

# 2021 Annual General Meeting

## You are invited to attend our 79th Annual General Meeting

Attending our AGM is a great way to learn more about your Credit Union and hear from your Board of Directors and Management Team. The 2021 AGM will be held virtually. Log in to hear about BlueShore's achievements during the past year, changes made to support and better meet the needs of our members during the pandemic, and future plans for growth and enhanced services.

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### WEDNESDAY, APRIL 21, 2021

Meeting Start Time: 2:00 pm

The AGM will be conducted online allowing you to attend, vote and ask questions remotely. Please reference your unique member login details and instructions in the supplementary documents. Guests welcome.

***We look forward to connecting with you on April 21, 2021.***

### AGENDA

Call to order

Approval of the minutes of the 78th AGM held on July 30, 2020

Reports from the Chair of the Board, the Chief Executive Officer and selected committees

Presentation of Financial Statements

Appointment of the External Auditor

*Discover our 2020 Annual Report online at [blueshorefinancial.com/AnnualReport](https://blueshorefinancial.com/AnnualReport), available mid-April. If you would like to receive this brochure electronically in the future, please add your email to your account details through Online Banking, in branch, or by contacting our Solution Centre at 1-888-713-6728.*



## THE FOLLOWING INDIVIDUALS CURRENTLY SERVE AS YOUR BOARD OF DIRECTORS

Allan Achtemichuk  
Diana Chan  
Lynne Charbonneau  
Dave Davenport  
Rod Dewar  
Gordon Janzen  
Peter Leitch  
Julie McGill  
Victoria Withers

## ABOUT THE BOARD OF DIRECTORS

The Board of Directors is a key link between members like you and the rest of the organization. The Board provides direction on long-range objectives, determines policy and monitors progress of the Credit Union. They hire and guide the Chief Executive Officer, and help establish and evaluate strategic objectives. There are currently nine seats on the Board, and Directors serve for a term of three years. They may stand for re-election for a maximum of four consecutive terms. Three Directors are elected each year unless a vacancy has been created by a resignation.

# 2021 Nominations and Election Process

BlueShore Financial recognizes the benefits of having a diverse Board of Directors for effective decision-making and strong governance practices. In response to the governance responsibilities and expectations for Directors of financial institutions, the Nominations and Election Committee undertakes an in-depth and rigorous process to determine the skills, experience and qualifications required to serve on the Board of Directors now, and with a view to the future.

The process includes identifying the core competencies required of Directors and the rating of their importance to the organization based on the Strategic Plan. The current Directors assess their level of competency for each identified skill set. The Committee then conducts an analysis to determine any gaps in skills on the Board collectively, and also what gaps, if any, would be created by the absence of Directors with expiring terms.

In the fall of 2020, we called for nominations to fill three vacant Director positions. Nominations closed on November 13, 2020. Thirteen nominations were received, including two from Directors with expiring terms whose contribution, engagement and expertise have been clearly

demonstrated. The Committee conducted thorough interviews to determine the motivation, skill set and experience of the candidates.

After careful consideration and review, the Committee identified three candidates best able to meet the competencies identified for 2021 and decided to endorse these three candidates for election to the Board of Directors in 2021. The remaining nominees chose not to stand for election.

Below you will find a personal statement written by each endorsed candidate, which includes a brief summary of their background.

These individuals will be acclaimed as Directors at the 2021 Annual General Meeting on April 21, 2021.

The Committee sincerely thanks all nominees for their interest in the governance of the Credit Union and in serving on the BlueShore Financial Board.

### **Dave Davenport**

*Chair, Nominations and Election Committee*



### **Cybele Negris** **ICD.D** **ENDORSED**

It will be my honour to represent BlueShore members as a Director of your Credit Union. Throughout my board career I've aligned myself

with organizations that I feel are a strong values and culture match with how I run my own business. Strong, stable, and resilient with a high-touch premium service are touchstones of both BlueShore and my company.

I'm CEO and Co-Founder of Webnames.ca Inc., Canada's original .CA Registrar and one of the country's leading Internet solutions companies.

As a serial entrepreneur in technology and construction/real estate sectors, I have led growth companies through the .com bust, the 2007-2008 financial crisis and currently the global pandemic. In addition to my strong financial literacy, I bring key expertise in cybersecurity, e-commerce, strategic planning, enterprise risk management, government relations, human resources management and marketing to the Board.

