



NORTHERN
BIRCH
CREDIT UNION

2023 ANNUAL REPORT



NORTHERN BIRCH CREDIT UNION

We are strong

Architects of our own future

Trusting firm roots, building on our heritage

We are proud of what we have accomplished

And look forward to what the next generation will achieve

We are committed to your:

- *Financial strength and security*
- *Unique circumstances*
- *Dreams of financial growth*

A merger between Ontario Estonian and Latvian community credit unions, we are a combined 135 years strong. We listen to our members and adapt to your changing needs with new technology, products and member services. Even in challenging economic times, we stand with our members, helping you navigate towards financial well-being.

Liites kokku Eesti ja Läti ühispankade tegevuse, oleme lausa uhked 135 aastat vanad! Meiega võib alati arvestada. Anname endast parima, et jälgida oma liikmete soove, käies käsikäes uueneva tehnoloogiaga ning uute toodete ja teenuste sisseviimisega. Isegi majanduslikult rasketel aegadel oleme oma liikmete jaoks olemas, aidates finantskindluse tagamisel.

Apvienojoties Igaņu un Latviešu kredītsabiedrībām, kopā esam 135 gadus spēcīgi. Mēs uz klausām mūsu biedrus un pielāgojamies jūsu mainīgajām vajadzībām, ieviešot jaunas tehnoloģijas, produktus un pakalpojumus. Pat izaicinošos ekonomiskajos laikos mēs esam kopā ar saviem biedriem, palīdzot jums ceļā uz finansiālo labklājību.

Message from the Board Chair

Dear Northern Birch Credit Union Member,

In its fourth year of operations, NBCU is again reporting solid results: our financial position improved in 2023, and our credit union continues to outperform the sector on several metrics. We are in a strong position despite these times of change and economic uncertainty.

Credit unions are different from banks. Because they are member-owned, the financial well-being of its members is paramount and this comes through not only in better rates and higher deposit insurance, but also in the personal care that every member receives.

NBCU is your credit union. As a member, you can consider it as a part of your financial stability and security in these changing times.

This recommendation comes on good authority - again this year, NBCU received The Toronto Star Diamond Award for best credit union.

We work closely with members in financial difficulties, recognizing the hardship people are facing with rising interest rates and increases in the cost of living. And largely because of this, we have a solid community of borrowers with very low loan delinquency.

In the credit union sector, consolidation continues with now only 57 credit unions in Ontario. For all credit unions, the regulatory compliance burden continues to escalate and increased investment in technology is required to keep banking offerings current and to ensure robust cybersecurity.



Northern Birch Credit Union continues the legacy of the Latvian and Estonian Credit Unions which would have been 65 and 70 years old, respectively. That legacy is about putting members first and investing in the communities in which our members are active.

NBCU continues to support the communities of our members and this is the virtuous circle of banking with a credit union. So please pass on the credit union difference to your friends and family. Together we build and reinforce our supportive communities.

Part of this community is the hardworking staff and leadership at NBCU who, with their sensitive and knowledgeable guidance, put member needs first. Thanks go to every member of the NBCU team and especially to NBCU's President and CEO Anita Saar, who steadily and skillfully leads with excellence. Thanks also go to my fellow board members who dedicate their time to the governance and oversight of NBCU.

Thank you to every member of Northern Birch Credit Union, for making NBCU your financial institution of choice.



Ellen Valter
Board Chair

Message from the CEO

Dear members, armsad liikmed, cienījamie biedri,

It is with gratitude, that I mark this, the 4th year of our joint undertaking, Northern Birch Credit Union, and the 70th and 65th anniversaries respectively of our predecessors, the Estonian (Toronto) Credit Union and the Latvian Credit Union. This represents a surprisingly large portion of the 106 years since the declaration of independence in our heritage nations. Our credit unions came into being to provide mutual support to the new immigrant communities displaced from their homes due to war and aggression. By joining together, our members were able to get up on their feet financially.

