

## **SAINT MARTIN'S CREDIT UNION MINUTES OF THE 58<sup>TH</sup> ANNUAL GENERAL MEETING**

Date: May 25th 2007

Venue: Macal River Park, San Ignacio, Cayo

Present: All Joint Officers except Mr. Jose Mendoza and Mr. Domingo Pacheco

MC: For the occasion was Ms. Christina Velasquez

The President Dr. John Morris called the meeting to order at 6:30 pm. The National Anthem was played and sung with Flute Recorder by Bishop Martin R.C Elementary School. The welcome address was delivered by the Vice-President Mrs. Irma Sanchez. She emphasized that the Credit Union was truly a vessel where "people help people" and that it was important for the leaders to get to know people as individuals and not just as members and that we must also learn to appreciate the diversity of ideas, cultural as well as generational. She challenged every member to invite a friend to join the Credit Union so that the union can grow.

The minutes of the 57<sup>th</sup> AGM was read by Mr. Manuel Medina since the Secretary of the Board Mr. Jose Mendoza was not present.

Matters Arising from the minutes was done by the President and the Confirmation of the Minutes was accepted by Mr. Theodore Lennon, and seconded by Mr. Clemente Cruz.

### **The Reports of the various committees then followed.**

*The President of the Board of Directors, Dr. John Morris delivered the BOD Report for the year commencing April 1<sup>st</sup> 2006 to March 31<sup>st</sup> 2007. He commenced by welcoming invited guests from the Central Bank of Belize, Belize Credit Union League, Toledo Teachers Credit Union, La Inmaculada Credit Union and from our sister Credit Union Mount Carmel. The President noted that we had another successful financial year especially given the competition from local banks and a sluggish and under-performing economy which barely recorded a 2-3% growth in real GDP. Highlights of the year included the completion of a parking lot, a successful computerization system, and very low delinquency rate, significant increase in interest income, and increases in loans assistance for education and the establishment of health benefits plus a collective bargaining agreement with the Christian Workers union for our staff.*

The President noted that the this financial year had seen positive asset growth of over 8% and more than five hundred new members opened accounts this year. The shares growth was 15.9% which the President attributed to the strength and respect the community has for St. Martin Credit Union as a financial institution. He also indicated that SMCU recorded an increase in operating income of 8.35 % but this was offset by an increase in expenditures because we had to purchase additional computer equipment and CUMIS

software, and also the increase in staff benefits costs. Another major increase was CUNA insurance costs which had risen by over 10%.

The President highlighted several activities that St. Martin Credit Union accomplished over the past year. The loan portfolio for education was increased by 20% to satisfy local demand; several thousand dollars was given in aid to high school students in the area and this year a loan program was implemented with Sacred Heart Junior College to provide loans for sixth form students. Agreements were also made with the European Union Belize Rural Development Project to provide funds for small and micro enterprise businesses.

One of the areas where we have made a significant investment acknowledged the President has been with our staff. Salary adjustments with respect to inflation and a better appraisal system were implemented. The Board of Directors also supported the unionization of the staff by agreeing to a collective bargaining agreement. Additional training sessions in computers time management and communications skills were implemented.

The President noted that his involvement in the BCUL has yielded positive results such as an increased advocacy on behalf of our Credit Union in matters related to governance, access to micro-financing and self insurance. Two significant achievements were getting HRCU to rejoin the League and lobbying the Government of Belize to pass Statutory Instrument that exempts Credit Union from certain taxes.

He noted that we did not achieve the ten million mark in assets but that we were close at \$9,885,000 and that definitely we would surpass this next year. The President commented that we are above our liquidity requirements (over \$1,000,000 in liquid reserves) and that the Credit Union was doing well but he also cautioned that the financial scandals and corruption in our society and government has resulted in the poor getting poorer and the rich getting richer and that we at St. Martin Credit Union had to ensure that this type of malignant disease does not befall our Credit Union. To this effect he said that new By-Laws and new Credit Policies were put in place to ensure transparency and to stem delinquency.

