

ANNUAL GENERAL MEETING

Minutes

Date: April 26, 2017
Time: 7:00 p.m.
Location: Conexus Arts Centre, Jacqui Schumiatcher Room

Present: 93 Members
24 Special Guests
55 Webcast Guests

CALL TO ORDER

G. Hepp, Chair, called the meeting to order at 7:30 p.m. and welcomed everyone in attendance as well as individuals signed up through the Webcast. G. Hepp introduced the Levesque sisters (Kyera, Brianna and Jordan), students from the Music Education Program at the University of Regina, who led the group in "O Canada".

INTRODUCTIONS

G. Hepp introduced the following individuals:

Conexus Board of Directors

John Benson	Don Blocka	Emily Erhardt
Wayne Kabatoff	Sandi Kitts	Kara Marchand
Joel Mowchenko	Bradyn Parisian, Vice-Chair	Jason Schenn
Gerald Unger		

Conexus Executive

Eric Dillon, CEO	Neil Cooper	Tara McKeown
Cary Ransome	Annette Revet	Darren Stoppler
Jeremy Trask		

Special Guests

Stuart Wicijowski, Parliamentarian	Greg Pinch, Returning Officer
Jordan McFarlen, Educator and guest speaker	Darren Rodger, CUDGC
Ken Kosolofski, Concentra	Brent Schellenberg, CUDGC
Dean Gagne, Innovation CU	Russ Siemens, Innovation CU
Myrna Obleman, CUMIS	

G. Hepp welcomed all other guests including Conexus Credit Union employees and most importantly, our members (those in person and those who have joined through webcasting). For every participant attending in person or through webcast, Conexus is donating \$1.00 to the Saskatchewan Business Teachers' Association (SBTA).

AGENDA

E. Erhardt/Mowchenko

That the Agenda be adopted as presented.

CARRIED

APPROVAL OF MINUTES

P. Erhardt/Bamford

That the Minutes of the Annual Meeting of Conexus Credit Union held on Tuesday, April 19, 2016 be approved as presented.

CARRIED

CHAIR'S MESSAGE

G. Hepp, looked back at 2016 and highlighted the past year's accomplishments that illustrated Conexus' ongoing commitment to its members and communities across Saskatchewan. He highlighted that Conexus is here to be your partner, not just a place where you bank. He touched on the numerous services available to members and how Conexus can serve you anywhere with the personalized banking and financial services offered. Conexus is committed to the financial well-being of its members at every stage of life. He also summarized the donations made through the community investment program, investing back into Saskatchewan. He described the significant accomplishments in 2016 with the newly formed Thrive Wealth Management entity as well as the sale of all Conexus insurance locations to Knight Archer.

GUEST SPEAKER

G. Hepp introduced **Jordan McFarlen**, Business Educator at Campbell Collegiate and a member of the Saskatchewan Business Teachers' Association. Jordan gave a presentation on "George" the financial illiterate persona due to his roommate situation. Jordan spoke about advancing financial literacy in Saskatchewan and the key partnerships Conexus has been involved in to support this initiative.

G. Hepp thanked Jordan McFarlen for his presentation and on behalf of Conexus, presented a cheque of \$13,000 to the Saskatchewan Business Teachers' Association acknowledging Conexus' continued partnership in promoting and educating on the topic of financial literacy.

CEO REPORT

E. Dillon welcomed all members attending the meeting and proceeded to give the CEO report. E. Dillon described the significant achievements in 2016 highlighting our employees continued progress to promote a coaching culture and accomplishments in employee engagement. He also highlighted the work done to promote financial literacy, described the head office initiative planned on the University of Regina College Avenue Campus which will include the 1st in southern Saskatchewan business incubator, accomplishments in increased member engagement through social media channels and the website, digital technology improvements, and Conexus' continued emphasis to being future focused and member centric. There is a direct connection between member's financial health and member's personal health and Conexus wants to be a part of our member's financial journey.

The financial results for 2016 are online and available to members for their review. E. Dillon commented that our wealth management business has performed very well in 2016. Conexus was recognized at the recent Paragon Awards, receiving the 'business of the year' award. E. Dillon ended his report by thanking the 950 employees at Conexus for their efforts and the Board of Directors for their continued guidance, coaching and support.

AUDITOR'S REPORT

G. Hepp asked if there were any questions regarding the financials as V. Watson from Deloitte was available to address these.

Members in attendance at the meeting asked the following questions.

N. Fries asked what was included in the audited financial statements regarding the sale of a subsidiary which was included in the line outlining Conexus' profit before tax. E. Dillon responded that this is due to the sale of Conexus Insurance – a subsidiary of Conexus.

D. Beverage asked if credit unions are taxed by CRA in the same as all other banks and corporations. E. Dillon responded that Conexus had received a special deduction for credit unions; however, as announced in this year's provincial budget, this would be phased out over the next four years.

