



A DIVISION OF FIRST WEST CREDIT UNION



2010 Regional Report



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Valley First leadership team

Being local means having local leadership. The Valley First leadership team heads the Valley First Region of First West Credit Union, making local decisions for the good of the credit union's local members. Based at the Valley First regional office in Penticton, B.C., Valley First's leaders live and work in the communities Valley First serves. The Valley First leadership team is:

Paulette Rennie – President

Susan Archambault – Assistant Vice-President, Development and Support

Kathy Boxall – Assistant Vice-President, Operations

Angela Brown – Assistant Vice-President, Marketing

David Bushby – Vice-President, Banking and Insurance

Cheryl Croeze – Assistant Vice-President, Retail Banking

Roberta Fidalgo – Assistant Vice-President, Human Resources

Colin Fisher – Senior Manager, Accounting

Roger Houle – Assistant Vice-President, Commercial Banking

Jim Lamond – Vice-President, Credit

Gary Marks – Senior Manager, Facilities

Shelly Maurer – Senior Manager, Insurance Operations

Paul Skelhorne – Assistant Vice-President, Communications and Public Relations

Kevin Tom – Assistant Vice-President, Wealth Management

Rick Yew – Assistant Vice-President, IT Infrastructure



Welcome to Valley First

It's about being true to the things we believe.

It's about making a real difference in the financial lives of our members.

It's about building a network of like-minded credit unions with the size to [work big](#)
and the grassroots common sense to [work local](#).

Valley First is part of First West Credit Union, B.C.'s third-largest member-owned financial cooperative. Valley First works big with the strength, efficiency, diversification and stability of a larger financial institution. But unlike other big financial institutions, Valley First also works local with the same local uniqueness, local leadership, local governance, local decision-making and deep-rooted community connectedness you'd expect from a smaller credit union.

With First West, Valley First is charting a bold new course—preserving our local identity and unchanging values while creating a stronger, brighter, more successful future for the good of our members and the communities we serve.

[Come experience the Valley First difference.](#)



President's message



PAULETTE RENNIE

President, Valley First

president@valleyfirst.com

It's exciting, looking back on our first year as a division of First West Credit Union, to see just how full a year it was and how we were able to achieve far more than we ever thought possible.

Entering 2010, we were buoyed by the enthusiasm of being part of First West and primed to take advantage of the recovering economy. Although our members overwhelmingly supported the merger, some feared it would mean Valley First would disappear from the financial landscape. Far from it. Valley First is growing—and growing at a faster pace than many of our traditionally stronger competitors.

We have not only seen this growth on First West's balance sheet, we have also seen it in our enduring local presence and recognition. It's not uncommon these days to see Valley First mentioned in the local media, to see Valley First employees filling guest speaker roles at community and local industry functions or to see Valley First employees volunteering in community events. Our colours have never shone more brightly in this region than they do today.

Valley First's members have also felt the benefits of our continued growth. As you will read in this report, the merger gave us a strong, stable platform from which we could launch a number of new products and reach new members and markets.

An example? Many Canadians have expressed frustration with low savings interest rates. To ensure our members didn't share that frustration, we launched the prime-rate-linked PrimeTime GIC. The product was an unqualified success—members welcomed it enthusiastically. Can you blame them? They now receive not only one of highest rates of return in the market, they can rest assured their returns will continue to increase as the prime rate rises.

We also continued to demonstrate our commitment to our communities. In March 2010, we launched Feed the Valley, a unique community partnership tackling hunger in the Okanagan, Similkameen and Thompson valleys. The initiative has been embraced by Valley First's employees, members and communities.



As much as we grow, we will never forget
that making a real difference in the financial lives
of our members is why we are here.

In less than 12 months, it has raised more than \$150,000 and generated more than five tonnes of food donations to our local food banks. We look forward to even greater results in the future.

As proud as we are of our 2010 successes, we know it was just the start. We have even bigger plans for 2011.

Topping the list, we will increase our branch network by two and our insurance network by three offices. First, we will re-brand the Envision Financial credit union and insurance branch in West Kelowna, along with the former Envision-owned Don Stobbe Insurance in Kelowna. In a second phase, we will re-brand Simmons, Black & Emsland Insurance Services in Kamloops. We will also build and open a new branch in Kelowna's Rutland neighbourhood—an area that is growing rapidly and in which we see a lot of opportunity.

These are exciting moves; they give us the opportunity to reach new markets and provide greater choice in banking and insurance for both current and potential members.

