



AGM - 2002



President's Report 3rd Annual Report

As of August 31, 2002 SCU has completed its 2nd full year of operation. Thanks to a committed and hardworking staff and a dedicated group of Board and committee members, our new credit union continues to operate very smoothly indeed and we continue to grow and expand.

On the financial side, last year was another good year. As of August 31, 2002 our assets stood at \$30,572,524.00. Surplus earnings after taxes were \$144,795.00 and undistributed surplus earnings of \$33,083.00 will be allocated to the general reserve, bringing the total reserves to \$2,002,104.00.

It is always a pleasure to announce that later this evening the Board of Director's will be recommending to this AGM that they vote to rebate \$96,341.00 to our members for the fiscal year 2001-2002. While this amount is significantly smaller than the amount rebated last year, we incurred very large, unavoidable expenses this past year for the installation of a new computer platform in both of our offices.

We had no choice in this matter, since all groups associated with Desjardins are now required to use the same computer system. Banks inundate customers with service charges and reduced services, while your credit union maintains a policy of almost no service charges, ever increasing services and rebates. Vive la différence! Looking ahead, the projected gross surplus for the current fiscal year is estimated to be \$257,000.00. After taxes and contributions to the reserve, it is foreseeable that we could rebate an amount of approximately \$200,000.00 next year.

This past year we were approached by representatives of our Federation with a proposal. It seems that Desjardins sees the anglophone community as one of the few remaining market segments that they have yet to penetrate successfully and it seems that they see the SCU as the most likely organization able to play that role. As a consequence, there have been discussions between us concerning the possibility of our branching out from the present groups listed in our charter (English language teaching institutions) to encompass hi-tech companies located in the West Island - most especially the large pharmaceutical companies located right next door.

This suggestion came at the same time that we were actively studying ways to increase our membership in those institutions that are presently within our charter. After lengthy discussion, the Board has decided to concentrate on our member groups within the anglophone teaching community. It was decided to concentrate on a single institution and to make a concentrated effort in time, presence and resources over a significant period of time to increase the number of Strathcona Credit Union members we have at that institution. Concordia University was chosen as our first target institution, due to its association with the former Strathcona Credit Union, the number of potential new members, the number of present members, the contacts we have with the various employee groups and the proximity to our downtown office. A marketing strategy is already being put into place, the first stage of which will hopefully start this spring. Such initiatives, to be successful, must be maintained for some period of time. We envision a period of at least two years, during which we would do everything possible to increase our visibility and attractiveness as a banking institution to the Concordia community. If these marketing attempts prove to be successful, we would then choose another institution within our charter and repeat the process or perhaps consider the hi-tech community.

Thanks to Lou Borrelli, the Strathcona Credit Union now has its own website at www.strathconacu.com. It has been up and running for a couple of months and the number of daily visits to the site is increasing all the time. The intent is to update it at least once a month. The site contains, among other things, a list of the services we offer, the advantages of banking with our credit union, this month's interest rates, newsletters, access D information, the latest news and how to contact us. Any ideas or suggestions about how we could make this web site even better would be appreciated.

On behalf of all members of SCU, I would like to conclude by thanking all the members of the Board of Directors, as well as the Board of Audit and Ethics, the office staff and especially the manager, Diane Lauzon, for all of their hard work. The success of your credit union is the result of the hard, dedicated work of all of these people.

Respectfully submitted,

David Oram

President