The credit union has provided strength, stability, and the security of belonging to its members and communities over the years and continues to do so in the current turbulent and uncertain environment.

The credit union is financially strong, with a capital base of \$16.2m and assets near \$200m, and continues to return margins well above the credit union sector average. These make it possible to build out our expertise and service offering and support our members through financial challenges in the current economic environment. We remain focused on our promise to care for each and every member's unique financial needs and to support our communities.

You have told us we are getting it right. Northern Birch was again voted as the #1 credit union by Toronto Star Readers in their Readers' Choice Awards. At the end of 2023 we conducted an extensive member survey. Our member engagement scores are well above the big banks and other credit unions. Thank you for your support and appreciation! In our survey, members also highlighted areas where we can improve. We will use this feedback to do just that.

Our focus in 2023 was very much on people. We added a number of new staff members and built out our organizational structure and expertise to ensure optimum member service. Congratulations on their promotions to Baiba Auzāne, Kintija Palma-Kalvins, Madara Balode, Tiiu Bradley and Triina Kiillaspea!

Cybersecurity remains a top priority. Northern Birch implemented two factor authentication for online banking, making it more difficult for criminals to access your accounts. This will permit us to add enhancements such as higher e-transfer limits in 2024.

I would like to extend a big thank you to our members, for your support and engagement; to our dedicated and hard-working staff, many of whom have gone above and beyond during a challenging year of change; and to our board members, for their continued oversight and support.



Thank you! Aitäh! Paldies!

A handwritten signature in black ink that reads "Anita Saar".

Anita Saar
President & Chief
Executive Officer



Our Community Matters

We are delighted to support various groups and events annually, and we continually receive new requests for assistance within our communities. Throughout the year, some initiatives we have supported include:

Latvian Song and Dance Festival
 Latvian Sorority Aurora 90th Anniversary
 Ehatere Walkathon Fundraiser
 Nou Pois Äläud II Folk Dancing Retreat
 Sidrabene 70th Anniversary
 Tervete 60th Anniversary
 Tervete and Sidrabene Volleyball Tournaments

Estonian Music Week
 We the Nordic Independence Day
 Rahvajõulupuu Estonian Christmas Celebration
 Jõekäärü Volleyball Camp
 TEM (Toronto Estonian Men's Choir)
 Rajatara Building Project



Supporting Ukraine

As a Credit Union with Estonian and Latvian heritage, many of our members and their families have experienced firsthand the devastation caused by the Russian regime. In solidarity with Ukraine and its people's fight for independence, Northern Birch Credit Union donated \$2,000 to the Tartu University Foundation Scholarship Fund for Ukrainian refugee students, enabling them to continue their studies.

Supporting Our Youth

We take pride in supporting our young people by offering scholarships for post-secondary education and stipends for students attending local Estonian and Latvian schools. Additionally, we contribute to initiatives like ŠMIJ, dedicated to showcasing art by Latvian youth, and Seedrioru Suvihari, a fundraiser for a local Estonian summer camp. It's an honour to contribute to the ongoing growth of our communities.



Estonian Women's Folk Dancing

Music and dancing are core to our cultural heritage. The Estonian women's weekend dance retreat is just one of the ways we support continued enjoyment of our cultural traditions.

Northern Birch Credit Union Limited Summary Financial Statements for the Year Ended December 31, 2023

Statement of Financial Position

\$

Assets

Cash	4,064,135
Investments	20,088,887
Loans	165,376,854
Other assets	2,812,543
	192,342,419

Liabilities

Member deposits	173,233,381
Other liabilities	2,568,709
Member shares	126,380
	175,928,470

Members' Equity

Retained Earnings	12,348,084
Contributed Surplus	4,514,186
Accumulated other comprehensive loss	(448,321)
	16,413,949
	192,342,419

Statement of Income

\$

Interest Income	9,462,079
Interest Expense	3,839,086
Net Interest Income	5,622,993
Provision for loan losses	53,701
Net interest income after loan loss provisions	5,569,292
Other income	380,721
Operating Expenses	5,175,431
Income before income taxes	774,582
Taxes	112,825
Net Income	661,757
Other comprehensive income	218,794
Total comprehensive income	880,551

Northern Birch Community Roots Scholarship Recipients 2023

Congratulations to the recipients of the 2023 Northern Birch Credit Union Community Roots Scholarships!