We have another big year ahead and I welcome you to play an active part in our journey. Thank you to our staff members for their hard work and support, and thank you to our members for your continued loyalty and patronage. As much as we grow, we will never forget that making a real difference in the financial lives of our members is why we are here.

Sincerely,



Paulette Rennie
President, Valley First



Regional council chair's message

What if you could become part of something big, but still maintain a strong local focus? That's the idea behind the Valley First regional council.

Valley First became part of a larger organization in 2010 when it merged with Envision Financial to form First West. Our regional council guarantees that the interests of Valley First's members are heard and in fact, represented more strongly than before.

The regional council concept is unique to First West. All credit unions have elected boards; First West goes one step further by establishing regional councils to act as ambassadors for its local credit union regions, like Valley First.

Officially, we are a special committee of the First West board. Some of our members are First West directors; others are advisors. But like so many things in life, that official definition only scratches the surface of who we are and the value we bring.

Our primary mandate is to meet the unique needs and interests of Valley First's members, clients, employees and communities. In some ways this is easy because we are members and clients ourselves, and we live in Valley First communities. In other ways it is challenging because there are always perspectives different than our own. Our goal is to gather all of those viewpoints and ensure the First West board considers them as it charts its future course.

We also play an important community outreach role. You can expect to see our council members attending business events in your communities, or assisting with Valley First corporate citizenship events, such as Feed the Valley presentations.

Equally important is our role in identifying and recommending potential candidates for the First West board. A board of directors must continually incorporate

new ideas and new talents to remain relevant and effective. When we meet someone we feel has the right level of passion, the right skills and the right personal attributes, we make sure the First West nominations committee knows about it.

We also play a part in bringing business to Valley First. Many of us have contacts, built through our years of community service and employment, in fields as diverse as education, industrial technologies, construction, finance and law. When possible we use these connections to suggest development opportunities for Valley First.

Of course, none of this would be possible without having the right players. We were pleased that when the First West board conducted a mid-year process to reduce its size to make it more effective, reduce costs and achieve equal regional representation, the two directors who voluntarily resigned in the Valley First region chose to serve as regional council advisors. We will continue to benefit from the wisdom, insight and guidance Terry Flannigan and Peter Foodikoff bring to the regional council for years to come.

All of your regional council members—elected directors or appointed advisors—are committed to ensuring your interests are considered. If you have comments or concerns about the way our credit union is governed, please bring them to any regional council member or email them to governance@firstwestcu.ca. Only by getting involved can we make a difference.

Sincerely,



Larry Stevens

Valley First Regional Council Chair



Valley First regional council



Larry Stevens
Director
Regional Council
Chair



Paul Durose
Director
Regional Council
Vice-Chair



Terry Flannigan
Advisor



Peter Foodikoff
Advisor



Ramesh Rikhi
Director



Corporate citizenship report

A HELPING HAND FOR THE DREAM OF A LIFETIME

Valley First is a longtime supporter of continuing education, regularly donating to campus events and scholarship funds. Yet, the relationship is about much more than cutting cheques. It's about making a difference in students' lives—students like Woon-Hing Manning.

In early 2010, after 17 years of part-time study, Woon, a single mother and primary caregiver to her 82-year-old father, completed her bachelor of fine arts degree. The joy of graduation was cut cruelly short, however, when Woon was diagnosed with a rare and incurable form of cancer. Fear and uncertainty closed in and Woon wondered how she and her family would cope.

To help support her, Woon's friends quickly organized a 250-piece fundraising art show and auction consisting of Woon's own work and work from a number of other local artists.

A week before the event, with all of the artwork on hand, the only critical piece missing was a way to collect the funds raised. The big banks told organizers that credit card processing on such short notice was out of the question.

Not for Valley First. Our team sprang into action, making the event a top priority and working with our merchant services provider to make sure credit card processing would be available on-site and on time.

With a few favours called in and a commitment from Valley First to pick up the tab on any transaction fees, a merchant services account and credit card processing was set up in less than three days. The art show was a go—and a tremendous success. **In total, it raised more than \$15,000, all of which went to supporting Woon's family.**

Sadly, Woon passed away in early 2011. We sincerely hope that before her passing, she took comfort in knowing her friends had helped her family secure a brighter future.





\$
15
,000 raised



CORPORATE CITIZENSHIP HIGHLIGHTS

Valley First has a longstanding tradition of supporting charities, organizations and events in the communities we serve. Every year we distribute hundreds of thousands of dollars in donations, grants, bursaries, scholarships and gifts-in-kind to many worthwhile causes. Since our establishment more than 60 years ago, we have continued to forge lasting partnerships that allow us to contribute to the strength and sustainability of the communities we serve.

