

BARBADOS WORKERS' UNION
CO-OPERATIVE CREDIT UNION LTD
Annual General Meeting Minutes
June 2019

Minutes of the Annual General Meeting of the
Barbados Workers' Union Co-operative Credit Union Limited,
held in the Flamboyant Room South, Lloyd Erskine
Sandiford Conference Centre, Two Mile Hill, St. Michael
on Saturday, June 29th, 2019 at 2:00 p.m.



BWU CO-OPERATIVE
CREDIT UNION LIMITED

you're Better
With Us!

Minutes of the Annual General Meeting

1. ASCERTAINMENT OF QUORUM

- 1.1 The President, Sis. Novaline Brewster, confirmed that there was a quorum present.

2. CALL TO ORDER

- 2.1 The meeting was called to order at 2:25 p.m.

3. PRAYER

- 3.1 Sis. Althea Bishop said the invocation.

4. APOLOGIES FOR ABSENCE

- 4.1 The President tendered apologies for the absence of Bro. Robert Gibson and Sis. Charmine Ottley.

5. INTRODUCTION OF GUESTS FROM OTHER ORGANISATIONS

- 5.1 The President welcomed the Credit Union's External Auditors, the General Manager of Cooperators General Insurance Company Limited and members of the media. She also welcomed all visitors and invited them to introduce themselves and the organisations that they represented.
- 5.2 Bro. Keith Jones, Bartel Co-operative Credit Union Limited and the Barbados Cooperative and Credit Union League Limited, wished the BWUCCCL a successful meeting.
- 5.3 Mr. Anton Lovell, General Manager, Co-operators General Insurance Company Ltd, wished the Credit Union a successful meeting.
- 5.4 Bro. Kevin Lashley President, United Enterprise Credit Union Limited, wished the Credit Union a successful meeting and God's blessings for the

future.

6. PRESIDENTIAL ADDRESS

- 6.1 The President welcomed all to the Annual General Meeting. She extended a special welcome to Sis. Linda Brooks, Founding Member of the Credit Union. She extended special thanks to all of the Volunteers (Board of Directors, Supervisory and Credit Committees), Sis. Corinne Clarke, General Manager, Management Team and Staff.

- 6.2 The President titled her remarks for the meeting - ***Together, We Can Change the World*** after the Mark Shepherd song. She quoted the lyrics "Lay the puzzle pieces out, find out what it's all about; together we can change the world". She indicated that together the Barbados Workers' Union Cooperative Credit Union Limited could become the number one institution for meeting people's financial, economic, and social needs. This vision embodied the essence of credit unionism: people working together to achieve one common goal.

She stated that Credit Unionism and the BWUCCUL, were about people helping people to:

- **achieve their financial goals**
- **empower themselves**
- **create wealth**

- **and contribute to society's development**

Over the past year, the Credit Union's assets grew by 7% to \$159 million by:

- **Saving**
- **Borrowing**
- **Referrals**
- **Investing**
- **And the membership sharing their ideas and recommendations**

She extended special commendations to the members of the Youth Committee, under the leadership of the Board Secretary, Sis. Althea Bishop, who designed a programme to connect with the younger demographic and from which the Board had already started to roll out suggestions.

Further to this, Yello Media had been contracted to co-ordinate the Facebook and Instagram Social sites, with both of which the Committee agreed that they were satisfied.

Additionally, the Board recognized the work of Bro. Robert Gibson, who assisted in determining the stalwarts that would be honoured when the Headquarters was officially opened on 7 July, 2019.

The President highlighted that the staff offered quality customer service and developed approaches to better meet the members' financial and other needs. She asked the meeting to applaud the employees and the Management team for their efforts.

She highlighted that the volunteers focused on creating the right environment within the parameters of the law and developed policies that engendered efficiency and effectiveness. It was the Board's vision to continue to build an organisation that remains relevant and foster a workplace that was responsive, nimble and caring. This would be realised by practising good corporate governance and by encouraging and

promoting transparency and honesty.

The President drew attention to the fact that the Credit Union reached a record operational surplus of \$1.1 million, expanded its assets, increased the loans portfolio by 11%, maintained delinquency below the benchmark of 5% and helped a lot more people realize their financial and economic goals. However, there were some challenges outside of the Credit Union's control.

She highlighted that last year, there was a question posed about the likely impact of the debt restructuring on the Credit Union. She indicated that at the time, there were no details that could be shared but subsequently, this measure to restore the country's economic equilibrium had resulted in a write down of close to four million dollars.

Secondly, the Credit Union adopted the IFRS 9 accounting standard which required the Credit Union to account for all loans, both good and impaired and not just the defaulted loans as was stipulated before the IFRS implementation. This change, an international accounting requirement, had resulted in a further write-down of five (5) million dollars.

Thirdly, the depressed property market affected the valuation of the newly-renovated headquarters. The value was based on the market/sale price, i.e., what would be earned should the building be sold currently, which led to another writedown of over one million dollars. She cited the various governmental capital projects planned for Bridgetown and its environs to revitalise the city and expressed that it was anticipated that the Credit Union's building would increase in value with these planned improvements.

The President pointed out that these three events reduced the Credit Union' capital by eight million dollars. She added that the Financial Services Commission (FSC), Regulator, has recognised the national impact of the government debt restructuring on the industry and allowed the Credit Union time to rebuild its equity. The President also stated that the Board had started to



work on a plan to strengthen the capital and that this plan would be submitted to the FSC; In the interim, the Credit Union adopted strategies that would contribute to the bottom line and capital. The FSC would be contacted for an update on the matter once they were in receipt of the plan. She quoted the Mark Shepherd song once again ***“Roll up our sleeves, let’s get started”***, members, staff, and volunteers, as we celebrate our 35th birthday and prepare for the next 35”.

She advised that plans were in place to:

- **Transform and reform how we manage our operations**
- **Incorporate green products and services into our mix. e.g use of e-documents for the AGM meeting; which meant no more printing.**
- **Explore our involvement in Renewable Energy Projects.**
- **Make greater use of our technology for member convenience.**
- **Work together and help each other for the good of our beloved Credit Union, our members and our country.**

She gave the Board’s and management’s commitment that it would be done.

6.3 The President encouraged the membership to participate in the meeting and to share any comments and concerns that they might have.

7. ADOPTION OF STANDING ORDERS

7.1 A motion for the adoption of the Standing Orders was moved by Bro. Ashton Turney and seconded by Bro. Harcourt Husbands.

7.2 The motion was carried by a majority vote.

7.3 The standing orders were adopted.

8. CREDENTIAL COMMITTEE

8.1 The President invited Sis. Faye Arthur, Chairperson, Credential Committee, to present the Credential Committee’s Report.

8.2 Sis. Faye Arthur presented the report from the first Credential Committee of the Barbados Workers’ Union Cooperative Credit Union. She stated that it would not have been possible without the assistance of members Bro. Washbrook Bayne, Bro. Henderson Scott, JP and Sis. Althea Bishop. She highlighted that the Committee was charged with the responsibility of receiving all nominations and vetting each Nominee to ensure that he or she met all of the qualification criteria, pursuant to the Act, the Regulations and the By-laws of the Credit Union.

8.3 She reported that there were six positions to be filled and as under By-Law 41 Section A, Board members Sis. Carolyn Barton and Bro. Sherwin Greenidge; Supervisory Committee member Bro. Ashton Turney and Sis. Fiona Goodridge of the Credit Committee, had all served two terms each and were therefore not eligible for re-election to the Board, or the Committees upon which they served. Sis. Safiya Wilkinson of the Supervisory Committee and Bro. Devon Farrell of the Credit Committee, had both served one term each but would not be running for re-election. As a result, there were two vacancies on the Board of Directors for three-year terms in office, two vacancies for three-year terms in office on the Supervisory Committee and two vacancies for three-year terms, on the Credit Committee.

8.4 She reported that the Committee met on two occasions and that there had been a total number of 14 nominations received. All nominees signed in consent to their nomination, as is required under By-Law 40 Section 1.B. Nominees were assessed against the Act, the Regulations and the By-Laws of the Credit Union. Of the 14 nominations received, one person did not qualify as per By-Law 40 Section 2.C, being that he was not a member of the Credit Union for a minimum of six months as at his nomination, having joined the Credit Union in March 2019. A second nominee was disqualified due to incomplete documentation as was required under By-Law 40 Section 4.C. Finally, a 3rd nominee withdrew her nomination, as per correspondence received; dated 24 April, 2019. An orientation session was held with the remaining Nominees on 15 June,

2019. Sis. Arthur stated in summary, that the Committee was satisfied that the remaining 11 Nominees had met all requirements necessary under the Act, the FSC guidelines and the Credit Union's By-Laws, Sections 32 & 40, in order to run for elections. She noted that Bro. Harcourt Husbands withdrew his nomination for the Credit Committee as per correspondence received dated 17 June, 2019, and had opted to run for the Board and Supervisory Committee only.

