



# Locally Invested, Personally Connected

ANNUAL REPORT

2023



Here for good ●



*In our vibrant communities, farms and businesses are more than jobs, they are living embodiments of passion and dedication fueled by the dreams of families and individuals invested in their hometowns.*

*Large businesses or startups, local dance groups or major events, there is pride in knowing that every dollar we invest stays within our communities. To us, these are more than interactions, they are a vote of confidence in the people who pour their hearts and souls into making our communities thrive. Together, we are locally invested and personally connected.*

**Here for good ●**



|  |           |
|--|-----------|
| <b>MESSAGE FROM THE CEO</b>                      | <b>2</b>  |
| <b>MESSAGE FROM THE BOARD CHAIR</b>              | <b>3</b>  |
| <b>BOARD OF DIRECTORS</b>                        | <b>4</b>  |
| <b>ORDER OF MERIT</b>                            | <b>7</b>  |
| <b>TOP EMPLOYER</b>                              | <b>8</b>  |
| <b>MEMBER APPRECIATION</b>                       | <b>10</b> |
| <b>COMMUNITY INFUSION</b>                        | <b>14</b> |
| <b>FULL CIRCLE FUND</b>                          | <b>16</b> |
| <b>NORTHSTAR</b>                                 | <b>18</b> |
| <b>GROWTH IN 2023</b>                            | <b>20</b> |
| <b>SUMMARY CONSOLIDATED FINANCIAL STATEMENTS</b> | <b>22</b> |



## MESSAGE FROM THE CEO

Darwin Johns

*Community is at the forefront of our organization.*

At Fusion, we pride ourselves on being locally invested and personally connected. The success and wellness of our members is a top priority, and we believe the future of our communities lies in our ability to have personal connections with our members and a strong, local investment. Guided by these principles, I am very pleased with our organizational performance in 2023, and I know that the information presented to you within this report is a direct result of the incredible people associated with Fusion and NorthStar – our members, clients, employees, Board of Directors, partners, and communities.

I think I say this every year, and 2023 is no exception – the teamwork and dedication of the employees at Fusion and NorthStar is phenomenal. As an organization, we demonstrated extraordinary levels of achievement within our Key Performance Indicators, marking one of our most successful years in recent history. Richard speaks to our strong financial success in the Board Chair report, and I'd like to reiterate that our balanced loan and deposit growth, non-interest revenues and continued new member and client acquisition are all reflected in our financial statements. Our members make these results possible through local investment.

Community is also at the forefront of our organization. In addition to another successful year for Community Infusion, we provided over \$17,000 in the form of scholarships and bursaries to graduating high school students across many of our communities. Our employees created and shared 14 financial wellness presentations throughout the year, which included visiting local schools, fraud awareness and prevention for seniors, financial planning at local First Nations communities and many social media information sessions on fraud, safe cash handling, investments and cyber security. The Full Circle Fund remains a vibrant and highly accessible means for organizations to apply for funding to invest in local projects, initiatives and infrastructure. These giving programs are a top priority for Fusion because we believe in the importance of local investments, and the personal connections each and every one of us has to the communities we serve.

In 2023, we continued to make great strides in our digital transformation journey. Our goal is to strengthen the foundation of our organization to ensure excellence in both the member and employee experiences, and we are proud to say that Fusion is people first and technology forward. The local nature of our organization helps to keep us well informed in terms of continually improving our products and services and the manner in which these are delivered to our members. We appreciate hearing about what's working and what isn't, which is one of the reasons for our annual member survey. We also understand the importance of accessible employees at all levels of the organization and take member feedback to heart so that we can learn from it.

It is my honor to share that once again, and for the fifth year in a row, Fusion has been named one of **Manitoba's Top Employers for 2024**. We have so many people who contribute to this recognition, including our visionary Board of Directors. The Board continues to provide foundational strength for our organization, and I'm thankful to work alongside such a dedicated group of people who are passionate about driving positive change while ensuring that our focus is local investments in both our members and the communities we serve.

It is evident that Fusion continues to remain *locally invested and personally connected*. I am proud to see our logo displayed across so many community rinks, playgrounds, and bike trails, in buildings such as Credit Union Place and Fusion Credit Union Stage, or at major events like the Royal Manitoba Winter Fair and Countryfest. I would like to express my sincere thanks to you, our members, for choosing Fusion and supporting our presence and services in so many communities across Manitoba. Thank you for another remarkable year, and I look forward to the continued successes and achievements in 2024.

Thank you,

Darwin Johns



## MESSAGE FROM THE BOARD CHAIR

Richard Dereniwski

*Locally invested and personally connected.*

On behalf of the Fusion Credit Union Board of Directors, I am pleased to present our annual report for the 2023 fiscal year. We've experienced continued success and positive impact across many financial and non-financial indicators this past year, and I attribute this excellent performance to the culture of teamwork and collaboration within our organization, and across our communities.

