



Christian Credit Union Ltd.

DIFFERENCE

Winter 2005



Edmonton Branch Grand Opening – December 7, 2004

During the week of December 6, Christian Credit Union celebrated the grand opening of its new Edmonton branch with tours, coffee, cake and giveaways. A formal ribbon cutting ceremony was held December 7, 2004 @ 10:30 am where we expressed thankfulness to our Heavenly Father for blessing this endeavor. Over 100 members witnessed the event.

The new Edmonton branch, located at 13504 – 142 Street NW, was constructed by Alpha Construction Inc. (Andrew Wolthuis) and designed by E. Mulder Design Services (Elaine Mulder). Other Credit Union members who helped out on the completion of the building were:

John Ludwig, Frisia Real Estate
Dick Meindersma, Polack Meindersma Liddell
Juri Lock, Terre Alta Surveys
Art Degner, Waiward Excavators Ltd.
Tony Vanderzyl, Done Rite Floors Ltd.
Hubert DeBruin, Alta Pro Electric
Corjan Buma, ACI Acoustical Consultants Inc.
John DeGraaf, Electrical Engineer
Allan Sonnema, Sonnema Concrete Services Ltd.
Heinen Brothers, Sunnyside Eavestroughing
Peter Leenheer, Leenheer Landscaping
Bill Godin, Godin Transport
Henry VanSteenbergen, Our Move Inc.

The construction was completed on the basis of a “fixed price” contract and even with a number of changes, the building came under budget with none of the contingency allowance used. Some seasonal items such as landscaping are yet to be completed. The total cost of the project for land, building, vault and security, design, computers, furnishings, and GST will amount to approximately \$2.5 million.



Members enjoying the event

Grand Opening Edmonton Branch



Peter Lindhout, General Manager, Mrs. Wierenga, Member #1, Wil Woudstra, President Board of Directors cut the ribbon. Other participants: Andrew Wolthuis, Alpha Construction Inc., General Contractor and Bill DeBoer, former Loans Manager.

The existing Edmonton branch was sold to China Alliance Press (Canada) Inc., a Christian book store that publishes and sells books locally in the Chinese languages and distributes books throughout Asia.

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General Manager's Message:



Peter Lindhout
General Manager

2004 Year in Review

Once again Christian Credit Union has been tremendously blessed by our Lord. We have enjoyed record financial results while at the same time entering a new stage of our development with a new building in Edmonton and ongoing growth in our Lethbridge branch. Assets of the Credit Union grew from \$65 million to over \$83 million, with deposits increasing 33.5%. This has all happened in conjunction with our award winning "Invest Where You Can Make a Difference" deposit campaign which emphasized the Credit Union involvement in the Reformed Christian Community, Profit Sharing and bonus rates. Our loan portfolio grew by 14%, leaving significant excess funds to be loaned out to our members in the coming year. We have now launched a \$10 Million loan sale.



Record profits (\$852,629 before Taxes and Allocations) resulted in record Profit Sharing of \$350,000. Members were rebated 7.5% on loans and mortgages, paid a 7.5% bonus on deposit interest, rebated 10% on service fees and paid 5% on common share balances. For members with over \$500 in common shares, 973 cheques were issued in the amount of \$267,655. Profit Sharing over the past 14 years has totaled over \$4 million...it pays to deal at your Credit Union.

Lethbridge Branch Update Our Lethbridge branch has grown to total assets of \$7 million, up from \$1 million one and one-half years ago, with a loan portfolio of \$5 million. We now serve 1,474 people operating 799 memberships in Lethbridge (we also have 6,750 people operating 3,991 memberships in Edmonton). This is considered to be excellent progress and we look forward to serving more people in the Lethbridge area.

The above numbers do not include our off-balance sheet items which totals about \$16 million in Ethical Funds® and Concentra Trust, formerly Co-operative Trust Company of Canada, business. This brings our total assets under administration to almost \$100 million.

We have a competent and willing staff in both branches which now numbers 15.8 full-time equivalent positions to serve our members. The relocation of the Edmonton branch will make our staff more efficient as they now have adequate space to meet with members. The new Edmonton building features plenty of room, adequate parking and full handicap access. The building is built to the standard set by the federal government's "Commercial Building Incentive Program", which means that the energy and resource consumption should be 25% better than normal. Although our former building has served us very well for 37 years, we had simply outgrown the building. We hope the new Edmonton branch will serve us well for many years.

All in all, we are very thankful and feel blessed. We wish our members the Lord's blessing in 2005.

