

# CREDIT COMMITTEE REPORT

## 70TH ANNUAL GENERAL MEETING

### MAY 24, 2019

Good evening invited guests, management and staff of Saint Martin's credit union, fellow joint officers and most especially members of the credit union. Today is a wonderful occasion because we are all here as a family of credit union brothers and sisters. What a great feeling it is to belong to a unique group of member-owners and this is what sets us apart from any other financial institution.

Yes we are different from other financial institutions; however we may want to be reminded of one of the things which make us different. It is our consistent saving and loan payments which keep us in good standing for loans at the credit union. When we allow our loan to go into arrears, we reduce our chances of getting another loan and chances of achieving our life goals. The beautiful thing about our credit union family is that after three consecutive payments, we can qualify for another loan. Bear in mind that a guarantor may be needed to help us out in the event that we default in payments. It is clear that members' saving and payment practices affect the growth of our credit union.

Let us now look at the 2018-2019 loan approval, disapproval and disbursement record. The credit union approved loans for education, home improvement, vehicle/repairs, construction, medical/dental, business investment, land/house purchase, Christmas/Easter, travel/vacation, house goods, personal and farming. During the year 2018-2019, a total of 9,405 out of 9657 loan were approved. Among the top loans approved, \$5,371,643 was approved for personal purposes, \$1,693,526 for vehicle and repair, \$1,622,609 for construction, \$1,323,401 for home improvement and \$935,294 for education. Please refer to table for figures which show the different amounts disbursed for the other loans. A grand total of \$13,443,804 was approved and disbursed.

When loans come to the Credit Committee, they are reviewed and all recommendations presented by loans officers are taken into consideration. Sometime applicants do not qualify for loans for a certain period of time and this may be because their present loans are in arrears or their Debt Service Ratio (DSR) is too high which may indicate that the member is overcommitted and may not be able to service the loan. Loans which are risky among other factors like high exposures for over the counter payments may also be reasons for disapproval of loans. The Credit Committee practices fairness, and transparency in an effort to safeguard your money; therefore, bad loans are avoided from the start because we do not want to create a delinquent loan. Remember the credit union is there to serve you, so please make sure you go in or call to ask any questions which may help clarify misconceptions.

At this point, I wish to thank the General Manager and Staff of St. Martin's Credit Union and Joint Officers who assisted us in our job as Credit Committee members. Our third year is now up and we thank you for the trust you had in us to serve you. I thank the other Committee members- Mr. Andy Bahadur and Mr. Manuel Medina for the countless hours of service which they have selflessly given to our Credit union. Have a good evening.

#### **Credit Committee**

**Santos Tesecum** *(Chairperson)*

**Andy Bahadur** *(Member)*

**Manuel Medina** *(Member)*

## SAINT MARTIN'S CREDIT UNION LOAN APPLICATIONS TO CREDIT COMMITTEE 2018-2019

Sector	No. of Loan Requested	No. of Loan Approved	Amt of Loan Requested	Amt of Loan Approved	Total Loan Disbursed	%
Personal	4,691	4,652	5,606,944	5,371,643	5,371,643	40.0%
Education	1,099	1,074	1,028,634	935,294	935,294	7.0%
Home Improvement	837	810	1,493,601	1,323,401	1,323,401	9.8%
Vehicle/Repairs	937	893	1,948,026	1,693,526	1,693,526	12.6%
Construction	692	665	1,987,009	1,622,609	1,622,609	12.1%
Business Investment	440	405	1,132,763	867,040	867,040	6.4%
Land/House Purchase	151	141	503,144	391,319	391,319	2.9%
Christmas/Easter	343	310	754,497	648,197	648,197	4.8%
Travel/Vacation	73	68	122,657	111,557	111,557	0.8%
Housegoods	303	299	374,119	365,119	365,119	2.7%
Farming	91	88	129,099	114,099	114,099	0.8%
<b>Total</b>	<b>9,657</b>	<b>9405</b>	<b>15,080,492</b>	<b>13,443,804</b>	<b>13,443,804</b>	

**Note:** Total loans disbursed include loans approved in financial year 2017-2018.

### LOANS DISBURSED 2018-2019

