launching our Pinterest profile. Here we'll be pinning great DIY projects, recipes, ideas for the home and more! Be sure to follow us for great money saving ideas!

### Electronic Banking

- Online Banking
- Deposit Anywhere™
- Personal Financial Management

- Motor City Mobile App
- Interac® E-transfers



Coming in Summer 2016



## Your deposits are protected - Unlimited insurance coverage for registered savings plans\*

Motor City member deposits held in registered savings plans are separately insured from the deposits held in other accounts. All eligible deposits made to any registered savings plan such as RRSP, RRIF, LIRA, LIF, RDSP, RESP and TFSA are fully insured with no maximum limit.

Motor City partners with Manulife Securities – for financial and estate planning, investment products. Manulife Securities is on site to provide members with the professional advice they seek.

# Audit Committee Report

The Audit Committee supports the Board of Directors through oversight responsibilities relating to the financial information and reporting processes, including the risks and controls related to those processes, which management and the Board have established.

As delegated by the Board, and as mandated by the Credit Union and Caisse Populaires Act, 1994 and associated Regulations, the Committee has primary responsibility for review of the audited financial statements, internal controls, accounting policies and reporting procedures and it has primary contact with both the external and internal auditors. The Committee must meet at least quarterly and arranges its agenda so that, on an annual basis, its required duties are performed and appropriate action is taken as necessary.

I am pleased to report the Audit Committee, comprised of six members, has fulfilled its annual mandate over the course of its 10 meetings and completed the following significant activities:

- Reviewed the financial statements and results of the year-end audit with the external auditor prior to the approval by the Board for issuance to the members, including serving as the principal communication link between the external auditors and the Board of Directors and, in particular, reviewing the terms of engagement and scope of the audit;
- Performed an assessment, in conjunction with management, of the performance of the External Auditors to improve the effectiveness of the audit;
- Ensured that all regulatory filings were submitted on time;
- Reviewed the policies, procedures and controls, which relate to legislative compliance, with particular focus on requirements for liquidity, capital adequacy, market risk and interest rate risk management;
- Served as the Board's liaison with the internal auditors and reviewed the internal audit mandate, work plan and reports;
- Performed an assessment, in conjunction with management, of the performance of the internal auditors to improve the effectiveness of the internal audit;
- Reviewed the internal controls and reviewed management's quarterly reports, including the Disaster Recovery Plan and Quarterly Enterprise Risk Management Report;
- Completed a self-assessment on the effectiveness of the Committee and took the necessary steps to ensure future effectiveness; and,
- Participated in training and development as the committee determined to be appropriate.

Based on its findings, the Audit Committee issues reports and makes recommendations to the Board and/or senior management as appropriate with respect to the matters outlined above and follows up to ensure that the recommendations are considered and implemented. During the year, the Committee received full co-operation and support from management to enable it to play an effective role in maintaining the quality of financial reporting to the Members and enhancing the overall control structure of the Credit Union.

There are no significant recommendations made by the Audit Committee that have not been either implemented or are in the process of being implemented by management. In addition, there are no matters which the Audit Committee believes should be reported to the Members, other than as described above, nor are there any further matters that are required to be disclosed pursuant to the Act or Regulations.

On behalf of the Committee,



A handwritten signature in black ink, appearing to read "Carl Merton".

Carl Merton  
Chair, Audit Committee

## Audit Committee:

Jim Angus | Joe Barile | Stephane Boucher  
Wendy Dupuis | Deborah Livneh

# Management's Responsibility for Financial Reporting

The accompanying summarized financial statements and all the information in this annual report are the responsibility of Management and have been approved by the Board of Directors. All financial and operating data included in this annual report are consistent with the financial statements.

A system of internal controls has been designed by Motor City Community Credit Union to provide reasonable assurance that its assets are safeguarded; that only valid and authorized transactions are executed; and that the books and records reflect the transactions of Motor City Community Credit Union. The Credit Union's internal audit process monitors this system of internal controls, including ongoing compliance with its established policies and procedures.

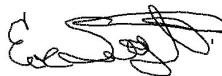
Motor City Community Credit Union's Board of Directors is responsible for ensuring management fulfills its responsibilities for financial reporting, and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee, appointed by the Board. The Committee meets periodically with Management and the external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues to satisfy it that each party is properly adhering to its responsibilities.

The Committee reports its findings to the Board for consideration when approving the financial statements for issuance to the Members. The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards and have been audited by Collins Barrow Windsor LLP Chartered Accountants, Licensed Public Accountants.

Charles Janisse  
Chief Executive Officer



Eve Sigfrid  
Chief Financial Officer



## **Report of the Independent Auditor on the Summary Financial Statements**

### **To the Members of Motor City Community Credit Union Limited**

The accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at March 31, 2016 and the summary consolidated statements of comprehensive income and members' equity for the year then ended are derived from the audited consolidated financial statements of Motor City Community Credit Union Limited for the year ended March 31, 2016. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated May 16, 2016.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Motor City Community Credit Union Limited.