Peter Lindhout
General Manager



Staff Profile: Grace Rietveld

Grace works as a Loans Officer in the Edmonton branch and started in May, 2003. She has twenty-three years of experience as a secretary, loans officer and bill collector with another financial institution and a private company. Grace indicates that she enjoys working in a Christian environment, meeting and helping members of the Credit Union.

Grace attends the Orthodox Reformed Church in Edmonton where she volunteers with the Boy's and Girl's Clubs. A gardener and avid collector of antiques, Grace and her husband Casey enjoy the solitude of acreage living and the wildlife that comes to visit them on their acreage east of Sherwood Park.

Thank you Grace for your positive attitude and your contributions to our Credit Union.

Annual Meetings

We are thankful that the Lord has blessed us with another successful year. We would like to share the results with our members at the following meetings:

Lethbridge Information Meeting

Coalhurst Community Hall
6:30 pm Banquet, 8:00 pm Business Meeting
Friday, February 18, 2005

Annual General Meeting

Location (Edmonton) to be announced
6:30 pm Banquet, 8:00 pm Annual General Meeting
Friday, February 25, 2005

On January 17, 2005, tickets for both banquets will be available on a first come, first serve basis from the branch offices.

2004 RRSP deadline March 1, 2005

Check out the different RRSP options available through Christian Credit Union. You are automatically pre-approved for a \$5,000 RRSP CreditLine to purchase your RRSP. Some terms and conditions apply and larger RRSP CreditLines are available subject to approval.



Edmonton Branch Grand Opening Highlights

1. Members enjoying the event
2. Gwen Rus wins door prize
3. Roy Schouten brings greetings from Edmonton Society for Christian Education
4. Our cozy new fireplace ("gezellig")



Did you know? ? ? ?

Christian Credit Union offers long term, less than 25% down mortgages through Concentra Trust. Credit Union members currently have over \$8 million outstanding in Concentra Trust mortgages. Concentra Trust, formerly known as Co-operative Trust Company of Canada, is a credit union owned company and valued partner of our Credit Union. Buying a house? -- check out Concentra Trust's great rates and some of the most attractive repayment features in the industry by contacting our lending staff.



\$10 Million Loan Sale

Christian Credit Union has money to lend for any worthwhile purpose and has launched an aggressive loan sale. Combined with the Credit Union's already competitive loan rates, loan discounts of up to 1% are available on all consumer loans. The more products and services you have at Christian Credit Union, the more you save. Loan sale ends February 28, 2005.

In addition to the \$10 Million Loan Sale, the Credit Union has revamped its personal line of credit. Personal lines of credit are available for "wherever your journey in life takes you" and can be set up to \$50,000 on approval of credit. We have also introduced a Student Line of Credit available for post-secondary students, which features no required principal payment until the student has finished school.

Check it out today by contacting our lending staff.

Update \$25,000 Rehoboth Challenge

Initially launched at the Christian Credit Union's Lethbridge Information meeting in February 2004, this unique fund raising event has already collected \$17,000 in private donations for Rehoboth Christian Ministries' greenhouse in Coaldale, Alberta. For every dollar raised, the Christian Credit Union has agreed to match the donation dollar for dollar to a maximum of \$25,000. To meet the \$25,000 challenge, donations can be made by contacting Rehoboth @ Stony Plain Administration Office (780) 963-4044 or Coaldale Program Office (403) 345-5199.

School Deposit Program Expands in Southern Alberta

Coaldale Canadian Reformed School and Providence Christian School (Monarch) have recently joined the School Deposit Program. Immanuel Christian Elementary and High Schools (Lethbridge) and Taber Christian School will be joining the Program beginning in 2005, bringing the total number of schools participating in this unique educational program to ten. This School Deposit Program encourages  (age 6 – 12) and  (age 13-19) members to save a \$1.00 per month per grade for 10 months while they are in school. Each month the savings goal is met, a \$.50 bonus is paid to a maximum of \$5.00 per year as well as regular account interest. For students who attend the Christian Schools that participate in the matching program, the Credit Union matches the bonus and pays that amount to the school. In addition, the school also earns \$5 for each new account opening. The Christian Credit Union would like to recognize **Alice Nicholson** and **Gerda Grisnich** for their work in setting up the new schools on the program.

Additional information on  and  accounts can be obtained by downloading a brochure at www.christiancu.ca – Services & Accounts – Deposit Products.

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Staff Notables

Jim Hummel, CFP, Business Development Officer and his wife Carol were blessed with an 8 lb 1 oz baby girl, Ainsley Willemien Hummel, on October 24, 2004. All are doing well. Jim has recently returned from a 6-week paternity leave. In order to focus on the growing financial planning and marketing activities of the Credit Union, Jim will no longer be part of the loan department. Over the next year, Jim's goal is to increase the life planning services available at the Christian Credit Union to meet the needs of members.

