

**MINUTES OF THE 51st A.G.M. OF THE HEALTH SERVICES STAFFS CREDIT UNION LIMITED,  
HELD ON THE 26<sup>th</sup> JANUARY 2022, VIRTUALLY**

The meeting, being held virtually, will be led by the president Ms. Marie Mc Bryan and the CEO, Mr. Sean Hosford.

The meeting was called to order at 6.30pm by Marie Mc Bryan, President. The President read the Invocation and asked that we remember the deceased members who died during the year.

No proxy votes were received.

**Standing Orders:**

Standing orders were approved on the proposal of Marie Mc Bryan and were seconded by Declan Finlay.

**Previous Year's Minutes:**

The minutes of last years AGM held on 24<sup>th</sup> March 2021 having been circulated were taken as read. Marie Mc Bryan proposed the adoption of the minutes and they were seconded by John Kane. The meeting agreed unanimously.

**Matters Arising:**

There were no matters arising.

**Nominations Committee Report**

This report was presented by Amanda Butler.

Matters Arising:

Questions from the floor:

1. Sam Lawrence Toland asked: does the Nominations Committee have a general policy to seek more candidates, then places vacant on the Board and the Board Oversight Committee, which isn't the case this year?  
Sean Hosford, CEO, confirmed there would be the intention each year to have a competition for vacancies. However, with the times we are in, due to Covid, lockdowns and remote working, it has been difficult to attract volunteers. We hope that next year, we will be in a better position to attract volunteers and have a competition for vacancies. If anyone attending this meeting would be interested in becoming a volunteer or have family members, that might be interested, please get in touch with the Nominations Committee. Ms. Marie Mc Bryan, president, added that now would be the time to get in touch, as this would give a year for training and preparation work for the next AGM.
2. Mairead O Carroll asked: if you are interested in becoming a volunteer, how do you contact the Nominations Committee?  
Mr. Sean Hosford, CEO, confirmed that interested persons can send an email to [info@hsscu.ie](mailto:info@hsscu.ie) and their details will be passed onto the Nominations Committee, who will then reach out. Training will be provided. Ms. Marie Mc Bryan added that the prospective volunteers can join certain committees to gain some experience and knowledge before joining the Board.

3. Fiona Connolly asked: do the credit union not reach out to members via email when seeking volunteer.  
Mr. Hosford agreed that this is an idea that will be discussed with the Nominations Committee.

**Proposed by:** Amanda Butler    **Seconded by:** Mary Shortall    **Adopted unanimously**

#### **Tellers**

As chairperson, Ms. Marie Mc Bryan proposed the following as tellers for the election: Mr. David Hosford, Risk Manager and Ms. Catherine Byrne, General Manager.

#### **Elections:**

##### Appointment of Auditors:

The Board proposed that Grant Thornton be appointed Auditors for the coming years.

Following an online vote opened to all members in attendance, Grant Thornton are appointed Auditors for the coming year.

##### Election to the Board Oversight Committee:

There are 2 candidates seeking election for 2 vacancies on the Board Oversight Committee, Mr. Tony Hoey and Ms. Noreen Mc Carthy. 1 vacancy is for a 3-year term and the 2<sup>nd</sup> vacancy is for 1 year. The candidate with the highest number of votes will get the 3-year term.

The online vote was opened to all members in attendance. Results will be revealed at the end of the meeting.

##### Election to the Board of Directors:

There are 4 candidates seeking election for 4 vacancies on the Board of Directors, Mr. Pascal Keeve, Ms. Christine Barretto, Ms. Marie Mc Bryan, and Ms. Claire O Donovan Connolly. All vacancies are for a 3-year term on the Board.

The online vote was opened to all members in attendance. Results will be revealed at the end of the meeting.

##### Questions from the floor:

1. Fiona Connolly asks: What are the board doing to ensure good succession planning and are the board considering the legislative limit on terms in that plan?  
Mr. Hosford confirmed that officers on the Board or Board Oversight Committee can sit for 12 years in any 15 years. We have in place a volunteer programme who sit on various sub committees in HSSCU. The ultimate goal from this programme, is that the volunteers will be elected to the Board at some stage. On the Board currently, there are 4 directors who have served less than 2 years on the Board, and 2 directors who have served less than 6 years on the Board. Almost half the board have been replaced already since this legislation came in. There is a lot to work to so yet. As mentioned previously, it is difficult to recruit volunteers at the moment. It is a voluntary position which is non-executive and requires a big commitment. Succession plans are in place and are constantly discussed at Board level. We are

working in a difficult environment. But it is hopeful that we will return to a normal times, the next phase of the succession plan can continue.

