

**TALKA Credit Union**  
**Minutes of the 69th Annual Meeting**  
April 24, 2024  
Virtual Meeting held through Zoom

**Member Attendance** – Zoom connection available at 4:45 p.m.

Member registration was done on-line prior to the meeting with log-in access sent to each member by e-mail. A total of 35 members were in attendance for the annual meeting which constituted a quorum.

Meeting was started at 5:00 PM. IT Consultant, Kyle Diplock, was introduced as the technology facilitator and tested the voting function with a sample question.

**1. Approval of the 2023 Annual General Meeting Minutes**

Minutes of 2023 Annual General Meeting were posted and available on-line on Talka website prior to the meeting. Board Chair, V. Vaičiūnas facilitated the process for adoption of minutes.

**Moved** by J. Stephenson, **seconded** by C. Puma, that the minutes be approved. **CARRIED.**

**2. Approval of the 2024 Annual General Meeting Agenda**

Agenda of 2024 Annual General Meeting was posted and available on-line on Talka website prior to the meeting. Board Chair, V. Vaičiūnas facilitated the process for approval of the agenda.

**Moved** by M. Gudinskas, **seconded** by K. Zanon that the agenda be approved as presented. **CARRIED.**

**3. Opening of the meeting / Board Chair Remarks**

Chairman V. Vaičiūnas opened the 69th annual meeting and welcomed all members and guests. For expediency there was no formal introduction of the Board of Directors, office staff or guests.

- Meeting is held virtually in an abundance of caution for Talka staff, Board and members. It is expected that next year's meeting will be held in person in order to celebrate Talka's 70<sup>th</sup> anniversary.
- Deceased members (2023) were honoured by reading their names.
- 2023 was a financially challenging year with a rising interest rate environment but Talka still delivered profits.
- Looking forward to 2024, Talka is investing to continue asset growth and profitability. Additional staff are being hired to support the increasing regulatory challenges. A new head office location has been purchased nearer to the Hamilton core to address the shortage of office space and parking in the current location.
- Chair concluded by thanking the Board, CEO, administration and staff for their commitment and the Members for their continued trust and loyalty.

#### **4. CEO's Report**

- (a) CEO, R. Smith, presented some challenges that Talka has faced in 2023:
- i) Bank of Canada Monetary Policy: Interest rates were raised several times from 3.75% in December 2022 to 5.0% in July 2023. Member deposits were repriced faster than loans which affected Talka's profitability.
  - ii) Inverted Yield Curve: interest rates in the short term are higher than long term rates which does not follow normal conditions and for such an extended period (e.g. 650 days in the US). Other similar periods were in 2008, 1974 and 1929. This is driving more short-term investments from our members and is impacting Net Interest Income (NII) for credit unions across Ontario including Talka.
  - iii) Payments Modernization: "Open Banking" is being implemented in Canada and is already established in several countries such as the United Kingdom, several European countries, USA, and Australia.
  - iv) Cyber Security Threats are on the increase. FINTRAC and the City of Hamilton have recently experienced hacks. Talka continues to improve systems such as implementing two-factor authentication in February 2024 and thanks the members for their co-operation.
  - v) Financial Services Regulatory Authority (FSRA) consultations are leading to additional tracking and reporting. There have been two thematic reviews on loans and deposits and an upcoming review of Enhance Data Collection (EDC) is planned.

**(b) Audited Financial Statements:**

- i) Total assets, on the Balance Sheet, increased by \$23.3 million (10.6%) and total liabilities increased by \$22.9 million (11.1%)
- ii) Talka's interest margin remained unchanged at \$2.45 million with comprehensive income at \$405 thousand versus \$525 thousand in 2022.
- iii) A comparison of key ratios was provided with Talka delivering better results than other Ontario Credit Unions including Net Interest Income. Capital ratio has been impacted by Talka's growth but still remains within regulatory and policy limits.

**(c) Looking forward to 2024, some initiatives are being implemented:**

- i) Talka has located a new facility at 177 Rebecca St. to serve as new headquarters. An open-house event will be planned once renovations are completed.
- ii) Talka annual picnic will be scheduled in 2024 at a new location.
- iii) Members are reminded that each Friday coffee and pastries are available to show appreciation to Members.

