



2022

ANNUAL REPORT



Motor City
community credit union



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We See What You See

Personalized, full-service banking; how you want it,
when you want it, anywhere you want it.

Board of Directors



Don Fraser
Chair
Term Expires: 2022



Helga Reidel
Vice Chair
Term Expires: 2024



Wendy Graat
Corporate Secretary
Term Expires: 2022



Jim Angus
Director
Term Expires: 2023



Randy Dupuis
Director
Term Expires: 2023



Stephane Boucher
Director
Term Expires: 2024



Sandra Fischer
Director
Term Expires: 2023



Bill Marra
Director
Term Expires: 2024



Marc Moore
Director
Term Expires: 2024



Amy Wolters
Director
Term Expires: 2022

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, 2021 to April 30, 2022 are noted below.

Board of Director Meeting Attendance

Director	Board of Directors		Committee		Total		%
	Attend	Held	Attend	Held	Attend	Held	
Jim Angus	8	8	10	10	18	18	100
Stephane Boucher	7	8	7	7	14	15	93
Randy Dupuis	8	8	8	8	16	16	100
Sandra Fischer	8	8	7	7	15	15	100
Don Fraser	8	8	17	18	25	26	96
Wendy Graat	8	8	16	16	24	24	100
Bill Marra	6	8	7	7	13	15	87
Marc Moore	7	8	11	11	18	19	95
Helga Reidel	8	8	12	12	20	20	100
Amy Wolters	8	8	15	15	23	23	100

Motor City, one of Canada's fastest-growing Credit Unions

As we reflect on our past fiscal year, we do so with a sense of optimism and anticipation for what lies ahead. To say that 2022 was a good year would be an understatement. The hard work and conviction of your Motor City Community Credit Union staff has resulted in delivering superior results. We had an unprecedented year; in fact, our credit union is one of the fastest-growing credit unions in Canada. What's even more impressive is that we are just getting started. In the past couple of years, one could have described Motor City as a quiet thunder because we quietly focused on many improvements and enhancements in the background. As excitement builds, we are excited to show our community that while we may be small, we are also powerful. Here are just some of the items that we are introducing in the coming months:

We are excited to announce the launch of a brand-new business line at our credit union. Namely, Motor City Community Credit Wealth Management. This business line aims to provide a holistic approach to your financial affairs. Although the title contains the word "wealth," please know that you do not need to be wealthy to avail yourself of this service. The opposite is true—we believe that a sound financial plan should be accessible to all our members. We invite everyone to sit with one of our two new professional and accredited advisors with over 50 years of combined financial planning experience behind them. Our deposit base has grown so significantly over the past few years that we needed to expand our service to meet the needs of our deposit holders better. Wealth Management will be launched in the fall of 2022, so keep an eye out for that special invitation.

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Secondly, an expanded Commercial Banking service for our Business and Institutional members. This past year we saw our Commercial book of business grow at its fastest pace in memory. As a result, we have hired additional skilled resources who bring years of high-level expertise to Motor City. Along with the expansion of the Commercial Team, we will be expanding the kind of services our Commercial members need in this increasingly digital world, including how payments are made business to business. We have made a significant investment to enhance and modernize. Our personalized approach has worked so well for our business members that more and more local businesses, big and small, are turning to their local credit union, Motor City Community Credit Union.

Thirdly, we're working on more digital enhancements, but please do not worry. We continue to view our digital investments as a complement to the high-touch personal experience you are accustomed to and not replace the in-person experience. Here are some of the developments launching in the coming months:

- Smart Open - enhancing our current online account opening experience for new members and will also allow existing members to open new chequing/saving accounts and investment products from their home or mobile device.
- Debit Mastercard - a simple, safe and smart way to access your money wherever you shop. You can use Debit Mastercard anywhere you would use Mastercard while travelling and making purchases online at participating retailers.

- Mobile Payments - another way to pay by using your phone or smartwatch, and it will replace your physical cards and cash with a more accessible, safer, more secure and private payment method.

The items above will provide you with more ways to conduct your finances, how and when you want.

By virtually every measure, fiscal 2022 was the best year in our history. Our membership grew as more Windsor-Essex residents embraced our tagline "Buy Local, Eat Local and Bank Local." We celebrate that we are an independent and fiercely local credit union. We want to officially welcome the high number of new Canadians who chose Motor City as their financial institution and appreciate that more of your neighbours, friends, family, and colleagues have found Motor City to be their local alternative.