#### **First Raffle:**

The first 15 winners were announced via the chat area

#### **Report of the Board of Directors**

The Chairperson, Marie Mc Bryan, presented her report to the meeting.

#### Matters Arising:

Questions from the floor:

1. Jim Kelly asked: Member shares increased by €30m for the year, and loans increased by €12m, is the imbalance an issue to the credit union.  
Mr. Hosford noted that it is an issue. When shares increase, 10% of that increase need to be put into regulatory reserves, therefore €3m was paid into regulatory reserves for the year. Loans bring in an average of 7% in interest income, which amounted to approximately €840k for this financial year. The imbalance can be seen in our balance sheet. In an attempt to stem the increase in savings, a €40k limit was introduced on savings accounts in the previous year and this year a monthly cap of €5k into savings was also introduced. The Financial Report will be presented shortly and you will see our reserves have increased slightly.
2. Yvonne Barry asked: Who is monitoring the prize draw this evening?  
Mr. Hosford confirmed that Mr. David Hosford, Risk Manager and Ms. Catherine Byrne, General Manager, are monitoring the draw this evening.
3. Yvonne Barry asked: Will staff return to High Street?  
Mr. Hosford noted that due to the pandemic, the work in High Street has been delayed, but it is coming to an end. The square footage of the building has almost doubled. We are expecting the certificate of completion soon. A phased return by staff to High Street is being planned. Currently 66% of our staff are working from home but there is a plan in place for them to return gradually and safely.
4. Sam Lawrence Toland asked: Does the credit union have a plan in place to integrate the members from Jim Larkin Credit Union and to expand membership amongst SIPTU members that are not already members of that credit union.  
Mr. Hosford confirmed that if the transfer of engagements is approved this evening, that there is a plan in place and this will most likely be discussed later in the meeting.
5. Brian O Byrne asked: What are the prizes in the draw this evening?  
Mr. Hosford confirmed that there are 30 prizes of €100.
6. Brian O Byrne asked: Are there plans for the savings cap to be scrapped any time in the future?  
Mr. Hosford confirmed that we are not in a position to answer that yet. There are a lot of factors that affect this. The imbalance can be seen in the income and expenditure account. The majority of our income comes from loan interest with very little return on our investments. When interest rates move and we get a better return on investments, we hope to reassess the situation then. We are hoping the rate of savings growth will steady or drop off.
7. Damien Mc Callan asked: In relation to the High Street renovations, how much is the total cost compared to the initial budget and is there a significant cost overrun? Mr. Hosford confirmed that the initial tender was €2.9m. About 8 months into the project, our air exchange system needed an upgrade, so we added that onto the budget at a cost of approximately €250K, and we signed off the budget at €3.1m.

Currently, the project is €87k over budget, this is due to claims of increased costs from the contractors (materials and human resources).

8. Anonymous question: Why does the credit union not lift the savings cap and charge interest on savings like the banks do, above a certain level?  
Mr. Hosford noted that there is a conversation amongst the movement about charging interest on savings but it is not something we have looked at seriously at this time. It is something we could take away from the meeting tonight and look at.
9. Gayle O'Brien asked: Please could you clarify the non-payment of dividend this year?  
Mr. Hosford confirmed this would be dealt with under the Finance Report.
10. Anonymous Question: Do the Board plan to look at more mergers with other credit unions?  
Mr. Hosford explained that mergers are still ongoing in the movement. Before mergers began, there were 415 credit unions in Ireland. Currently there are 214. There are 40 credit unions with assets of less than €40m. HSSCU is the second largest credit union in the country with a very strong loan book and large assets. One of the operating principals in credit unions is cooperation. If small credit unions need a home with a larger credit union, it is something that will be considered by the Board, but it must be the right fit. We were approached by other credit unions during the year about possible mergers, but these were rejected. We have not ruled out future mergers, but it must work for both credit unions.
11. Anonymous Comment: Thank you to all in HSSCU for helping members through the last 2 difficult years of the
12. Gemmalyn Libago asked: When do the scholarship applications open?  
Ms. Catherine Byrne, General Manager, confirmed that application forms will be available in July on our website.
13. Damien Mc Callan asked: When is a dividend paid out?  
Mr. Hosford confirmed that while the proposal this year is not to pay a dividend, it would usually be paid out after the AGM.
14. Anonymous Question: If someone doesn't have a loan, do they still get a dividend?  
Mr. Hosford explained that dividend is paid out on the savings in the credit union, regardless if the member has a loan or not.

