



# Caisse Financial Group's 85<sup>th</sup> Anniversary

A year to celebrate.

Annual Report  
**2022**

# About Caisse

## **Caisse Financial Group is a bilingual financial institution offering financial products and services for every phase of life.**

Caisse Financial Group was the first officially registered financial co-operative in Manitoba, established in St. Malo, Manitoba, in 1937 with 29 members and \$96.85 in assets.

Today, Caisse has evolved to a full-service, billion dollar financial institution with 19 branch locations in Manitoba and over 35,000 members.

*St. Malo, Manitoba*



### **Vision**

Create value by exceeding our members' expectations.



### **Mission**

Meet our members' evolving financial needs and be involved in our communities.



### **Value Proposition**

Caisse Financial Group is a bilingual financial co-operative that prioritizes its members' experience and invests in the well-being of its communities.

### **Values**

- Respect for individuals
- Innovation
- Community Involvement
- Integrity & Transparency
- Proud of our Heritage

## Board of Directors

The Board of Directors is ultimately responsible for the corporate governance of Caisse and is elected by the members. Together, the directors of the Board represent all the regions served by Caisse.

Réal Déquier	President, District 3
Stéphane Dorge	1 <sup>st</sup> Vice-President, District 1
Carole Hébert	2 <sup>nd</sup> Vice-President, District 3
Patrick Fortier	District 1
Michèle Lécuyer-Hutton	District 1
Darrel Nadeau	District 1
Kamilla Mangin	District 2
Christian Toupin	District 2
Éric Garand	District 3
Kathleen Messner	District 3

## Executive Team

The executive team is responsible for the management of day-to-day affairs, functions and operations of Caisse.

Joël Rondeau	Chief Executive Officer
Sophie Ethier	Vice-President, Risk & Compliance
François Lambert	Vice-President, Business Solutions
Sylvie Laurencelle-Vermette	Vice-President, Marketing & Communications
Bernard Marcoux	Vice-President, Operations, Technology & Innovation
Francis Normandeau	Vice-President, Finance
Éric Rhéaume	Vice-President, Human Resources
Marc Rioux	Vice-President, Retail Member Services

### DISTRICTS

**O1**
**Winnipeg**

- St. Boniface
- St. Vital
- Southdale

**O2**
**Elie**

**Notre Dame de Lourdes**  
**St. Claude**  
**St. Francois Xavier**  
**St. Laurent**

**O3**
**Ile des Chenes**
**La Broquerie**
**La Salle**
**Lorette**
**St. Adolphe**
**St. Georges**
**St. Jean Baptiste**
**St. Malo**
**St. Pierre Jolys**
**Ste. Agathe**
**Ste. Anne**



## **CORPORATE OFFICE**

400-205 Provencher Blvd  
Winnipeg, MB R2H 0G4

## **BRANCHES**

**Elie**

**Ile des Chenes**

**La Broquerie**

**La Salle**

**Lorette**

**Notre Dame de Lourdes**

**St. Adolphe**

**St. Claude**

**St. Francois Xavier**

**St. Georges**

**St. Jean Baptiste**

**St. Laurent**

**St. Malo**

**St. Pierre Jolys**

**Ste. Agathe**

**Ste. Anne**

**Winnipeg • 875 Dakota St.**

**Winnipeg • 36 Lakewood Blvd**

**Winnipeg • 205 Provencher Blvd**



*C Finance Team*

## Wealth Management & Estate Planning

The purpose of financial planning is to set your long-term financial goals and develop the right strategy to make them a reality.

## Commercial & Agricultural Services

Our Commercial and Agricultural Account Managers take the time to get to know your business or farm to provide you with the financial services that fit your needs.

Contact your nearest branch for an appointment.