8.5 The final list of Nominees for 2019, was as follows:

Board of Directors

- Bro. Ashton Turney
- Bro. Dalton Medford
- Bro. Harcourt Husbands
- Bro. Kemar Holder
- Bro. Robert Gibson (currently out of Island)

Supervisory Committee

- Sis. Carolyn Barton
- Bro. Dalton Medford
- Bro. Damian Mascoll
- Bro. Ferdinand Straughan
- Bro. Harcourt Husbands
- Bro. Kemar Holder
- Sis. Michelle Hamblin
- Bro. Sherwin Greenidge

Credit Committee

- Bro. Ashton Turney
- Sis. Carolyn Barton
- Bro. Damian Mascoll
- Bro. Ferdinand Straughan
- Bro. Kemar Holder
- Sis. Michelle Hamblin
- Bro. Ryan Reece

8.6 A motion was moved for the adoption of the Credential Committee's report by Bro. Overton Franklyn and seconded by Bro. Joel Franklyn.

8.7 The motion was carried by a majority vote, with

one abstention.

9. APPOINTMENT OF ELECTION CHAIRMAN

9.1 The President informed that Bro. Kevin Lashley had been appointed as the Election Chairman and that he would guide the membership through the new electronic voting process.

9.2 The Election Chairman stated that there were the following vacancies:

- **two vacancies on the Board of Directors for a three-year term**
- **two vacancies on the Supervisory Committee for a three-year term**
- **two vacancies on the Credit Committee for a three-year term**

9.3 The Chairman asked the nominees to stand and be acknowledged as their pictures were displayed across the screen.

9.4 The Chairman advised of the new voting process, adopted during the Special General Meeting held on December 18, 2018. He stated that the change was introduced to reduce the length of the election time. He indicated that voting would now be conducted using an Electronic Tabulator Machine created by Dominion Voting and provided by the Delian Project. He provided step-by-step details on the new process.

9.5 The President declared that voting was open.

9.6 The President welcomed Bro. Felton Burton, BET Cooperative Credit Union Limited and Bro. Keith Bourne, BPWCCUL, to the meeting.

10. ADOPTION AND CONFIRMATION OF MINUTES OF THE ANNUAL GENERAL MEETING OF JUNE 30, 2018.

10.1 The Minutes were taken as read on a motion moved by Bro. Joseph Tull and seconded by Bro.



Dalton Medford.

- 10.2 The motion was carried by a majority vote.

Errors and Omissions

Item 7.5 The name "Teachers' Cooperative Credit Union" was corrected to "Barbados Teachers' Cooperative Credit Union".

- 10.3 The Minutes were adopted on a motion moved by Bro. Ashton Turney and seconded by Sis. Linda Brooks.

- 10.4 The Minutes were adopted by a majority vote.

11. MATTERS ARISING FROM MINUTES JUNE 30, 2018

Credit Union Performance

- 11.1 Bro. Dalton Medford congratulated the Board of Directors, Management and Staff on the Credit Union's performance in a tough economic environment. He highlighted that this was the first time in the Credit Union's history that it had achieved a surplus of one million dollars.
- 11.2 Bro. Medford pointed out that in the present depressed conditions, the Credit Union was able to hold its interest rates steady and pay back over \$2 million in interest to the membership and for this, the Board, Committees, Management and staff should all be congratulated.

Headquarters

- 11.3 Bro. Joseph Tull pointed out that in Minute 6.3 – 'Renovation of Headquarters', Bro. Medford spoke of the membership owning the building and requested an explanation on the proposal.
- 11.4 The President indicated that this initiative would need some collaboration and research as she was uncertain whether investment instruments could be a method for consideration. She stated that based on the challenges faced by the Credit Union during the year under review, the Board was unable to discuss the matter.

Free Tertiary Education

- 11.5 Bro. Joseph Tull referenced Minute 7.4 and

recommended that the Credit Union send a note of commendation to the Government for reinstating free education at the University of the West Indies, Cave Hill Campus.

- 11.6 The President stated that the Credit Union would be sending its commendation to the Government on the reinstatement of free tertiary education, through the Barbados Cooperative and Credit Union League.

REGISTERED EDUCATION SAVINGS

- 11.7 The President reported that the Registered Education Savings Plan would be pursued through the League and the Credit Union was still pursuing this matter.

Shared Services

- 11.8 Bro. Tull requested an update on minute 11.4 – 'Shared Services' and minute 11.5 – 'IFRS 9'.
- 11.9 The President reported that Capita Financial Services (Capita) had received approval to issue a Credit Card from its Regulator approximately one month ago. She indicated that the Credit Union had a meeting scheduled with Capita early in July 2019. She intimated that it was agreed that the debit card would be given priority as CARIFS would soon be defunct and an alternative carrier was necessary.

IFRS 9

- 11.10 The President reported that the IFRS 9 model was created by Deloitte, through the Barbados Cooperative and Credit Union League and as a result, the Credit Union adopted IFRS 9. She stated that the effects of the adoption of IFRS 9 were highlighted and would be further explained by the Treasurer.
- 11.11 Bro. Ashton Turney stated that under the new credit card system, users would be required to pay US\$1.50 per transaction. He opined that the system was quite expensive to join. He questioned whether there were arrangements for the Credit Union to join the system.

- 11.12 The President stated that she was not aware of

the fees as it related to joining the system. She advised that the information was just received from Capita and thus, when the new Board was constituted, it would be placed high on their agenda.

Health Savings Account

11.13 The President reported that the recommendation for a Health Savings Account was still under consideration.

Safety Deposit Boxes

11.14 Bro. Tull requested an update on the introduction of Safety Deposit boxes.

11.15 The President stated that it was a work in progress and invited the General Manager to provide an update.

11.16 The General Manager indicated that Management had received approval to offer the Safety Deposit boxes and that it was scheduled to be rolled out in the 3rd Quarter of the new Financial Year. She further informed that Management had received a quotation for three different sized boxes to be offered. She assured Bro. Tull that the Credit Union would stay within the price range in the market.

Going Green

11.17 Bro. Harcourt Husbands congratulated the Board on the “Going Green Initiative” and queried whether there were further plans to reduce the Credit Union’s energy consumption, going forward.

11.18 The President stated that it was just the beginning of a comprehensive Green Energy plan which the General Manager will expand upon.

11.19 The General Manager informed that the Credit Union was in the early stages of a green farming initiative which would issue green bonds to the membership as an investment opportunity. The Credit Union had to await the relevant feasibility study information and Town and Country planning approval. She stated that in the meantime, the Credit Union would have the building assessed to identify the value of the project.

11.20 The President stated that the Credit Union would

be partnering with the New Testament Church of God for the “Green initiative” and that the project was assessed by Mr. Jerry Franklin of the Barbados Renewable Energy Association. She stated that there was a national policy effort for the country to have one hundred percent electricity generation from renewable energy sources, possibly by 2030. She further stated that the initiative would reduce costs for the Credit Union in the future.

11.21 The President informed that the Credit Union had partnered with Rotoplastics Barbados, in order to offer persons living in water-scarce areas special rates on water tanks.

11.22 Sis. Denise Morgan indicated that she fully supported the green initiatives as she highlighted the non-printing of reports. She queried how the Credit Union would keep membership without access to Wi-Fi, informed.

11.23 The President explained that the Board had planted the Green Initiative ‘seed’ since last year. She stated that members could also utilize their mobile phones as there was Wi-Fi available at the venue. She further indicated that Bro. Joseph Tull had contacted the Office to request that his document be printed and this had been accommodated. She commented that this was now a technological era and it was necessary to remain on the cutting edge being that it was important for the institution and for the country.

Technology

11.24 Bro. Eric Smith queried the Credit Union’s plans in terms of technology. He highlighted Peer-to-Peer banking availability but admitted that he had questions relating to cyber security. He queried whether there was a team dedicated to handle any breaches.

11.25 The President replied that the Credit Union was passionate about technology as it was moving away from the brick and mortar. The Credit Union would have access to the ACH in the future and as a result, would be able to roll out more technology so that it could reinvigorate. She commended the Youth Committee for pushing the Credit Union in to the area of social media and remarked that it would be seen more prominently on Instagram,



Facebook and Snapchat.

- 11.26 The General Manager stated that as it relates to services, Peer-to-Peer within the Credit Union's network was available. Members could transfer funds from their accounts to their friends or family, which would be facilitated by visiting the branches to arrange. She stated that the Mobile Banking Application could be used to transfer within the account and pay loans. She further stated that when Government approval was granted for the Credit Union to join the ACH network, the Credit Union would have the opportunity to transfer funds to other financial institutions.
- 11.27 The General Manager stated that with regards to cyber security, the Credit Union already had a robust network. She stated that when the ACH was installed, Management would be implementing all that was necessary for a safe network.
- 11.28 The President stated that she reviewed the Business Continuity Plan survey prepared by the Internal Auditor where he suggested that the Credit Union should bolster its cyber security. She stated that there should be a robust training programme so that each staff member understood the importance of cyber security. She added that it was necessary to ensure that each member of staff knew how to interact with other users while on-line to ensure that the Credit Union's information was not compromised. The Credit Union houses member information and takes this responsibility seriously.
- 11.29 Bro. Eric Smith queried how the Credit Union was managing dormant accounts to ensure that the integrity remains and there was no interference, internally and externally.
- 11.30 The General Manager stated that there were internal processes that were followed if an account became dormant. She explained that when an account became dormant, it would be closed and could only be accessed by a Manager/Supervisor. The account could only be reactivated by a transaction i.e. deposit, withdrawal or loan payment. A listing of dormant accounts was recorded, reviewed and reported on each month

by the Operations Manager.

