

MINUTES OF
**THE 71ST ANNUAL
GENERAL MEETING**



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Held on Saturday, April 27, 2019, simultaneously at the Centre of Excellence, Macoya, Trinidad and the Scarborough Library Facility, Scarborough, Tobago facilitated through the linking of the two venues employing video conferencing technology.

1. INTRODUCTION

- 1.1 The meeting commenced at 1:15 p.m., and the Convener and Vice President, Mr. Emmanuel Walker, welcomed everyone. He noted that, through video conference, the meeting was being held at two venues simultaneously, one being at the Centre of Excellence, Macoya, Trinidad (the Trinidad Venue) and the other at the Scarborough Library Facility, Scarborough, Tobago (the Tobago Venue). He invited those in attendance to stand for the playing of the National Anthem and the recitation of the Credit Union Prayer.
- 1.2 Reverend Clifford Rawlins conducted the invocation and thereafter one minute of silence was observed for those members who departed this life since the date of the last Annual General Meeting (AGM).
- 1.3 Thereafter, the Secretary, Mr. Martin Gibbs, was invited to read the Notice convening the meeting.

2. NOTICE OF MEETING AND ADOPTION OF STANDING ORDERS

- 2.1 The Secretary read the Notice convening the meeting and reported that notice was duly given and that a quorum being present, the meeting was duly constituted and could proceed to business. Members were reminded of the recent amendment to the Bye-Laws whereby a quorum for the meeting was increased to two hundred (200) persons. At this point, four hundred and ten (410) members were present at the meeting with there being three hundred and fifty-three (353) members present at the Trinidad Venue and fifty-seven (57) at the Tobago Venue.
- 2.2 The Standing Orders were duly adopted by the meeting on a motion of Ms. Erica Charles and seconded by Mr. Kingsley Hinkson. The motion was put to the vote and carried.
- 2.3 The Secretary asked members to note the contents of the Errata Sheet, after which they duly agreed to a proposal for the 2018 Annual Report to be taken as read.

3. PRESIDENT'S ADDRESS

- 3.1 The Chairman, Mr. Martin Minguell, took the Chair and greeted everyone. He asked members to note his address that was printed on pages 7 and 8 of the Annual Report.
- 3.2 With respect to the Annual Report, he referred to the Errata Sheet and advised as follows:
 - In the Notice of Meeting, the following amendments were proposed:
 - In Item 3, the date "March 19" should be replaced with "March 24";
 - In Item 6, replace the words "70th Annual General Meeting" with the words "General Meetings".

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- In Table 7 on page 48 of the Annual Report:
 - the figure “\$3,344,483” recorded for Investment Income for 2016 should be replaced with “\$3,586,648”;
 - the figure “\$1,793,649” recorded for Other Income for 2016 should be replaced with “\$1,551,483”, and
 - the figure “\$27,657,779” recorded for Total Expenses for 2016 should be replaced with “\$27,070,065”.

- 3.3 In addition to the Errata Sheet, the following other suggestions for amendment were acknowledged:
- Replace, on the Balance Sheet on page 79, the head “LIABILITIES AND MEMBERS’ EQUITY” with “LIABILITIES AND INSTITUTIONAL CAPITAL”;
 - Under the head “Total Liabilities” on the Balance Sheet, delete the lower case “s” at the end of “Reserve Funds” and “Education Funds”;
 - In terms of the Budgeted figures for 2018, the figure for Total Income should be \$49,685,737 and not \$49,766,984.

- 3.4 The meeting agreed to the above amendments proposed for the Annual Report.

4. CONFIRMATION OF MINUTES OF:

THE 70TH ANNUAL GENERAL MEETING HELD ON THE 24TH MARCH, 2018

- 4.1 The minutes of the 70th AGM were tabled for the consideration of meeting. The meeting confirmed the above minutes after a motion of Ms. Margaret Ashby, a Retiree, which was seconded by Mr. Dave Williams, also a Retiree, without any amendments.

RECONVENED 70TH ANNUAL GENERAL MEETING HELD ON THE 19TH APRIL, 2018

- 4.2 The minutes of the Reconvened 70th Annual General Meeting were tabled for the consideration of the meeting. Members confirmed the above minutes without any amendments after a motion of Ms. Donnis Bourne of the Ministry of Education which was seconded by Ms. Margaret Ashby, a Retiree.

1ST SPECIAL MEETING HELD ON THE 23RD AUGUST, 2018

- 4.3 The minutes of the above Special Meeting were tabled for the consideration of the members. The members confirmed the above minutes without any amendments after a motion of Ms. Susan Hinds-Morgan of the Agricultural Development Bank and seconded by Mrs. Jennifer George-Anderson.

5. MATTERS ARISING OUT OF THE MINUTES OF:

THE 70TH ANNUAL GENERAL MEETING

- 5.1 There were no matters arising out of the Minutes of the above Meeting.