John Veldkamp has assumed full responsibility for lending services at the Christian Credit Union. His new title is Manager, Lending Services. In addition, John is the Corporate Counsel and Privacy Officer of the Credit Union. Congratulations John!



Nominations & Election of Board of Directors

Director Nominee Profiles

Six individuals have agreed to let their names stand as nominees for the Board of Directors of Christian Credit Union. Three positions are to be filled. Nominee profiles appear below.



Hubert DeBruin

Hubert is a master electrician and is the President and owner of Alta Pro Electric Ltd., the company that did the electrical work for the new Edmonton branch. Hubert and his wife Jeanette have 3 children and attend Immanuel Canadian Reformed Church. Hubert has previously served as deacon, administration committee member, and currently serves as Secretary of the Board of Parkland Immanuel Christian School. Hubert lists his strengths as his business experience and being a member of the school of hard knocks. Hubert has been a Credit Union member since 1987.



Tony Hoeksema

Tony is a journeyman floor-covering mechanic and is the owner of Top Notch Installations. Tony and his wife Jane have 4 children and attend Immanuel Canadian Reformed Church. Tony has previously served as an elder, deacon and School Board member of Parkland Immanuel Christian School. Tony lists his strengths as having knowledge of running a business and managing employees which have come from being self-employed for 28 years. Tony has been a Credit Union member since 1977.



Tony Vandermeer

Tony is a businessmen and owner of Integra Homes Ltd. & Willchare Properties Ltd. He is a past member of the Alberta Legislature, representing Edmonton Manning, from March 2001- November 2004. Tony and his wife Trish have 4 children and are members of Trinity Christian Reformed Church. Tony has been active in his church activities serving as cadet leader, prison fellowship volunteer, vice-president of Council, and president of deacons. His work as an MLA, included Chair of Capital Planning Initiative which prioritized all infrastructure and transportation projects, member of a number of committees including Standing Policy Committee on Justice and Government Services, River Valley Alliance, House Strategy for Members' Bills and Motions and City of Edmonton's Leadership Group on Climate Change. Tony indicates that his past experience on church council, running a business and being a member of the Alberta Legislature, provide him with experience and positive Christian leadership which he could bring to the Board of Christian Credit Union. Tony indicates that he has always enjoyed his working relationship with the Christian Credit Union and would be honored to serve if elected. Tony has been member the Credit Union since 1972.



Joyce VanEssen

Joyce works as a bookkeeper and office administrator for Kwestor Enterprises Ltd. Joyce and her husband John have 2 children and attend Trinity Christian Reformed Church. Joyce's volunteer activities include being a Sunday school teacher and canvasser for Alberta Heart & Lung Association and Alberta Cancer Association. Joyce lists her enthusiasm as a relatively new member of the Christian Credit Union as being a strength she would bring to the Board. Joyce indicates that her and her husband John have had only positive experiences since joining the Credit Union in 2001 and are proud to be members.



Henry VanSteenbergen

Henry is the owner and President of Legal Freight Services Ltd. and Our Move Inc. Henry and his wife Marj have 5 children and attend Trinity Christian Reformed Church. Henry previously served on the Credit Union Board for 6 years. Henry has served as a catechism teacher, elder, deacon, clerk and president of church council. Currently he is involved in jail ministry at the Edmonton Institution. Henry also serves on the Board of Directors of the Alberta Motor Transport Association. Henry lists his strengths as being his business experience, past experience on the Board and community involvement. Henry has been a Credit Union member since 1967.



Hilda VanVeen-Gritter

Dr. Hilda Gritter, M.D., is a pathologist and Divisional Director of Anatomical Pathology supervising approximately 40 full-time equivalent technical and support staff for Dynacare Kasper Laboratories. Hilda and her husband John have 3 children and attend St. Albert Canadian Reformed Church. Previous volunteer experience includes five months of general practice in Mkar, Nigeria with Christian Reformed World Missions in 1981. Hilda lists her strengths as experience in administration in the health care field with a larger company. Hilda has been a Credit Union member since 1992.

Elections will be conducted at the Edmonton and Lethbridge branches from January 17 - February 11, 2005. If you are unable to vote "in branch", a mail ballot may be requested in writing with your name, account number and signature, no later than January 21, 2005. Mail ballots must be postmarked no later than February 11, 2005.

Christian Credit Union is blessed to have an outstanding field of committed and active nominees. Thank you to the nominees for their willingness to contribute to the success of Christian Credit Union!

