

Minutes of the Annual General Meeting held remotely on Tuesday 15<sup>th</sup> February 2022 at 19:30

**Present:** J. O'Halloran (Chair), N. Ni Chonghaile, M. Dowling, S. Neeson, M. Gleeson, M. Sisk, L. Moore, F. Kelly, G. Fay and P. Cummins (CEO) together with C. Leahy and L. Lyon (BOC)

Apologies: B. Conway Board, C. Leahy and L. Lyon BOC

The Independent Auditor FMB Advisory Limited was represented by D. McArdle and B. Burk and the meeting was facilitated by C. Little and C. Robinson (LogMeIn)

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Prior to the start of the meeting J.O'Halloran gave a brief run through on the format to be used throughout the evening and how voting on various motions would take place virtually in view of current restrictions due to Covid-19.

He then held a minute's silence for deceased member of the credit union and the invocation was said.

1. Ascertained that a quorum present.

2. Adoption of the Standing Orders – Agreed.

Proposed: J. O'Halloran                      Seconded: A. Lawlor

3. Reading of Minutes of 2021 AGM

The minutes of the 2021 AGM had been circulated in advance and were taken as read as no issues arose.

Proposed: J. O'Halloran                      Seconded: S. Cassidy

4. Report of Board of Directors

Chair of the Board J. O'Halloran, addressed the meeting. He recognized the challenge of Covid and referred to how it impacted on everything, including members not borrowing from us and increased savings as member did not have the chance to spend during lockdown. There were some positive impacts too including increased use of technology with more members applying for loans online and registering for membership on line. The trend is slowly reversing and members are beginning to borrow again.

He thanked S. McGirl and D. Murphy, who resigned from the Board, for their many valued years of service and welcomed two new members who were co-opted to the Board during the year, namely F. Kelly and S. Neeson.

He noted that the role of volunteers is critical on both the Board and the Board Oversight Committee as well as other committees. Malahide Credit Union is lucky to be served by some of the best qualified, capable and committed people in the country. He asked any members who feel they have something to contribute to get in contact with us as we can always do with more help and volunteers.

Moving on to results he noted that we continue to make a surplus, albeit a small one. Steps taken over the last eighteen months has seen our reserve ratios improve, and that was done through bringing in some very strong limitations on shares held by members. That was a decision not made lightly. The strategic plan for the next three years is to focus on loan growth.

He finished by encouraging everyone to consider Malahide Credit Union for their borrowing needs.

#### 5. Presentation of Financial Statements by M. Dowling

It was noted that we made a small surplus in difficult times. Assets fell as a result of the decision taken to place a cap on members' savings but the credit union is still in a very strong position. He noted that loans fell by €890,000 during the years mainly as a result of Covid but there are some positive signs that members are beginning to borrow again. Interest on loans fell by approximately €63,000.

Proposed: M. Dowling      Seconded: L. Moore

#### 6. Report from External Auditors (FMB Advisory Ltd)

D. McArdle FMB spoke. He noted that it has been a couple of very challenging years for credit unions. Hopefully there is some stability in the near future and that we can somewhat return to normality. Malahide Credit Union has performed well over the past twelve months and continues to serve its members well.

The overall surplus for the credit union increased slightly to €62,000 for the year. The loan book contracted by 13%. The average interest earned was 7.83% which is similar to last year and the overall loan book represents about 29% of total assets. Some years back the loan book would have represented 50% of total assets and sometimes closer to 100%. As a result of the saving cap imposed, total savings fell to €17.8 million.

The Board continues to monitor the impact of savings limits on the credit union and the ability to meet regulatory reserve requirements, while trying to balance the needs of members. The knock-

on effect was investment levels fell by about 14% with the average return on investments falling below 1% with no sign of this increasing in the near future.

Covid has not gone away, inflation is at its highest in 15 years and the investment landscape is difficult but the credit union continues to be in a strong place to serve its members.