As I reflect on my second year as Board Chair, I am proud of the dedication and commitment of my fellow Directors. Each individual brings a unique skillset to the table, enabling diversity of thought and perspective within the Board and our committee work. Collectively, we continue to enhance our governance model and engage in ongoing learning and development opportunities to ensure we remain at the forefront of the evolving credit union landscape. As a Board, it is our duty to ensure sustainability and profitability for Fusion, and to continue on our growth track that has been evident since our merger in 2018.

We experienced strong financial performance in 2023, and by the end of the fiscal year, assets under administration exceeded \$1.5 billion. This year, we saw steady loan growth of 6.44%, deposit growth of 9.67% and net new membership growth of 1.98%. We also ended the year with an efficiency ratio better than target. With these excellent results, I am pleased to share we ended the year with an after tax consolidated income of \$5.76 million. As a credit union, Fusion is accountable to numerous financial and capital adequacy ratios as defined in the Standards of Sound Business Practice Regulation and a simplified means of achieving these financial outcomes include balanced loan and deposit growth, membership growth and non-interest revenue gains.

Our financial success enables us to invest in our communities, and in 2023 we provided a total of \$180,537.29 in community donations, sponsorships and scholarships. Our Full Circle Fund, established in 2019, continues to help our communities and members do great things by supporting worthy projects. The Board of Directors is active in the oversight and decisions of the Full Circle Fund,

and the personal connection we feel to our members and communities makes the investment so much stronger.

In 2023, we also hosted the third iteration of our Community Infusion program, which provides local entrepreneurs a share of \$30,000 to foster economic development. Over the past three years, Fusion has invested over \$90,000 in local entrepreneurs and their business ideas, and the ongoing economic spinoff from Community Infusion brings that total well into six-figures. These local investments result in thriving communities, economic growth, and job creation, and we take our role seriously as a key player in the circular nature of the economy. We also provided over \$3.9 million in the form of patronage, cash payouts and dividends this past year. At Fusion, community impact is one of our strategic pillars, and it will always be our priority to support prosperity and growth within the communities we serve.

On behalf of the Board, I would like to extend thanks to CEO Darwin Johns, Executive Management, the leadership team, the staff at Fusion, and NorthStar for executing our strategic direction this year, all while ensuring member and client needs are our top priority. It is my privilege to work alongside the talented and dedicated employees that power our organization.

As a Board, we understand that our members and our employees enable us to be *locally invested and personally connected*. I would like to express my sincere thanks to our members, without whom Fusion Credit Union would not exist. We will always remain people first and technology forward, with the goal of outstanding member and employee experiences. I am proud to be part of such an incredible team of Directors, management and employees who truly are "here for good".

Thank you,

Richard Dereniwski

# Board of Directors



**RICHARD DERENIWSKI**  
BOARD CHAIR – FUSION NORTHWEST

Richard Dereniwski originates from Strathclair, MB, where he was raised on his parents' mixed farming operation. He graduated from Minnedosa Collegiate in 1977. Richard's career path in the grain/ag industry began in 1978 and continued until his retirement in January 2020. Richard received six awards for Managerial Efficiency plus many sales achievement awards throughout his career.

Previous to being a Director with Fusion, Richard served terms as Chair and Vice Chair on the board of Directors for Roblin Credit Union and Catalyst Credit Union. He is presently a Chair of the Directors Forum Planning Committee, sits on the Democratic Control Review Committee and also sits on the Order of Merit Selection Committee, all of which are associated with Credit Union Central of Manitoba. Richard holds a Certified Director accreditation from the Rotman School of Management. In addition to serving on the Fusion Board of Directors he is also a Councilor for the municipality of Roblin. Richard looks forward to helping guide Fusion through any and all upcoming challenges and celebrating the accomplishments in the future.

Richard and his wife were married in 1979 and together they raised two children, Justin and Charmaine. They have two precious grandsons Zander and Hudson.



**GUY HUBERDEAU**  
1ST VICE CHAIR – FUSION SOUTHWEST

Guy Huberdeau was born and raised in St. Lazare. He has been on the Fusion Board since 1999 and was Board Chair for a number of those years. He is dedicated to making sure members are heard and understood.

His involvement in his community has been very important to him as a member of the Municipal Council for 26 years, St. Lazare CDC and the Conservation District Board. He was also active on the Rec District Board, Vet Board and the School and Hospital Boards.

Guy and his wife, Kathy, have two daughters and five grandchildren who are their whole world. They moved to Brandon in the fall of 2015 to be closer to them. In their spare time, Guy and his wife love camping, fishing, traveling and spending time with their grandchildren.



**CAROLE SHANKARUK**  
2ND VICE CHAIR – FUSION AT LARGE

Carole is originally from Ste. Rose du Lac and is of Metis descent. She is a Registered Social Worker and is currently employed with the Mountain View School Division in the capacity of Indigenous Education Coordinator.

Carole has strong and innovative leadership qualities and extensive experience in many roles in healthcare, child welfare, education and business management systems. Currently, Carole serves as a Board Director for the Mental Health Commission of Canada and a Board Director for Kids Help Phone.

Outside Carole's professional life she is the mother of two grown children and the grandmother of two beautiful grandchildren. She currently assists her husband in the management of their cattle and grain farm.