- 11.31 Bro. Ashton Turney commended the Board and Management of the Credit Union for "Going Green". He was of the view that the Credit Union had to go digital, which would entail spending money to achieve this as a financial institution. He stated that it would be necessary for the Credit Union to make and facilitate electronic payments going forward.
- 11.32 The General Manager stated that members could utilise the SUREPAY network to pay their suppliers and further technological developments were needed for the Credit Union to offer this service online in the future. She also stated that Management was awaiting the other services that would be offered from Capita Financial Services, which included deposit taking at the ATM.
- She stated that discussions were still in the embryonic stage, with regards to the features to be offered from the credit card project.
- 11.33 The President stated that digital currency was the wave of the future and referenced Facebook's digital currency called LIBRA. She stated that the Credit Union had to take more of its services online.

Dominica Relief Fund

- 11.34 The President referenced Minute 12.1.22, and informed that the amount collected for the Dominica Relief Fund, was \$1,154 dollars.

Business Lending

- 11.35 The President reported that the Credit Union disbursed \$98,000 in loans to small businesses, however, the Credit Union would proceed cautiously whilst it continued to encourage entrepreneurship. The staff was trained in business lending, so that they understood the variables for business lending.
- 11.36 Bro. Harcourt Husbands queried how the Credit Union was responding to Government's trust loans to help young professionals access loans for entrepreneurship and aid growth in the

economy.

11.37 The President stated that the Credit Union was lending to micro businesses and encouraged entrepreneurship. She stated that the Credit Union would soon be rolling out its own project, having had exposure to an initiative by the Caribbean Development Bank. She invited the General Manager to provide more information on the project.

11.38 The General Manager stated that the Credit Union was launching a weekend 'Minding Your Business' entrepreneurship camp in order to expose members to the basic requirements of setting up a business, legal framework and marketing strategies, amongst other topics which would be coming later in the calendar year. She stated that members who had not registered their businesses accessed personal loans. Members who registered their businesses, were aligned with financial planners so that they could produce a business plan which would be analysed to ensure that the business had a high degree of success before it was funded by the Credit Union.

Additional Income

11.39 Bro. Eric Smith stated that while he applauded the Credit Union for the initiatives to expand their corporate responsibility, he questioned what measures were being taken to drive additional income. He further questioned how many members were looking at other financial institutions to access credit even though there were fees attached etc.

11.40 The General Manager explained that the Credit Union has tried to remain competitive and offer reloads on loans to members so that they could have additional cash. She stated that Management has recognised the need for members to consolidate their debt position and the demand for that had increased over the years. She stated that with regard to real estate loans, the Credit Union was offering a 5% deposit so that members who may not have the usual 10% deposit required in the market place, could still

access such loans.

12. ADOPTION AND CONFIRMATION OF MINUTES OF THE SPECIAL GENERAL MEETING OF 18 DECEMBER, 2018.

12.1 The Minutes were taken as read on a motion moved by Bro. Damian Mascoll and seconded by Bro. Joseph Tull.

12.2 The motion was carried by a majority vote.

Errors and Omissions

There were no errors or omissions.

12.3 The Minutes were adopted on a motion moved by Bro. Dalton Medford and seconded by Bro. Harcourt Husbands.

12.4 The Minutes were adopted by a majority vote.

13. MATTERS ARISING FROM MINUTES 18 DECEMBER, 2018

3.1 There were no matters arising from the Minutes.

14. REPORTS

14.1 Board of Directors' Report

14.1.1 The President invited the membership to move a motion for the Board Report, Credit Committee's Report, Supervisory Committee's Report and Auditor's Report to be taken as read.

14.1.2 A motion was moved by Bro. Ashton Turney for the Board Report, Supervisory Committee's Report, Credit Committee's Report and Auditor's Report to be taken as read. The motion was seconded by Bro. Joseph Tull.

14.1.3 The motion was carried by a majority vote.

14.1.4 Bro. Sherwin Greenidge, Director, Board of Directors, presented the Board Report. He welcomed the membership to the 35th Annual General Meeting. He stated



that the Credit Union had navigated through the various social and economic challenges and had remained focused on meeting its members where it mattered most.

People Helping People

The Credit Union achieved growth in its asset base, loans, deposits, and had improved product offerings over the last year. However, there was much economic uncertainty, new national policies and new reporting standards - all of which impacted on the financial indicators. The BERT programme initiatives brought unemployment for some and reduced disposable income for many.

The Credit Union had looked for opportunities to assist members through various payment and settlement packages, reductions in loan interest rates, product re-packaging, education and partnerships with advisors.

Strategic Plan

The Strategic Plan for 2018-2021 was themed 'Restructure, Refocus, Reenergize'. The Credit Union reviewed its internal processes and key functions to ensure that it would continue to soar and conquer every obstacle.

The Board was committed to ensuring that all steps were taken to meet these strategic objectives which would result in improved and increased service, happy and empathetic people to serve membership and added convenience to facilitate business.

Convenience As A Value Added Service

The Credit Union looked for opportunities to assist members through various payment and settlement packages, reductions to loan interest rates, product repackaging, education and partnerships

with advisors.

Technology Plan

The Credit Union was able to serve its membership well and Director Greenidge highlighted several accomplishments: online services, debit card services, education and mentorship for members, increased deposits to support your funding demands; flexible terms for loans; advisory services and flexible payment plans to assist in difficult times.

The Credit Union kept pace with technological advances to ensure that the membership maximised their time. The following was introduced:

- **Mobile applications**
- **Peer-to-Peer transfers**
- **Express drop-off loans for requests under \$10,000**
- **Loan interviews on Skype**
- **Soon to come - the online loan application**

Going Green:

As the country embarks on the path towards a 100% renewable energy Barbados by 2030, the Credit Union got on-board with this national initiative and sought ways to be good stewards of the natural resources. There were also many members and staff who were disadvantaged by frequent water shortages in water-scarce areas. The Credit Union launched its Smart Water Tank Loan to ensure members could capture their own water and manage their supply with financing for all greening initiatives. Additionally, a series of internal initiatives were adopted to reduce the Credit Union's carbon footprint. The Credit Union would soon be embarking on a Green Energy initiative that would see returns earned from an energy farm

distributed to those who invest in the bond.

Renovated Headquarters

The newly renovated building could now accommodate more membership on its ground floor, with Members who utilised wheel chairs able to easily access the lobby and a new special needs service desk. There was a fully equipped conference room available for rent to the public. The Board made a decision to delay the installation of an ATM which would utilize chip and pin cards, in light of the pending departure of the local network CARIFS.

A naming committee was formed to determine the members to be recognized when the building was officially reopened. The Board thanked Bro. Robert Gibson and his team for their recommendations. The building will be called the Walcott . Brooks building, named after Sir Frank Walcott and Ms. Linda Brooks, OBE; the main hall will be known as the Founders' Hall, the Library will be named after Bro. Dalton Medford; the Conference room named after Bro. Ashton Turney, BSS and the first floor after Bro. Vere Rock, JP.

Governance

At the Special General Meeting held on 18 December, 2018, the members voted in favour of replacing the Nominations Committee with the Credentials Committee. This new committee was charged with the task of ratifying the members selected to determine whether they were fit and proper to serve.

Additionally, the use of an electronic tabulator to conduct elections was also approved. The Delian Project agreed to partner with the Credit Union on this initiative to streamline the voting and make it more time efficient.

In the Community

During the year under review, the Credit Union's community efforts were focused on the Youth. Awards were presented to readers across the island in the Gabrielle Gay Award for Excellence in Reading and Literacy Programme, sponsored Financial Literacy Camps and camps tailored to helping young people transition through the different stages of life. The staff and Kiwani volunteers continued to work with young readers during the summer. During the University of the West Indies Research Week, the Credit Union recognized two students for their contributions to research.

Connected to You

The Credit Union improved its various touchpoints to stay connected. An invitation was extended to the membership to 'like' the Credit Union on Facebook, 'follow' us on Instagram and view the informative and entertaining videos on YouTube. The membership newsletter, the Credit Union Purple Post, will take the form of a blog and be open to feedback on articles and topics raised.

The Credit Union will continue to make surveys available so that more feedback can be provided. The membership was encouraged to utilise the online forms.

Training

The Credit Union League continued to be one of the main providers of educational opportunities to our members. Several relevant courses were offered, such as Dollars and Sense for Members, Credit Union Management and Compliance and Financial Management. This year, the "Developing Your Business Enterprise" course attracted the most members. Thirty four (34) members were impacted by the league's education programs.

Recognising Our Volunteers and Staff

The BWUCCUL volunteers were recognised for their service on the various



committees to ensure that the Credit Union complied with the regulations and policies, and set policies to maintain its relevance. The Credit Committee met well in to the night to ensure that loans were adjudicated and the Supervisory Committee ensured the systems and policies set by the Board, were followed. Bro. Devon Farrell resigned from the Credit Committee in April as his work load increased over the period. We thank Bro. Farrell for his sacrifice despite the challenges. Our Finance and Accounting Committee reviewed our financial performance and provided advisory service during the year.

