

LOOKING BACK, MOVING FORWARD!



2015 Annual Report
Motor City
community credit union





Motor City

community credit union

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



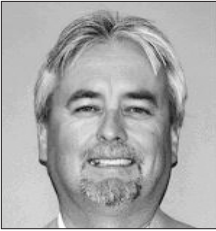
Don Fraser
Vice Chair

Term Expires: 2016



Marc Moore
Corporate Secretary

Term Expires: 2015



Jim Angus
Director

Term Expires: 2015



Joe Barile
Director

Term Expires: 2015



Randy Dupuis
Director

Term Expires: 2017



Wendy Dupuis
Director

Term Expires: 2016



Deborah Livneh
Director

Term Expires: 2017



Andre Mailloux
Director

Term Expires: 2015



Carl A. Merton
Director

Term Expires: 2016



CEO & Board of Directors' Report

Happy 75th Anniversary Motor City Community Credit Union!!

Happy 75th Anniversary Motor City Community Credit Union!!

75 years ago Financial Institutions were not meeting the needs of the community we live in. Regular working people could not get loans to help them buy a house or a car, and they earned very little on their savings. They also had no choice but to pay whatever fees the Banks charged if they wanted some place safer than their mattress to hold their money.

In many ways and for many people this still exists today.

Fortunately though, on June 24th 1940, Printers Industrial Credit Union was incorporated under the Ontario Credit Union Act. Just over a month later on July 25th 1940, S.W. & A. Credit Union was also incorporated under the Act. These two Credit Unions were some of the first in Ontario and although Printers had already been operating as an unincorporated Credit Union association for two years, this was when it officially became a Credit Union under the Act.

Over the next 75 years many other Credit Unions were formed that would ultimately come together to form Motor City Community Credit Union. Most of them started out to serve the needs of a specific community or work group like The Windsor Star, Ford Motor Company of Canada, Chrysler Canada, local hospitals and municipal employees to name just a few.

Today Motor City Community Credit Union continues to serve all these groups but we are no longer limited to employees of a specific employer or connected group of people. Today we are open to all residents of Ontario.

We still have one mission though: **to enhance the quality of life of our community by delivering quality financial products and services effectively, efficiently and with excellence.**

Motor City Community Credit Union traces its mission and its roots back to these past Credit Unions and they are the reason why we are so proudly celebrating our 75th anniversary in 2015.

Printers Industrial Credit Union was the first Credit Union in Windsor and this is just one of many firsts.

Credit Unions were the first in Canada to offer Automated Teller Machines. We were the first to give our members a card (the debit card) so that they could make point of sale transactions. Credit Unions were also the first financial institutions in Canada to allow women to take out loans in their own names.

More recently Credit Unions were the first to allow their members to deposit a cheque from anywhere in the world through a mobile application and in 2013 Motor City was the first Windsor based Credit Union to offer this solution to our members.

All of these firsts were undertaken to meet the ever changing needs of our membership. As these needs changed, Motor City has continued to change.

We recognize that the needs of our members 75 years ago are not the needs of our members today and the needs of our members tomorrow will still be different.

Even 10 years ago branches were an integral part of the banking experience. Members stopped at the branch every week to deposit their pay cheque and take out cash for the week. They also paid their bills through the mail by cheque.



CEO & Board of Directors' Report

Today, the vast majority of companies pay their employees electronically, people pay their bills online or just have the company take the money automatically from their account. Most people carry very little, if any cash.

If you do need cash, you can get some when you pick up your groceries. You don't need to even turn on your computer let alone go to the branch to review your transactions or deposit the odd cheque that you do get, it can all be done anywhere in the world from a mobile application.

Motor City Community Credit Union, provides all this to our members and over the coming years we will be providing so much more.

We have started our Personal Financial Management project so that in the coming months if members choose they will be able to log into their online banking at mcccu.com and see all their financial products. They will be able to track their spending, investments and any debt and they will be able to make smarter financial decisions based on their budgets and how they want to spend or save their money.

Young people see it as a bother to have to come into a brick and mortar branch to deal with their financial institution. To meet their needs in the coming year, new members will be able to open their membership with Motor City Community Credit Union online or through a mobile application. There will be no need to come into the branch to open a membership and start banking with the Credit Union.

Beyond that and in years to come, members will be able to do all their research, get the mortgage that is right for them and make the right choices to help them save for the retirement lifestyle they want. They will be able to truly enhance the quality of their life by accessing Motor City's quality financial products and services all from where ever they want, whenever they want not just in Windsor or Essex or even Canada but from anywhere in the world.

Don't worry though; our Windsor branches are not going anywhere and neither is our dedication to our community.

These things are very important to our members. The financial health of our community is essential and our mission supports this. **Enhancing the quality of life in our community does not change**, whether you do your banking at one of our branches or from your mobile device half way around the world. This is who we are and why we are so proud to celebrate our 75th anniversary with you, our member.