**LOGAN PIZZEZY**  
DIRECTOR – FUSION AT LARGE

Logan and his wife Briley live on the family farm near Binscarth, Manitoba where they farm alongside his parents and siblings. In addition to playing an active role on the family farm, Logan also operates a Pioneer seed agency along with his sister and brother-in-law. Furthermore, Logan is involved in Inland Seed Corp, a seed cleaning facility situated on the family farm where he acts as the Plant Operations Manager.

Logan received his formal education from the University of Saskatchewan. He received a Bachelor of Science Agribusiness (Hons) in 2016 and recently attained a Master of Science in Agricultural Economics in 2022.

Logan has been a life-long credit union member and is very appreciative of the focus that Fusion Credit Union places on their staff, members and the communities they serve. He looks forward to the opportunity to serve on the Board.



**JANICE LAGOSKI**  
DIRECTOR- FUSION AT LARGE

Janice Lagoski has resided in Gilbert Plains for 27 years with her husband Lyndon and together they have two children, Leah and Jared. Throughout the years Janice has been involved in many community groups in various roles, including H.O.P.E., Asessippi Ski Club, Gilbert Plains Roman Catholic Ladies group, GP Management Inc., Daily Discoveries, Minor Baseball and Gilbert Plains Band.

Janice's career has included work with Baldy Mountain Feeder Association (BMFA) Municipal Government, with a role of Chief Administrative Officer in both a rural and urban municipality, pharmacy technician and Financial Coordinator with Prairie Mountain Health. Her work and volunteer experience are complimented with a degree in Public Administration (University of Saskatchewan), a certificate in Health Care Administration (University of Saskatchewan), Municipal Administration (University of Manitoba) and a certificate in Pharmacy Technology (Red Deer College). Janice is proud to contribute to a strong and progressive organization.



**JANICE HEAPY**  
DIRECTOR - FUSION AT LARGE

Janice Heapy grew up in Hamiota and, after finishing university, moved to the Oak River area with her husband to start their farming operation and raise their family. Since graduating from the University of Manitoba with a degree in Computer Science, Janice gained valuable and extensive experience working in senior executive Information Technology roles in the Brandon area.

In addition to Information Technology experience, Janice also has extensive knowledge and experience in Project Management. She has earned her Masters Certificate in Project Management from the University of Winnipeg and is a Certified Project Management Professional from the Project Management Institute.

On several occasions throughout her career, she was a working member of a local, national and international board, including the Acumen Optech Canadian Users Group and as a Trustee for the Rolling River School Division. Since retirement, her focus is now her partnership role on the farm and working various part time jobs. Janice has been a long-time member of Fusion Credit Union and feels that her Information Technology skillset and credit union experience makes her a valuable Director on the Board for Fusion Credit Union.

## Board of Directors



**STEVEN SOBERING**  
DIRECTOR - FUSION NORTHEAST

Steven Sobering lives in Dauphin with his wife Melanie and two children, Liam and Callie. He earned both a graduate diploma in Management and an eMBA from Athabasca University which has provided him valuable knowledge in business and business leadership. He was recently elected as a Councillor for the City of Dauphin and serves as a representative on various committees such as Economic Development and the Business Park. Steven has extensive experience in the energy sector and was responsible for the development and implementation of the Industrial Energy Manager Program with Efficiency Manitoba.

Steven is the co-founder of a number of businesses, including Grow Media Group, Obsolete Brewing Company and Pathways Funeral Services.

In his downtime, Steven enjoys mountain biking, snowshoeing, and playing board games with this family. He strongly believes in the importance of community contributions, as well as social responsibility. As a lifelong learner, Steven enjoys taking courses, learning new skills and taking on new challenges. As a Fusion Credit Union Board of Director, he enjoys offering his experience and knowledge to the betterment of the community and surrounding area.



**DORELLE FULTON**  
DIRECTOR - FUSION SOUTHWEST

Dorelle is a Chartered Professional Accountant originally from Winnipeg, now working from her home near Birtle part-time as a Financial Management Advisor with the federal government. Previously, she has held finance positions with CanWest Global, Parks Canada and Park West School Division. Dorelle and her husband, Tyler, run a beef cattle operation and are raising their two children, Mae and Evan, who are both 16 years old. In her free time, Dorelle likes to golf, play ultimate frisbee and watch her children play sports.

Living in a small community for the past 17 years has taught Dorelle the importance of volunteering to ensure thriving communities. She has served on the boards of her local gymnastics club, tennis club, minor hockey club, library, Park West School Division Foundation and Outstanding Young Farmers of Manitoba. Her background and experiences relate well to Fusion's mission, vision and values of helping members live their best lives by supporting them with financial guidance, community investment and innovation.

## Order of Merit: Albert Paziuk

*After 46 years of tireless devotion to the Credit Union system, Albert Paziuk was awarded the honorable distinction to the Manitoba Credit Union Order of Merit in 2023.*

Through his tenure as a Board Director for Ethelbert, Catalyst, and Fusion Credit Union, Albert has first-hand experience regarding the significant and ongoing transformation in the credit union and financial services industry over the past five decades. During this time, he devoted countless hours to his community through numerous volunteer organizations, while advocating for members to ensure the sustainability and success of credit unions throughout the Parkland and across Manitoba.