### BRANCH PRODUCTS & SERVICES

Personal Banking Services

Chequing Accounts

Savings Accounts

No Fee Accounts

Business & Agricultural Banking Services

Organization Accounts

Agri-Invest Accounts

Mortgages & Loans

Lines of Credit

Credit Cards

GIC, TFSA, RRSP, RRIF & RESP

Wealth Management

Online Brokerage

Insurance



**Joël Rondeau**  
CEO



**Réal Déquier**  
Board Chair

## President & CEO's Report

**When looking back on the last year and seeing all the progress we have made, the word momentum comes to mind. We are proud of the impact and achievements we have had in our communities. This is especially meaningful considering Caisse is celebrating an important milestone this year: we have been offering financial services in Manitoba for 85 years.**

Celebrating this important milestone is something to be proud of, but we must also acknowledge the changing landscape of financial services. The shift is more fundamental than just embracing digital services. Swiftly emerging technologies are impacting the way people view their finances. Traditional silos are coming down, requiring changes in processes and regulation. For example, *Open banking* is on the horizon which will deeply impact the financial services industry; it will provide a way to exchange data, allowing members to share their financial information safely with third parties with the goal of receiving better financial advice and products specifically tailored to the individual.

This changing landscape applies to many facets of our industry. Globally, the work culture is

shifting, due in no small part to the role the pandemic has played in making us rethink the way we work. Also, when it comes to people's expectations regarding companies' environmental, social and governance (ESG) policies, it is quickly becoming an expectation to have clearly defined policies that promote a responsible and environmentally sustainable approach to doing business.

These are all aspects which your Board and Executive Team take into consideration as we chart our path into the future. Changes in member needs and habits can have ramifications for our business and it is imperative that we understand these trends to ensure we have the technological, structural and social foundation to enable our successful evolution in this landscape.

### Member experience

Amidst all this change, we have never lost sight that our members are at the heart of our success and growth. Our decisions are always with their financial wellbeing as our guiding principle. In order to better serve our members, we launched a platform which now allows them to book appointments with our advisors directly on our website.

This last year, we have also focused on revitalizing our wealth management services. We have



**We would like to thank all our members for placing their trust in us and we will continue our mission to create value by exceeding our members' expectations.**



restructured the department, thereby creating more capacity, with the intention of making it more accessible to more people. The work has been well worth it as we now have more capacity to meet the needs of our members.

Other examples of new services and offers we have introduced this year have been our partnership with *FairSquare* which gives our members special discounts when using their services, or the addition of *Clover* (a point-of-sale service) as a product now available to our commercial members.

As we move forward, it is important to ensure we continue to meet the needs of our members. That is why we have implemented regular member feedback surveys so that we can identify pain points and quickly address them – or to give kudos to our employees when they have earned them. To keep our members up to date on Caisse happenings as well as issues surrounding financial literacy, we also launched our '*Communi-Caisse*' newsletter and blog.

### Our people

It is no secret that an important issue facing many businesses today has been the shift in the job market. Few industries have been spared. Caisse is no different and we have had to adjust to these new realities. Attracting and retaining employees is a top priority and being proactive and flexible is a must. For example, our once-temporary hybrid work-from-home policy (for positions that allow it) has now become permanent. In 2021-2022 we empowered our employees to tell

us where we can do better by creating working groups. These employees-led groups brought forward new initiatives in leadership development, health & wellness, mentorship and engagement.

Our willingness to adapt to our new and evolving work environment has resulted in Caisse being named one of Manitoba's Top Employers in 2022. This recognition is a testament to all our employees who, day after day, put their talent and knowledge to work for our members and each other so that we can remain a well-performing and engaged team.

### Process and technology

Caisse's operations and technology department has continued the important work of keeping our security systems infrastructure up to date to ensure a secure online environment for our members and our employees.

During the past year, we have been preparing to migrate to a new online banking platform. It will be more user-friendly, will have enhanced security features and will offer more functionality. It is slated to go live in 2023.

As previously mentioned, the financial industry continues to evolve, with Fintech firms and technological advancements driving change in financial and payments services. To prepare for these changes, Caisse is also focused on modernizing our payments infrastructure, which will allow us to eventually implement new enhanced capabilities in payments.