**The report was proposed by Marie Mc Bryan and seconded by Maria Byas and was agreed unanimously.**

### **Auditors Report**

The Auditor Denise O'Connell, from Grant Thornton presented the report and financial accounts for financial year ended September 2021.

### Matters Arising:

Questions from the floor:

1. Damian Mc Callion asked: In relation to MPCAS fees, what are these?  
Mr. Hosford confirmed that these relate to the current account fees.
2. Damian Mc Callion asked: Were any changes made to the DBI and LPLS Insurance?  
Mr. Hosford confirmed that there were no changes made to these insurances. The DBI remains at €3250 and the life cover remains at €20K on savings.
3. Gayle O'Brien asked earlier for an explanation as to why there is no dividend payment this year?

Mr. Hosford explained that the recommendation this year not to pay a dividend was based on the advice by the regulator. Ultimately, the decision is made by the Board and the Senior Management Team. At the time the decision was made, we were still dealing with the Covid pandemic. Our reserve position of 13.5%, is a little behind the movement of 15%. It was decided to move the surplus into the reserves to strengthen our position.

4. Lennie Hatrick asked: How do you propose and second motions?  
Ms. Mc Bryan confirmed that the person that gives the report will be the proposer and you can use the raise hand icon or write your name into the chat box to second a motion.
5. Anonymous Question: Can there be a separate prize draw for original members? The chances of winning have lessened now that there are more members from the mergers.  
Mr. Hosford explained that the more people in the draw the bigger the prize fund is and the more prizes we can give out. We cannot discriminate against certain members and all members are equal.
6. Damian Mc Callion asked: Based on the operating costs of the current accounts versus the income received from these accounts, would it be fair to say that this was a non-profitable venture?  
Mr. Hosford agreed that it was a fair comment, but when budgeting and estimating for this product, we were aware that it will take 5 years for us to break even on the current accounts.
7. Roisin Lowry asked: What are the scholarship costs compared to the Betty Noone Bursary costs?  
Ms. O Connell confirmed that the Betty Noone expense was €164,875 and the Scholarship expense were €39,171.
8. Anonymous Question: What is the time limit for loan applications?  
Ms. Catherine Byrne confirmed that once approved, the loan is valid for 90 days.
9. Fiona Connolly asked: Are the plans to break even on the debit cards on target to break even in 5 years or has Covid impacted the timeline?  
Mr. Hosford confirmed that Covid has impacted the numbers of accounts opened so far. 1300 current accounts have been opened to date. We had hoped to be at 1500 at this stage. But with KBC and Ulster bank leaving the market, we are hoping to capture some of these customers. This is something that is being discussed by Senior Management and the Board now.
10. DW asked: As there were no Irish camps last year, can the grants from the bursary be increased this year for those who apply for Irish camps?  
Mr. Hosford explained that the amount granted to each member is determined by the number of applications received and the results are based on a lottery.
11. Anonymous comment: An interest rebate should be paid this year.  
Mr. Hosford explained the loan interest rates are very competitive. Neither an interest rebate or dividend will be paid out this year. We were in very uncertain times with covid when this decision was made.
12. Anonymous Question: Will there be further savings caps?  
Mr. Hosford confirmed that this has not been ruled out at this time. If the reserve position begins to weaken, there are several options: reduce expense like the DBI and LPLS insurance cover, increase loan rates or a further savings cap. If savings growth continues, there is a possibility of a savings cap of €20K being introduced. But the savings growth has slowed down and we are hopeful this will continue.
13. Sam Lawrence Toland asked: Is the credit union directly lobbying the Central Bank to allow credit unions to diversify our investments or is that done through the ILCU?

Mr. Hosford stated that the ILCU, as our representative body, would do the lobbying to the Central Bank. Davy's our investment advisors would also engage with the Central Bank on our behalf.

14. Chitra Girish Desci asked: Members should be included in making the decision regarding dividends and interest rebates?

Mr. Hosford confirmed it is the Board who make the decision.

15. Anonymous Question: Is there a certain time you must wait after getting your first loan before you can apply for your next loan?

Mr. Hosford confirmed there was no waiting period.

**Proposed by:** Marie Mc Bryan    **Seconded by:** Jane Mc Carthy    **Adopted unanimously**

### **Report of the Board Oversight Committee**

This report was presented by Mr. John Keppel, chairman of the Board Oversight Committee

#### Matters Arising:

There were no matters arising.