Sponsorships and donations

In 2010, Valley First sponsorships and donations totaled more than \$275,000 and supported more than 60 hospitals, schools, food banks, sports teams and events, and other community activities and projects. In addition, Valley First employees offered their expertise and time to these activities while we provided in-kind donations through the use of tents and contributions of promotional items for community events.

Scholarships and bursaries

Over the years, Valley First has become increasingly involved in supporting ongoing education; 2010 was no different. During the year, we provided more than

\$21,000 in scholarships and bursaries to graduating secondary, continuing education and university students in our local area.

Notably, the first scholarships from the \$100,000 Harley Biddlecombe Legacy Fund were presented to two Okanagan College students at the start of the 2010/2011 academic year. Harley, Valley First's longtime president and CEO who passed away in 2009, was passionate about the college and the pursuit of education and this fund serves as a fitting tribute to his memory.

Staff volunteerism and donations

Supported by our alternative work options program, volunteer days away from the workplace and other employee programs, members and communities also benefit from the hundreds of volunteer hours and personal donations our employees make. In 2010, employees donated more than \$11,000 to various charities for the privilege of dressing casually on payday Fridays. In addition, throughout the year, our employees volunteered more than 1,100 hours of their own time to support community events, organizations and sports teams.

See the inside back cover for a selection of Valley First's community partners in 2010.



Feed the Valley

The major focus of our corporate citizenship activities in 2010 was establishing and promoting our signature cause, Feed the Valley. Simply put, Feed the Valley's goal is to raise food, funds and awareness for food banks across Valley First's operating area. Establishing a signature cause allows us to administer our community funding on a more targeted and consistent basis, while continuing to support long-standing partnerships with other community organizations and events.

Feed the Valley is present in all Valley First branches and the big, blue Feed the Valley-branded grocery carts have become a regular feature at community events. Even more impressive is the way Feed the Valley has

been embraced by Valley First employees, members and community partners. Employees have signed up for payroll deduction in tremendous numbers and we have joined other organizations such as Save-On Foods, Wal-Mart and local rotary clubs to stage Feed the Valley events—some that are bound to become regular features on Valley First's fundraising calendar.

Since its launch in March, **Feed the Valley has helped raise more than \$150,000 and more than five tonnes of food donations.** And we are just getting started.

A number of Feed the Valley events are already penciled in for 2011 and the reach of this initiative is only going to spread.



Member report

HELPING MEMBERS GET BACK ON TRACK

Despite the improving economy, many Canadians were still feeling the pinch in 2010. Valley First members were not spared the pain and some struggled to meet their loan and mortgage obligations.

To help find solutions for members having difficulties making payments, we introduced the [Back on Track](#) program. Back on Track helps members who are experiencing temporary financial difficulties that may put their mortgages—and ultimately their homes—at risk.

Two such members were Rick and Jacquie. Having finished building their home in November 2007, they were comfortably making their loan payments; however, during the height of the economic downturn, they faced job losses.

“We both lost our jobs suddenly and then started to fall behind on our property tax payments,” says Jacquie. “This was a real concern for us as we had just built our home 18 months earlier.”

While Rick and Jacquie struggled unassisted for some time, working hard to keep up with their mortgage payments, they were happy when Valley First stepped in and helped them restructure their loan agreement.

“The Back on Track program assisted us in paying our property taxes,” says Jacquie. “This was a huge relief as we had worked very hard to maintain our mortgage, but we fell behind in our property tax payment. And, non-payment of our taxes could still have forced us to sell our dream home.

“We are grateful for the program and how it enabled us to knock our bills down. Valley First was there for us when we really needed them and for that we are forever grateful.”

At Valley First, we take pride in putting members’ best interest first. Through the proactive nature of the Back on Track program, [during 2010 we helped 24 members meet their financial obligations and keep their homes.](#)





24

members Back on Track



MEMBER HIGHLIGHTS

In 2010, Valley First remained firmly focused on members, responding to the ever-evolving financial environment with a number of new products and services designed to meet their changing needs. As a region of First West, we were also given the financial strength to introduce services we previously could not offer.

Commercial banking

Our new strength was noticeable in commercial banking, where we attracted a number of new business members with the introduction of services such as customer automated funds transfer technology.

With commercial real estate markets remaining soft, our commercial banking team continued to diversify its services and forge new relationships. In 2010, we launched the AgrilInvest account, formed a merchant services partnership with Moneris and packaged more than 100 new accounts with a local strata management group.