## Financial results

The economic backdrop in 2021-2022 was one of continued volatility and uncertainty. The rapid decrease in interest rates in 2020 along with extraordinary government stimulus helped ensure the economy did not collapse during the pandemic. However, these actions along with changes in demand and supply patterns have led to an uncomfortably high inflationary environment. As a result, early in 2022, the Bank of Canada began to aggressively increase interest rates in order to bring inflation back to a more sustainable level. This rapid increase in rates combined with high inflation has only begun to have an effect on the economy and our members. Despite these economic headwinds, our financial results were very positive in 2021-2022. Member borrowing activity was very vibrant and resulted in strong loan growth of 9.25%. After two years of strong

growth related in part to pandemic related savings, member deposits increased at a much more modest rate of 3.96%. This represents an increase of 138.5 million dollars in our loan portfolio and 66.7 million dollars in deposits.

Net income for the year was 6.96 million dollars, 19% higher than last year. Members' equity increased by 6.7 million dollars or 5.5%, totaling 128.6 million dollars at September 30, 2022. We currently exceed all regulatory capital requirements and are well positioned financially to meet the economic challenges that may lie ahead. However, to ensure our continued financial strength, the Board of Directors prudently decided not to declare a patronage refund or dividend for the fiscal year ending September 30, 2022, as this would lower our capital.