At Fusion, we are extremely proud of Albert and thankful for his dedication and commitment as a Director for so many years. We wish him and his wife Doreen all the best in retirement.

Albert pictured here with wife Doreen and Fusion CEO Darwin Johns



# Fusion Earns Top Employer Status for Four Consecutive Years

What does it mean to work at Fusion Credit Union? While the word “Fusion” is prominently displayed on the outside of our 18 branches, the meaning runs deeper than the six letters attached to the walls. The word is rooted in the day-to-day operations and culture of our organization. Fusion is the result of joining things together to create something new, something special. It speaks to the innovative and forward-thinking people in our organization. It’s where talent meets passion, growth meets opportunity, and everyone works together to create something truly amazing each and every day. It’s where we make a difference and do work that truly matters for Fusion, for our members and for our communities.

It’s the reason we’ve been named one of Manitoba’s Top Employers for four consecutive years.

Manitoba’s Top Employers is an annual competition organized by the editors of Canada’s Top Employers. The special designation recognizes Manitoba employers that lead their industries in offering exceptional places to work.

Employers are evaluated by the editors of Canada’s Top 100 Employers using the same eight criteria as the national competition and include areas such as work atmosphere, performance management, training and skills development and community involvement. Employers are compared to other organizations in their field to determine which offers the most progressive and forward-thinking programs.

Fusion has maintained this prestigious title for four years in a row by providing an excellent group benefits and incentive pay package, staff rates on products and services, and a focus on employee wellness. However, it’s the work-home-life balance and employee empowerment that sets Fusion apart from the competition. Leaving a place of work feeling fulfilled and satisfied is a testament to the people who lead and work at Fusion. When ideas are heard, hard work is rewarded, and opportunities are endless, it’s easy to come back each day, eager to do it all again.



## MANITOBA'S TOP EMPLOYERS

### FAST FACTS

**6**  
New jobs created in 2023

**\$1,000**  
Referral bonus

**38**  
Average age of all employees

**14%**  
of employees work from home full time

**10%**  
of employees work in a hybrid arrangement through our Flex Place Program

**148**  
Full-time employees

**171**  
Charities supported in 2023

- 1 Fusion Golf Tournament
- 2 Brandon Christmas Sweater Day
- 3 Dauphin Tree Decorating
- 4 Fusion Staff at Equity In Sport Event
- 5 Ag Lending Team - Ag Days
- 6 Fusion Young Leaders at CUYLM Conference
- 7 Fusion Golf Tournament with FAT CAT
- 8 Staff Participating in Jeans Day
- 9 Staff in Dauphin Participating in Holiday Sweater Day
- 10 Staff in Gilbert Plains Dressed Up for Halloween



# Member Appreciation

As we reflect on the activities and events that occurred throughout 2023, one common theme stands out - our appreciation for our members and the communities we serve. Our mission is to support our members with financial guidance, community investment and member-focused innovation, and we continually advance in this direction year after year. Here is a glimpse into various member and community-focused events and activities that occurred in 2023:

## January

Started off the year planning financial wellness presentations. In total 14 presentations were held online and in-person.

## February

Gifted Brandon University with an EnergyPod®, a zero-gravity positioned chair with a sleep timer for staff and students to enjoy.



## March

Invested in the Connect Manitoba Growth Fund, the Government of Canada's new Venture Capital Fund, in partnership with Access, Sunrise, Stride, Westoba, and Assibiboine credit unions, and Caisse Financial Group.

## April

Rewarded members with a patronage allocation of \$1 million, plus \$921,400 in cash payouts to select members, for \$1.92 million in total returns.

## May

Sponsored the Westman Lip Sync Battle in Brandon. All funds raised were donated to the United Way.



## June

Held our Annual Member Appreciation Golf Tournament at Gilbert Plains Golf & Country Club with 81 golfers hitting the links. A total of \$500 was raised at the putting green challenge. Fusion matched the \$500 for a total donation of \$1,000 to the Parkland Humane Society.

## July

Hosted the kickoff to Dauphin Bike Week where the Dauphin branch handed out treats to all those in attendance.

## August

Rewarded a high school student with \$500 for submitting her final 'A's in a grade 12 course.

## September

Supplied meals in the field to local Ag members.



## October

Invited members to our branches for coffee and treats during International Credit Union Day. Eighteen members won a harvest basket filled with locally sourced goods.



## November

Awarded two members each with \$1,000 for completing our Annual Member Survey.

## December

Held our FAT CAT winter draw where two members each won \$100 for making an in-person deposit.