The Human Resources and Youth Committees also provided yeoman service to the Credit Union.

Thanks was extended to the management and staff for their diligence, dedication and commitment during the past year as they served over 24,000 members.

Bro. Greenidge concluded that the shocks to capital during this year would call for innovation, prudent management and excellent service delivery so as to ensure growth and profitability; in order to raise the institutional capital.

Together with member loyalty and diligence, "we will overcome".

14.1.5 A motion for the adoption of the Board of Directors' Report was moved by Bro. Harcourt Husbands and seconded by Bro. Damian Mascoll.

14.1.6 The President acknowledged Bro. Henderson Scott and Bro. Damian Mascoll.

14.1.7 The motion was unanimously carried.

14.2 Auditors' Report

14.2.1 The President invited Mr. Andrew Burnett of KPMG to present the Auditors' Report.

14.2.2 Mr. Andrew Burnett read the Audit Report located on page 20-23 in the Annual Report. He thanked the Board of Directors and the membership for the opportunity to present the report.

14.2.3 A motion for the adoption of the Audit Report was moved by Sis. Carolyn Barton and seconded by Bro. Joseph Tull.

14.2.4 The motion was carried by a majority vote.

14.3 Treasurer's Report

14.3.1 The President invited Bro. Vere Rock, Treasurer, to present the Treasurer's Report.

14.3.2 Bro. Rock reported that the year was a trying one as the Credit Union battled with external forces, namely, the implementation of IFRS 9, Government Debt Restructure and building impairment due to the uncertainty in the market. Operationally, performance improved when compared to the last financial year as growth was recorded in assets, cash, loans and mortgages to members, deposits and membership.

Total assets increased by \$11 million, or 7.42%, to \$159 million. This growth was driven by increases in cash of \$7.7 million, or 121%, to \$14 million. He explained that normally this cash would have been placed in investments, however, during the period, investments in the market were limited.

There was an increase in Loans of \$11.5 million, with a growth rate of 11.56%.

This growth rate was within the Pearls benchmark of 8-15% and due to competitive interest rates during the year. The Credit Union lowered some of its interest rates on loans, such as

mortgages, debt consolidations and vehicle loans. The Credit Union was also able to maintain an asset quality ratio of 4.94% through prudent lending practices and proactive solution based collections. The ratio of 4.94% was below the Pearls benchmark of 5%.

During the year, IFRS 9-Financial Instruments were adopted. As a result, this impacted the provision for doubtful debts as the standard dictated that all loans must be assigned a credit rating and the institution must decide on a rating scale. Once the institution implemented the credit rating and the rating scale, each loan must be assessed on an annual basis. All good loans required at least a 12-month provision. Loans that had significant deterioration, required a lifetime provision for the loan.

He explained that the previous standard IAS 39, only required the Credit Union to provide for loans that were delinquent 90 days and over. IFRS 9, in an effort to be more forward looking, now required the Credit Union to provide for all loans (current and past due). This new standard caused the Credit Union to increase its 2018 provision by \$5 million. Additionally, expected credit losses in the Income Statement were \$1.1 million, an increase of \$388,000 over last year.

The new standard also required the Credit Union to make provision for investments and as such, the provision for investments for the year was \$239,000.

The Credit Union also had another external factor impacting on its financials, the Government Debt restructure. As a result, the Credit Union had to derecognise \$17.8 million in Treasury Bills and Notes. These were replaced with Series B and D bonds, for longer terms with reduced interest rates, causing the Credit Union to write

down \$3.5 million.

Additionally, the market value of the Headquarters was lower than the cost spent to renovate the property. This resulted in the reversal of the revaluation reserve accumulated of \$4 million and a write down of \$1.2 million, representing the difference in market value and renovation costs. The net effect on our total equity was \$5.2 million.

Deposits of members grew by 17%, or \$21.9 million, to \$152.97 million. There was also an increase in the rate of growth from the previous year by 4%.

Average interest paid on deposits was 1.69%. The interest rates, although reduced, were still quite competitive and the growth ratio remained within the Pearls benchmark of 10-20%.

He reported that membership continued to increase over the years. For 2018-2019, 2,226 new members were added to the Credit Union family, bringing total membership to 24,961. Membership growth was 9%, which exceeded the Pearls benchmark of 3%.

The Total Operating Income continued to grow steadily over the years to \$8 million, which represented an increase of 10%. During the year, the Credit Union was prudent with its spending and there was a planned increase of expenses by 6.84%.

Despite the challenges in the external environment, the Credit Union recorded a net surplus prior to impact of the debt restructure and building impairment, of \$1.1 million. This was an improvement of 35.97% over the previous year.

However, after the Credit Union accounted for the external challenges, a Net Loss was recorded after the impact of the debt



restructure and building impairment, of \$3.6 million. The Credit Union, however, remained stable and committed to improving the socio-economic lives of its members.

- 14.3.3 A motion for the adoption for the acceptance of the Treasurer's Report was moved by Bro. Joseph Tull and seconded by Bro. Dalton Medford.
- 14.3.4 The motion was carried by a majority vote.
- 14.3.5 Bro. Medford suggested that the Credit Union should look to invest outside of Barbados in an effort to improve its bottom line. However, as the asset base was increased it would be necessary to make a provision for it. He stated that currently the Credit Union was paying attractive term deposit interest rates but this could be a drain on the Credit Union.
- 14.3.6 The President stated that it would be necessary to look at the matter in a balanced way.
- 14.3.7 Bro. Joseph Tull suggested that the Board could consider investing the Credit Union's funds in the same manner as the National Insurance Board was able to get into larger loans. He suggested that there would need to be a change in the legislation for the movement, before it approached Government to lobby so that it could operate at that level.
- 14.3.8 The Finance and Accounting Manager stated that in order for the Credit Union to invest in foreign companies, it would have to research whether the companies were paying dividends for the past five years and additionally, it must have the approval of the Financial Services Commission (FSC). She shared that the National Commercial Bank (NCB) market had attractive investment products as it related to Term Deposits. She further indicated that the interest rates were always reviewed to remain competitive as it was a balancing act. She stated that the Credit Union had to remain competitive to maintain its members' deposits.
- 14.3.9 The President clarified that NCB was a Jamaican company which had entered the Barbadian market. She commended the General Manager for the nimble approach to adjusting the interest rates, whilst trying to remain competitive in the market place.
- 14.3.10 The President acknowledged Bro. Hally Haynes, President, Barbados Cooperative and Credit Union League.
- 14.3.11 The President reported that the Credit Union League held a forum with Dr. Kevin Greenidge and this initiative was driven by the Credit Union and we also reached out to Credit Unions in Jamaica. She stated that there was 'nothing new under the sun' and there was a blueprint for everything that could be adopted for our circumstances. She stated that Credit Unions in Barbados could learn a lot from the League in Jamaica and should pursue some of the ideas that were put forward. She stated that it could not be business as usual, there must be a different approach.
- 14.3.12 The President announced that there were 130 persons registered to vote at the meeting.
- 14.3.13 Bro. Ashton Turney spoke about the offering of special shares and suggested supplemental capital method which was utilised overseas. However, permission would be needed from the FSC before it could be pursued. He stated that the Credit Union should move swiftly to increase the qualifying shares which would be a quicker option to boost its capital.

14.3.14 The President stated that the Credit Union had to approach the FSC with a strategy, even though they had indicated to the Board that it should be patient.

She quoted the former Governor of the Central Bank of Ireland, Professor Patrick Honohan, in saying “there are no sacred cows” when it was necessary to make tough decisions. She stated that this approach would be taken when the Credit Union meets with the FSC on its capital strategy.

14.3.15 Bro. Eric Smith addressed his query to the President of the Barbados Cooperative and Credit Union League (League), to ascertain what was happening with the promised deposit insurance for members; since the Credit Union took a hit with the Government paper. He further queried how much emphasis the Credit Union placed on research and how it would go forward.

14.3.16 The President stated that the Credit Union had a representative on the Board of the League who would speak on the Barbados Deposit Insurance Corporation.

14.3.17 Bro. Sherwin Greenidge reported that the League was arranging a meeting with the Prime Minister. He stated that the first item on the agenda was to ascertain what kind of road map would be put in place by Government to offer deposit insurance to the Credit Union movement.

14.3.18 The President recognised Bro. Dalton Jackman, former Volunteer.

14.3.19 The President indicated that the Management team would agree that the Board was very insistent on research. She stated that the internet has opened doors that were not available 20-30 years ago. She was of the view that there needed to be a national research in the Credit Union movement on a consistent and continuing basis.

14.3.20 Bro. Greenidge indicated that the preparation for deposit insurance would have been done after extensive research to gather the information, so that once it was reviewed, it would have been accepted. He stated that the League recognised that research was important.

14.3.21 Bro. Keith Bourne congratulated the Credit Union on its outstanding performance over the years and for the past 35 years. He reminisced that Bro. Robert Morris approached him and stated that he had instructions from the General Secretary of the Barbados Workers' Union to start a Credit Union by the end of that year. He was happy to see how the Credit Union's financial statement showed that it had performed well and congratulated the Board of Directors, Management and Staff on a job well done.