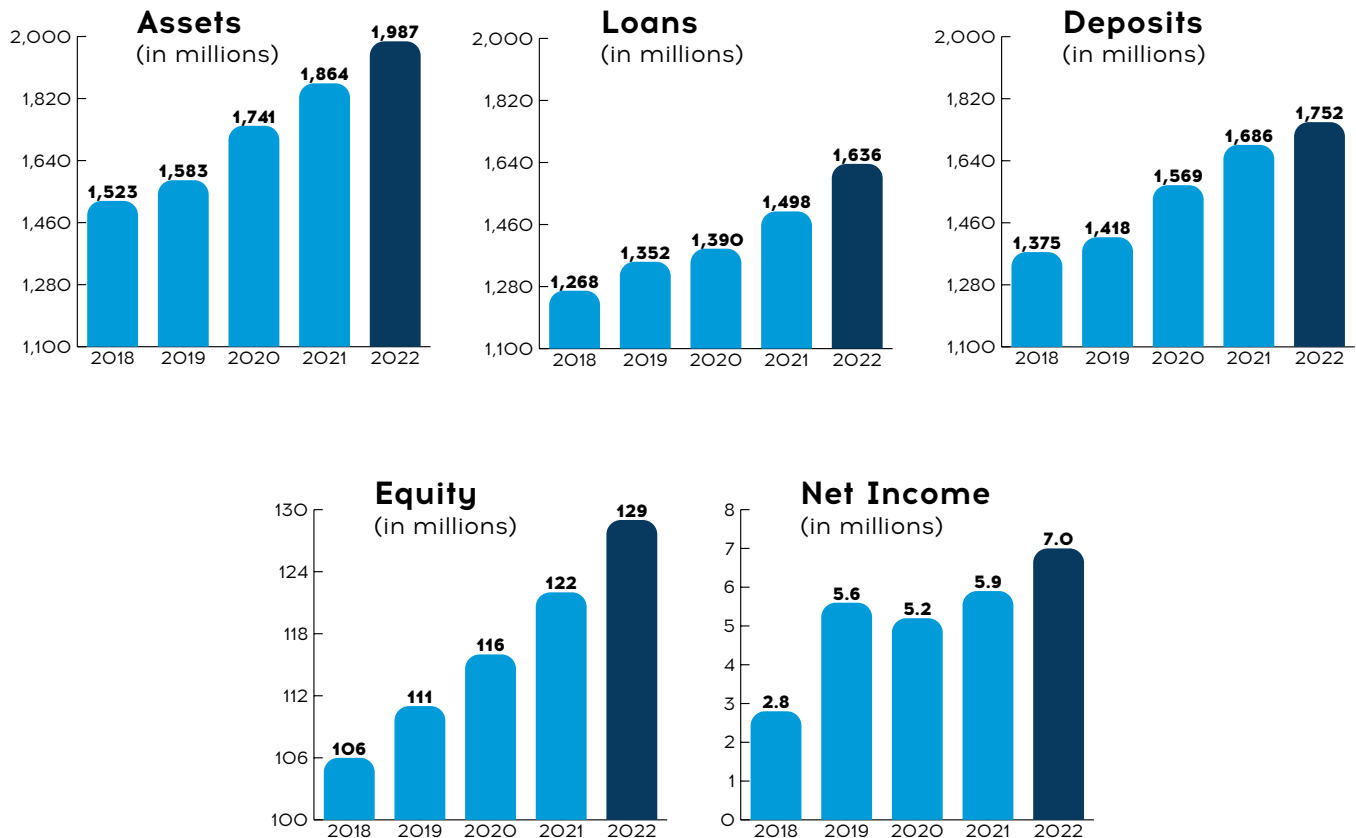




Photo: La Liberté



## Community

As a cooperative, we pride ourselves in being a positive force in our communities. During the past year we supported many worthwhile initiatives like the “Back-to-Nature” Canoe Camp, organized by Union nationale métisse Saint-Joseph du Manitoba which provided a true “back-to-nature” experience to Métis youth in Manitoba.

While we typically focus our support to local needs, we were deeply concerned with the devastating humanitarian crisis unfolding in Ukraine, and the severe global impacts, and so we donated to the Canadian Red Cross in support of the Ukrainian community.

We continued to support and participate in financial literacy programs for students enrolled in French, immersion and English schools in partnership with CDEM and JA Manitoba. We hold these programs to heart since we believe in the fundamental importance of exposing financial concepts to youth in order to set them up for financial success in the future.

Overall, in 2021-2022, we contributed to 133 requests for financial support, totaling over \$211,000. The complete list of our sponsorship and bursary recipients is available on our website at [Caisse.biz/en/Community](https://Caisse.biz/en/Community). It includes a variety of community projects, bursaries and green initiatives.

## Going forward

Our optimism in the future comes from our confidence in our people as they continue to advance our strategy for the benefit of our members. Going forward we will:

- ✓ Continue to make critical investments that will allow us to introduce new products and services.
- ✓ Continue to offer sound and timely advice to our members and continue to drive growth.
- ✓ Continue to invest in the well-being of our communities, with our time and resources.

We would like to thank all our committed employees for their relentless hard work and dedication to serving our members to the highest quality.

We would like to thank all our members for placing their trust in us and we will continue our mission to create value by exceeding our members’ expectations.

**Joël Rondeau**  
CEO

**Réal Déquier**  
Board Chair



## Caisse's 85<sup>th</sup> Anniversary

In 1937, twenty-nine farmers in St. Malo, with the help of local clergy, incorporated the very first financial cooperative in Manitoba. Little did they know the incredible legacy they would be setting in motion. Today, Caisse has 19 locations, employs over 240 people, and serves 35,000 members! This special anniversary was marked with contests, events and special offers. To learn more about it, please visit our website at [Blog.Caisse.biz/85th](https://www.blog.caisse.biz/85th)



### 85<sup>th</sup> Logo

The '85' logo, created exclusively for the anniversary, holds symbolic elements that represent Caisse, such as its old mascot, Poplico, the Caisse Mobile, the Provencher corporate office and some of its communities such as the La Broquerie cow, the St. Claude pipe, the St. François Xavier horse and the Franco-Manitoban flag. To discover all the details, visit:



### Caisse 85 Beer

As part of its 85<sup>th</sup> anniversary celebrations, Caisse Financial Group partnered with Caisse member Nonsuch Brewing Co. to produce "Caisse 85"; a raspberry sour beer. This limited-edition beer was mainly available at Patio 340, one of Winnipeg's most beautiful patios, which was presented by Caisse Financial Group for a second year in a row in 2022. As part of this project, long-time Caisse partner Centre Flavie, a charity which serves as an ally in the battle against poverty, received a portion of the sales for their garden project.