- 1 Food Truck Warz Volunteers
- 2 Royal Manitoba Winter Fair Woof Jocks Booth
- 3 FAT CAT Draw Winner
- 4 Fusion Volunteers Serving a Meal at Dauphin Food Bank
- 5 Staff Volunteering at Parkland Street Fair
- 6 Donation to Parkland Humane Society
- 7 Parkland Chamber Luncheon
- 8 FAT CAT Bike Draw Winner



# Community Infusion

*“Focusing on economic development as a means of positively impacting our communities is a core belief at Fusion. Hundreds of hours are spent by both the entrepreneurs and project team throughout the eight-month journey.”*

**- Darwin Johns, CEO at Fusion Credit Union**

The 3rd annual Community Infusion program wrapped up in October with Danielle Pilatic of Danielle's Studio 12 receiving the top prize of \$20,000.

Hosting the live event at the historic Dome Building in Brandon provided the perfect setting for five entrepreneurs to pitch their business to a panel of five judges.

When asked about the commitment put forth by the entrepreneurs, project lead Mike Csversko commented,



*“It is exciting to see the finalists on stage during the live pitch, where their investment of time, resources, and most likely tears come to fruition. You can literally feel their passion, and it’s easy to see how much they believe in their venture.”*

Rounding out the 2023 finalists were The Bloom 'n Bean, Total Equipment Care Service, Grow Media, and Smiley Worms.

Plans are well underway for Community Infusion 2024! Please watch our communication channels for upcoming details.

The competition for entrepreneurs like YOU is confusing economic development into communities



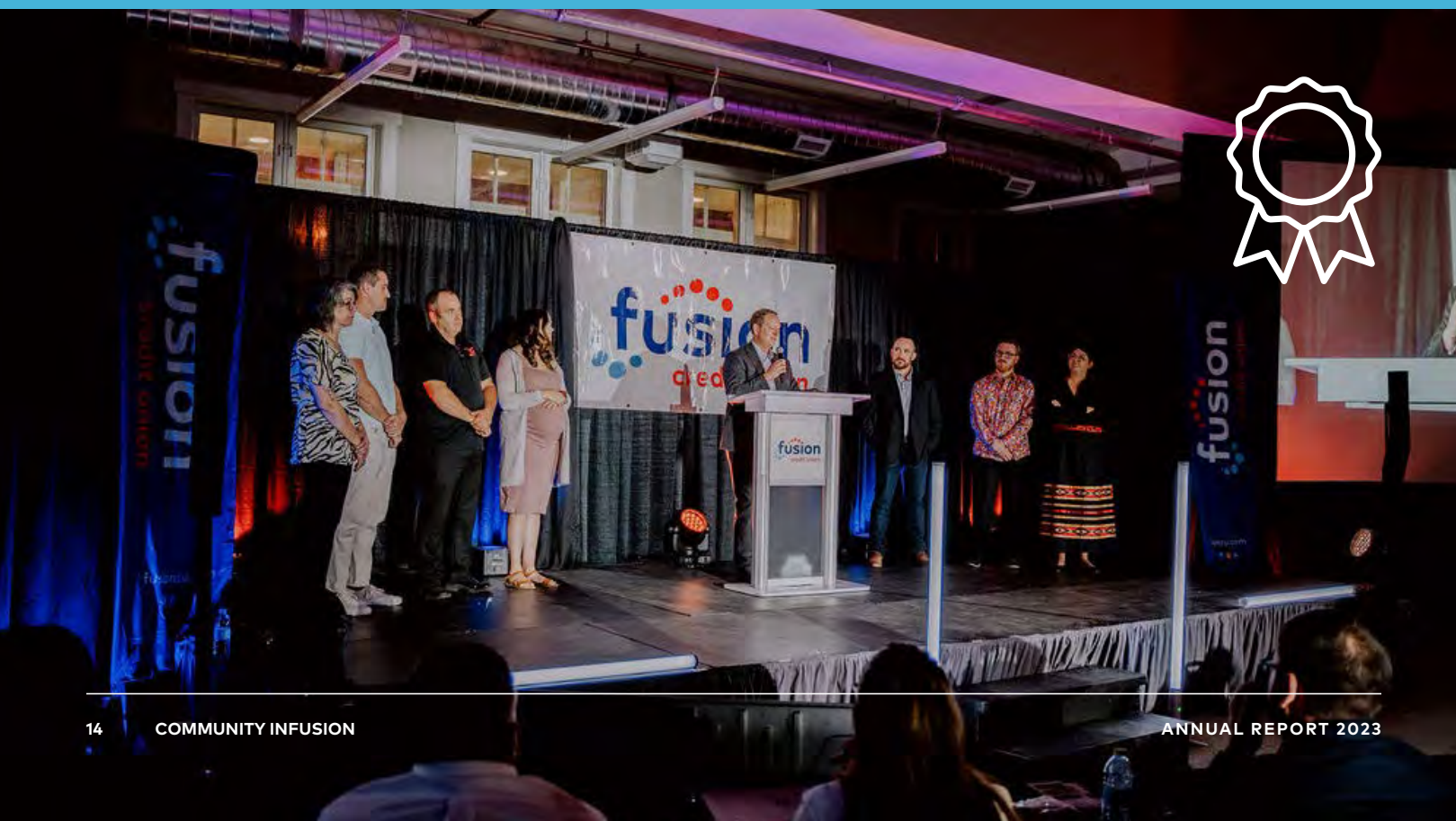
*“Describing my gratitude for the Community Infusion program as immense would be an understatement. The support I’ve received from this remarkable initiative has empowered Studio 12 to explore new avenues and expand in ways I previously only dreamed of. Our postpartum project holds a special place in our hearts, and thus far, we’ve hosted three meetings with local moms to brainstorm the most impactful ways to direct our efforts as we embark on this journey.*