On behalf of all the incredible staff at Motor City who inspire us every day, thank you and congratulations for choosing Motor City Community Credit Union as your financial partner.

Thank you.


Robert Griffith, CEO


Don Fraser, Chair

Success by the numbers



635

NEW
Members



17.40%

ASSET
GROWTH



13.20%

RETAIL LOAN
GROWTH



25.10%

COMMERCIAL LOAN
GROWTH



24.10%

DEPOSIT
GROWTH

Member Experience

Your experience with Motor City could start as you drive into the parking lot, when you press the Motor City App icon on your mobile device, or when you hit the call button on your mobile phone. Making sure that our members have a paramount experience no matter how you choose to do your business has been something we have been making significant improvements on this past year.

We know that finances are very personal to you and our 635 new members. We hope you have noticed the positive changes we have been making through expanded avenues of service, such as: introducing enhanced online account opening options, new appointment booking solutions, and member assistance solutions. We continuously raise the standards because your trust in us as your preferred financial institution means you deserve only the best.



Membership grew by

635





Retail Lending

The continued low-interest-rate environment provided Motor City with opportunities to assist existing and new members with mortgage financing for various projects, including purchases. The retail loan portfolio increased by 13.2% year over year.

Motor City's membership continued to live with shutdowns and travel restrictions which created similar needs to the previous year. Home renovations to address virtual education, work needs, and staycation needs resulting in installations of pools, decks, new kitchens, and exercise rooms. The volatile real estate sector provided the opportunity to meet new members' needs requiring mortgage financing. Based on member preference, documents were signed either in the branch or online, making the completion of transactions a seamless experience.



Retail Loans grew by
13.20%

Commercial Lending

Commercial Banking Operations at Motor City experienced a tremendous volume of business over the past year, with the loan portfolio growing by 25.1%. Our turnaround time, workforce stability and word-of-mouth referrals lead to fantastic opportunities for Commercial Lending. With over 100 years of Financial Service experience, we were able to adapt to the challenges created by the Pandemic and tailor solutions that best fit every Commercial member, whether it was with our Commercial Flex Business Accounts to our Commercial Loan and Mortgage Financing options.

We continue to support businesses across diverse sectors and loan sizes, both large and small. Additionally, as we are a Windsor-based local Financial Institution, we are equipped to understand the challenges within our local economy and continue to look forward to opportunities for continual member service excellence.



Commercial Loans grew by

25.10%





Deposits

Members saved at an unprecedented rate this past year as the deposit base increased by 24.1%. Motor City provides competitive investment opportunities through various specials and innovative marketing campaigns. Our Invest Now Pay Later campaign was a big hit again this year. Many members took advantage of the 0% loan, which members used to invest in one of our Registered Products.

With the introduction of Wealth Management, expanding our deposit investment product line will give you more ways to grow your finances. We have been working hard behind the scenes to ensure that this exciting new initiative meets your high expectations. We can't wait to show you what we have in store, and we are confident you will love it.



Deposits grew by

24.10%

Innovation



ONLINE APPOINTMENT BOOKING SYSTEM

In August of 2021, we launched our new appointment booking tool, Coconut Calendar, allowing members to book appointments directly with our FSR team. Coconut is tied directly to our teams' calendars showing their real-time availability to ensure members can book something convenient for them. This great new system also delivers handy reminders and information about upcoming appointments/meetings, and it has proven popular with existing and new members.

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2-STEP VERIFICATION FOR ONLINE AND MOBILE BANKING LOGIN

In November 2021, we introduced an important security feature to our online and mobile banking login process, 2-Step Verification (also known as 2-factor authentication or multi-factor authentication). This provides the industry standard for online account security to help continue the fight against fraud. It also allows our members to reset their password easily if they are locked out or forget their password. We hope to further utilize this feature in the future for more things like authenticating high-value transactions.

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LIVE CHAT

In December 2021, you may have noticed a little icon show up in the bottom right corner of our website; this is our new live chat that gives members another method of contacting our Member Assistance Team. We launched this on our public website and then introduced it in online banking in early 2022. Our Member Assistance Team can assist with almost all items they would help with over the phone traditionally through the chat; feel free to try it next time you're online if you have not already!

Path Forward

Motor City continues to be busy planning and implementing many other exciting projects that will continue to enhance our existing and potential new members' journeys. Some highlights include a refreshed online and mobile banking experience, enhanced online account opening options, mobile wallet payment options for our debit card, and virtual assistance solutions. Keep an eye out throughout the year for all these great new items!