**(d) CEO addressed questions that were submitted prior to the meeting.**

- i) A request was made to schedule future meetings no earlier than 6 PM to accommodate members who are still active in the workforce. A recommendation was also made to hold the meetings in-person.
- ii) A question was asked whether Talka opening hours could be extended outside of regular working hours. CEO explained that opening on Saturday was challenging due to minimum staff requirements. Talka experimented with extended Friday opening which was not well utilized. Effective May 9, 2024, Thursday opening hours will be 9 AM to 7 PM and should align better with common pay schedules of our members.

The floor was opened to members for any additional questions. None were received.

## **5. External Auditor's Report**

Scott Klein of Millard, Rouse & Rosebrugh LLP confirmed that audited

financial statements are in compliance with the Credit Union Act and that their audit has been conducted in accordance with Canadian generally accepted auditing principles. Highlights of the Financial Statements were provided in the CEO report. Copies of the External Auditor's Report and financial statements are available on the Talka website.

## **6. Audit Committee Report**

Audit Committee Chair, Loretta Stankus, prefaced the presentation by providing an overview of the Acts and Regulations by which it was governed. Following

i) A summary of:

- Nature of and number of meetings held in 2023 including quarterly reviews as well as internal auditor and external auditor inclusive of the Board.
- Policies, reports, by-laws, work plans that were reviewed, updated and/ or created.

ii) It is the opinion of the Audit Committee that all operations and functions performed at Talka are being completed in accordance with the rules and regulations of the Credit Union Act.

## **7. Appointment of External Auditor**

The Audit Committee recommends Millard, Rouse & Rosebrugh LLP as the External Auditor for 2024.

**Moved** by Audit Committee Chair, L. Stankus, **seconded** by R. Smith, that Millard, Rouse & Rosebrugh LLP be reappointed as the External Auditor. **CARRIED.**

## **8. Nominations Committee Report**

Nomination Committee Chair, C. Puma, presented the report of the Board recruitment process.

Further to the regular application period to fill up to three open Board positions, after a complete and extensive review, the Nominations Committee unanimously and respectfully recommended new applicant J. Futino Jr. and returning Board Member S. Kareckas for Board approval, who then unanimously endorsed the Committee's recommendation.

## 9. Board Recognition

Vice Chair, V. Vaičiunas took a few minutes to recognize Board members L. Stankus and S. Gaidauskas for their service over the last three and six years respectively and to present a gift in appreciation.


## 10. Bursary Report


Val Fogarty presented the names of the applicants who have been awarded a bursary. Talka is encouraged by the strong talent of our Members.

Prior to the closure of the meeting, a call for additional questions was announced. No questions were received.

## 11. Adjournment of the Meeting

Moved by J. Stephenson, seconded by R. Frank that the 69<sup>th</sup> Annual General Meeting be adjourned. **CARRIED.**

  
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V. Vaiciunas – Board Chair

  
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S. Gaidauskas - Secretary

23 DECEASED MEMBERS IN 2023

*in loving memory*

First name	last name	Date of death
ARUNAS	ANTANAITIS	2023-05-05
EVELYN	CRAWFORD	2023-10-30
CAROLYN	DUPUIS	2023-03-05
VIC	GROULX	2023-02-05
ELENA	GUDINSKAS	2023-10-31
FELICJA	GUDINSKAS	2023-12-24
LAIMUTE	GUDINSKAS	2023-01-29
DAVID	HARDT	2023-06-15
JAMES	HOOKER	2023-07-18
JANE	KALYN	2023-05-26
MANFRED	KLAUSER	2023-07-28
BRONISLAVA	KRIAUCIUNAS	2023-10-26
BERNARDAS	MACYS	2023-10-02
CLAUDIA	MARSALES	2023-12-29
MARIE	MAYER	2023-09-01
DAVID	MINNICK	2023-08-11
GENE	MONTVILA	2023-07-11
DAVID	PERRY	2023-10-25
ALDONA	PIETRANTONIO	2023-10-20
MICHELLE	FRANKIE	2023-03-01
WANDA	RAGUCKAS	2023-06-13
GEORGE	ROBERTS	2023-08-03
OLGA	SINKEVICIUS	2023-05-31
PAUL	STANAITIS	2023-10-12
CHARLOTTE	TALSKY	2023-02-13