*Thanks to the funding awarded to Studio 12 through the Community Infusion program, we’ve been able to hire and begin training a social media assistant, kickstarting content creation for the postpartum project. Furthermore, I’ve invested in camera equipment that not only enhances content creation but has also started generating income for the project. Additionally, in early March, this funding allowed me to participate in a photography workshop in Calgary, Alberta, an opportunity I wouldn’t have otherwise had.*

*From inception to conclusion, the Community Infusion program was excellently executed. I felt supported every step of the way, with any questions I had promptly addressed and the provided templates offering invaluable guidance. The business planning process forced me to develop my ideas into tangible plans, prompting thorough market research and number crunching.*

*This Community Infusion program not only directly benefited my business but also enabled me to bring an organization to life and taught me how to craft my own business plan. I’ve recommended this program to multiple people and cannot express my gratitude enough for this opportunity. Thank you sincerely.*

**- Danielle Pilatic, Community Infusion Winner**



# Helping Our Communities Do Great Things With Our Full Circle Fund

At Fusion, we're only as strong as the communities we serve, and that's why we created the Full Circle Fund – to help our communities do great things. Investing in community projects such as school playgrounds, recreation facilities, museums, and community organizations provides the opportunity for all citizens to learn, thrive, and grow. Healthy people make for healthier communities. And there's nothing quite like a group of community members coming together to create, build, and support a project. That's the power of community.

Over the past five years, our Full Circle Fund has provided larger donations to worthy projects that have helped to improve the communities in and around the Parkland and southwestern Manitoba. Applications to the Full Circle Fund are accepted twice each year and funding requests are reviewed against our criteria.

TOTAL DONATIONS FOR 2023

**\$46,975**

ORGANIZATIONS

**19**

COMMUNITIES

**14**

Here are some of the community projects Fusion was proud to have supported through the Full Circle Fund in 2023:

|   |          |
|---|----------|
| Creative Common for start-up of the Collaborative Makers Collective Space   | \$10,000 |
| Oak Lake Bike Park for bike park renovations  | \$10,000 |
| Roblin Life & Art Centre for outdoor space enhancement  | \$2,500  |
| Kenton Community Action Committee for a multi-court facility  | \$1,500  |
| Hamiota Community Centre for renovation project   | \$1,000  |
| Rosburn Recreation Commission & Rosburn Cross Country Ski Club Committee for new ski trail blazing and grooming equipment | \$2,500  |
| Russell & Area Welcoming Committee for Community English Language Assistance  | \$2,500  |

# Full Circle Fund



- 1 Dauphin Creative Common
- 2 Hamiota Community Centre
- 3 Rosburn Cross Country Ski Club
- 4 Bield Community Centre
- 5 Ste Rose Basketball Court Project
- 6 Valleyview Centennial School Playground Upgrade
- 7 Roblin Life & Art Centre
- 8 Inglis Kids First Early Learning Centre

# NorthStar Brandon Office Is Officially Open for Business

September 5<sup>th</sup> was a monumental day as NorthStar Insurance & Real Estate opened their new office in Brandon, Manitoba. The new location, conveniently located beside the Brandon branch of Fusion Credit Union, announced that it was “open for business” and ready to offer insurance services to Brandon and surrounding communities. With the addition of the Brandon location, NorthStar now has five locations throughout Western Manitoba, including Roblin, Rossburn, Erickson and Birtle. Building on the reputation gained in these communities, NorthStar is well positioned to deliver exceptional service and advice in the Brandon market.

The celebrations continued November 8<sup>th</sup> with the official grand opening of the new office location. Office Manager Marley Enns, together with Marlene Heise, Director of Wealth and Insurance Services, and Brian Currie, Manager of Insurance Services, invited clients and community members to help launch the new location to the Brandon community.



“The opening of our Brandon office will support our goal of helping our communities thrive and grow. Even though NorthStar has been operating in several communities throughout Westman and Parkland, Brandon will now have local staff dedicated to local needs. Our clients now have access to local expertise, conveniently located at our Brandon office.”

— **Brian Currie**, Manager of Insurance Services at NorthStar



“We’re excited to expand our operations to this vibrant, growing city. The welcoming culture, combined with the opportunities for growth and expansion is what attracted us to the community. We knew this progressive city would be the perfect fit for our growing organization.”