Community Connection

In addition to our long-standing community partnership with In Honour of the Ones We Love with a signature sponsorship, we were proud to contribute to organizations that offered creative learning opportunities and enhanced community engagement. Unique sponsored programs included:



Windsor-Essex's health and well-being have always been top of mind for us, which made naming **House of Sophrosyne** as the beneficiary of our Commercial Membership Appreciation event an easy choice. For 40 years, House of Sophrosyne has been providing programs and services to women and their families battling substance misuse.

When the news broke that the Dodge Caravan we donated to **UHC-Hub of Opportunities** back in 2018 had been vandalized, we knew we needed to help with a donation. UHC continues to be a great partner that helps our community thrive through various kinds of assistance to those that are unemployed or underemployed.

One of our favourite community events took place on Sunday, October 17, 2021, and we were excited to offer our support again. **Open Streets** is a unique event that involves the temporary closure of roadways to vehicular traffic along an eight-kilometre route, allowing people to use the closed streets for a host of healthy and fun physical activities like walking, cycling, yoga, dancing, and fitness.

Through a donation, **Run for Rocky Legacy Project** was able to create and distribute GSA (Genders & Sexualities Alliances) Toolkits to many local area secondary schools. A wide range of supportive and educational pamphlets/brochures were provided in the box along with a USB filled with extensive teacher resources to help lead GSA's.





Human Resources

The 2021-22 fiscal year was an exciting time for our credit union and the team of dedicated employees who showed up every day to serve you, our members. Our greatest asset is our team of people, this was tested and proven correct for Motor City over the last year, and we couldn't be prouder of everyone. As you reflect on the past year and the experiences you have overcome, and the memories you have made, we hope that the Motor City team was able to, in some way or another, support you through those times.

This year we welcomed many new employees with unique skill sets in all areas and celebrated the years of service of several of our employees. Worth noting that Sue Mancini, our Branch Manager with 30 years of service, and Maureen Lawson, Member Service Representative, Tecumseh Road East Branch with 25 years of service with our credit union.

Lastly, we would be remiss if we didn't mention the retirement of one of the faces of Motor City Community Credit Union – Rebecca Langlois, Marketing and Community Relations Manager. She will be leaving us at the end of July to enjoy time with her family and friends after fifteen years. While her retirement happened after our fiscal year-end, announcing it this year allows all of us to celebrate Becky before she leaves.

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 oversight and reporting of the Credit Union's financial statements, internal controls, internal & external audit and compliance with all legislative & professional requirements. The committee must meet at least quarterly and arranges its agenda so that, on an annual basis, its required duties are performed, and appropriate actions are taken, as necessary.

I am pleased to report the Audit committee, comprised of four members, has fulfilled its annual mandate over the course of its seven (7) meetings and completed the following significant activities:

- Review of financial statements, accounting policies and reporting procedures;
- Monitored Motor City's financial performance relative to established metrics and ensured the integrity of financial reporting;
- Oversaw the external audit process including reviewing the terms of engagement, scope of the audit, the independence of external auditors, year-end findings report and completed a performance assessment of the auditors to improve the effectiveness of the audit;
- Oversaw the Internal audit processes including approval of the audit plan, review of the results, associated actions taken as necessary and completed a performance assessment of the auditors to improve the effectiveness of the audit;
- Oversaw compliance with applicable statutory and regulatory requirements and ensured that all regulatory filings were submitted on time;
- Reviewed the policies, procedures and controls, with particular focus on requirements for liquidity, capital adequacy, market risk and interest rate risk management;

- Reviewed the internal controls and reviewed Management's quarterly reports, including the Disaster Recovery Plan, FINTRAC Report, Privacy Report and quarterly Enterprise Risk Management Report, as well as the bi-annual Enterprise Risk Assessment;
- Ensured that policy guidelines and systems are in place to ensure that enterprise risks throughout are aligned with the Board-approved Risk Appetite and ensured a strong process for identifying, assessing, managing and monitoring critical and emerging risks;
- Assessed the effectiveness of its committee and Chair by having 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 necessary.

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 Audit committee,



Amy Wolters
Chair, Audit Committee

Audit Committee:
Randy Dupuis | Wendy Graat
Helga Reidel

Management 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 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 financial statements have been prepared by management in accordance with International Financial Reporting Standards and have been audited by Baker Tilly Windsor LLP Chartered Professional Accountants, Licensed Public Accountants.



