

**MINUTES OF THE 69<sup>th</sup> ANNUAL GENERAL MEETING of the LA INMACULADA CREDIT LIMITED held at The Muffles College Auditorium, Orange Walk Town on Sunday, July 1, 2018**

**OPENING AND PRELIMINARIES**

**CALL TO ORDER**

The meeting was called to order by the President, Ms. Ena Martinez, at 10:35 a.m. The opening prayer was led by Ms. Ana McLaughlin. The National Anthem was led by Ms. Ena Martinez, while the Welcome address was given in English by Ms. Lisa Carrillo.

The minutes of the 67<sup>th</sup> Annual General Meeting were accepted as presented on a motion by Mr. Belizario Carballo, and seconded by Mr. Emmanuel Martinez.



**Correction to the 68<sup>th</sup> Annual General Meeting**

The winner of the Tablet was Marrely Rosado and not Norely Rosado.

The minutes of the 68<sup>th</sup> annual General Meeting were accepted as corrected on a motion by Mr. Roman Canul and seconded by Ms. Martha Lopez.

**Matters Arising from The Minutes**

Mr. Belizario Carballo asked for an update on the court case against LICU. The President gave a brief synopsis of the court case from its commencement on February of 2017, mediation, objection of evidence by Mr. Eamon Courtney, testimony given by LICU witnesses, and leading to the adjournment to October of 2018.

Mr. Angel Jimenez questioned the missing money that was previously reported. Mr. Isael Cajun, Chairman of the Supervisory Committee, informed that the services of two independent firms, Ms. Shawn Mahler and Horwatt Belize Ltd., had been engaged in an effort to account for it. He went on to say that there was no evidence to show theft and that controls have been strengthened at the ATM, vault and with the tellers for the handling of money.

Mr. Emmanuel Martinez asked for an update on membership to the Credit Union League. The President explained that LICU was officially a member of the League as at the beginning of the 2018 fiscal year.

**BOARD OF SERVICES REPORT**



## **SERVICES**

### **The Group Term Life Fund – Membership Scheme**

The membership scheme has been in effect since 2006 and has assisted 410 families as at March 31, 2018. During the year in review the fund grew by \$191,129.24 after paying sixty-five (65) benefits. The fund balance stood at \$1,365,333.24 as at the end of March 2018.

### **Savings and Loans Membership Scheme**

This fund grew by \$259,599.88 and has a balance of \$1,369,278.88 after eight (8) years of existence.

## **ALLIANCE PARTNERSHIP/NETWORKING**

LICU continued to offer the 15% discount on insurance requirements resulting in a total discount of \$9,575.26 from coverages processed via LICU's office.

### **Caribbean Confederation of Credit Unions (CCCU) Convention 2017**

The 60<sup>th</sup> Annual International CCCU Convention was held in Varadero, Cuba from June 16 to June 21, 2017. Ms. Ena Martinez, President, Mr. Belarmino Esquivel, Director, Ms. Cindy Castillo, Director, and Mr. Carlos Contreras, Chair of the Credit Committee, attended.

### **Sugar Cane Replanting Program (SCRP)**

LICU accessed a total of \$1,500,000.00 from this program of which \$800,000.00 has been repaid and a current balance of \$700,000.00 remains.

For the fiscal year in question, LICU approved and disbursed thirty (30) loans with a value of \$194,300.00.

### **Rural Credit Fund (RCF)**

This fund financed thirty-one (31) loans totalling \$183,375.15.

### **LICU Star Savers Program**

Presently, LICU serves thirteen (13) schools with a total of six hundred and fifty-three (653) students who have saved a cumulative amount of \$47,636.70.

### **Social Entrepreneurship Program (SEP)/Empowerment Fund (EF)**



This loan facility was created for visionary and brave entrepreneurs who need funds to move their business forward. Members were invited to make use of this service.

### **Resilience in the Americas Youth Entrepreneurs Program (RITA – YAP)**

In 2016 LICU and the Belize Red Cross Society joined efforts with the objective of establishing a revolving loan facility with the purpose of empowering young entrepreneurs of specific target communities. The Belize Red Cross Society created a guarantee fund of \$20,000.00 with LICU.

### **Sarteneja Alternative Livelihoods Microloans Program (SALMP)**

Another targeted guarantee fund revolving credit loan facility was established through the collaboration of the Sarteneja Fisherman Association (SFA) and LICU. This program targets the wives of fishermen. The guarantee fund totalled \$14,000.00 and it has assisted fourteen (14) women thus far.

### **Sugar Fest 2017**

LICU participated in the 2017 Sugar Fest where it displayed its services and benefits.

### **Secure Debit Network – Network One**

Network One offers members the opportunity to access cash countrywide at forty-five (45) ATMs and over three hundred and fifty (350) points of sale.

### **Student Loan Program with Belize Natural Energy Charitable Fund (BNECT)**

As at March 31, 2017 LICU and BNECT had assisted two hundred and forty-two (242) students with a total value of \$1,250,885.63. Of these students, ninety-two (92) have repaid their loan in full totalling \$458,751.00.