14.3.22 Bro. Bourne stated that research was a topic near and dear to his heart but it could be expensive. He shared that for a nominal fee, information could be gathered from the Smithsonian Institution, including research on the challenges that the Credit Union might face. He encouraged smaller Credit Unions to work with the larger ones at this time in keeping with cooperative principle No. 7, “cooperation among cooperatives”, which was very important at this time.

14.3.23 Bro. Ashton Turney stated that he was aware that the Chairman of the FSC was of the view that Credit Unions were not robust enough to be regulated for deposit insurance. He stated that if a Regulator had this opinion, it was of great concern to him. He questioned where the Credit Union movement stood since the Credit Union was now paying for regulation. He stated that the movement had to lobby Government.

14.3.24 The President stated that lobbying was important but dialogue was also of



equal importance. She stated that the representative from the League had indicated that the door was open to discuss deposit insurance with the Prime Minister.

She was of the persuasion that the League would take the opportunity to influence the decision in the Credit Union movement's favour. She approximated that there were 135,000 Credit Union members nationally, and that they could also collectively lobby by having conversations with their representatives and taking every opportunity to make a case for deposit insurance. She stated that if there were enough voices, Government would hear us and eventually allow Credit Unions to access it.

14.3.25 Bro. Medford thanked the Board and Management for taking the opportunity since the Credit Union was liquid, to pay off the loan at the League. He stated that with this decision, the Credit Union saved on the interest payments.

14.4 Credit Committee's Report

14.4.1 The President invited Sis. Marsha Greenidge, Chairperson, Credit Committee, to present the Credit Committee's Report.

14.4.2 Sis. Greenidge reported on April 2018 to March 2019 period. She outlined the responsibilities of the Committee in the Co-operatives Societies Act CAP 378A Section 206.

14.4.3 She thanked the members of the Committee as follows for their dedication and commitment over the year:

Vice Chairman – Bro. Overton Franklyn

Secretary – Bro. Devon Farrell

Assistant Secretary - Sis. Charmine Ottley

Member – Sis. Fiona Goodridge.

14.4.4 Sis. Greenidge thanked the members of the Committee for its robust conversations and the long hours spent ensuring that the members' requests were properly adjudicated. She extended a special thanks to Bro. Devon Farrell for the period he served and to Sis. Fiona Goodridge who served the Credit Committee for the past six years. Sis. Goodridge would be taking a short break from serving in the capacity of volunteer but would return in the not too distant future.

14.4.5 Sis. Greenidge reported that the Credit Committee held forty-three (43) meetings. She indicated that the Loan Officers' approval limits were increased but that the Committee had seen increases in Real Estate and Personal loans by 17% and 21%, respectively. However, approved Lines of Credit and Business Loans were reduced by 42% and 35%, respectively. She stated that it was hoped that over the next few years when the economy stabilised, business loans would increase.

There was an increase in loans in the months of February and March which was above the approved budgeted amount. She explained that mortgages were disbursed on a tiered basis. On a positive note, the Credit Union remained below the industry guidelines for delinquency at 5%.

The Way Forward

The Credit Committee was committed in these challenging times to engage the members, particularly those retrenched. The Committee was cognizant of the need for greater emphasis on financial counselling and management. If members were better educated on financial management, it would assist them in making the right choices to avoid bad debt.

Appreciation

The Credit Committee commended each staff member of the Loans Department, along with the Credit Manager. She indicated that Credit Committee meetings were also hosted via Skype, with a two or three-hour agenda to ensure that the membership's loans were adjudicated. She thanked the Board of Directors.

She commended the Nominees for attending the meeting, for their interest in serving on the Committees, as well as thanked the membership for its tenacity.

- 14.4.6 A motion for the adoption of the Credit Committee's Report was moved by Bro. Joseph Tull and seconded by Sis. Carolyn Barton.
- 14.4.7 The motion was carried by a majority vote.
- 14.4.8 Bro. Dalton Medford commended the members of the Credit Committee for their commitment in attending the 43 meetings of the Committee.
- 14.4.9 Bro. Medford pointed out that even though business loans were reduced, members accessed credit by personal loans for their business. He stated that it would be necessary to analyse how the Credit Union could attract more business owners and the reason for the reduction. He stated that one of the reasons for the small number of loans, was the fact that the Credit Union was unable to conduct multiple transactions; such as paying suppliers.
- 14.4.10 Sis. Greenidge stated that small business owners needed the assistance of an Accountant but some businesses might not be financially able to invest in this area. She stated that the General Manager would have alluded to the fact that there would be a structure in place to educate small business owners via

the entrepreneurial camp. She stated that the Committee had a responsibility to make prudent decisions and therefore it was necessary to have the structure, information and projections prepared for review; if this was not provided, the adjudication process could not be completed properly and it could result in non-performing loans.

- 14.4.11 Bro. Joseph Tull highlighted that even though delinquency was within the Pearls Analysis benchmark of 5%, the report on page 61 and 62 of the financial statements for the 1-90 day category, showed the value was over \$26 million. He opined that the Credit Union should have a more robust follow through for members that were 90 days and over. He stated that if the loan became delinquent at 90 days, it was a clear indication that the member had no intention to repay the loan and it was critical that these members were contacted before the loan became 90 days delinquent.
- 14.4.12 The President invited the Finance and Accounting Manager to explain the aggressive approach that the Credit Union had utilised for the past number of years. She stated that every effort was expended to ensure that delinquency was kept at an acceptable level.
- 14.4.13 The Finance and Accounting Manager explained that before a loan became 90 days delinquent, the member would be invited to a meeting with a Collections Officer. She stated that an agreement would be reached on a payment arrangement and if this arrangement was not kept, a Bailiff would be utilised.

The balance over 90 days was high since most of the accounts were properties that would come off the books after they had been sold.



14.4.14 The President stated that the Credit Committee had worked tirelessly over the past year. She also agreed with Bro. Dalton Medford that it was a yeoman task to attend 43 meetings during the year. She also encouraged Sis. Greenidge and her team to stay the course as it would be even harder going forward.

14.4.15 The President recognised Sis. Pearl Yearwood, former Volunteer on the Credit Committee.

14.5 Supervisory Committee Report

14.5.1 The President invited Bro. Ashton Turney, Member, Supervisory Committee, to present the Supervisory Committee Report.

14.5.2 Bro. Turney reported that the Supervisory Committee after being elected into office, held 10 meetings. He indicated that there were also 6 Extraordinary Credit Committee meetings and four Joint Committee meetings. There was an 80% attendance of the members of the Committee at all meetings.

He indicated that a work plan was put into place for the financial year to ensure that members' assets and savings were at all times, safeguarded and protected.

The Committee also ensured that the Credit Union was operating safely by following all internal control procedures and policies.

Reports

During the period the Committee reviewed the Board Minutes, Financials, Financial Services Commission Report, Management reports and also the bank reconciliation statements prepared by the finance department. The Committee reported that the bank reconciliations statements were up to date and all reconciling items were closed out.

He reported that it was the opinion of the Supervisory Committee that the Credit Union's policies and procedures, as well as Management's practices, were sound. Such an opinion was based upon Supervisory Committee reviews and also the internal audit reviews.

The internal auditor reviewed the following:

- **Healthy Living Group Insurance Plan**
- **Staff Payroll**
- **Loan Processing**
- **Large Cash Transactions**
- **Cash Counts**
- **Complaints and Procedures**

1 JULY, 2018 – 15 JUNE, 2019

ATTENDANCE AT SUPERVISORY COMMITTEE MEETINGS

Position	Board Of Directors	Attendance <i>(10 meetings were held during the period)</i>
Chairman	Sis. Safiya Wilkinson	10
Deputy Chairman	Bro. Damien Chase	8
Secretary	Sis. Juliet Pollard	9
Assistant Secretary	Bro. Sean Scott	10
Member	Bro. Ashton Turney	9

- **Teller Audits**
- **Purchasing Functions**
- **Bill Payer Account**

Loan Processing

The purpose of these audits was to determine the extent to which the loan function was being conducted in compliance with the Credit Union's policies and procedures. It must be noted, the Credit Union derived the major portion of its revenue from interest earned and collected on loans issued to members. It must therefore be noted that the soundness of the underwriting, review and follow up on loans granted to members is of paramount importance.

Large Deposits

The purpose of these reviews was to determine the level of compliance with relevant local legislation and AMLA guidelines as they relate to the gathering and documentation of information on large deposit transaction activity. This included measures in place at the BWUCCUL to detect, document, monitor and report on an ongoing basis, any suspicious and/or unusual financial activities.

Purchasing function

An audit of this nature was intended to determine compliance. Compliance with this procedure was evidenced by an appropriate audit trail that included the relevant documents and the required signoffs/approvals.

Complaints Procedure

This report was prepared after certain complaints were raised by one of the Credit Union's members. Generally, there are three key objectives of a complaints process in a Credit Union:

1) To properly serve existing members thereby retain their membership

2) To retain the ability to attract new members

3) To improve the skills of employees and the performance of their respective duties.

There was a complaints process currently in place that sought to address the above listed items, among other matters that members could report. Complaints could include perceived Credit Union rules or policy violations, or unethical behaviour and complaints, which were directed to the Supervisory Committee. There were 26 complaints received, 17 of which were addressed by the Committee.