Robert Griffith
Chief Executive Officer



M. Drake Ried
Manager of Regulatory Support

Summary Financial Statements

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Members of Motor City Community Credit Union Limited

Opinion

The summary financial statements, which comprise the summary statement of financial position as at March 31, 2022, the summary statement of comprehensive income and summary statement of members' equity for the year then ended are derived from the audited financial statements of Motor City Community Credit Union Limited for the year ended March 31, 2022.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements in accordance with Canadian Auditing Standard (CAS) 810, "Engagements to Report on Summary Financial Statements."

Summary Financial Statements

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

The Audited Financial Statements and Our Report Thereon

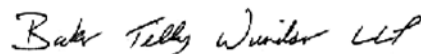
We expressed an unmodified audit opinion on the audited financial statements in our report dated May 17, 2022.

Management's Responsibility for the Summary Financial Statements

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

Auditors' Responsibility

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



Chartered Professional Accountants
Licensed Public Accountants
Windsor, Ontario
May 17, 2022



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STATEMENT OF FINANCIAL POSITION
(Audited) March 31, 2022

(in thousands of Canadian dollars)

	2022	2021
Assets		
Cash and cash equivalents	\$ 16,976	\$ 9,897
Liquidity reserve and term deposits	30,558	29,520
Investments	788	795
Loans to members	427,885	365,164
Property, plant and equipment	2,261	2,596
Right-of-use assets	320	488
Other assets	2,243	1,298
Total assets	\$ 481,031	\$ 409,758
Liabilities		
Members' deposits	\$382,502	\$ 308,204
Mortgage securitization liabilities	62,911	60,336
Other liabilities	4,369	12,395
Lease liabilities	367	547
Share capital	2,341	2,248
Total liabilities	452,490	383,730
Members' equity		
Contributed surplus	1,261	1,261
Share capital	16,711	16,199
Accumulated other comprehensive income	(627)	44
Members' equity	11,196	8,524
Total members' equity	28,541	26,028
Total liabilities and members' equity	\$ 481,031	\$ 409,758

Approved by the Board of Directors



Chair



Vice-Chair

STATEMENT OF COMPREHENSIVE INCOME
(Audited) For the year ended March 31, 2022

(in thousands of Canadian dollars)

	2022	2021
Interest income	\$ 14,170	\$ 14,123
Financial expenses	5,045	5,513
Net interest revenue	9,125	8,610
Provision (recovery) for impaired loans	(157)	703
Margin	9,282	7,907
Other income	1,799	1,256
	11,081	9,163
Expenses		
Salaries and employee benefits	3,991	3,661
Administrative expenses	1,417	1,420
Occupancy costs	494	487
Amortization of property, plant and equipment	461	430
Computer services	698	693
Deposit insurance	260	245
Amortization of right-of-use assets	168	195
	7,489	7,131
Income before income taxes	3,592	2,032
Income taxes expense	379	545
Income after income taxes	3,213	1,487
Other comprehensive income (loss) (net of tax)		
Items that may be subsequently reclassified to profit or loss		
Change in unrealized gains (losses) on available for sale investments	(671)	44
Other comprehensive income (loss) for the year	(671)	44
Total comprehensive income	\$ 2,542	\$1,531

STATEMENT OF Members' EQUITY
(Audited) For the year ended March 31, 2022

(in thousands of Canadian dollars)	Share capital	Contributed surplus	Accumulated other comprehensive income	Members' equity	Total equity
Balance at April 1, 2020	\$ 15,684	\$ 1,261	\$ –	\$ 7,585	\$ 24,530
Net income	–	–	–	1,487	1,487
Distributions to members	–	–	–	(548)	(548)
Net change in share capital	515	–	–	–	515
Change in unrealized gains on financial instruments	–	–	44	–	44
Balance at March 31, 2021	16,199	1,261	44	8,524	26,028
Net income	–	–	–	3,213	3,213
Distributions to members	–	–	–	(541)	(541)
Net change in share capital	512	–	–	–	512
Change in unrealized losses on financial instruments	–	–	(671)	–	(671)
Balance at March 31, 2022	\$ 16,711	\$ 1,261	\$ (627)	\$ 11,196	\$ 28,541



Motor City
community credit union

MARKET SQUARE BRANCH
1375 Walker Rd.

TECUMSEH ROAD BRANCH
6701 Tecumseh Rd. E

CITY CENTRE BRANCH
189 City Hall Sq.

COMMERCIAL LENDING CENTRE
420 Kildare, Unit 301

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CREDIT UNION