

Minutes of Core Credit Union Annual General Meeting, 5th December, 2017 Dun Laoghaire Evangelical Church, Glenageary

Present Board:

Martin Whelan Chair, Arthur Duignan Honorary Secretary, Elizabeth Harpur Vice-Chair, Mary Burnham, Siobhan Hackett, Elaine Hughes, Deirdre Keane, Paul Roche, Liam Sullivan

Present Board Oversight:

Elizabeth Turner, Graham Kavanagh

Present Staff:

Michael Byrne CEO, Amanda Dillon, Claire McCann, Mark Ryan, Miriam Whittle

Apologies: Cillian Doyle

The Chair called the meeting to order at 7.30pm stating the board's acceptance of the authorised representatives of Members that are natural persons and ascertained that a quorum was present there being 140 members in attendance.

1. Adoption of Standing Orders (Annual Report P 4)

Proposed and seconded from the floor.

2. Reading and Approval of Minutes (Information pack)

The minutes of the 2016 AGM were included in the information packs presented to members at the entrance. Corrections noted were: Liam Langan (75261), re; motion 14 he believed to be an error as the motion should refer to 'new Members' and objected to the members information letter. The date was incorrect.

Corrections were proposed by: Evan Roberts, seconded by; John T. Murphy.

3. Chairperson's Address (Annual Report P's 8-9)

We've had a good year this year, having managed to stabilise our management structure, we have an excellent board and board oversight committee and I am delighted to be part of this team. The board's main focus for the coming year is the strategic plan, looking at our loans, products, governance and risk management which will be in place by March next year. The purpose is to give us direction while faced with increased competition from the banks advertising targeting personal loans worth about €8b a year to the Credit Union movement. Great work has been done through the year in compliance and risk management, making sure that there's no reputational, organisational and financial risk to the credit union. The Central Bank fined a neighbouring Credit Union because they were not in compliance with anti-money laundering regulations. I will be stepping down tonight as my term is up and I'm happy to say that Liz Harpur, Vice-Chair, will be taking over as Chair and Liz has been approved by the Central Bank. Lastly, I thank the Board, the Oversight Committee and the staff for the fantastic support they have given me.

4. CEO's Report (Annual Report P's 10-11)

Michael Byrne noted a recent report in the Irish Examiner highlighted challenges and risks facing the credit union sector and the Oireachtas Report on Credit Unions warning that the low level of loans is unsustainable. In 2015, our AGM report highlighted that only one in four of our members are borrowing members. We have

taken steps to address these challenges. The investment market has been rock bottom for the last 2-3 years and looks like it will be for the next four to five years

We are now facing much stiffer competition from the banks who are targeting the small personal loan. We're trying to put ourselves front and centre for those members.

Since the last merger with Foxrock in 2016, the loan book in Foxrock has grown by 30%. Also Shankill has grown by 30%. Dalkey had the smallest growth but it still had an increase of almost 10%. At the time of the Foxrock merger, our daily loan interest was €8,800 per day, it's now gone up to €10,300 per day. Over a 12 month period, that's roughly an increase of €500,000-€550,000 in interest. Most importantly, going forward, we need to increase our income in order to be a viable business. Next year we will see a better surplus.

5. Board Oversight Committee Report (Annual Report P 12)

Elizabeth Turner read the report and stated we are satisfied that all duties and responsibilities were carried out in accordance with the rules and regulations as set down by the Act. We want to thank the directors, management and staff for their co-operation and assistance throughout the year. We are satisfied that the board of directors have complied and operated in accordance with Part 4 and Part 4a of the Act.

6. Auditor's Report (Annual Report P's 21 to 23)

Edmond Canon for the auditors ACM&A presented his report and the accounts to the members stating that the Audit Report is a clean unqualified audit report. He outlined the financial position and figures for the year in detail. He ended by thanking the staff for facilitating and enabling them to carry out their statutory duties.