Community Involvement November 1, 2003 - October 31, 2004

These organizations benefited from cash or promotional items:

Calvin Christian School
Canadian Reformed Churches of Edmonton
Christian Reformed World Relief Committee
Cornerstone Counseling Centre
Fellowship Christian Reformed Church
Parkland Immanuel Christian School
Society for Christian Education in Southern Alberta

Canada Family Action Coalition
Children of Light
Citizens for Public Justice
Edmonton Christian Schools
King's University College
Providence Christian School
STARS Air Ambulance

Canadian Reformed Church mass choir
Christian Labour Association of Canada
Coaldale Canadian Reformed School
Emmanuel Home
Music for Children
Rehoboth Christian Ministries
Trinity Christian School

In addition, the Christian Credit Union provides loans to charities @ 1/2% below current mortgage rates. Loans to individuals who support these charities are granted a 2% below current consumer loan rates.

PLANNER'S CORNER

ELEVENTH HOUR PLANNING

Due to life's circumstances and sometimes procrastination, some of us delay planning for retirement until our early 50's. Here is a hypothetical example of Bob and Mary and how they are working towards achieving their life planning goal of having enough money to fund their retirement.

Jim Hummel, CFP



Bob and Mary are in their early fifties. They've spent the last 25 years raising 3 kids and paying down their mortgage, which they paid off last year. They had started a small savings plan several years ago, but it was drained by expenses that go along with family life – cars, home repairs, university tuition, etc. As their home is paid in full, they are asset rich. They thought that their financial concerns would be over once they paid off their mortgage, but they still seem to be living month-to-month focusing on eliminating credit card debt and upgrading their fridge and stove. They are concerned about not having saved any money for retirement – which is about 10 years away. Bob and Mary have no work pension plan. What can they do?

3 basic choices are available. Bob and Mary can try to build financial assets quickly through an investment program, they can work longer, thus postponing retirement and building a bigger nest egg, or they can decide to do with less during their golden years.

Let's examine all 3 options.

Choice #1: Build financial assets: Start Now!

The cornerstone of any financial plan is a cash flow statement, otherwise known as a budget. Bob and Mary listed all their monthly expenses. They determined that eliminating some discretionary items (eg. Bob had a habit of buying a large double-double coffee at Tim Horton's twice a day – by reducing it to once a day, they would save \$338 a year) and using the additional money they had been using to pay off their accumulated credit card debt and purchasing household items, they found \$700 a month. By putting away \$700 in a medium risk RRSP @ 6%, Bob and Mary should have \$114,715 in 10 years.

Another option for Bob & Mary to consider would be to borrow against their home equity to fund financial assets. This option, known as leveraging, increases their financial risk and the potential reward. Bob and Mary worked hard to pay off their mortgage, and have decided that incurring debt to save for retirement was not an option for them.

Choice #2: Retire later

Bob and Mary's dream was to retire in their early 60's and do some traveling. Bob works as a journeyman electrician and remains in good health. By postponing retirement to age 65 and maintaining a monthly purchase plan of \$700 for an additional 3 years (from 10 – 13 years) Bob and Mary would increase their nest egg to \$164,813 assuming a

6% return. To help out, Mary, a homemaker, has decided to work part-time in retail.

Bob and Mary have decided to take a 25th anniversary Panama cruise next winter. They reason that given their good health and interests, they should start traveling now rather than waiting for retirement. To help finance their vacations, they plan on using their tax refund of \$3,000 annually made possible due to their \$700 a month RRSP contribution.

Bob's job skills are very much in demand as the shortage of qualified trades' people is expected to continue. After age 65, the possibility exists for Bob to continue to work part time or do odd jobs. In fact, 41% of U.S. retiree's supplement their pension income with work income, with 14% of this group saying they will never retire according to the American Association of Retired People (AARP)

Choice #3: Doing with less

With the combination of government benefits (\$1,700) and drawing down their nest egg, Bob and Mary's projected income in retirement is expected to be \$2,300 a month. This does not include part time income that Bob may generate in retirement.

This amount will fall short of the suggested 70% of net income (income replacement ratio) that Bob currently makes. Bob and Mary realize that they may have to make some difficult financial choices in retirement by analyzing their needs and wants. For example, rather than spend 3 months in Hawaii each year, they could buy a travel van and have less expensive vacations. They also realize that as they age, they will probably spend less, however the cost of health care could more than off-set the decrease in expenditures.

Bob and Mary are also considering down-sizing or selling their home in retirement. The proceeds from the sale of their home could fund their retirement and any remaining balance could provide an estate for their children and favorite charities.

After analyzing all three choices, Bob and Mary have decided to put away \$700 a month into an RRSP, retire later if Bob maintains in good health and possibly do with less in retirement. Bob is also open to working part-time during retirement to supplement their income.

Eleventh hour life planning can be done – the key is to start now.



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