There were 12 scholarships awarded to a dedicated group of students, all active in their local communities.

Northern Birch Credit Union is proud to offer scholarship opportunities for student members each year. These scholarships award active participation in the community, encouraging youth to stay connected to their roots and give back to the organizations around them.



BRONWYN PAJO

Bronwyn is a second-year student in the Sociology program at the University of Toronto. She has been involved in the Toronto and wider Canadian Estonian community her entire life, attending Jõekäärü Estonian summer camp for many summers as both a camper and later as a lifeguard. Bronwyn now participates in the Estonian Girl Guides as a guide leader.



COLE HUSZTI

Cole Huszti is in his 4th year of the Economics Program at Wilfrid Laurier University. He has been involved in the Toronto Estonian community through scouting, attending Estonian summer camp as both camper and counsellor as well as head lifeguard. Most recently Cole has become a member of Toronto Estonian Men's Choir, travelling to Estonia to sing in the song festival.



DANA GRIETIŅŠ

Dana is currently in her fourth year of the Concurrent Education program at Brock University. Dana is heavily involved in the Latvian community, specifically with her participation in the Latvian camp as a counsellor, committee member and chair. She was recently a committee member for the Sidrabene camp's 70th anniversary celebration and received the Daugavas Vanagi award on behalf of Sidrabene Camp. She is also in her 10th year participating in Latvian dance, now co-leading the new children's dance group.



ENELI MÖLDER

Eneli Mölder is in her 4th year of the Marine Biology Program at Dalhousie University. Eneli has been involved in the Toronto Estonian community since childhood, attending Girl Guides, Estonian Supplementary School and Kungla children's folk dance group. She also worked as a children's program coordinator at the Estonian Metsaülikool (Forest University) and received a Youth Ontario Volunteer Service Award for helping at EstDocs.



HELI PALLOP

Heli Pallop is in her first year of Creative Industries at Toronto Metropolitan University. She has been active in the Estonian community through her childhood, attending Suvekodu camp in Long Island for many years as a camper and now as a counsellor. This year Heli was Lead Organizer of Suvekodu camp's folk dance group at their performance at the Lakewood Estonian House.



INGMAR ERIK KIVILOO

Ingmar Kiviloo is in his second year of the Music Production and Songwriting program at Berklee College of Music in Boston. He is passionate about his music and has shared this with the broader Estonian community, performing as a violinist and singer at Seedrioru and Jõekäärü summer camps as well as at Tartu College, the Estonian House and Ehatare Estonian nursing home.



JOONAS ROOSE

Joonas Roose is in his 3rd year of the Economics program at Wilfrid Laurier University. Joonas has been involved with the Estonian community in Toronto since moving from Estonia as a child. He attended the Estonian Jõekäärü summer camp first as a camper and then a counsellor. Joonas has also joined the Estonian fraternity korp! Rotalia in Toronto.



KARLEY KOPPEL

Karley Koppel is in her 4th year of the Early Childhood Studies Program at Toronto Metropolitan University. Karley spent summers at the Estonian camp, Jõekäärü, and living with a family in Estonia. She is a member of the Estonian women's sorority korp! Amicitia.



LAAS KOLGA

Laas Kolga is in his first year studying to be an Aviation Technician in the Aircraft Maintenance program at Fanshawe College. He has been involved in the Estonian community since childhood, attending Estonian school, scouts and summer camps Jõekäärü and Kotkajärve, where he was a lifeguard this past summer. Laas has also participated in Kungla folk dancing and Estonian choir.