— **Marlene Heise**, Director of Wealth and Insurance Services at Fusion Credit Union



Growth in 2023

Volunteer Hours

7,758

6

New Positions Created in 2023

\$46,975

Donations through the Full Circle Fund

On Loan to Individuals, Families, Producers, and Businesses

\$1,275,588,988

Professional Development Hours

17,021

OVER \$30,000

Invested back into our Communities through Community Infusion

\$163,037.29

Donations and Sponsorships to our Communities

NorthStar Employees

15

Reduction of Paper Usage from 2020

60%

\$17,500

Fusion Employees

204

Awarded in Scholarships



*Fusion Credit Union Limited*  
*Summary Consolidated Financial Statements*

*December 31, 2023*

Report of the Independent Auditor on the Summary  
Consolidated Financial Statements



To the Members of Fusion Credit Union Limited:

**Opinion**

The summary consolidated financial statements, which comprise the consolidated statement of financial position as at December 31, 2023, and the summary consolidated income statement, summary consolidated statement of changes in members' equity and cash flows for the year then ended, are derived from the audited consolidated financial statements of Fusion Credit Union Limited (the "Credit Union") for the year ended December 31, 2023.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements of Fusion Credit Union Limited for the year ended December 31, 2023.

**Summary Consolidated Financial Statements**

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

**The Audited Consolidated Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated February 29, 2024.

**Management's Responsibility for the Summary Consolidated Financial Statements**

Management is responsible for the preparation of the summary consolidated financial statements in accordance with International Financial Reporting Standards.

**Auditor's Responsibility**

Our responsibility is to express an opinion on whether the summary consolidated financial statements are a fair summary of the audited consolidated financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.

Brandon, Manitoba  
February 29, 2024

*MNP LLP*  
Chartered Professional Accountants

MNP LLP  
1401 Princess Avenue, Brandon MB, R7A 7L7

1.800.446.0890 T: 204.727.0661 F: 204.726.1543



MNP.ca

Fusion Credit Union Limited  
Summary Consolidated Statement of Financial Position  
As at December 31, 2023

|  | 2023                 | 2022                 |
|--|----------------------|----------------------|
| <b>Assets</b>                                  |                      |                      |
| Cash and cash equivalents                      | 159,420,613          | 131,959,825          |
| Accounts receivable                            | 810,338              | 741,441              |
| Investments and accrued interest               | 60,946,391           | 39,947,392           |
| Members' loans receivable and accrued interest | 1,275,588,997        | 1,198,400,157        |
| Income taxes recoverable                       | 749,242              | 40,858               |
| Prepaid expenses and deposits                  | 4,134,111            | 3,183,048            |
| Property and equipment                         | 12,496,238           | 12,427,376           |
| Intangible assets                              | 2,265,415            | 2,310,893            |
| Other assets                                   | 1,743,565            | 1,776,439            |
|  | <b>1,518,154,910</b> | <b>1,390,787,429</b> |
| <b>Liabilities</b>                             |                      |                      |
| Member deposits and accrued interest           | 1,393,035,599        | 1,270,217,742        |
| Income taxes payable                           | 21,585               | 116,939              |
| Accounts payable                               | 14,791,760           | 8,938,227            |
| Securitization debt                            | 3,834,239            | 10,505,557           |
| Deferred tax liabilities                       | 721,000              | 353,000              |
|  | <b>1,412,404,183</b> | <b>1,290,131,465</b> |
| <b>Members' equity</b>                         |                      |                      |
| Member shares                                  | 12,211,573           | 12,700,121           |
| Retained earnings                              | 93,539,154           | 87,955,843           |
|  | <b>105,750,727</b>   | <b>100,655,964</b>   |
|  | <b>1,518,154,910</b> | <b>1,390,787,429</b> |

**Approved on behalf of the Board**

Signed "Guy Huberdeau"  
Director

Signed "Richard Dereniwski"  
Director

A full set of audited financial statements is available from the Credit Union

**Fusion Credit Union Limited**  
**Summary Consolidated Income Statement**  
For the year ended December 31, 2023

|  | 2023              | 2022       |
|--|-------------------|------------|
| <b>Interest Income</b>   |                   |            |
| Member loans   | 53,425,839        | 41,185,397 |
| Interest revenue   | 15,036,321        | 6,713,285  |
|  | <b>68,462,160</b> | 47,898,682 |
| <b>Interest expense</b>  | <b>39,870,908</b> | 20,066,159 |
| <b>Financial margin</b>  | <b>28,591,252</b> | 27,832,523 |
| <b>Operating Expenses</b>  |                   |            |
| Administration   | 8,555,034         | 6,940,989  |
| Amortization   | 1,379,879         | 1,257,982  |
| Member security  | 1,369,036         | 1,288,315  |
| Occupancy  | 933,972           | 997,413    |
| Organizational   | 732,154           | 717,260    |
| Personnel  | 14,540,120        | 13,604,202 |
|  | <b>27,510,195</b> | 24,806,161 |
| <b>Net operating income</b>  | <b>1,081,057</b>  | 3,026,362  |
| <b>Other income</b>  | <b>7,506,742</b>  | 7,545,811  |
| <b>Income before provision for (recovery of) impaired loans, property held for resale, patronage refund and income taxes</b> | <b>8,587,799</b>  | 10,572,173 |
| <b>Provision for (recovery of) impaired loans and property held for resale</b>   | <b>551,079</b>    | 516,346    |
| <b>Income before provision for patronage refund and income taxes</b>   | <b>8,036,720</b>  | 10,055,827 |
| <b>Provision for patronage refund</b>  | <b>525,000</b>    | 1,000,000  |
| <b>Income before income taxes</b>  | <b>7,511,720</b>  | 9,055,827  |
| <b>Provision for (recovery of) income taxes</b>  |                   |            |
| Current  | 1,380,246         | 2,302,788  |
| Deferred   | 368,000           | (64,400)   |
|  | <b>1,748,246</b>  | 2,238,388  |
| <b>Net income</b>  | <b>5,763,474</b>  | 6,817,439  |