The President congratulated his fellow Board Officers, especially Mr. Raymond Tzul and Mrs. Irma Sanchez for their high level of professionalism and hard work, and also Mr. Stanley Habet and Mr. Doroteo Balan from the Credit Committee for doing their best in the face of adversity. He also urged all who accept to volunteer as officers to do so with the idea that service to the Credit Union is one of dedication, hard work and sacrifice with no returns except the satisfaction of a job done well.

The President congratulated Mr. Ronald Hulse on his dedication to St Martin Credit Union and noted that his hard work was rewarded by him winning the General Manager of the Year award at the annual Belize Credit Union League Convention. The President also thanked the staff for their performance this year and urged them to keep up the good

work. Finally he thanked the membership for supporting and believing in their Credit Union.

*The Report of the Credit Committee was given by Mr. Doroteo Balan (Chairman of the Credit Committee.* Mr. Balan said that his committee met on a bi-weekly basis to review and approve loans. For the fiscal year a total of 3,024 loan applications were received by the Credit Committee of which 2730 were approved. This amounts to dollar totals of \$4,971,356.00. A total of \$4,634,311.00 has been disbursed representing an astounding 93 percent disbursement rate. The Chairman noted that House Construction and Education loans are the highest in demand. To this effect a new student loan program was initiated with Sacred Heart Junior College to provide affordable educational loans for sixth form students

Mr. Balan also noted that the Loan Portfolios such as Social Security Housing Scheme, Small Mortgage Program, Small Micro Enterprise Program. Student Loan Program was functioning tremendously well and the reflows are being utilized as a revolving fund. He credited the good loan policies in keeping the delinquency down to a manageable 4-5 %. Finally he lamented that one of his officers in the Credit Committee could not attend meetings on a regular basis due to other personal commitments but that he got 100% from Mr. Stanley Habet, his other Credit Committee member. Finally he thanked the Board of Directors, General Manager, Staff and general membership for their patience and support.

*The Report of the Supervisory Committee was given by Mr. Rene Torres, (Chairman of the Supervisory Committee.* As the ‘**Watch Dogs**’ of the St. Martin Credit Union Mr. Rene Torres thanked the general membership for entrusting his committee with such as privilege. In executing their responsibilities the Supervisory Committee regularly visited the Credit Union to conduct on the spot audits on all books records and accounts. They are confident in reporting that the records presented reveal an accurate picture of the financial growth of St. Martin Credit Union.

The Chairman noted that 517 new accounts were opened while 77 accounts were closed and that shares increased from \$5,728,556 to \$6,636,884. This is an increase of 15.85% for the year 2006-2007. Mr. Torres noted that both the Board of Directors and the Credit Committee maintained a high level of professionalism in carrying out their duties and responsibilities and that the management of the Credit Union was efficient. The Supervisory Committee also examined the Passbooks and urged members to be vigilant in keeping their passbooks updated. The Supervisory Committee extended a sincere thanks and appreciation to the staff and manager in facilitating them whenever they visited the Credit Union.

*The Treasurer Report was given by Mr. Raymond Tzul (Treasurer Board of Directors).* He reported that Total Assets grew by 8.4% and now stands at almost ten million dollars. Membership shares grew by 15.9% which is an increase of almost a million dollars. This growth is indicative of our member’s commitment to saving. On the Balance Sheet the Treasurer reported that the Loans Receivable Portfolio stood at \$7.5 million dollars, a

conservative growth of 3.4%. Our Investment Portfolio however increased dramatically by 46.1% to almost 1.17 million. Our Long Term Liabilities showed a decrease of 12.6 % and now stands at 1.8 million dollars.

The Treasurer urged the members to continue following our Credit Union Motto of saving regularly, borrowing wisely, and repaying promptly. This is even more important today because the Credit Union by law mandated through the Central Bank must now make provision for a Loan Loss Reserve. This money comes out of our operating income and will affect how much dividends can be declared; hence we must have good operating loans that are not delinquent.

Mr. Tzul also showed that the total income for the year was \$877,299, which was a modest increase of 8.4%. The largest increases in generated income were from Service charges, (46.5%), Investment Income (31.6%) and Interest Income (12%). Expenses for 2006-2007 totaled \$451,727, an increase of 9.67% from last year. This increase was due mostly to Staff benefits and computer network expenses.