**MANITOBA'S  
TOP EMPLOYERS**

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Our willingness to adapt to our new and evolving work environment has resulted in the Caisse being named one of Manitoba's Top Employers in 2022.

## Manitoba's Top Employers

In 2022, Caisse was named one of Manitoba's Top Employers! This recognition is all the more meaningful given Caisse Financial Group, Manitoba's oldest financial cooperative, is celebrating its 85<sup>th</sup> anniversary this year.

This recognition is a testament to the more than 240 employees at our 19 locations who, day after day, continue to breathe life into our vision, mission, and value proposition. They put their talent and knowledge to work for our members and each other so that we can remain a well-performing and engaged team.

These past two years have been challenging as we responded to the pandemic. Our employees have continuously really demonstrated what sets us apart from other financial institutions and for that reason we once again thank them and congratulate them all for the Manitoba's Top Employers award - it is all because of them!





## Community Sponsorship

Caisse supports many community projects and activities that:

- Build strong and vibrant communities
- Encourage local economy
- Celebrate community pride and culture



# \$211k

IN FINANCIAL SUPPORT GRANTED TO  
**133 community projects**

# 11k

in financial support granted to

3 GREEN Fund projets



# 1.4k

students attended

64 financial literacy sessions

# 13k

in bursaries given to

26 high school  
& university students



## Green

### GREEN Fund

Caisse Financial Group prioritizes sustainable development and supports projects that preserve the environment through its GREEN Fund. Caisse donates \$5 to its GREEN fund when a member chooses to receive their statement online.

### Chalet La Perdrix in Notre Dame de Lourdes

Caisse Financial Group was proud to support the construction of the *La Perdrix Warm-Up Chalet* whose objective was to build a warming facility for winter sports enthusiasts who use recreational trails. Residents of all ages from Notre-Dame-de-Lourdes, Somerset and the surrounding area can now benefit from this important addition to their community.

## Communities in Need

### Donation to Ukraine

While Caisse typically focuses its support to local needs, we were deeply concerned with the devastating humanitarian crisis unfolding in Ukraine, and the severe global impacts, and so we donated to the Canadian Red Cross in support of the Ukrainian community.

### Habitat for Humanity

In the fall of 2022, we partnered with Habitat for Humanity Manitoba to help and support them in building houses. We had 10 employees, of varying skills levels, on site to lend a hand to help build affordable housing for people in need.

## Financial Literacy

### 'In the Know about Money'

The Financial Literacy Program 'In the Know about Money' features four themes, how to: budget, save, borrow and invest. Financial literacy programs are presented to students from grades 3 to 12 in partnership with CDEM and Junior Achievement Manitoba.





## Cultural

### **Festival du Voyageur**

Caisse Financial Group maintained its long-standing partnership by contributing to the celebration at Festival du Voyageur's 53<sup>rd</sup> edition, which looked a little different this year due to changing health restrictions. Thousands of festivalgoers visited the Parc du Voyageur which was presented by Caisse Financial Group.

### **Théâtre Cercle Molière (TCM)**

Once again, Caisse gladly supported Canada's oldest running theatre so that people of all ages experience francophone art and culture. In the spirit of doing things a little bit differently this year and given this year's health restrictions, TCM's fundraising event was transformed into an immersive experiences in TCM's four rooms.

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## Healthy Communities

### **Club Les Blés d'Or Lorette**

Caisse Financial Group is proud to financially support the Club Les Blés d'Or de Lorette in the renovation of their building. This club offers many programs for seniors, including meals for members of the community. It is an essential resource for the population of Lorette and surrounding areas.