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RECONVENED 70TH ANNUAL GENERAL MEETING

5.2 There were no matters arising out of the Minutes of the above Meeting.

SPECIAL MEETING HELD ON THE 23RD AUGUST, 2018

5.3 There were no matters arising out of the Minutes of the above Meeting.

5.4 Mr. David Maynard, a self-employed Management Consultant, advised that he did not attend the above meeting but he became aware of what transpired at same a few weeks ago. Being concerned about the decisions taken at the meeting, he said the he wrote a letter dated the April 9, 2019 in that regard to the Secretary, Board of Directors. He accused “a minority grouping of individuals” at the level of the Board (the minority group) of treating with his correspondence without putting same before the full Board for consideration. He was of the view that the above action of the minority group constituted a conflict of interest and, further, it was ultra vires the Society’s Bye-laws. As such, he asked the membership “to register a strong vote of no confidence” in the minority group.

5.5 Members did not express an interest in what Mr. David Maynard had to say; as such, the Chairman, after scanning the floor for interest by members in the matter so raised and not finding any, moved to the next Item on the Agenda.

6. REPORTS

REPORT OF THE BOARD OF DIRECTORS

6.1 The Report of the Board of Directors was tabled for the consideration of the meeting.

6.2 Members were satisfied with the above Report and they did not seek any explanation regarding its contents.

6.3 At this point, the Report of the Education Committee was considered. The Vice President invited Ms. Andrea Borneo-Ragoo to give the members an insight into the workings and goals of the Society’s Youth Committee. Ms. Borneo-Ragoo advised as follows:

- The Youth Committee was being developed at RHAND; it was seen as a source for new membership as well as for its future leaders;
- The Youth Committee will assist the Society in achieving its vision and mission by engaging and involving all of the young members in co-operative activities;
- The Youths already represent 15 percent of the Society’s membership, they are responsible for 13 percent of the loan business and their contribution to share capital is 8 percent at the present time. As such, it was felt that the Youths will present a wonderful opportunity to the Society in meeting its strategic and other financial goals.

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- 6.4 The Report of the Education Committee was noted by the membership. In addition, the Report of Board of Directors was adopted by the meeting after a motion of Ms. Pamela Ogiste which was seconded by Ms. Charlene Davidson. The motion was put to the vote and carried.

REPORT OF THE CREDIT COMMITTEE

- 6.5 The Report of the Credit Committee was tabled for the consideration of the meeting. Ms. Jennifer James, the Chairperson of the above Committee, was invited to present the said Report and she did so.
- 6.6 Members were satisfied with the above Report and they did not seek any explanation regarding its contents. As such, the Report of Credit Committee was adopted by the meeting after a motion of Mr. Ancil Forde which was seconded by Mr. Dave Williams. The motion was put to the vote and carried.

REPORT OF THE SUPERVISORY COMMITTEE

- 6.7 The Report of the Supervisory Committee was tabled for the consideration of the meeting. Ms. Patricia Williams, the Chairperson of the above Committee, was invited to present the said Report and she did so. She asked the meeting to replace at paragraph 6.9 the heading styled “Review of the Compliance with the Proceeds of Crime Act (2000)” with “Examination of the Fixed Assets”.
- 6.8 Members were satisfied with the above Report and they did not seek any explanation regarding its contents. As such, the Report of Supervisory Committee was adopted by the membership after a motion of Ms. Esme Forde, a Retiree, and which was seconded by Ms. Joycelyn Hunte. The motion was put to the vote and carried.

AUDITORS’ REPORT

- 6.9 Mr. Robert Alleyne, a Partner of Messrs. KPMG, Chartered Accountants, was invited by the Chairman to present the Auditors’ Report and he did so. In the Report, the Auditors expressed the opinion that “the financial statements presented fairly, in all material respects, the financial position of the Credit Union as at December 31, 2018 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards”. As such, the above financial statements were not qualified in any way.
- 6.10 One member noted the date of the Audit Report and said that it was a little outside the two-month period of the end of a financial year within which audited financial statements were to be produced. He sought the reasons for the above delay, and, going forward, he asked what can be done by the Society to have its financial statements produced within the statutory time frame. In reply, Mr. Alleyne said that an episodic event took place in 2018 with the implementation of the Accounting Standard, IFRS 9. The implementation of IFRS 9, he said, proved to be challenging to several financial institutions because it entailed, inter alia, the building of a model to determine credit losses on members’ loans as well as looking at the investment portfolio. He expressed the view that the Society had come up with a robust model which ought to work well in its preparation of the financial statements into the future. As an example of the complexity of the model and the detailed work and other disclosures involved in same, he invited the member to have a look at the Notes to the Financial Statements contained in the Annual Report.