D. Garand asked what the Board is doing to protect the credit union from demutualization. E. Dillon responded that the amount of capital held relative to the money that it manages on behalf of its members is regulated and the credit union is within required limits. The credit union is member owned and if a question of demutualization is ever posed, there would need to be significant engagement with our members to gauge their interest. Financial services as an industry is in a state of transition and there is a lot of disruption. We are working to ensure that we have the resources to invest in the technology to bring these changes to our members.

AUDITOR'S REPORT – DELOITTE

Kabatoff/Unger

That the Auditor's Report for 2016 be accepted as presented.

CARRIED

APPOINTMENT OF AUDITOR

Kabatoff/Marchand

That Deloitte be re-appointed as the Auditors for Conexus Credit Union for the 2017 fiscal year.

CARRIED

ELECTION RESULTS

G. Hepp, called on Greg Pinch to present a report on the 2017 Election Results.

Board Members elected for a three-year term are as follows:

District 1: Curtis Kosolofski

District 3: Rick Pattison by acclamation

District 4: Karla Hardcastle

District 5: Malcolm Eaton

Parisian/Kitts

That all voting records pertaining to the 2017 Election be destroyed.

CARRIED

G. Hepp congratulated and welcomed the successful candidates to the 2017 Conexus Board of Directors and asked them to stand and be recognized.

DIRECTOR RECOGNITION

Farewell and Thank you

G. Hepp acknowledged the dedication and commitment of D. Blocka, G. Unger, E. Erhardt, the outgoing Board Members, and thanked them for their service and contribution to the Conexus Board of Directors.

B. Parisian said a few words about G. Hepp and presented him with the Saskatchewan Order of Merit Award.

G. Hepp said a few words and thanked Conexus members and colleagues for the recognition and for allowing him to be part of a world-class organization. Glenn received a standing ovation from

the members in attendance at the meeting in recognition for his service as chair.

QUESTIONS

A. Revet, Chief Transformation Officer, moderated the portion of the meeting dedicated to member's questions. She invited questions from the floor as well as through Social Media channels for those attending via webcast.

Question #1: One member asked where he could find the information regarding the number of meetings each director attended.

Answer: E. Dillon responded that this information is available in the Corporate Governance section of the Annual Report which is available online or in the paper copy provided at the meeting.

Question #2: Is Conexus interested in 'Twitter' becoming a Cooperative?

Answer: E. Dillon responded that it is interesting to see a technology intensive organization considering the cooperative business model/member owner model. He shared that there is real value in the cooperative business model.

Question #3: Do Conexus employees feel the same pressure as the employees at the big five banks?

Answer: E. Dillon responded that we ask our employees to strive for excellence and we establish goals for employees that work in a branch. E. Dillon did stress that it is really important to note that at Conexus our employees are measured based on 50% behaviour and 50% delivery of the right solutions to our member owners.

Question #4: As a member, I am in favour of the donation to U of R and the redevelopment of Darke Hall and the College Avenue Campus, but I am not in favour of having the Conexus head office building being constructed in the park. Concerned with others that may follow suit and also building in the park and compromising the integrity of the park. Did members have an opportunity to vote on how that money was spent? Can assurance be given that there will not be Conexus logos spread throughout the park?

Answer: E. Dillon responded by describing the partnership that will exist with the University of Regina in building the head office. There were three pieces of land available in the RFP issued by the University of Regina. The reason the partnership centres around the head office being built beside Darke Hall is directly related to our contribution to supporting the refurbishment of this building. We will locate our office such that we will have the ability to offer solutions to the University with respect to providing access to Darke Hall and address its accessibility challenges as well as flexible space for patrons attending shows and events that will occur at Darke Hall. The

University of Regina also estimates that if the buildings could be conjoined, there might be an additional \$10 MM in savings with things such as hvac, etc. which is why this site was chosen.

Conexus is sensitive to respecting the integrity of the park. Conexus has presence in other facilities in the park such as the boathouse and Arts Centre and believes it has been a good citizen already in the park. We are committed to continuing to have our presence respect that we are in a park. Conexus will adhere to all of the building and any other restrictions of the Wascana Centre Authority.

G. Hepp responded to the question as to whether or not members were given an opportunity vote on this decision. The Board of Directors represents all the members as they are elected through a democratic process by the membership and have the authority to make this decision on behalf of the members. The Board of Directors voted unanimously to support this initiative.

Question #5 – I was impressed initially the partnership and this project as it was revitalizing something that was important; however, with the new legislation being passed by the government there is a potential for a significant change in how the Wascana Centre Authority is managed. Do these legislative change anything and will this decision return to the Board of Directors for its consideration?

E. Dillon responded that at this time we are not sure what the new legislation will look like; however, we continue to affirm that will adhere to the standards and guidelines of the Wascana Centre Authority. As a member, we have every intention of living every commitment that has been made to the Wascana Centre Authority in the building of the head office project.

Question #6 – Explain the contribution of up to \$8.25 MM or is there also a lease payment and is this a fair price?

E. Dillon provided an overview of the structure of the gift that is included to support the head office project.

ADJOURNMENT

J. Mowchenko

That the meeting be adjourned.

CARRIED

The meeting adjourned at 9:02 p.m.

President

Secretary