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

Management is responsible for the preparation of a summary of the audited consolidated financial statements on the basis described above.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the summary 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."

### **Opinion**

In our opinion, the summary consolidated financial statements derived from the audited financial statements of Motor City Community Credit Union Limited for the year ended March 31, 2016 are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the criteria described above.

*Collins Barrow, Sudbury - Nipissing LLP*

Licensed Public Accountants  
Sudbury, Ontario  
May 16, 2016

*Collins Barrow Windsor LLP*

Licensed Public Accountants  
Windsor, Ontario  
May 16, 2016

**Summary Consolidated Statement of Financial Position**

(Audited)

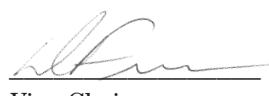
March 31, 2016

(in thousands of Canadian dollars)

	<b>2016</b>	<b>2015</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 4,185	\$ 14,928
Liquidity reserve and term deposits	18,175	16,704
Investments	3,085	3,003
Loans to members	276,266	239,185
Property, plant and equipment	1,353	1,731
Other assets	1,813	1,811
<b>Total assets</b>	<b>\$ 304,877</b>	\$ 277,362
<b>Liabilities</b>		
Members' deposits	\$ 229,978	\$ 233,210
Mortgage securitization liabilities	45,745	21,074
Other liabilities	11,900	6,426
Share capital	2,161	2,124
Total liabilities	289,784	262,834
<b>Members' equity</b>		
Contributed surplus	1,261	1,261
Share capital	9,060	8,823
Accumulated other comprehensive income	928	1,070
Members' equity	3,844	3,374
Total members' equity	15,093	14,528
<b>Total liabilities and members' equity</b>	<b>\$ 304,877</b>	\$ 277,362

**Approved by the Board of Directors**


Chair



Vice-Chair

# Financial Statements

## **Summary Consolidated Statement of Comprehensive Income**

(Audited)

**For the year ended March 31, 2016**

(in thousands of Canadian dollars)

	<b>2016</b>	2015
Interest income	<b>\$ 11,350</b>	\$ 10,994
Financial expenses	<b>4,473</b>	4,221
<b>Net interest revenue</b>	<b>6,877</b>	6,773
Provision for (recovery on) impaired loans	<b>(54)</b>	545
<b>Margin</b>	<b>6,931</b>	6,228
<b>Other income</b>	<b>1,072</b>	1,205
	<b>8,003</b>	7,433
<b>Expenses</b>		
Salaries and employee benefits	<b>3,840</b>	3,325
Administrative expenses	<b>1,454</b>	1,620
Occupancy costs	<b>633</b>	624
Depreciation of property, plant and equipment	<b>262</b>	340
Computer services	<b>362</b>	309
Deposit insurance	<b>208</b>	242
Loss on disposal of property, plant and equipment	<b>268</b>	–
	<b>7,027</b>	6,460
<b>Income before income taxes</b>	<b>976</b>	973
Income taxes expense	<b>229</b>	165
<b>Income after income taxes</b>	<b>\$ 747</b>	\$ 808
<b>Other comprehensive income (net of tax)</b>		
<b>Items that may be subsequently reclassified to profit or loss</b>		
Change in unrealized gains on available for sale investments	<b>\$ 33</b>	\$ 17
Change in unrealized gains (losses) on the effective portion of cash flow hedges	<b>(175)</b>	429
<b>Other comprehensive income (loss) for the year</b>	<b>(142)</b>	446
<b>Total comprehensive income</b>	<b>\$ 605</b>	\$ 1,254

**Summary Consolidated Statement of Members' Equity**

(Audited)

For the year ended March 31, 2016

(in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated other comprehensive income	Members' equity	Total equity
<b>Balance at April 1, 2014</b>	\$ 8,587	\$ 1,261	\$ 624	\$ 2,844	\$ 13,316
Net income	—	—	—	808	808
Distributions to members	—	—	—	(278)	(278)
Net change in share capital	236	—	—	—	236
Change in unrealized gains on financial instruments	—	—	446	—	446
<b>Balance at March 31, 2015</b>	8,823	1,261	1,070	3,374	14,528
Net income	—	—	—	747	747
Distributions to members	—	—	—	(277)	(277)
Net change in share capital	237	—	—	—	237
Change in unrealized losses on financial instruments	—	—	(142)	—	(142)
<b>Balance at March 31, 2016</b>	\$ 9,060	\$ 1,261	\$ 928	\$ 3,844	\$ 15,093



# Motor City

community credit union

#### TECUMSEH ROAD BRANCH

6701 Tecumseh Rd. E

**519-944-7333**

#### MARKET SQUARE BRANCH

1375 Walker Rd.

**519-258-0021**

#### CITY CENTRE BRANCH

189 City Hall Sq.

**519-252-0123**

#### COMMERCIAL LENDING CENTRE

420 Kildare, Unit 301

**519-977-6939**



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