### **Credit Union Week 2017**

Credit Union Week was commemorated on the week of October 15 to 22, 2017. On Thursday October 19, International Credit Union Day, LICU held an open day, which saw the participation of The Belize Road Safety Project, The Orange Walk Police Department, Youth for the Future, and The Department of the Environment, among other groups.

Most of the staff attended the Belize Credit Union League Convention held at Belize City on Saturday, October 21.

A Mass of thanksgiving was held at La Inmaculada Church on Sunday, October 22.

## **EDUCATION AND TRAINING**



LICU offered four (4) high school scholarships this year. The recipients are Neideline Chan, Israel Novelo, Lorennie Leon, and Aldair Hobb.

## **STAFF DEVELOPMENT**

### **Staff & Volunteers Training & Development**

In April of 2017 the President, General Manager, and a committee member attended a training entitled How to Conduct Meetings and Preside Over Elections.

The General Manager, Operations Manager, and cashiers attended an Anti-Money Laundering and Counter Terrorism financing training.

The Credit Staff attended a Property Valuation Training and Securities training in November of 2017.

In February 2018, the entire staff and the Board and committees attended a training on LICU's Loan Policy.

### **Human Resource Complement**

LICU's staff was complemented from September 2017 to April 2018 with the addition of twelve (12) staff members, seven (7) for the Orange Walk branch and five (5) for the Belmopan branch.

## **BELMOPAN BRANCH**

A major effort was made to control delinquency and strengthen the branch in all aspects. Ms. Danita Young was appointed Officer in Charge in June 2016.

The membership currently stands at 4,764 members.

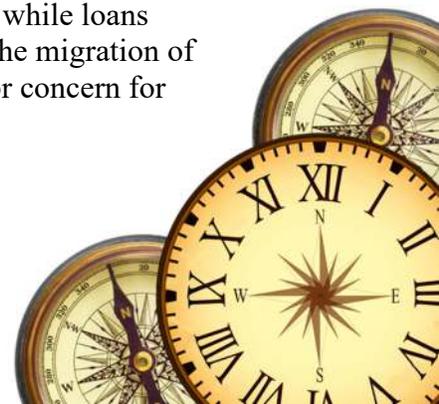
A Micro Finance Field Officer has been hired to assist with increasing the loans and membership portfolio.

## **DECLARATION OF DIVIDENDS**

The President declared a 4% dividend and a 2% rebate for the year 2017 – 2018.

## **TREASURER'S REPORT**

Savings increased by \$2.81M or 5%. Assets also increased by \$3.37M or 5%, while loans decreased by \$.65M or -1%. The treasurer attributed the decrease of loans to the migration of long-standing members to other financial institutions. This, she said, is a major concern for LICU.



The membership grew by 1,103 members. This is a growth of 4%. Total membership as at March 31, 2017 stood at 27,034. An intensive review of the membership will be done in an effort to eliminate inactive accounts and accounts that are below mandatory shares.

A depository bin has been acquired in an effort to reduce the long lines at the office. Along with this additional cashiering also took place at the second floor on busy days.

### **Credit Committee's Report**

A total of 6,759 loans with a total value of \$37,041,483.23 were approved and disbursed. Of these, 1,619 loans with a value of \$9,749,903.53 were issued at the Belmopan branch and 5,140 loans with a value of \$27,291,579.70 were given at the Orange Walk branch.

The loans portfolio as at March 31, 2018 stood at \$57,298,851.00.

The five top loan purposes were improvement and repairs (\$5,603,630.93), business (\$4,692,907.66), education (\$4,200,108.26), medical (\$4,101,828.41), and other/personal (\$3,022,211.65).

Delinquency stood at 15.4%. This is reflected in a total of 2,048 loans with a combined value of \$8,823,629.56.

### **Supervisory Committee's Report**

The statements of financial position, income and expenses, and cash flows were reviewed and were found to fairly reflect, in all aspects, the financial position of LICU.

Areas of improvement for LICU included reporting, cash management, credit monitoring, expenditure controls and cost decreases.

The existence and completeness of cash as at March 31, 2018 were examined and confirmed.

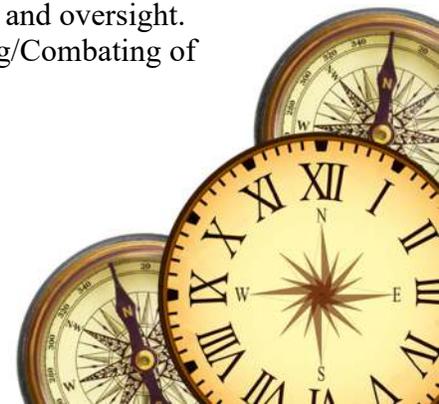
Operational expenses were reduced once more and expenditure was properly approved for recording in expenses.

The usage of the credit card was carried on in compliance with the procedures and policies set in place.

Members' loan balances were verified by contacting the members directly to ensure accurate loan provisioning for delinquency.

An Internal Auditor and a Compliance Officer were hired to improve controls and oversight. This has greatly assisted with the compliance with the Anti-money Laundering/Combating of Financing Terrorism Act and the Financial Intelligence Unit Act.