Questions:

There were questions about value for money regarding wages, suppliers and the new auditors. Management expenses such as Telephone and Postage, Central Bank levies, dormant accounts, the net worth of each share, dividend and rebate figures, Local Member's Forum, valuations of the seven offices and valuations and last year's impairment on the Shankill premises were discussed. Both the Chair and the CEO stated that we are not happy with the costs and that this will form a major part of our Strategic Plan.

The accounts for the year ended 30th September, 2017 were proposed by Jenny O'Neill and seconded by Arthur Duignan.

7. Declaration of Dividend

The Chair declared a dividend of 0.15% on shares

Questions: There were no questions

Proposed by Arthur Duignan and seconded by Jean O'Hara

8. Credit Committee Report (P 12 Annual Report)

Lending Officer Amanda Dillon presented the Credit Committee Report

9. Credit Control Committee Report (Annual Report P 13)

Credit Control Officer Claire McCann presented the report of the Credit Control Committee Report. With the introduction of the Central Credit Register this year she would like to remind members that the Register will process data on existing loans on the 30th June 2017 and new loans after that date.

10. Membership Committee Report (Annual Report P 14)

Operations Manager Mark Ryan read the Membership Committee Report and noted in the last three years a large proportion of new members were in the age bracket of between 18 years of age to 30 years of age and also the 30 to 45. We feel that our additional services such as Electronic Payments, online portal and our App are relevant to the younger age groups who use us. We have also put more resources into the M3 Money Club.

11. Risk, Audit and Compliance Committee Report (Annual Report P 15)

Deirdre Kean presented the Risk Audit and Compliance Report and mentioned our focus to anticipate, mitigate and manage all risks, internal and external, our responsibility to ensure that we meet all of our regulatory compliance obligations and prevent any reputational, organisational or financial damage to Core Credit Union. This year, we were focused on meeting our obligations of the Central Credit Register and next year we will be focusing on the 4th Anti Money Laundering Directive and our obligations under the new Data Protection under the GDPR. Deirdre thanked Miriam, the staff and directors for their commitment.

12. Insurance Report (Annual Report P 15)

Paul Roach presented the Insurance Report as per the Annual Report outlining the Loan Protection and Life Savings Insurance, Death Benefit Insurance available to our members.

Questions:

Questions were raised regarding members letters, Jean O'Hara raised a question with regard to Core Credit Union premises and proposed an alternative suggestion, she mentioned the External auditors Grant and suggested that we accept lodgements for banks. A suggestion was made to use the Dalkey building as a head office.

13. Nominations Committee Report (Annual Report P 16)

Mary Burnham asked the members present to consider volunteering with the credit union and informed those present that the board members retiring this year have over 100 years collectively in volunteering and thanked them for their service. Mary introduced the candidate Grant Thornton as auditor, the four candidates to fill vacancies for election to the board, Alan Guerins, Siobhán Hackett, Tony Kirwan and Siofra Oliver. The two candidates for election to the Board Oversight Committee were Arthur Duignan and Elizabeth Turner.

14. Notice of Elections (Annual Report P's 16 – 17)

The Chair called for volunteers to be appointed to act as tellers and to oversee the count of the vote. 5 tellers were appointed. All four candidates Alan Guerins, Siobhán Hackett, Tony Kirwan and Siofra Oliver were elected to the board. Grant Thornton was elected as auditors and Arthur Duignan and Elizabeth Turner were elected to the Board Oversight Committee.

15. Motions (Annual Report P 29)

Motion 1 – the board proposed the deduction of the annual affiliation fee to the ILCU of €1.48 and was seconded by Jean O'Hara.

A counter proposal that the fee should not be taken was defeated by a show of hands.

Motion 2 - that from 2018 Core credit union sends electronic communications to members only where the individual has consented to receiving communications electronically, proposed by Tommy and seconded by John. The motion was carried by a show of hands.

16. Prizes

The Car Draw was conducted and won by Louise Byrne and Finian Gallagher. There was one prize of €1,000 won by Madeline Byrne and 10 prizes of €50.

The meeting was closed at 9.30pm and the chair thanked everyone for their attendance.