My governance experience includes having served on numerous education, not-for-profit, government and corporate boards over the past 15 years. I hold the ICD.D designation and currently serve on the board, audit and HR committees of the Royal Canadian Mint, the board, audit, conduct review and risk committees of BCAA, and, on the Science World board, I chair the risk committee and am a member of the executive committee. I also serve as Vice-Chair of the Small Business Roundtable

of BC, working closely with the Minister of Jobs, Economic Recovery and Innovation, and am a member of the Departmental Audit Committee for Agriculture and Agri-Food Canada. I am a strong advocate for women in technology and a champion for STEAM (Science, Technology, Engineering, Art & Design and Math) education for youth.

I will serve BlueShore Financial diligently, collaborating with the exceptional Directors and Management Team to deliver on the strategic plan and to provide a strong member experience both in-person and digitally. I look forward to contributing to the continued success and strong reputation of BlueShore Financial.

## 2021 Directors Elected by Acclamation





## Peter Leitch ICD.D ENDORSED

I have proudly served on BlueShore Financial's Board of Directors since 2011. I currently hold the role of Vice Chair, and sit on the Investment & Loan

Committee and the Audit Committee. I have also served as the Chair of the Governance & Conduct Review Committee and on the Human Resources &

Compensation Committee and Nominations & Elections Committee.

As President of North Shore Studios and Mammoth Studios, Chair of the Motion Picture Production Industry Association of BC, and member of the Board of Governors for the BC Business Council, my business background and board experience enable me to make significant contributions to guiding BlueShore Financial. With my strong accounting background, I am able to assist in evaluating internal controls, financial statements and budget reviews. My focus is on long-term strategic planning and Board oversight on behalf of BlueShore members.

I am a Chartered Professional Accountant and hold a Bachelor of Commerce degree from the University of British Columbia. I have also completed my ICD.D designation with the Institute of Corporate Directors. I was elected as a Fellow by the Institute of Chartered Accountants of BC in 2009 and was awarded an honorary degree from Capilano University.

I believe that good decisions are based on a comprehensive understanding of the business and am committed to making decisions based on the long-term interest of our members. I look forward to the opportunity to contribute to the ongoing success of BlueShore Financial.



## Diana Chan ICD.D ENDORSED

I am a long-term member of BlueShore Financial for both my personal and business banking. I respect and admire the strong community

investment and presence of BlueShore Financial in the communities it serves. Making an impact in the community is a deeply held value of mine. I sit on several community boards including the Whistler Chamber of Commerce (Chair) and the Whistler Learning Centre. I recently completed a six-year term

as a director of the YWCA Metro Vancouver and served as a trustee of the BC Credit Union Pension and Benefits Trust. I have completed my ICD.D designation with the Institute of Corporate Directors and was honoured with a Fellowship from the Chartered Professional Accountants of BC (CPABC).

As a former executive in the credit union sector, I understand the complexities and risk environment of a cooperative financial institution. I bring a balanced perspective and broad experience to the role of a director. My background as a CPA, CA with extensive experience in human resources and governance, provides me with valuable insight into the risk factors facing credit unions provincially and federally, as well as the challenges of operating the complex business of a credit union.

It has been an honour to serve on BlueShore Financial's Board since April 2018 and to hold the position of Chair, Audit Committee in 2020/2021. As a member of BlueShore Financial's Board, I am committed to representing members' interests and to supporting the Credit Union's strategy and vision. I believe BlueShore has set a bold and sound strategy that reflects the changing world around us and its unique geography, while embracing the operating model of a cooperative financial institution.

My husband and I have lived and worked across BlueShore's trade areas for over 30 years, from Vancouver to the North Shore and now Whistler. We appreciate the many benefits of living in this beautiful place.

# Report of the independent auditors on the summarized consolidated financial statements

## To the Members of BlueShore Financial Credit Union

### Opinion

The summarized consolidated financial statements of BlueShore Financial Credit Union (the "Credit Union"), which comprise:

- the summarized consolidated statement of financial position as at December 31, 2020
- the summarized consolidated statement of income and retained earnings for the year then ended
- and related note

are derived from the audited consolidated financial statements of BlueShore Financial Credit Union as at and for the year ended December 31, 2020.