Retail banking

Early in the year, with interest rates remaining at historic lows, members saw few incentives or opportunities to build their savings. To boost retail deposits and give members the investment products they were looking for, we launched the PrimeTime GIC, then the primelink GIC.

These products, which set Valley First apart in the market, gave our members an attractive investment option with guaranteed returns. Better still, the interest rate was tied directly to the prime interest rate, so as interest rates increased, so too did members' returns.

Insurance services

Throughout the year, Valley First's insurance operations team continued its market consolidation project by transferring more than 8,000 insurance policies to fewer insurance carriers. By doing so, Valley First Insurance can provide its carriers with the business volume they require to be able to offer our members and clients a wide range of products at competitive premiums.

Credit

For the most part, the Valley First credit team operates silently in the background. However, in 2010 the team launched Back on Track, a program that sees our lenders proactively find solutions for members facing financial difficulties and put them back on track to financial health. Since Back on Track was launched in August, Valley First has tailored repayment schedules for a number of members, helping them keep their homes.

Wealth management

Despite the continuing low-rate environment and weak investor confidence, Valley First wealth management once again outperformed industry averages in almost all areas. Headlining the wealth management act was a doubling of earnings before interest and taxes. This was no easy feat, as results were built on the back of a dip in insurance policy sales and client numbers. These positive results demonstrate the quality of the relationships our wealth management team has with its clients and the ability to find investment solutions for all members.

Technology advancements

In 2010, Valley First was one of the first credit unions to launch smartphone banking. While many of our members had already embraced mobile banking, smartphone banking allows them full access to online banking from anywhere they receive cell reception.

Branch network

In October, Envision's Vintage Hills branch in West Kelowna and two Envision-owned insurance offices, Kelowna's Don Stobbe Insurance and Simmons, Black & Emsland in Kamloops, officially became part of the Valley First network. While a project to rebrand these locations with the Valley First name continues, our members will soon have more choice for meeting their banking and insurance needs and we will have a greater ability to reach new markets.



Employee report

EMPLOYEE HIGHLIGHTS

Any organization committed to member service will tell you how important it is have the right people in place. Valley First is no exception, and in 2010 we continued to build our team of experienced and passionate employees and leaders by promoting from within and bringing new talent on board.

We also continued to listen to our employees' needs and to develop programs and structures to ensure they remain motivated, engaged and committed to Valley First and our members.

Alternative work options

In 2010, 29 employees took advantage of our new alternative work options program. The program allows employees to restructure their work schedules through reduced or compressed work weeks and the use of flex time. Doing so helps employees better meet work and personal obligations and gives them additional time away from the office to pursue outside education and interests.

Growing career opportunities

Our merger with Envision Financial and continuing work to standardize work processes means employees can now pursue career development opportunities across regions. During the year, four Envision employees donned the Valley First colours to support their colleagues in the interior region. These employees had a chance to see firsthand how Valley First operates and built strong relationships with their new Valley First colleagues.

Employee recruitment

One important aspect of any employee program is ensuring the right people are in the right positions. To help attract the right people, Valley First launched a new careers website. The site simplifies the online application process by allowing potential employees to review postings, upload resumes and cover letters and be alerted to new postings that match their online profiles. Since the website was launched in March, 92 jobs have been posted and 1,652 people have created online profiles.

Branch restructuring

Another major employee project during 2010 was aligning the retail banking and insurance divisions. Early in the year, oversight for our nine Valley First Insurance branches was transferred to the Valley First regional managers. This alignment meant frontline insurance employees received greater coaching and support while the insurance operations team focused on improving back office efficiency.

Later in the year, we refined our branch organizational structure to support growth targets and develop a greater sales focus. The new structure will further enhance frontline coaching and support and help employees enhance the Valley First member experience.



MERGER PAVES THE WAY TO MORE CAREER OPPORTUNITIES

Following the merger with Envision, Valley First employees have greater choice when it comes to career development and advancement opportunities. Not only can they move into different positions at Valley First, but they can also transfer internally to Envision branches or offices.

One of the first Valley First employees to take advantage of these enhanced career opportunities was Rebecca Desjarlais. For three and a half years Rebecca worked part-time covering member service representative and receptionist roles at Valley First's Orchard Plaza branch in Kelowna. When the chance to move into a full-time service representative position at the Envision-branded Vintage Hills branch in West Kelowna came along, Rebecca jumped.

