



# STRATHCONA CREDIT UNION

## NEWSLETTER

February 2003



# ALL CHEQUING ACCOUNTS TO BEAR INTEREST

All Personal Chequing Accounts (PCAs) will automatically become tiered daily-interest chequing accounts on March first this year.

Among the three credit unions which make up the present Strathcona Credit Union there were several different types of accounts and services available to members. Since the merger in May of 2000 we have been gradually rationalizing our services, trying to keep the best of the services from each of our founding organizations.

At its January meeting the Board of Directors decided to convert all remaining non-interest bearing Personal Chequing Accounts to tiered daily-interest accounts. This means that if you presently have a non-interest-bearing PCA (regardless of which founding Credit Union you belonged to) on March 1, 2003 your account will become interest-bearing unless you instruct us to the contrary by February 25, 2003. If your PCA is already a tiered account there will be no change made.

A "tiered account" is bank-talk for an account which pays interest at a rate determined by the account balance—the higher the balance, the higher the interest rate. Currently our tiered Personal Chequing Accounts pay interest as follows:

For daily interest PCAs the interest is calculated using current rates on the minimum balance each day. Payments are made once each month.

Account Balance	Interest Rate
\$0 to \$999	0.25%
\$1,000 to \$1,999	0.50%
\$2,000 to \$3,999	0.75%
\$4,000 to \$9,999	1.00%
\$10,000 +	1.00%

For purposes of comparison, Regular Savings Accounts (which have no chequing privileges) currently

pay interest at a rate of 0.75% calculated on the minimum **monthly** balance with payments being made semi-annually. Senior savings accounts, at this moment, pay one percent on the minimum monthly balance with payments being made twice a year.

### RRSP DEADLINE APPROACHES

In a few weeks the RRSP contribution deadline for the taxation year of 2002 will be upon us. Now is the time to top up your Registered Retirement Savings Plan at Strathcona Credit Union. Our staff is already busy with this dossier so please don't wait to the last minute. We will be happy to help you at your convenience, but, if you wish to see us in either of the offices, please call first so that we can ensure that there will be a staff member to meet you without delay.

Keep in mind while making your plans that we have special RRSP loan rates for members who wish to borrow for up one year in order to contribute to a Strathcona Credit Union RRSP. Currently you can borrow for this purpose at 4.75%..

### CURRENT RATES

PERSONAL LOANS	8.50 %
CONSOLIDATION LOANS	10.50 %
LINE OF CREDIT	7.00 %
MORTGAGES	
1 year term (open)	5.25 %
2 year term (closed)	5.00 %
3 year term (closed)	5.25 %
4 year term (closed)	5.50 %
5 year term (closed)	5.75 %
TERM DEPOSITS *	
6 months	2.00 %
1 year	2.75 %
2 years	3.25 %
3 years	3.75 %
4 years	4.25 %
5 years	4.50 %

\* \$2,000 minimum. Rate subject to change without notice.

Monthly interest payment less 0.25 %. (023)

# MORE FROM THE YEAR PAST

In January's newsletter we printed the President's Report to the the Third Annual General Meeting of the Strathcona Credit Union. In this month's issue we present the Credit Report from the Manager and the Report of the Board of Audit and Ethics. Next month we will include a summary of the Audited Financial Report—the full report is available on request from the Strathcona Credit Union.

## THE BOARD OF AUDIT AND ETHICS REPORT

We, the undersigned, members of the Board of Audit and Ethics, submit the following report:

It is our mandate to ensure that our Credit Union manages its business in a sound and prudent manner. We have met four times during the fiscal year 2001/2002, from September 1<sup>st</sup>, 2001 to August 31<sup>st</sup>, 2002. Throughout our term of office, we have endeavoured to enforce the Articles and By-laws of the Strathcona Credit Union.

We have reviewed the minutes and suggestions of our governing bodies to make sure the resolutions have been applied. Following that review, we observed that our Credit Union is functioning smoothly. A supervision was exercised regarding respect for the rules of ethics. We are aware that the Board of Directors has an agreement concluded with interested parties concerning the production and printing of the monthly newsletter. A member of the Board of Audit and Ethics has usually been present at each monthly meeting of the Board of Directors this past year. We have examined the processing of complaints and are satisfied by the way they have been handled.

Along with our usual responsibilities, we have prepared, distributed and are collating the responses to a Survey of Member Satisfaction distributed in October. We will continue to study with interest every administrative decision to make sure it conforms to the needs of our members and to our usual standards.

During the year, one of our members, Robert McParland, died suddenly. He had served on the Board of Audit and Ethics since its inception. Prior to that, he had served for many years on the Board of Audit and Ethics of the Federation of Catholic Teachers Credit Union. We miss his experience and valuable input. Ken Carpenter, formerly of the Board of Directors of the FESCT Credit Union and a friend and colleague of Bob 's, was appointed to fulfill his mandate.

The Board of Audit and Ethics would like to thank the Credit Union employees, the Manager, and the officers of the Board of Directors for their devotion and their support, which is necessary to carry out our mandate.

Respectfully submitted,

Chairperson

Secretary

Member

Member

Member

Fernand Jacques

Graeme Sutherland

Kenneth Carpenter

Bruce Garland

Peter Mitchell

## THE CREDIT REPORT

During the fiscal year 2001-2002, ended August 31<sup>st</sup>, 2002, the Credit Union approved 819 loan applications for a total amount of \$5,144,527.67 as follows:

764 personal loans for a total of	\$3,805,970.02
16 mortgage loans for a total of	\$1,267,857.65
39 lines of credit for a total of	\$ 70,700.00

61 loan applications were refused.

We declare that no loans were extended to non-members and in no instance was the official ceiling on loans in relation to liabilities exceeded.

Loans granted to restricted persons or those associated to the officers totalled \$43,100.00, on August 31<sup>st</sup>, 2002.

On August 31<sup>st</sup>, 2002, the distribution of the loan portfolio was as follows:

948 personal loans for a total of	\$ 4,734,698.12
148 mortgage loans for a total of	\$ 8,663,867.06
<u>312</u> lines of credit for a total of	<u>\$ 263,789.58</u>

1408 Total Loans

\$13,662,354.76

General Manager

**Diane Lauzon**

*Happy  
Saint Valentine's  
Day*