He reported that the Credit Union, during the year under review, from April 2018 to March 2019, showed growth in most of the financial indicators.

He thanked the membership for its loyalty and pledged the Committee's commitment to maintaining a 'Better With Us' Credit Union. He urged the membership to have the BWU Cooperative Credit Union Limited remain as their Credit Union of choice for financial growth.

14.5.3 A motion for the adoption of the Supervisory Committee's Report was moved by Bro. Damian Mascoll and seconded by Bro. Harcourt Husbands.

14.5.4 The motion was carried by a majority vote.

14.5.5 The President indicated that a physical copy of the Attendance Record of the Board and Committees would be provided to Bro. Joseph Tull.

15. FIXING OF THE MAXIMUM LIABILITY

15.1 Bro. Vere Rock, Treasurer, proposed the fixing of the maximum liability from \$7.4 million, to \$7.97 million.



15.2 The Treasurer read the Resolution for the fixing of the Maximum Liability.

15.2.1 We now propose to increase the maximum liability to \$7.97 million with the following a resolution:

WHEREAS Section 31 (1) of the Co-operatives Societies Regulations 2008, requires the Credit Union to fix the maximum liability the society may incur in loans at a general meeting.

AND WHEREAS it will be necessary for the Board of Directors to borrow money from time to time to manage the business of the society.

Be it resolved that this 35th Annual General Meeting of the Barbados Workers' Union Co-operative Credit Union Limited fix the Society's maximum liability at \$7.97 million, up from the prior amount of \$7.4 million.

15.3 A motion to adopt the Resolution was moved by Bro. Vere Rock and seconded by Bro. Ashton Turney.

15.4 There was a total of 56 votes with no abstentions from the membership to change the maximum liability from \$7.4 Million to \$7.97 Million.

15.5 The motion was carried by a majority vote.

16. APPROPRIATION OF SURPLUS

16.1 The Treasurer stated that there would be no allocation of surplus. He explained that during the year, the Credit Union paid interest on deposits quarterly. The amount paid in total was \$2.58 million. The average interest rate was 1.69%.

16.2 A motion to adopt the allocation of surplus was moved by the Treasurer and seconded by Sis. Carolyn Barton.

16.3 The motion was passed by a simple majority.

17. APPOINTMENT OF THE AUDITORS

17.1 The President stated that the Board of Directors proposed that the current Auditors, KPMG, be retained for the ensuing financial year.

17.2 The membership approved the appointment of KPMG by a majority vote of 69 votes with 1 objection.

17.3 The President announced that KPMG was therefore appointed as the External Auditor for the financial year 2019-2020.

18. RESOLUTION

18.1 The President indicated that there were no resolutions for consideration.

19. ANY OTHER BUSINESS

19.1 Bro. Joseph Tull queried whether the Credit Union could not lead an effort where members could be encouraged to donate \$5.00 to the Queen Elizabeth Hospital.

19.2 The President indicated that the Credit Union was working on the refurbishment of a ward at the Queen Elizabeth Hospital. However, the Board would consider the proposal and look at a strategy for this proposal.

19.3 Bro. Dalton Medford indicated that the Board should ensure that Bro. Tull's suggestion was considered.

19.4 Bro. Dalton Medford queried whether the loan taken from the National Insurance Board had been fully drawn down.

19.5 The Finance and Accounting Manager stated that the loan had not been fully accessed and it was Management's intention to seek to close out the loan with the National Insurance Board.

19.6 The President invited members to observe one Minute's silence in respect of the members who had passed away during the year under review.

19.7 Bro. Ashton Turney thanked Sis. Safiya Wilkinson for her service to the Credit Union and by extension, the Supervisory Committee.

19.8 The President supported his comments and stated that Sis. Wilkinson brought a no-nonsense, novel approach to the internal audit function. She thanked her once again.

19.9 The President reiterated Sis. Marsha Greenidge's point earlier in the meeting, where she stated that the Credit Union would be calling on all of its Volunteers. She reported that an orientation programme was held for the Nominees that would be serving for the first time. She stressed that the Credit Union needed all hands on deck.

20. BREAK

20.1 The President declared that there would be a 10 minute break before the announcement of the election results.

20.2 The break was called at 5:17 pm and the meeting reconvened at 5:30 pm.

21. ELECTION RESULTS

21.1 Board of Directors

21.1.1 There were two vacancies on the Board of Directors, to serve for a three-year term of office.

Nominees	Votes
Robert Gibson	30
Kemar Holder	38
Harcourt Husbands	24
Dalton Medford	87
Ashton Turney	51
Spoilt Votes	-

21.1.2 The Chairman declared that Bro. Dalton Medford and Bro. Ashton Turney were duly elected to serve on the Board of Directors for a term of three years.

21.2 Supervisory Committee Elections

21.2.1 There were two vacancies on the Supervisory Committee, to serve for a three-year term.

Nominees	Votes
Carolyn Barton	44
Sherwin Greenidge	56
Michelle Hamblin	21
Kemar Holder	19
Harcourt Husbands	17
Damian Mascoll	17
Dalton Medford	29
Ferdinand Straughn	29
Spoilt Votes	-

The Chairman declared that Bro. Sherwin Greenidge and Sis. Carolyn Barton were duly elected to serve on the Supervisory Committee for a term of three years.

21.3 Credit Committee Elections

21.3.1 There were two vacancies on the Credit Committee, to serve for a three-year term.

Nominees	Votes
Carolyn Barton	49
Michelle Hamblin	30
Kemar Holder	15
Damian Holder	20
Ryan Reece	57
Ferdinand Straughn	14
Ashton Turney	32
Spoilt Votes	-



21.3.2 The Chairman declared that Sis. Michelle Hamblin and Bro. Ryan Reece were duly elected to serve on the Credit Committee for a term of three years.

21.4 Bro. Kevin Lashley thanked the membership for the opportunity to serve as Election Chairman.

21.5 The President thanked the members of the Credit, Supervisory and Adhoc Committees, Management and Staff. She stated that it was a pleasure to serve as she had received a lot of support from the members of the Board.

22 PRIZE GIVING

22.1 Sis. Astra Babb was invited to preside over the prize giving segment of the meeting as follows:

Prize Type	Drawn By	Recipient
Member Prize	Bro. Ashton Turney	Bro. Sherwin Greenidge
Junior Prize	Sis. Linda Brooks	No winner
Staff Prize	Bro. Dalton Medford	Sis. Sharon Hope
Visitor Prize	Mr. Anton Lovell –Co-operators General Insurance Company	Ms. Dominique Massicot

22.2 The President invited the membership to consider Co-operators General Insurance Company for all of their general insurance needs.

23. ADJOURNMENT

23.1 A motion to adjourn the meeting was moved by Bro. Vere Rock and seconded by Sis. Althea Bishop.

23.2 There being no further business, the Chairman terminated the meeting at 5:40 p.m.



Supervisory Committee Report

for the Period April 1st 2019 to March 31, 2020

INTRODUCTION

By section 212, of the Co-operatives Societies Act CAP 378A, and Regulation 17 of the Co-operatives Societies Regulations 2008, The Supervisory Committee is required to:

- Examine the books of the Credit Union
- Confirm the Credit Union's cash instruments, property and securities.
- Confirm Members' deposits
- Appraise the policies and operating procedures of the Credit Union and make recommendations to the Board and the Credit Committee.
- Attest to the monthly returns filed in compliance with Section 127 (2) of the Act.
- Receive and investigate any complaints made by members about the management of the Credit Union.
- Monitor the management of the Credit Union.
- Ensure that the Credit Union complies with provisions of the Act, Regulations and By-Laws, and
- Verify the assets of the Credit Union and monitor whether the assets are properly protected.

Hence, the Committee is responsible for the safety of the Credit Union by ensuring compliance with the Co-operatives Societies (Amendment) Act, 2007-39 and the By-Laws of the Credit Union.

In discharging its statutory duties, the Supervisory Committee met as required and reviewed the following:

- o Minutes of the Meetings of the Board of Directors
- o Monthly Bank Reconciliations and Financial Statements
- o Monthly Operations Reports
- o Monthly Financial Service Commission Reports
- o The Internal Audit Reports

Having reviewed the above listed reports, the Committee was able to evaluate the effectiveness of management and staff in carrying out their assigned responsibilities. Based on our reviews, the Committee is generally satisfied that current management practices are aligned with good corporate governance.

The Internal Auditor reviewed and evaluated the following during the year:

- Tellers
- Payroll Processing
- Term Deposits
- Cash Management
- Loans Processing
- Collections
- Loans to Volunteers and Staff

- Access to the CRUISE Information System
- Anti-Money Laundering (AML) procedure
- Debit Cards activity
- Corporate Membership

After examining the submitted reports and meeting with the Auditor, the Committee is satisfied that his continuous monitoring and reviews have resulted in stronger internal controls.

We therefore commend the efforts of our Auditor and extend our appreciation to him for his dedication to the task.