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- 6.11 Thereafter, the meeting duly adopted the above Report after a motion of Mr. Al George of Trinidad and Tobago Fire Service which was seconded by Ms. Monica Richards, a Retiree. The motion was put to the vote and carried. Mr. Alleyne was excused from the meeting at this point.

FINANCIAL STATEMENTS

- 6.12 The Financial Statements of the Society for the year ended the 31st December, 2018 were tabled for the consideration of the meeting. The Treasurer, Mr. R. Cooper, in a brief PowerPoint presentation, said that its theme was “Charting the Path to Maximized Wealth”. Here, he said, the word “wealth” referred to “wealth for RHAND’s membership”. For 2020, he said that the Credit Union intended to:

- Further develop the “RHAND Brand”. That is, the Society wanted to build and strengthen its relationship with members, especially the new ones, by offering better products and services.
- Enhance investments. In so doing, the Society intended to diversify its range of financial products. For example, the Society proposed to incorporate a subsidiary to deal primarily with Wealth Management. He expressed confidence that the said subsidiary will generate better financial returns for the Society and this will redound, ultimately, to the benefit of the membership.
- Improve the member experience while either visiting or conducting business with the Society.

- 6.13 Thereafter, he gave an overview of financial performance of the Society during the last financial year; he mentioned, inter alia, the following:

- The Credit Union has been growing at an average rate of 5.54 percent over the last five years. For the year ended the 31st December, 2018, the Society recorded growth in assets of \$24,198,165 or 3.89 percent, a slight decline when compared with the figure for the prior year.
- There was a decline in the loan portfolio; it stood at \$400m at year end compared with \$409m in the prior year.
- As at the 31st December, 2018, the delinquency ratio for all loans was 7.11 percent, compared with a ratio of 6.27 percent in the prior year.
- Total expenses stood at \$30,329,483 as at 31st December compared with \$27,004,710 in the prior year.
- Total Share Capital stood at \$395,379,647 as at 31st December, 2018; this represented an increase of \$11,825,714 over the figure of \$383,553,933 in the prior year.
- The Operating Surplus and Comprehensive Income for the period was \$21m and \$16m respectively.

- 6.14 Questions raised by members dealt with the following matters:

- Bonus shares paid to those members in attendance at the AGM;
- In light of the proposed incorporation of a Wealth Management subsidiary, whether or not the Credit Union will be trading in the United States (US) currency market and thereby making US dollars available to the membership?
- Bearing in mind the proposals made for technological upgrades by the Society, will there be an



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attendant cost to same? Will the Credit Union have its own Automated Teller Machines (ATMs)?

In response to the question regarding ATMs, the member was informed that the Credit Union was partnering still with LINCUCU and she was advised to take full advantage of the card facility.

6.15 Following upon discussions of the above-mentioned matters to the satisfaction of the membership, the Financial Statements were adopted after a motion of Ms. Monica Richards, a Retiree, and seconded by Ms. Margaret Ashby, also a Retiree. The motion was put to the vote and carried.

7. ELECTION OF OFFICERS FOR THE 2019/2020 TERM - REPORT OF THE NOMINATING COMMITTEE

7.1 The Report of the Nominating Committee was tabled for the consideration of the meeting. Ms. Debra D'Abreau, the Chairperson of the Committee, was invited to present the said Report and she did so. In addition, there was a presentation done by video.

7.2 The meeting adopted the said Report after a motion of Ms. Jenifer George-Anderson which was seconded by Mr. Derrick Alleyne, a Retiree. The motion was put to the vote and carried.

7.3 Following the adoption of the Report of the Nominating Committee, the Chairman vacated the Chair and the Returning Officer, Mrs. Daphne Moore, took same. The Returning Officer explained the voting process to members, the number of persons for whom one may vote regarding the Board of Directors and the Committees and advised that the ballots will be counted electronically at this meeting. She explained further to members the rules and processes involved in having the ballots processed and counted.

7.4 Ballot papers were distributed and members cast their vote.

7.5 The following persons were elected to the Board of Directors, the Credit and the Supervisory Committees:

Board of Directors

Reynold Cooper

Martin Gibbs

Charlene Davidson

Joycelyn Hunte

Simone Huggins

First Substitute

Dave L. Williams

Second Substitute

Credit Committee

Susan Hinds-Morgan

Patricia E. Harry

Victor Kirton

First Substitute

Don Finley

Second Substitute



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Supervisory Committee

Patricia Williams

Erica Charles

Nadine O. Ellis

First Substitute

Linda Renaud-Medford

Second Substitute

7.6 A motion for the destruction of the ballots, physically and electronically, was moved by Mr. Cyril Gulston and seconded by Mrs. Umilta Ingrid Roberts-Henry. It was put to the vote and carried.