**Proposed by:** John Keppel    **Seconded by:** Ruth Mc Mullen    **Adopted unanimously**

#### Question from the floor:

Ms. Fiona Connolly asked: Was the vote to pay no dividend this year included in the approving in the Finance Report:

Mr. Hosford confirmed that it is in the annual accounts which were put to the floor as part of the Finance Report.

### **Standard Rules Amendment 2021**

The proposed rule changes are available on pages 10 to 12 of the annual report.

**Proposed by:** Marie Mc Bryan    **Seconded by:** Marcella Howard

**Members to vote and the results will be given at the end**

### **Section 130: Proposed Transfer of Engagements of Jim Larkin Credit Union Limited into Health Services Staffs Credit Union Ltd.**

The members of Health Services Staffs Credit Union Limited resolve that the Credit Union accepts the Transfer of Engagements of Jim Larkin Credit Union Limited in accordance with the relevant provisions of the Credit Union Act 1997 (as amended)

**Proposed By:** Marie Mc Bryan    **Seconded by:** Thomas Walsh

**Members to vote and the results will be given at the end.**

### **Credit Committee Report**

This report was presented by Claire O Donovan Connolly on behalf of the committee.

#### Matters Arising:

There were no matters arising.

**Proposed By:** Claire O Donovan Connolly **Seconded by:** Mary Maureen Mc Carthy **Adopted Unanimously**

### **Report of the Credit Control Committee**

This report was presented by Suzanne Mc Garry on behalf of the committee.

#### Matters Arising:

There were no matters arising.

**Proposed By:** Suzanne Mc Garry **Seconded by:** Fiona Connolly **Adopted Unanimously**

### **MED Committee Report**

This report was presented by Ken Byrne on behalf of the committee.

#### Matters Arising:

There was a question from the online chat asking why there's a discrepancy between the €164,000 Betty Noone Payment for 2021 In the accounts and the MED report figure of €120,000.

Mr. Hosford confirmed that the budget in 2020 for Betty Noone was increased due to a significant increase in applications. This was not paid out until October 2020 which is why it falls in under the 2021 finance report. Each year, €120,000 is the cap for the Betty Noone Bursary.

**Proposed By:** Ken Byrne **Seconded by:** Thomas Foran **Adopted Unanimously**

### **Raffle 2:**

The next 15 winners were announced.

### **Election Results**

The following directors were deemed elected:

- 1) Christine Barretto
- 2) Pascal Keeve
- 3) Marie Mc Bryan
- 4) Clare O Donovan Connolly

The following Board Oversight Committee members were deemed elected:

- 1) Tony Hoey (1 year term)
- 2) Noreen Mc Carthy (3 year term)

The following Auditor was deemed elected: Grant Thornton

### **Section 130 Transfer of Engagements Member Vote:**

91% of members in attendance voted in favour of the Transfer of Engagements with Jim Larkin Credit Union, therefore it has passed.

**Standard Rule Amendments Member Vote:**

96% of members in attendance voted in favour of the rule amendments and have therefore been passed.

**Any Other Business**

1. Question from the online chat: what is the difference between a share cap and a savings cap? Mr. Hosford confirmed that traditionally savings in a credit union are called shares, therefore they are the same thing.
2. Mr. Damian Mc Callion wished to thank the Board and volunteers for all the time they give to the credit union. He also wished to commend the board for keeping the LPLS cover and not reducing it to save costs. This is a more valuable benefit to members than a dividend or interest rebate.
3. Ms. Dorothy Nolan also wished to thank the Board and volunteers for the wonderful job they do.
4. Ms. Claire O Donovan Connolly wished to thank all involved this evening for a great night.
5. Question from the online chat: Are members with a stamp 4 visa eligible to apply for mortgages? Mr. Hosford confirmed that the expiry date on a stamp 4 can cause some term issues on loans but he would encourage anyone seeking a mortgage with a stamp 4 visa to come talk to the lending team.
6. Question from the online chat: How many members attended the meeting? Ms. Catherine Byrne confirmed that 280 members logged in at the start and there were 239 members still in attendance at this moment.

The meeting concluded with Ms. Mc Bryan thanking all the members for attending the AGM and also wished to thank all those involved in organising the meeting this evening.

**Election Results**

The following directors were deemed elected:

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_
- 5) \_\_\_\_\_

The following supervisor was deemed elected: \_\_\_\_\_

The following Auditor was deemed elected: \_\_\_\_\_

**This concluded the business of the meeting. Meeting Closed at \_\_\_\_\_pm**