The Credit Union created a Legal & Compliance Department on February 2, 2020. The Department commenced a review of the Credit Union's anti-money laundering/ counter-financing of terrorism/ counter-proliferation financing (AML/CFT/CPF) regime in light of the Financial Service Commission's Desk Based and Onsite Report of BWUCCUL of November 2019. The Legal and Compliance Manager conducted a series of interviews, AML/CFT training sessions with frontline personnel and a review of key documents to garner information.

The Legal and Compliance Manager met with the Consultant to review and discuss the Preliminary Report of the AML/CFT Risk Assessment of the Credit Union which the Consultant had conducted. The Committee is of the view that satisfactory efforts have been made towards addressing the recommendations and will continue to monitor the department's progress.

The Committee notes that there has been a significant decline in complaints for the year under review, with a total of 51 complaints received. The Credit Union recorded an average of four complaints per month, with no complaints received during the months of March and April 2020, respectively. This can be attributed to the focus on improving the customer service delivery at all of the Branches. The Committee encourages Management and Staff to maintain this downward trend and to continue maintaining a high standard of customer service.

The Committee wishes to commend the Board of Directors, Management and Staff on its response to the COVID-19 pandemic. The Credit Union was able to continue servicing its membership effectively throughout the pandemic. The Committee notes that there have been efforts to increase the use of technology, with the increase in the marketing of our debit card and online banking facilities. The Committee looks forward to more innovative and creative ways for the Credit Union to conduct business with its membership outside of the normal channels. The Committee further recommends that our Credit Union should continue on its path to develop services that create wealth for its members, while educating them on personal financial planning; achieving such initiatives should retard the growth in delinquency, especially as members seek to adjust to a new norm; brought about by the COVID-19 pandemic.

The members of the Supervisory Committee wish to express our sincere appreciation to the hard working and dedicated staff, especially Mrs. Lucretia Hall, Mrs. Sharon Murrell and Mrs. Yvette Jordan-Dottin, the officers assigned to our Committee.



The Supervisory Committee thanks you, our members, for the confidence you have placed in us by electing us to serve you during the past year. We look forward to serving you again, as we seek to ensure that the BWU Cooperative Credit Union Limited remains your preferred Credit Union of choice for financial empowerment, being ever mindful that “You Are Better With Us”.

Bro. Sherwin Greenidge
Chairman

Bro. Damien Chase
Deputy Chairman

Sis. Juliet Pollard
Secretary

Bro. Sean Scott
Assistant Secretary

Sis. Carolyn Barton
Member



Credit Committee Report

INTRODUCTION

By Section 206, of the Co-operatives Societies Act CAP 378A, the Credit Committee is required to:

- Recommend to the Board, policies and procedures to be followed by the Credit Union for approving and granting loans.
- Monitor, through reports from the Credit Union's auditor and other officers of the Credit Union, loan procedures used by the Credit Union.
- Consider all applications for loans, loan extensions and revisions of the terms of the loans that are referred to it by the board or an officer of the Credit Union.
- Consider reports of officers of the Credit Union that are submitted to the Committee.
- Prepare and maintain full and correct records of all actions taken by the Committee.

COMPOSITION OF THE CREDIT COMMITTEE:

The Credit Committee as set out below, was elected at the 35th Annual General Meeting held on June 29th, 2019, to serve and perform its duties in accordance with our By-Laws and our Board appointed guidelines, policies and procedures.

Chairman	Bro. Overton Franklyn
Vice Chairman	Sis. Marsha Greenidge
Secretary	Bro. Ryan Reece
Assistant Secretary	Sis. Charmine Ottley
Member	Sis. Michelle Hamblin

MEETINGS

The Credit Committee held thirty-eight (38) meetings during the reporting period to review and approve loan applications, as well as to examine the other loan activities of the Credit Union. Loans were carefully analyzed in accordance with the guidelines set out in the Credit Union's By-Laws and its Loans Policy. Every effort was made to reduce the Committee's response time to applications in the interest of members' satisfaction and remaining competitive.

One of the initiatives mandated by the Board of Directors, was to increase the loan limits of the Internal Loans Committee (ILC), which comprises the senior managers in the Credit Union. This decision was to speed up the adjudication of loans in the interest of our valued customers. As a result of the increased capacity of the ILC, the Credit Committee conducted meetings, which mainly focused on random sample reviews of a percentage of the files adjudicated by the ILC. This was to ensure that all the necessary policies, procedures and protocols of the Credit Union were being adhered to. Nine (9) of the above-mentioned meetings were conducted for that sole purpose.

LOANS PORTFOLIO

Table 1 depicts the loans portfolio which shows that personal loans have increased over the last three years. When compared with 2018-2019 the number of loans decreased by one hundred and seventy-seven (177) and the loan value by \$394K. There was a decrease in the number of loans with an increase, in the value of loans in the Debt Consolidation category for the period, as our members have requested this product to assist in the improvement of their financial position. In the

Real Estate Category, there was a six percent (6.18%) decrease in the loan value, as well as a decrease in the number of loans approved, by seven (7) when compared to 2018-2019. Business loans not only recorded an increase of five percent (5.61%) in value when compared to the same period, but the number of loans also grew by four (4). Lines-of-Credit (LOC) recorded a decrease of forty-one percent (41.06%) in the loan value when

compared to the previous year. Overall, for the period under review, the loans approved totalled \$37.8M. It is therefore noted, that for the period under review, there were instances where members could not qualify for requested loans as they were over-extended. The Credit Union sought to assist those members by referring them for financial counselling, in-an-effort to help them to better manage their debt.

LOANS APPROVED BY CATEGORY						
Financial Year	2019-2020		2018-2019		2017-2018	
Loan Type	No. of Loans	Loan Value	No. of Loans	Loan Value	No. of Loans	Loan Value
Personal	1,554	\$24,364,848	1,448	\$22,466,426	1,437	\$18,519,051
Real Estate	51	\$11,088,200	58	\$11,818,209	49	\$10,030,072
Business	7	\$103,500	3	\$98,000	5	\$280,500
LOC	327	\$2,250,500	607	\$3,818,200	1,117	\$5,846,502
Total	1,939	\$37,807,048	2,116	\$38,200,835	2,608	\$34,676,125

Figure 1: Depicts loans approved for the financial year categorised into the four (4) loan types, both in number and value compared to those of the two previous years.

PORTFOLIO SEGMENTATION				
Type	Number of Loans	% of Total Loans	Loan Value	% Value
Personal Loans	2,683	47%	\$42,680,012	35%
Real Estate Loans	434	8%	\$67,609,474	55%
Business	33	1%	\$1,713,591	1%
Line of Credit	2,527	45%	\$10,745,737	9%
Total	5,677	100%	\$122,748,815	100%

Figure 2

The loans portfolio segmentation for 2019-2020 as seen in Figure 2, depicts that the highest number of loans was in the Personal loan segment representing forty-seven percent (47%) of the total loan portfolio. However, Real Estate loans were the most significant in value with a total of \$67.6M, representing eight percent (8%) of the total portfolio.



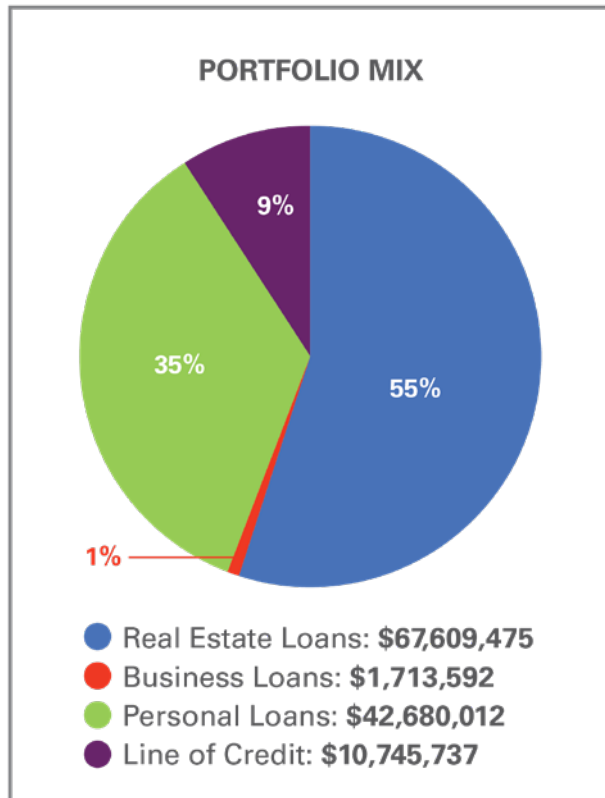
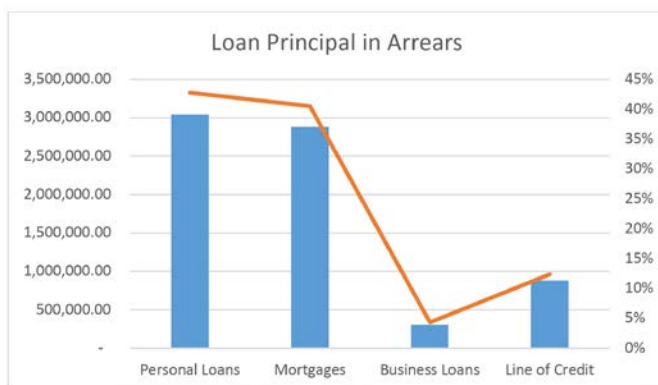
Figure 3: Current Portfolio Mix


Figure 3 provides a visual representation of these statistics.