The Board and Management Team continue to adopt a safe and conservative approach to running the credit union to ensure that it remains viable, financially sound and available to serve members.

It is the opinion of FMB that the Financial Statement gives a true and fair view of the assets, liabilities and financial position Malahide Credit Union as at 30<sup>th</sup> September 2021 and of its income and expenditure for the year ended.

Proposed: P. Cummins      Seconded: M. Dowling

#### 7. Declaration of Dividend

No dividend was proposed. This is consistent with Central Bank advice.

Approved by a secret ballot conducted by LogMeIn.

#### 8. Motions

The affiliation fee to the Irish League of Credit Unions for the year ended 30<sup>th</sup> September 2021 will be €1.50 per adult member, to be deducted from members' shares.

Approved by a secret ballot conducted by LogMeIn.

#### 9. Rule Changes

The amendments to the Standard Rules (ROI) from the League AGM 2021 were individually approved by a poll conducted by LogMeIn.

Resolution No 10 to delete Rule 63 (4)

Amendment to Rule 98 (2) (d)

Amendment to Rule 99 (3)(a)

#### 10. Board Oversight Committee

The Board Oversight Committee Annual Report was presented by L. O'Connor. It was noted that the Board demonstrate high standards of governance, and also adhere to regulations on all matters from Central Bank contained in the 1977 Act.

It was also noted that the Management Team are the backbone of Malahide Credit Union, keeping the members money safe and operating excellent customer service even under the challenging times during the past two years.

## 11. Committee Reports

### *Credit Committee Report*

Malahide Credit Union has had its fair share of lending challenges since the start of Covid-19 however we remain active and committed to lending to our members. It should be noted that 95% of all loan applications were approved. Loans are approved on the ability to repay. We lend on the basis that all loans are approved on the members' ability to repay so we require supporting documentation with all loan applications.

Referring to our car loans, at the very competitive rate of 7.9%, which is exceptional value compared to some other lenders it was noted that 58 members purchased new cars during in the year. Members are required to hold a minimum of €100 in their account in order to apply for a loan.

Proposed: M. Dowling      Seconded: L. Moore

### Credit Control Committee

Just a few points from the full report were highlighted. The main function of the Credit Control Committee is to ensure that all members repay their loans in accordance with the terms of the credit agreements.

All members who received Covid breaks on their loans are now back making full repayments. Of the 861 members borrowing from us only 11 loans are under review.

Our A1 ratio which is the level of loans over nine weeks in arrears is 2.24% and as of end-January stands at 1.95% which can be regarded as best in class for a credit union. Some industrial credit unions have higher levels of arrears than us.

The Committee acknowledged the outstanding work performed by the Manager and Credit Control Team which has resulted in our bad debt ratio remaining significantly below the national average, and in fact, the best in our asset group of credit unions.

Proposed: L. Moore      Seconded: M. Dowling

### Nomination Committee

The role of the Nomination Committee is to review the succession plan on an annual basis. Currently there are two vacancies on the Board precipitated by the retirement of two members. Two new volunteers were identified to replace retiring officers. These candidates have been assessed under the Central Bank's Fitness and Probity regime. They were co-opted to the Board and are up for election later.

J. O'Halloran stepped down as Chair having served a maximum of four years as permitted by the Central Bank and M. Dowling Vice Chair is up for election in the role as Chair. S. Finn is the nominee for Vice-Chair. These elections will take place following the AGM. There is one candidate proposed by the Board for the position as Auditor, FMB Advisory Limited..

Proposed: S. Finn      Seconded: J. O'Halloran

## 12. Elections

The elections were managed by LogMeIn.

J. O'Halloran has served four years as Chair of the Board and has stepped down. Following fitness and approval probity by Central Bank on M. Dowling has been proposed as new Chair.

Proposed: L. Moore      Seconded: J. O'Halloran

There being no other business to be discussed the meeting was adjourned at 20.30

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Chairman

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Secretary