7.7 The Returning Officer vacated the Chair and the Chairman assumed same once again.

8. 2019 QUANTITATIVE OBJECTIVES, PROPOSED CAPITAL EXPENDITURE AND FINANCIAL PROJECTIONS

8.1 After being tabled, Mr. Cooper presented the Financial Projections and Capital Expenditure Budget of the Society for 2019. There was no discussion on the above presentation.

8.2 A motion for the approval of the Financial Projections and Proposed Capital Expenditure Budget for 2019 was moved by Ms. Esme Forde and seconded by Ms. Erica Charles of the Government Printery. The motion was put to the vote and carried.

9. AMENDMENT TO THE BYE-LAWS OF THE SOCIETY

9.1 The Chairman advised that there was no business to be dealt with under the above head.

10. MOTIONS

10.1 The Chairman advised that a Motion was received, pursuant to Bye-Law 16(b), from Mr. David Maynard. Upon receipt and after due consideration of same, Mr. David Maynard was advised in writing that the Motion could not be entertained at all since it was ultra vires the Bye-Laws of the Credit Union. As such, the Chairman confirmed the above ruling.

10.2 The Chairman advised further that no other matters were presented under the above head for discussion.

11. RESOLUTIONS

11.1 The following Resolutions were tabled for the consideration of members:

RESOLUTION FOR THE ESTABLISHMENT AND REGISTRATION OF A WEALTH MANAGEMENT SUBSIDIARY

The above Resolution, which was printed on a Hand Bill and circulated to members, was tabled for

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discussion by the meeting; it was taken as read following a motion of Ms. Margaret Ashby and seconded by Mr. Dave Williams. The Resolution was concerned at this point with authorizing the Board of Directors to commence “Step One” of a four-part process to operationalize a Wealth Management Subsidiary of the Credit Union. The Resolution was read and discussed by the membership; its operative part stated, in part, as follows:

- “That this 71ST Annual General Meeting authorize the Board of Directors to commence Step One of the four-step process to operationalize the Wealth Management Subsidiary, and
- That the purpose of this Subsidiary [shall be] to engage in activities to create wealth for its parent, RHAND Credit Union”.

After discussion, a motion for the acceptance of the Resolution was moved by Mr. Reynold Cooper and seconded by Mr. Kristed Herbert. The Resolution was put to the vote and carried.

APPOINTMENT OF AUDITORS

That the firm of Chartered Accountants, KPMG, be appointed as the Auditors of the Society for the financial year ending the 31st December, 2019.

The Resolution was moved by Mr. Reynold Cooper and seconded by Ms. Shirleen Williams. It was put to the vote and carried.

BUILDING FUND

That, pursuant to Bye-Law 15(h)(x), the sum of \$750,000 be allocated from the surplus for the year ended December 31, 2018 to the Building Fund.

The Resolution was moved by Mr. Reynold Cooper and seconded by Ms. Shirleen Williams. It was put to the vote and carried.

DIVIDEND ON SHARES

That a dividend of 3.0 percent on the average monthly share balance held by each member for the year ended December 31, 2018 be declared for the year ended December 31, 2018 and that the proceeds of this dividend be credited to the Share Savings and Savings Deposit Accounts of each member by way of credit of 30 percent and 70 percent respectively of the entitlement for each member.

The Resolution was moved by Mr. Reynold Cooper and seconded by Ms. Shirleen Williams. It was put to the vote and carried.

PATRONAGE REFUND

That a Patronage Refund of 1.5 percent on the interest paid on the loans of members in 2018, where



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the loans are less than 90 days past due, for the year ended December 31, 2018 be declared for the year ended December 31, 2018.

Where the loans are less than 30 days past due, the proceeds of this refund shall be credited to the Savings Deposit Accounts of each qualified member.

Where the loans are more than 30 days but less than 90 days past due, the proceeds of this refund shall be credited to the loan of each qualified member.

The Resolution was moved by Mr. Reynold Cooper and seconded by Ms. Shirleen Williams. It was put to the vote and carried.

HONORARIA

That Honoraria in the gross sum of \$275,260, (being \$206,445 net of income tax liability), be declared for the year ended December 31, 2018.

The Resolution was moved by Mr. Reynold Cooper and seconded by Ms. Shirleen Williams. It was put to the vote and carried.

12. OTHER MATTERS

- 12.1 One member asked whether part of the proceeds of the Building Fund can be used to reimburse the release fees paid to the Police Service by those members whose motor vehicles were wrecked by the wrecker while conducting business with the Society. The Chairman promised to look into the matter; he intimated that relief from the above issue was forthcoming.
- 12.2 Another member expressed the view that the deductible for group insurance cover for her husband and herself was pitched too high by the Insurer. The Chairman advised that the Group Insurance made available to members was receiving the attention of the Board.
- 12.3 There being no other matters, the meeting ended at 4:53 p.m. The Chairman wished everyone a safe journey home.

Respectfully submitted,

Secretary - Board of Directors