In our opinion, the accompanying summarized consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the criteria disclosed in Note 1 in the summarized consolidated financial statements.

### Summarized Consolidated Financial Statements

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

The summarized consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

### Management's Responsibility for the Summarized Consolidated Financial Statements

Management is responsible for the preparation of the summarized consolidated financial

statements in accordance with the criteria disclosed in Note 1 in the summarized consolidated financial statements.

### Auditors' Responsibility

Our responsibility is to express an opinion on whether the summarized consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, based on our procedures, which were conducted in accordance with Canadian Auditing Standards 810, Engagements to Report on Summary Financial Statements.

*KPMG LLP*

Chartered Professional Accountants  
February 18, 2021  
Vancouver, Canada

# Financial Results

## BlueShore Financial Credit Union - Summarized Consolidated Statement of Financial Position as at December 31, 2020 (in \$000's)

<b>ASSETS</b>	<b>2020</b>	<b>2019</b>
Cash and Cash Equivalents	163,434	177,605
Loans	4,173,527	4,098,648
Interest-bearing Deposits	372,791	370,589
Financial Assets and Investments	51,656	49,099
Premises and Equipment	65,054	68,769
Intangible Assets	6,499	7,306
Other Assets	6,363	8,177
Income Taxes	1,760	3,147
	<b>\$4,841,084</b>	<b>\$4,783,340</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>	<b>2020</b>	<b>2019</b>
Members' Accounts: Demand Deposits	836,619	630,892
Term Deposits	2,965,506	3,118,868
Registered Deposits	443,602	424,204
Accrued Interest	41,057	48,086
	<b>4,286,784</b>	<b>4,222,050</b>
Borrowings and Debt Liabilities	228,618	278,572
Other Liabilities	46,426	40,626
Membership and Preferred Equity Shares	1,360	1,337
Members' Equity: Retained Earnings	219,129	195,913
Equity Shares	47,618	46,362
Accumulated Other Comprehensive Income (Loss)	11,149	(1,520)
	<b>\$4,841,084</b>	<b>\$4,783,340</b>
<b>Total Assets under Administration</b>	<b>\$6,509,039</b>	<b>\$6,258,888</b>

## BlueShore Financial Credit Union - Summarized Consolidated Statement of Income and Retained Earnings for the year ended December 31, 2020 (in \$000's)

	<b>2020</b>	<b>2019</b>
Interest Income	169,560	171,590
Interest Expense	89,035	93,539
<b>Net Interest Income</b>	<b>80,525</b>	<b>78,051</b>
Fee, Commission and Other Income	30,444	18,129
	<b>110,969</b>	<b>96,180</b>
Non-interest Expenses	73,999	71,621
Provision for Credit Losses	4,995	2,498
<b>Net Operating Income</b>	<b>31,975</b>	<b>22,061</b>
Community Investment	320	227
Income Tax Expense	6,860	3,074
<b>Net Income</b>	<b>24,795</b>	<b>18,760</b>
Retained Earnings - Beginning of Year	195,913	179,164
Reclassification and Prior Period Adjustment	-	(388)
Dividends on Equity Shares - Net of Tax	(1,579)	(1,623)
<b>Retained Earnings - End of Year</b>	<b>\$219,129</b>	<b>\$195,913</b>

*Allan Achtemichuk, Chair*

*Diana Chan, Audit Committee Chair*

### Note 1 - Message to Members

The accompanying summarized consolidated financial statements have been prepared, in accordance with Section 128 (4) of the Financial Institutions Act, from the consolidated statement of financial position of BlueShore Financial Credit Union as at December 31, 2020, and the consolidated statements of income, comprehensive income and changes in members' equity for the year then ended. Readers are cautioned that these summarized consolidated financial statements do not include all the disclosures necessary for a complete presentation. Complete audited consolidated financial statements for the year ended December 31, 2020, together with the auditors' report thereon, are available from the Credit Union and will be presented at the Annual General Meeting of members on April 21, 2021.

Please note: Copies of the complete audited consolidated financial statements are also available at all BlueShore Financial locations or online at [www.blueshorefinancial.com](http://www.blueshorefinancial.com).