"I've dealt with Envision before, so joining the Vintage Hills branch sounded like a really interesting opportunity," says Rebecca. "I was excited about joining the branch, but also nervous. Starting a new job is always a little intimidating, but it was comforting to know **Valley First and Envision have such similar values.**"

While Rebecca is currently familiarizing herself with Envision systems and processes, her Valley First experience will be a great asset when Vintage Hills becomes a Valley First-branded branch later in 2011. In fact, she will be one of the few employees from Valley First and Envision who will have experience working with two different systems.

"Switching branches has been a big change," Rebecca says. "But having experience with both Envision and Valley First will give me a really well-rounded view of the organization and where we are heading. It was tough going learning a new system, but it will be beneficial in the long run."

One thing Rebecca does know is that while she is working with new colleagues in a new branch, the ultimate goal will be the same: **delivering exceptional member service.**





#

**goal: exceptional
member service**



First West Foundation report

It's a well known fact: Valley First has a proud tradition of giving back to the communities it serves. When Valley First merged with Envision Financial to create First West in 2010, the organization advanced this tradition in an exciting new way—creating a \$1-million endowment fund called the Valley First Community Endowment.

In keeping with Valley First's signature cause Feed the Valley, the Valley First Community Endowment will generate annual funding for organizations that run food-related programs for at-risk children, youth and families in the communities Valley First serves. The endowment is administered by the First West Foundation—a charitable organization originally established in 1996 as the Delta Credit Union Charitable Foundation (and later the Envision Credit Union Charitable Foundation) to support worthwhile local initiatives that enhance the quality of life in the communities the credit union serves. This year the Foundation adopted a new structure and changed its name to the First West Foundation, reflecting Valley First's involvement and the creation of the Valley First Community Endowment. Thanks to Valley First, the First West Foundation now reaches communities throughout B.C.'s Thompson, Okanagan and Similkameen regions.

The Valley First Community Endowment complements a similar fund in the Envision region that has provided more than \$1.6 million in community grants since 1996. The creation of the Valley First endowment will ensure the Foundation, which will hold the endowment as an enduring gift and distribute only the interest earned as grants, is able to meet the needs of all of the communities served by First West.

In early 2011, eligible organizations will be able to apply for the inaugural Valley First endowment grants. Applications will be reviewed by the Valley First Community Endowment Committee and the first grants will be distributed later in the year.

Contributions from credit union members and the broader community are welcome to help grow the Valley First Community Endowment and increase the fund's ability to support worthwhile causes. As the Valley First endowment is administered by the First West Foundation, 100 per cent of donations go directly to the endowment fund.

In the spring of 2010, the Foundation launched a new website: www.firstwestfoundation.ca. For more information on the First West Foundation and the Valley First Community Endowment, please visit us online and see what's happening as we look ahead to a promising year in 2011.



A selection of Valley First's community partners in 2010

Donations

South

- Be An Angel Foundation
- Business Gives Back
- Communities for Kids - 6th annual parent conference
- Community Foundation comedy night
- St. John Ambulance Service
- OSNS Evergreen Ball
- OSNS: Try a Sport 2010
- Penticton Salvation Army - Extreme Weather Program
- Share the Spirit
- South Okanagan Women in Need Society

Sponsorships

- Community Foundation South Okanagan
- Hall of Fame Classic Hockey Game
- Keremeos Elks Rodeo
- Nature Trust of B.C. Sponsorship
- Okanagan Wine Festival
- Peach City Tees up for Cancer
- Penticton & Wine Country Chamber of Commerce
- Penticton Curling Club
- Penticton Lakeside/Canada Day Fireworks
- Penticton Peach Festival
- Princeton Ambassador Program
- Princeton Posse
- Princeton Rotary Golf Tournament
- Rotary Club Wheels Car Show
- Similkameen Sizzle
- Similkameen Wineries Association Membership
- SOYSA
- Survivorship Dragon Boat

Central

- Be An Angel Foundation
- Canadian Cancer Society
- Okanagan Sun Football
- Spread the Net
- UBCO Meal Share
- United Way T-shirts

- Hope for the Nations
- Okanagan Sun Golf Tournament
- UBC Okanagan Athletics Scholarship Breakfast
- United Way Charity Classic

North

- Vernon Riding Club

- Armstrong & District Curling Club
- Big Bang/Kickstart
- Downtown Vernon Association
- Falkland Stampede Association
- JCI Hospital Gala
- Kamloops Business Improvement Association
- "Lights in the Night" Reinin in the Sun
- Lumby & District Chamber of Commerce
- Reinin in the Sun
- TRU Kick off
- Vernon & District Performing Arts Centre sponsorship
- Vernon Pony Club



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