### **Union nationale métisse Saint-Joseph du Manitoba**

Caisse proudly supported the «Back-to-Nature» Canoe Camp, organized by Union nationale métisse Saint-Joseph du Manitoba that provided a true «back-to-nature» experience to Métis youth in Manitoba.

### **Accueil francophone**

Caisse Financial Group proudly supported a wonderful initiative entitled 'Jumelage dans le Jardin', organized by Accueil francophone. Every Friday during the summer of 2022, Accueil francophone transformed its backyard into an outdoor performance space for the whole family. Their goal was to forge connections between Manitoba's newcomers and active members of the community by offering free programming and entertainment.

# Financial Reports



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BDO Canada LLP  
 201 Portage Avenue, 26<sup>th</sup> Floor  
 Winnipeg MB R3B 3K6 Canada

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## Report of the Independent Auditor on the Summary Consolidated Financial Statements

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To the members of Caisse Populaire Groupe Financier Ltée

### Opinion

The summary consolidated financial statements, which comprise the summary consolidated balance sheet as at September 30, 2022, and the summary consolidated statement of comprehensive income, and the summary consolidated statement of changes in members' equity for the year then ended, and related notes, are derived from the audited consolidated financial statements of Caisse Populaire Groupe Financier Ltée ("the Caisse") for the year ended September 30, 2022.

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the consolidated financial statements, in accordance with the criteria disclosed in Note 1.

### 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 Caisse's audited consolidated financial statements and the auditor's report thereon.

The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

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

We expressed an unqualified audit opinion on the audited consolidated financial statements in our report dated December 8, 2022.

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

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the criteria disclosed in Note 1.

### 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 Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

*BDO Canada LLP*

Chartered Professional Accountants


Winnipeg, Manitoba  
 December 8, 2022

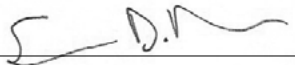


## Caisse Populaire Groupe Financier Ltée Summary Consolidated Balance Sheet

As at September 30	2022	2021
	\$	\$
<b>Assets</b>		
Funds on hand and on deposit	52,702,160	293,283,869
Other assets	8,599,465	5,964,785
Investments	261,988,724	39,136,413
Loans to members	1,636,199,196	1,497,682,027
Investment in associate	8,353,272	8,778,842
Derivative financial instruments	1,018,384	-
Property and equipment	14,004,108	14,315,226
Intangible assets	4,279,114	4,737,586
	<b>1,987,144,423</b>	<b>1,863,898,748</b>
<b>Liabilities and Members' Equity</b>		
Other liabilities	12,475,906	12,216,100
Securitized borrowings	92,306,776	42,660,720
Members' deposits	1,752,393,886	1,685,694,330
Members' shares	1,363,370	1,374,664
	<b>1,858,539,938</b>	<b>1,741,945,814</b>
<b>Members' Equity</b>		
Members' shares	8,283,787	8,591,952
Retained earnings	120,320,698	113,360,982
	<b>128,604,485</b>	<b>121,952,934</b>
	<b>1,987,144,423</b>	<b>1,863,898,748</b>

Approved on behalf of the Board of Directors:

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Director

The accompanying notes are an integral part of these summary consolidated financial statements.