LIEF KOLGA

Lief is in his third year of the Criminal Justice and Public Policy program at the University of Guelph. He has been involved in the Estonian community all his life, through Estonian school, summer camp and scouts. During the last 4 summers, Lief has been working at Ehatare Estonian retirement and nursing home.



RUBY SÕRRA

Ruby Sõrra is a first-year student at Stanford University, where she received a scholarship to play beach volleyball. She has been involved in the Estonian community for many years, attending Estonian volleyball camp every summer and returning there this past summer to inspire young players.



TIANA TORA

Tiana Tora is a 4th year student at Carleton University pursuing a Bachelors of Computer Science, with a minor in Mathematics and a specialization in Mobile Computing. Tiana has been involved with the Latvian community throughout her life. She has participated in a multitude of Latvian summer camps across the US and Canada and has attended various Latvian school programs from kindergarten throughout high school. Tiana enjoys music and finds a particular connection to the Latvian community through playing the kokle, which she also assisted in teaching at the Latvian Saturday School.

Our Board



BOARD CHAIR:

Ellen Valter, LL.B.

VICE-CHAIR:

Ene Liis Palmer, LL.B.

CORPORATE SECRETARY:

Karin Ots, LL.B.

AUDIT COMMITTEE CHAIR:

Lea M. Kõiv, BComm, CPA, CMA, CA, CFP, TEP

DIRECTORS:

- Elo Kuutan, CHRL, CHRP
- Kuldar Lindvere, MBA, CFA
- Liene Kiršs
- Laila Jaunkalns, BComm, MGA, MBA
- Matti Jalakas, MBA, CA, CPA, CISA, PMP
- Mihkel Liik, P.Eng., MBA
- Peter Kaju, CPA, CGA, CIA, ICD.D



Our Team

Miina Billones - Manager, Member Experience

Baiba Auzāne - Manager, Member Service

Madara Balode - Member Service Supervisor

Tiiu Bradley - Member Service Supervisor

Kintija Palma-Kalvins - Senior Member Service Representative and Privacy & Complaints Officer

Ilze Maksīņa - Member Service Representative

Kersti Toomik - Member Service Representative

Siiri Naris - Member Service Representative

Triinu Lumi - Member Service Representative

Tuuli Saidani - Member Service Representative

Valdis Jevtejevs - Member Service Representative

Dārija Gulēns-Taube - Member Service Representative (Part-Time)

Hedy Läets - Member Service Representative (Part-Time)

Ilze Williamson - Member Service Representative (Part-Time)

Liivi Sermat Cooke - Member Service Representative (Part-Time)

Maret Oser-Tamm - Member Service Representative (Part-Time)

James Carter - Member Service Administrator

Alexia Marten - Branch Assistant

Heili Orav - Manager, Wealth & Estate Services

Baiba Reinfelde - Member Service Supervisor & Wealth Services

Liisa Keevallik - Manager, Retail Lending

Christopher Avakian - Loan Officer

Triina Kiillaspea - Loan Officer

Louis Christidis - Loan Officer

Elīza Ludiņa - Loan Administrator

Scott Lister - Manager, Commercial Lending

Wil Roache - Commercial Account Manager

Rooslan Mizan - Commercial Lending Administrator

Anita Saar - President & CEO

Priit Nikker - Director, Banking Operations

Emily Vanderkruk - Director, Finance & Administration

Tiiu Remmel - Manager, Organizational Development

Ingrid Kütt - Corporate Administrator & CAMLO

Tiina Martjak - Accounting Administrator

Ene Timmusk - Operations Specialist (Part-Time)

Māra Leja - Member Service Advisor

Tiina Rand - Marketing Specialist (Part-Time)

Ingrid Laar - Office & Projects Coordinator

Kristjan Voksepp - Systems Support Analyst



Latvian Centre Branch:

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Tartu College Branch:

310 Bloor Street West
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