A full set of audited financial statements is available from the Credit Union

**Fusion Credit Union Limited**  
**Summary Consolidated Statement of Changes in Members' Equity**  
For the year ended December 31, 2023

|                                  | Member shares     | Retained earnings | Total equity       |
|----------------------------------|-------------------|-------------------|--------------------|
| <b>Balance December 31, 2021</b> | <b>12,463,692</b> | <b>81,307,588</b> | <b>93,771,280</b>  |
| Net income                       | -                 | 6,817,439         | 6,817,439          |
| Issuance of member shares        | 24,850            | -                 | 24,850             |
| Patronage refund                 | 1,000,000         | -                 | 1,000,000          |
| Redemption of member shares      | (957,605)         | -                 | (957,605)          |
| Dividend on preference shares    | 169,184           | (169,184)         | -                  |
| <b>Balance December 31, 2022</b> | <b>12,700,121</b> | <b>87,955,843</b> | <b>100,655,964</b> |
| Net income                       | -                 | 5,763,474         | 5,763,474          |
| Issuance of member shares        | 25,850            | -                 | 25,850             |
| Patronage refund                 | 525,000           | -                 | 525,000            |
| Redemption of member shares      | (1,219,561)       | -                 | (1,219,561)        |
| Dividend on preference shares    | 180,163           | (180,163)         | -                  |
| <b>Balance December 31, 2023</b> | <b>12,211,573</b> | <b>93,539,154</b> | <b>105,750,727</b> |

A full set of audited financial statements is available from the Credit Union



**Fusion Credit Union Limited**  
**Summary Consolidated Statement of Cash Flows**  
*For the year ended December 31, 2023*

|   | 2023                | 2022          |
|---|---------------------|---------------|
| <b>Cash provided by (used for) the following activities</b> |                     |               |
| <b>Operating activities</b>                                 |                     |               |
| Interest received from members' loans                       | 52,810,107          | 40,210,243    |
| Interest and dividends received from investments            | 14,000,308          | 6,713,285     |
| Other income received                                       | 7,506,742           | 8,578,503     |
| Cash paid to suppliers and employees                        | (21,624,524)        | (24,074,892)  |
| Interest paid on deposits                                   | (32,309,080)        | (19,066,140)  |
| Income taxes paid   | (2,266,383)         | (2,200,869)   |
|   | <b>18,117,170</b>   | 10,160,130    |
| <b>Financing activities</b>                                 |                     |               |
| Net change in member deposits                               | 115,256,029         | 41,136,323    |
| Net proceeds from securitization of mortgages               | (6,671,318)         | (2,854,539)   |
| Proceeds from issuance of member shares                     | 25,850              | 24,850        |
| Redemption of member shares                                 | (1,039,398)         | (788,421)     |
|   | <b>107,571,163</b>  | 37,518,213    |
| <b>Investing activities</b>                                 |                     |               |
| Net change in members' loans receivable                     | (77,124,187)        | (150,446,778) |
| Purchases of investments and accrued interest               | (19,962,986)        | (20,632,790)  |
| Purchases of property and equipment                         | (1,392,372)         | (1,283,416)   |
| Proceeds from disposal of property and equipment            | 252,000             | -             |
|   | <b>(98,227,545)</b> | (172,362,984) |
| <b>Increase (decrease) in cash resources</b>                | <b>27,460,788</b>   | (124,684,641) |
| <b>Cash resources, beginning of year</b>                    | <b>131,959,825</b>  | 256,644,466   |
| <b>Cash resources, end of year</b>                          | <b>159,420,613</b>  | 131,959,825   |

A full set of audited financial statements is available from the Credit Union

**Fusion Credit Union Limited**  
**Notes to the Summary Consolidated Financial Statements**  
*For the year ended December 31, 2023*

**1. Basis of the summary consolidated financial statements**

Management has prepared the summary consolidated financial statements from the Credit Union's December 31, 2023 audited consolidated financial statements which can be obtained at the Credit Union. The detailed notes included in the audited consolidated financial statements are not included in these summary consolidated financial statements.

**2. Statement of compliance**

The Credit Union is in compliance with the capital and liquidity reserve requirements at December 31, 2023 established by the Standards of Sound Business Practice Regulation to The Credit Unions and Caisses Populaires Act of Manitoba.

Readers of the summary consolidated financial statements are advised that in order to appropriately interpret the Credit Union's capital and liquidity, the reader must refer to the audited consolidated financial statements and notes for the year ended December 31, 2023, which contain the information detailing the calculation.



Here for good ●