DELINQUENCY

The Credit Union offers four (4) types of loans: Personal, Mortgages, Business and Lines-of- Credit. The chart below shows the percentage in arrears per category 1 to 9999 days delinquent including reclassified loans.

Figure 4: Loan Category in Principle Arrears


The staff in the collections department continues to work assiduously and this has been represented by the delinquency ratio being recorded at 5.8% which is below the industry standard of 10%. The Credit Committee pledges to continue to make a concerted effort in the new financial year to assist in the reduction in delinquency by adding quality loans to the portfolio.

CREDIT COMMITTEE ATTENDANCE & ACTIVITY

During the period April 2019 – June 2019, the committee adjudicated and approved six (6) loans totalling \$1.07M. While during that of July 2019 – March 2020, one hundred and three (103) facilities totalling \$18.2M were adjudicated and approved. The tables below show the meetings conducted during the period in review:

Meetings held between April 2019 and June 2019

Name	#of Meetings	Attendance	Excused
Marsha Greenidge	6	6	0
Fiona Goodridge	6	6	0
Overton Franklyn	6	6	0
Charmine Ottley	6	6	0
Devon Farrell	6	0	6

Meetings held between July 2019 and March 2020

Name	#of Meetings	Attendance	Excused
Overton Franklyn	32	32	0
Marsha Greenidge	32	25	7
Ryan Reece	32	28	4
Charmine Ottley	32	28	4
Michelle Hamblin	32	31	1

THE WAY FORWARD

The Credit Committee is pleased that despite the challenging economic conditions, members continue to support the products and services being offered. This was only attainable due to the level of understanding and

consideration exhibited by the loans team. The need for financial counselling, along with advice and guidance regarding debt consolidation and practical financial management, is still critical-especially for those "borderline" members. With the new loan products introduced for the new financial year, full support will be given by the entire credit team to enable members to become empowered, through better management of their finances and improvement of their social status.

The credit union, despite the challenging economic conditions, benefitted from its members continuing to support the products and services being offered. Continued assistance will therefore be sought and given to those members requiring educational and financial counselling as well as debt management skills. The committee will continue to closely monitor lending, whilst seeking to improve the delivery of service in this area to the membership. The opportunity is also taken at this time to encourage the membership to reach out to the loans team to obtain any information and/ or requirements on specific loans as well as to visit our social platforms on Facebook and Instagram.

APPRECIATION

The Credit Committee is thankful to the Board of Directors for the training sessions from which its members benefitted and would like to thank the Credit Union's Legal Team for its assistance and co-operation throughout the year. Gratitude is also expressed to the Management and staff for their professionalism during the period. Special appreciation is expressed to the credit manager and her team in the loans department for their unending support.

CONCLUSION

The Committee held fast to its mandate to carefully consider the financial circumstances of borrowing members and have determined whether such members were in a position to repay the loan facilities which were granted to them. Furthermore, a watchful eye was placed on the state of the Barbados economy.

Our economy, just like the rest of the world, has now been seriously impacted by the covid-19 pandemic. To this end, the BWU Co-operative Credit Union Ltd. will feel the effects of the pandemic, resulting from a number of its members being laid-off, especially those in the hospitality industry and those who would

have been employed by small businesses as well as entrepreneurs. This therefore will result in reduced interest revenue from loan payments and would cause a spike in delinquency.

Notwithstanding the effects that this will have on the credit union's bottom line, the credit union took the valiant initiative to introduce moratorium payments over the next three (3) months. This was done to enable those members whose jobs and income were directly affected by the pandemic not to feel pressured and therefore experience some financial relief at this time. This was a good initiative introduced by the management of the organization which proves that they have put the needs of the membership first, despite the capital issues being experienced.



AGM Attendees

Adult Members

Alice Ottley	Deirdre Perch	Joan Gittens	Rasheda Beckles
Allison Knight	Denese Morgan	Joel Franklyn	Regina Sealy
Almroth Williams	Devon Farrell	Joseph Tull	Rene McKnight
Althea Bishop	Dwain O'Neal	Juliet Pollard	Rijenna Watkins
Andre Yarde	Eli Williams	Junior Allsopp	Roderick Nurse
Angela Mayers	Elizabeth Husbands	Kathleen Small	Ryan Reece
Antoinette Burnett	Eric Smith	Kathyann Brathwaite	Safiya Wilkinson
Ashika Turney	Esther Tull	Keenan Clarke	Sagesse Taylor
Ashton Turney	Esther Sandy	Kemar Holder	Sandra Harper
Avenel Hinkson-Forde	Faye Arthur	Keturah Clarke	Sandra Small-Thompson
Beverly Sealy	Ferdinand Straughn	Kirtland Clarke	Sean Scott
Carl St John	Fiona Goodridge	Lenox Saul	Seon Arthur
Carolyn Barton	Gabrielle Bailey	Leonard Husbands	Shakelia Hamblin
Catherine Brathwaite	Garcia Bryon	Linda Brooks	Sharon Grant
Chesterfield Haynes	Grace Brathwaite	Lionel Brewster	Sherian St Jean
Coradean Layne	Grantley Yearwood	Lucia Paris	Sherril Dottin
Creceita Husbands	Harcourt Husbands	Marsha Greenidge	Sherwin Greenidge
Cya Layne	Henderson Scott	Michelle Hamblin	Shirla Medford
Dalton Medford	Henry Carrington	Monica Turney	Trevor Foderingham
Dalton Jackman	Herbert Harewood	Neville Brathwaite	Vere Rock
Damien Mascoll	Holbrook Taylor	Novaline Brewster	Veronica Phillips
Damien Chase	Hugh Arthur	Olivia Sammy	Washbrook Bayne
Daren Greaves	Jamie Walker-Babb	Overton Franklyn	Wesley Chase
David Maxwell	Jennifer McCollin	Patricia Taylor	
Deborah Chase	Jewel Brathwaite	Pearl Yearwood	

Junior Members

Jaiden Alleyne
Kharisma Clarke
Zhuri Parris

Visitors

Andrew Burnett	KPMG
Anthony Inniss	Lifetime Credit Union Limited
Anton Lovell	Cooperators General Insurance Company Limited
Dominique Massicot	
Felton Burton	BET Cooperative Credit Union Limited
Hally Haynes	Barbados Cooperative and Credit Union League Limited
Jaydee Browne	
Keith Bourne	Barbados Public Workers Cooperative Credit Union Limited
Keith Jones	Bartel Cooperative Credit Union/ Barbados Cooperative and Credit Union League Limited
Kevin Lashley	United Enterprise Cooperative Credit Union Ltd
Mary Inniss	
Shakira Grant	
Susan Fitt	Endeavour Credit Union Limited
Violet Williams	

Members of Staff

Akayla Alleyne	Lauralyn Garrick
Alana Cadogan	Lisa Collymore
Angela Mason	Lucretia Hall
Antonio Arthur	Micaiah Boyce
Charmaine Johnson	Michael Freeman
Cherise Austin	Michelle Husbands
Cheryl-Ann Vaughan	Neville Nurse
Corinne Clarke	Omelle Broomes
Damien Gilkes	Peter Blackman
Dana Wilson	Rajiv Worrell
Dario Holder	Shakira Forde
Dwayne Seale	Shana McCollin
Gail Cumberbatch	Sharon Hope
Jamaro Yearwood	Shavonne Dottin
Janice Burgess	Sherri Taylor
Janice Griffith	Shirleyne Best
Jessica Gibson	Shomari Inniss
Joakima Rochester	Shonelle Holmes
Keira Cumberbatch	Toni Worrell
Keisha Goddard	William Payne
Kim Hunte	Yvette Jordan-Dottin
Kristina Browne	



Standing Orders

1. (a) A member to stand when addressing The Chair.
(b) Speeches are to be clear and relevant to the subject before the meeting.
2. A member shall only address the meeting when called upon by the Chairman to do so, after which he shall immediately sit.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject except:
 - (a) The mover of a motion – who has the right to reply.
 - (b) He rises to object or to explain (with the permission of the Chair).
 - (c) With the permission of the Chairman.
5. The Mover of a Procedural Motion – (Adjournment laid on the table, Motion to postpone) is to have no right of reply.
6. No speeches are to be made after the “Question” has been put and carried or negated.
7. A member rising on a “Point of Order” to state the point clearly and concisely. (A “Point of Order” must have relevance to the “Standing Order”).
8. (a) A member should not “call” another member “to order” – but may draw the attention of the Chair to a “Breach of Order”.
(b) In no event can a member call the Chair “to Order”.
9. A “Question should not be put to the vote if a member desires to speak on it or move an amendment to it – except, that a Procedural Motion”, “The Previous Question”, “Proceed to next business” or “the Closure”: “That the Question be NOW PUT”, may be moved at any time.
10. Only one amendment should be before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it fails.
12. The Chairman to have the right to a “casting vote”.
13. If there is equality of voting on an amendment, and if the Chairman does not exercise his casting vote, the amendment is lost.
14. Provision to be made for protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motives against another member.



BWU CO-OPERATIVE
CREDIT UNION LIMITED

you're Better
With Us!