Thank you.

Thank you for being a member and putting your trust in Motor City Community Credit Union. Whether it has been for 75 years or for one day, you are why we are here and without you we would not exist.

So this is what 75 feels like. It feels really good!



A handwritten signature in black ink, appearing to read 'Charles Janisse'.

Charles Janisse
CEO



A handwritten signature in black ink, appearing to read 'Joe Graziano'.

Joe Graziano
Chair



Community Connections

Proudly celebrating 75 years of Members, Business & Community - 1940-2015
Don't tell us you are a credit union, show us!

Highlighting our foundation - Looking BACK!

As members of Motor City Community Credit Union, you know the credit union advantage.

Together with our members and community partners, we emphasize our cooperative roots as a source for future strength and resilience as banking needs and expectations change. With so many options available to members and different ways to bank, keeping true to our core values of serving our members continue to remain the same. Improving the lives of our members each and every day through every stage of your life is top of mind – from the teller to the CEO to your Board of Directors. Banking with Motor City – a co-operative – gives you the services and products you expect with the “local” banking distinction. We keep money in the community and give back to Windsor. Foremost, you – our member-owner is at the foundation of every decision that is made. Our decisions are made locally. We are accountable to you our member. Your voice is always heard.

Here is a LOOK BACK to the various credit unions that have formed our rich heritage.

Motorco Savings & Credit Union Limited, Windsor Dominion Civil Servants Credit Union, Windsor Municipal Employees Credit Union, Inmont Credit Union, Motor Employees (Windsor) Credit Union Limited, Colonial Tool Credit Union, Brewer's (Windsor) Credit Union, Champion Spark Plug Credit Union, New York Railroad Employees Credit Union, Hospital Employees (Windsor) Credit Union, Windsor City Centre Credit Union, Windsor Community Credit Union, Purity Dairy Credit Union, Printers Industrial Credit Union.

Credit Unions – this is your time to be proud of banking local where profits earned are put back into the community where we live and work. Where you bank makes a difference. Our community connections are stronger each and every year with more emphasis being placed on financial literacy, youth and health of our community. We have been busy in the classrooms, partnering with Junior Achievement and teaching economics for success, money management and budgeting. Raising awareness in the community and reaching out to many various and diverse groups helps us to grow!

Heading into the #future!

As the youth of today adapt with what's new and cool, so must we. This past year we've joined the conversation. Not only is this a great way to get Motor City in front of a new generation of member, it also allows us to show the support to the organizations that we have and continue to support. It's not all about donations of money anymore. The people of MCCCU are what matters and they are out in our community each and every day giving back. Utilizing this new medium simply allows us to showcase what a great culture we have. So if you haven't already, please join us! Help us spread the word of how awesome Motor City really is!



MotorCityCommunityCU



@MotorCityCCU



2014 - 2015 Community Partners

Scholarships increased to \$12,000.00.



Blaine Bechard, recipient of the Motor City \$1,000 scholarship from St. Clair College with Charles Janisse, Motor City CEO & St. Clair College Board Member..

SCHOLARSHIP



\$8,000 in bursaries to be awarded!
For members and non-members!

2015 Ron Bate Scholarship increased to \$8,000!



\$1000 Scholarship



\$2000 Scholarship

\$130,000

donated in 2014-2015, supporting fundraising activities and initiatives for youth, education, social justice and health!

PROUD TO SUPPORT AND PARTNER

In Honour of the Ones We Love

Charity BBQ's

YKNOT Windsor-Essex

WEtech Alliance

Run for Rocky

Charity Challenge Cup Tri-Star

Life After Fifty

Entrepreneurial Summit

Big Brothers and Big Sisters

Drive Out Cancer

Special Olympics Ontario

Essex Kent Junior Golf

Sunshine Foundation

Heart & Stroke Big Bike

Windsor Youth Centre

St. Angela Merici

Windsor Essex County Senior Sports Org

Unemployed Help Centre Street Help

Windsor Residence for Young Men

Junior Achievement Teaching Financial Literacy

Raise A Reader

Member Appreciation Lunch N Learns

Hiatus House and Caboto Specials

Windsor Regional Hospital



List of Services

Built around the needs of our Members

Over the years, Motor City Community Credit Union has developed a wide menu of financial services and products based on our Members' needs and requests.

Savings & Chequing Account

- Personal 1
- Net 1
- Plan 24
- Special T
- Net 90
- Tax Free Savings Account (TFSA)
- CUB Package
- U.S. Savings
- Fat Cat
- Head Start
- Strictly Community

Loans & Lines of Credit

- Mortgages
- High Ratio Mortgages
- Meritline Home Equity L.O.C.
- Personal Loans
- Scholar Power
- EducationalLine
- Commercial Loans

Investments

- Short Term Deposit
- Long Term Deposit
- Registered Retirement Savings Plans (RRSP)
- Registered Retirement Investment Fund (RRIF)
- Tax Free Savings Account (TFSA)
- Trust Accounts
- Index Linked Terms

FREE to Members! Use any of our ATMs:

- Tecumseh E & Roseville Garden
- Market Square
- City Centre Branch
- Windsor Police Station
- 1905 Tecumseh Rd. W.