One of the highlights of a better fiscal management for the Credit Union according to the Treasurer was bringing online a Projection of Income and Expenses for the financial year. This tool allowed us to budget our expenses and make any necessary adjustments. CUMIS our management information system came fully online and so we have been able to generate up-to-date-reports that allow us to make more and better informed decisions for our Credit Union thereby increasing the organization financial viability.

The Treasurer commended the General Manager and Staff for an excellent job done and thanked the membership for giving him the confidence to serve in his capacity as Treasurer.

***There was a musical interlude done by Mr. Henry Galvez of St Andrews School.***

### **Discussion of Reports:**

The President, Dr. John Morris conducted the Discussion and Acceptance of Reports. This involved questions, concerns and acceptance of the various reports.

Mr. Theodore Lennon asked how soon SMCU will get an ATM. The President noted that the BCUL was working on a package to integrate all Credit Unions with similar ATM's so that if a member of St. Martin visited Toledo Teachers Credit Union they could also access their funds.

Ramon Carcamo Jr. expressed dissatisfaction at the \$10.00 service fee levied on delinquent members who had to be notified by mail. The President noted that this is standard procedure by all financial institutions as it becomes costly to hire out a Collection Agency to recover delinquent loans and members should not be delinquent anyways.

Les Johnson was concerned about where St. Martins place their deposits and savings. The President noted that we have several Term Deposits with different banks and other saving institutions.

Clemente Cruz said booklet was too long and perhaps should be given out a week before the AGM.

**Confirmation of Reports:** Mrs. Francisca Wellington moved that reports be accepted as presented seconded by Mrs. Quiterio

**Declaration of Dividends:** The Treasurer declared dividends of **4.5%** and commented that this percentage was of significant value because of all that was accomplished by the Credit Union in the year 2006-2007.

Mrs. Nelida Sabido and Mrs. Maureen Reyes staff members of St. Martin Credit Union presented Mrs. Irma Sanchez with a gift of appreciation for all the hard work she had accomplished on behalf of the staff of St. Martin's Credit Union.

**Resolutions passed:** Signing of Collective Agreement with Christian Workers Union

Bye-Laws accepted

The Family Indemnity Plan was adjourned until next year so as to give members an opportunity to study it.

**Election of Officers:** The Joint Officers was dissolved and Ms. Angela Reneau of the Central Bank proceeded with carrying out the election of officers for the year 2007-2008. Elected to serve were:

*Board of Directors:* Dr. John Morris  
Mrs. Irma Sanchez  
Mr. Raymond Tzul  
Mr. Ian Segura  
Mr. Rene Torres

*Credit Committee:* Mr. Stanley Habet  
Mr. Doroteo Balan  
Mr. Manuel Medina

*Supervisory Committee:* Mrs. Fatima Morris  
Mr. Clemente Cruz  
Mr. Robert Hurley

A number of Raffles took place during the AGM and the winners were:

**Anthony Hulse:** Winner of Early Bird (\$300.00) Ticket #895731

<b>Myra Herrera:</b>	Rice Cooker	Ticket # 06695
<b>Tania Hulse:</b>	One Fan	Ticket # 066946
<b>Petrona Thompson:</b>	\$25.00	Ticket #067020
<b>Victor Balan:</b>	One Fan	Ticket # 066988
<b>Christina Velasquez:</b>	\$25.00	Ticket # 066888
<b>Hamid Martinez:</b>	Cell Phone	Ticket # 066957
<b>Errin Aldana</b>	\$50.00	

**Approval of Auditor:** Baker Tilly Hulse was approved as the auditor for the next financial year.

The 58<sup>th</sup> Annual General Meeting of St. Martin Credit Union came to a close as the General Manager Mr. Ronald Hulse gave thanks to all who participated and helped to make this meeting a wonderful success. The meeting was adjourned by Mr. Theodore Lennon and Ms. Laura Jones.

Refreshment and Food was served.

Respectfully yours  
Dr. John Morris  
President, BOD  
St. Martin's Credit Union