## Caisse Populaire Groupe Financier Ltée

### Summary Consolidated Statement of Comprehensive Income

For the year ended September 30	2022	2021
	\$	\$
<b>Revenue</b>		
Interest from loans to members	<b>48,806,667</b>	46,535,875
Investment income	<b>7,159,112</b>	4,580,510
	<b>55,965,779</b>	51,116,385
<b>Cost of Funds</b>		
Interest paid to members	<b>23,359,697</b>	21,846,056
Interest on borrowings	<b>1,424,268</b>	1,184,114
	<b>24,783,965</b>	23,030,170
<b>Financial margin</b>	<b>31,181,814</b>	28,086,215
<b>Operating Expenses</b>		
Personnel	<b>16,695,999</b>	16,118,895
Administrative	<b>5,806,611</b>	5,277,588
Occupancy	<b>2,930,724</b>	2,879,999
Members' security	<b>1,629,036</b>	1,540,181
Organizational	<b>901,318</b>	672,850
<b>Gross operating expenses</b>	<b>27,963,688</b>	26,489,513
<b>Less other income</b>	<b>(7,091,533)</b>	(7,412,026)
<b>Net operating expenses</b>	<b>20,872,155</b>	19,077,487
<b>Net income before provision for impaired loans</b>	<b>10,309,659</b>	9,008,728
<b>Provision for impaired loans</b>	<b>500,000</b>	-
<b>Net income before income taxes and other item</b>	<b>9,809,659</b>	9,008,728
<b>Other Item</b>		
Share of loss in associate	<b>245,570</b>	17,909
Impairment charge on investment in associate	<b>180,000</b>	1,169,999
<b>Net income before income taxes</b>	<b>9,384,089</b>	7,820,820
<b>Provision for income taxes</b>	<b>2,424,373</b>	1,967,101
<b>Total comprehensive income for the year</b>	<b>6,959,716</b>	5,853,719

The accompanying notes are an integral part of these summary consolidated financial statements.

## Caisse Populaire Groupe Financier Ltée

### Summary Consolidated Statement of Changes in Members' Equity

For the year ended September 30, 2022

	Members' Shares	Retained Earnings	Total
	\$	\$	\$
Balance at September 30, 2020	8,884,304	107,507,263	116,391,567
Total comprehensive income for the year	-	5,853,719	5,853,719
Net redemption of members' shares	(239,576)	-	(239,576)
Transfer to liabilities	(52,776)	-	(52,776)
Balance at September 30, 2021	<b>8,591,952</b>	<b>113,360,982</b>	<b>121,952,934</b>
Total comprehensive income for the year	-	<b>6,959,716</b>	<b>6,959,716</b>
Net redemption of members' shares	<b>(319,459)</b>	-	<b>(319,459)</b>
Transfer from liabilities	<b>11,294</b>	-	<b>11,294</b>
Balance at September 30, 2022	<b>8,283,787</b>	<b>120,320,698</b>	<b>128,604,485</b>

#### Notes to Summary Consolidated Financial Statements

##### 1. Basis of Presentation of the Summary Consolidated Financial Statements

The summary presented includes only the summary consolidated balance sheet, summary consolidated statement of comprehensive income, and summary consolidated statement of changes in members' equity, and does not include the consolidated statement of cash flows or notes to the consolidated financial statements. The summary consolidated financial statements do not present the references to the notes to the consolidated financial statements. The summary consolidated balance sheet, summary consolidated statement of comprehensive income, and summary consolidated statement of changes in members' equity, are presented in the same detail as the audited consolidated financial statements, except that right-of-use assets have been grouped with other assets, and income tax payable, deferred income tax liability, lease liabilities and derivative financial instruments have been grouped with other liabilities.

Copies of the audited consolidated financial statements are available at [www.caisse.biz](http://www.caisse.biz) or at your local branch.

##### 2. Compliance with Minimum Capital and Liquidity Requirements


The Caisse is in compliance with the capital and liquidity reserve requirements at September 30, 2022 as established by the Deposit Guarantee Corporation of Manitoba in its Standards of Sound Business Practice.

Readers of the summary consolidated financial statements are advised that in order to appropriately interpret the Caisse's capital and liquidity compliance, the reader must refer to the audited consolidated financial statements including notes for the year ended September 30, 2022, which contain the information detailing the calculations.

St. Malo, Manitoba

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 Instagram: [@CaisseFinancialGroup](#)

 YouTube: [CaisseFG](#)

 LinkedIn: [Caisse Financial Group / Caisse Groupe Financier](#)