For free ATM services, look for the Exchange logo at over 2,300 Canadian locations.

Full Commercial Services

- Loans & Lines of Credit
- US and CDN Accounts

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.

Electronic Banking

- Memberline
- Online Banking
- Mobile Banking
- Deposit Anywhere™ Mobile App
- E-transfers

Insurance Products

- Home & Auto Insurance
- Travel Insurance
- Life and Disability

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.



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 nine (9) 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;
- 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,



Carl Merton
Chair, Audit Committee

Audit Committee:

Joe Barile | Wendy Dupuis | Randy Dupuis
Jim Angus | Marc Moore

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 statements of financial position as at March 31, 2015 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, 2015. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated May 14, 2015.

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, 2015 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 14, 2015

Collins Barrow Windsor LLP

Licensed Public Accountants
Windsor, Ontario
May 14, 2015

Financial Statements

Summary Consolidated Statement of Financial Position

(Audited)

March 31, 2015

(in thousands of dollars)

	2015	2014
Assets		
Cash and cash equivalents	\$ 14,928	\$ 5,335
Liquidity reserve and term deposits	16,704	14,122
Investments	3,003	3,217
Loans to members	239,185	210,994
Property, plant and equipment	1,731	1,931
Other assets	1,811	1,132
Total assets	\$ 277,362	\$ 236,731
Liabilities		
Members' deposits	\$ 233,210	\$ 213,703
Mortgage securitization liabilities	21,074	3,562
Other liabilities	6,426	4,064
Share capital	2,124	2,086
Total liabilities	262,834	223,415
Members' equity		
Contributed surplus	1,261	1,261
Share capital	8,823	8,587
Accumulated other comprehensive income	1,070	624
Members' equity	3,374	2,844
Total members' equity	14,528	13,316
Total liabilities and members' equity	\$ 277,362	\$ 236,731

Approved by the Board of Directors



Chair



Vice-Chair



Financial Statements

Summary Consolidated Statement of Comprehensive Income (Audited)

March 31, 2015

(in thousands of dollars)	2015	2014
Interest income	\$ 10,994	\$ 10,317
Financial expenses	4,221	3,820
Net interest revenue	6,773	6,497
Provision for impaired loans	545	450
Margin	6,228	6,047
Other income	1,205	1,151
	7,433	7,198
Expenses		
Salaries and employee benefits	3,325	3,365
Administrative expenses	1,620	1,406
Occupancy costs	624	617
Depreciation of property, plant and equipment	340	353
Computer services	309	272
Deposit insurance	242	237
	6,460	6,250
Income before income taxes	973	948
Income taxes expense	165	115
Income after income taxes	\$ 808	\$ 833
Other comprehensive income (net of tax)		
Items that may be subsequently reclassified to profit or loss		
Change in unrealized gains on available for sale investments	\$ 17	\$ 103
Change in unrealized gains on the effective portion of cash flow hedges	429	313
Other comprehensive income for the year	446	416
Total comprehensive income	\$ 1,254	\$ 1,249



Financial Statements

Summary Consolidated Statement of Members' Equity (Audited)

For the year ended March 31, 2015

(in thousands of dollars)	Share capital	Contributed surplus	Accumulated other comprehensive income	Members' equity	Total equity
Balance at April 1, 2013	\$ 8,398	\$ 1,261	\$ 208	\$ 2,237	\$ 12,104
Net income	—	—	—	833	833
Distributions to members	—	—	—	(226)	(226)
Net change in share capital	189	—	—	—	189
Change in unrealized gains on financial instruments	—	—	416	—	416
Balance at March 31, 2014	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
Balance at March 31, 2015	\$ 8,823	\$ 1,261	\$ 1,070	\$ 3,374	\$ 14,528



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 has commenced tracking attendance after the last Annual General Meeting in September 2014. On an ongoing basis, the Board of Directors will be tracking attendance on a twelve month basis. The attendance record and percentages of our respective Directors pertaining to the period September 24, 2014 to April 30, 2015 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	11	12	7	9	18	21	86
Joe Barile	7	12	5	7	12	19	63
Randy Dupuis	12	12	8	8	20	20	100
Wendy Dupuis	12	12	6	7	18	19	95
Don Fraser	11	12	4	5	15	17	88
Joe Graziano	11	12	5	5	16	17	94
Deborah Livneh	11	12	1	3	12	15	80
Andre Mailloux	11	12	1	1	12	13	92
Carl Merton	11	12	8	8	19	20	95
Marc Moore	11	12	8	9	19	21	90





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

www.mcccu.com