### **Discussion of Reports**



The Board of Directors' report was accepted as presented by Ms. Cecilia Torres and seconded by Ms. Carmita Yama.

The Treasurer's report was accepted as presented by Mr. Edward Novelo and seconded by Mr. Miguel Cuellar.

The Credit Committee's report was accepted as presented by Mr. Angel Jimenez and seconded by Ms. Marcelina Magaña.

The Supervisory Committee's report was accepted as presented by Mr. Roman Canul and seconded by Ms. Clarita Gentle.

### **Raffles**

Three raffles were held at this time. The winners were as follows:

1 George Foreman Grill	Ticket No. 248552	Ms. Micaela Mai
1 Oster Sandwich/Waffle Maker	Ticket No. 248507	Mr. Jovanny Tejada
1 Samsung 7" WIFI Tablet	Ticket No. 248617	Ms. Ashanty Hyde

### **Election of Officers**

Ms. Corine Fuller, Executive Director of the Belize Credit Union League, conducted elections for two posts in the Credit Committee and two posts in the Supervisory Committee.

The nominating committee, comprising of Ms. Ena Martinez, from the Board, Mr. Isael Cajun, from the Supervisory Committee, and Mr. Carlos Contreras, from the Credit Committee, had nominated Mr. Javier Moreno and Ms. Marcia Tun for the posts in the Credit Committee, both for a full term. The committee had also nominated Mr. Isael Cajun for a full term and Ms. Dorita Herrarte for two years to serve in the Supervisory Committee.

There were no nominations from the floor for the Credit Committee so Ms. Arcelia Leiva moved that nominations be closed. This was seconded by Mr. Gabriel Baeza.

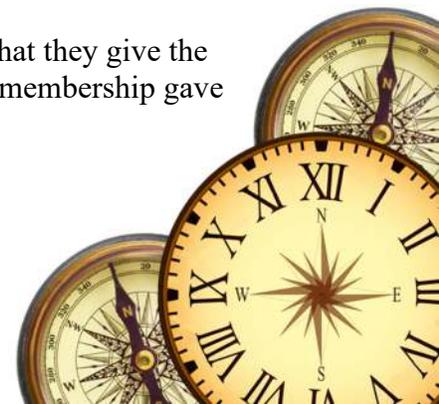
Likewise, there were no further nominations from the floor for the Supervisory Committee so Mr. Ricardo Castillo moved that nominations be closed. This was seconded by Mr. Alvin Tillett.

## **NEW BUSINESS**

### **Confirmation of External Auditor**

The Master of Ceremonies, Mr. Javier Moreno, proposed to the membership that they give the Board the authority to start the process of appointing an external auditor. The membership gave the approval.

### **Resolutions to Amend the By Laws**



The President presented a resolution to amend LICU's By Laws. Mr. Ricardo Castillo strongly opposed the amendment to the section on termination of membership. He said it was too dictatorial. He also spoke against the amendment to the section which spoke on officers or directors who vacate their post if they fail to attend three consecutive meetings.

Mr. Ricardo Escarraga agreed with Mr. Castillo on the wording of the amendment to the section on termination of membership and proposed that the wording of the amendment be changed for clarity purposes.

Mr. Ignacio Moh asked for an example of a reason for someone to be terminated as a member. To this, Mr. Moreno answered that fraud or money laundering could be possible reasons.

Mr. Evaristo Blanco asked for clarification on the 10% income set aside for the reserve fund and the loans loss reserve. Ms. Corine Fuller explained that of the net income, 10% should be allocated for the reserve fund. She also explained that power could be given to the Board to borrow on behalf of the credit union.

Mr. Emmanuel Martinez made a motion that the proposed changes to the By-laws be postponed to the following year's AGM since the proposals were not clear to the membership. This motion was seconded by Ms. Maria Moreno. The motion was put to a vote, and the membership accepted it.

### **ADJOURNMENT**

The meeting was adjourned at 1:26 p.m. on a motion by Ms. Martha Lopez and seconded by Ms. Janine Gillett. At this time food and refreshments were served. Raffles were also drawn. The winners were as follows:

<b>Prize</b>	<b>Ticket No.</b>	<b>Winner</b>
Shares or Cash	248305	Avimael De La Rosa
“ “	24848	Perla Alonzo
“ “	449075	Yahir Vallecillos
“ “	2448016	Maria Wright
“ “	248136	Vicente Witzil
“ “	248138	Paulino Chi
“ “	248030	Dora Galdamez
“ “	248130	Minor Meneses
“ “	449058	Alana Sotz
“ “	248034	Elizabeth Mendez
Hamilton Beach Stand Mixer	248187	Siomara Ba
Mabe 19Kg Top Load Washer	248489	Rosa Elvira Carnegie
JIVE 5 pc Dining Set	449160	Joy Almendarez
Luxury Pillows/Slippers	248512	Melina Carballo
LG DVD Player	449129	Marely Rosado
Amparo's Gift Certificate	248622	Melany Stevens



Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Manuel Polanco', with a long horizontal flourish extending to the right.

Manuel Polanco  
Secretary