

**BOARD OF DIRECTOR REPORT**  
**59<sup>TH</sup> ANNUAL GENERAL MEETING**  
**MAY 23<sup>RD</sup>, 2008**

Greetings and Welcome to all members and invited guests of the St. Martin's Credit Union to this year 59<sup>th</sup> Annual General Meeting. This report covers the period April 1<sup>st</sup> 2007 to March 31<sup>st</sup> 2008. This year has been especially challenging and your Board of Directors has had to really persevere and confront these challenges in order to effectively manage the Credit Union and to announce that we have once again registered another successful year. Let us applaud the hard work of the Management, Staff, and Members of the Credit Union for their hearty support in making this year a good one.

If you read the minutes of last year AGM the Board of Directors had stated that we had fallen short of our goal of reaching the ten million dollars mark but that this year we would do so. Well, we not only did so but managed to almost reach the eleven million mark. Currently our assets stand at (\$10,934,000). As I normally point out this is a remarkable achievement given the level of competition we face in our local market area especially from the banks. This remarkable growth can be attributed to the belief the members have in their own institution. And to effectively prove the point the fact that our Credit Union recorded a net profit of over \$442,000 dollars is also testimony to the credibility of Credit Unions in the face of competition in the financial markets.

Highlights for this year include significant increases in our income, an extremely low delinquency, and a substantial increase in loan applications, loan approvals and loan disbursements, training sessions for both Staff and Joint Officers, which led to a high degree of professionalism, better customer care, efficiency, and ultimately a successful year. The St. Martin Credit Union has experienced a positive asset growth of 10.6%. Once again we attracted over five hundred new members (631) that opened substantial accounts and therefore shares growth was 16.45%. There was over one million dollars in savings deposited into St. Martin Credit Union this year; and this increase in savings has allowed us to service and provide loan funds for our members. So definitely we need to continue the practice of saving generously.

With regards to our staff, we continue in upgrading their skills with additional training sessions such as customer care, conflict resolution and time management. These were carried out to increase the effectiveness of their service to you the members. Last year we sent a staff and three new Joint Officers to represent St. Martin Credit Union at the annual Caribbean Confederation of Credit Unions. The Collective Bargaining agreement signed last year with Christian Workers Union on behalf of the staff will also be renegotiated this year.

St. Martin Credit Union continues to build goodwill and credibility within the community by assisting High School children with financial aid and scholarships, we assist with the Elementary School feed the children program, we give donations for sports, to schools for miscellaneous items such as fans, desk, honor plaques, amongst other items.

Our program to assist Sixth Form students with loans is an unqualified success and we may extend this support to the Bachelors level at the University of Belize.

March 7<sup>th</sup> 2008 was a momentous year in that a new Government was installed after a period of poor governance, rampant corruption, excessive spending, riots, and general malaise in our society. Expectations are high and there is a tremendous sense of urgency now to do things right. However, we must be cautious. Governments usually come in with great ideas and plans to energize the economy but somewhere along the way they lose focus and renege on their promises. The Credit Union must not fall into this trap too. We must focus on what is best for our members and work together because as your able Vice- President often says, “It is people who help people”.

The major issues facing us today as an economy are high fuel prices, rising food prices, soaring costs for education, and spiraling and vicious criminal acts. All of these are compounded by our preference for mass consumerism, and even the affordability of basic necessities seems to be moving away further from our grasp. How do we as a Credit Union help our people to combat these ailments? How do we pool together our resources to provide for those among us less fortunate? How do we prepare for an uncertain future? I will tell you how! We plan and work together to bring these plans to fruition. As some famous person said “If you fail to plan you are planning to fail”. Therefore St. Martin Credit Union has embarked on developing a set of Strategic Plans to help guide the current and future activities of the Union. There have been several meetings and workshop sessions conducted and currently we are waiting funding from the Belize Credit Union League to complete the strategic plans. Some of the areas where we are concentrating on are in increased services to be offered, improvement of staff, developing a St. Martin Credit Union Foundation Fund and better infrastructure to provide a more aesthetic and pleasant environment to conduct business.

Even though we are still finalizing our Strategic Plan we have not been idle. St. Martin Credit Union has embarked on several new initiatives, particularly on the financial front. We are currently in negotiation with Belize Electricity Board and WASA to have our members pay their bills at St. Martin Credit Union. We have also applied to the Central Bank for permission to become an agent for Money Gram. Therefore our members will also be able to use Money Gram to receive and send foreign currency. E-pins and point of sale purchase through debit cards are also other avenues we are exploring with Fultec and Omni in order to give our membership more financial services. Essentially we are promoting a “one stop shop” for all your financial needs and our ultimate goal is membership satisfaction. Additionally, the BCUL insurance program takes effect on July 1<sup>st</sup> 2008. No longer will we have to pay CUNA the exorbitant costs for our LP and LS programs. We will have our own home grown insurance scheme and very soon we will be able to offer other types of insurance such as car, housing, and life at very affordable rates. The profits derived from these activities will also accrue to the Credit Union memberships in the form of increased dividends. Tonight we will introduce the Family Indemnity Plan, an insurance program that allows members to bury their love ones when they pass away. We are also in discussion with IFAD and the European Union BRDP to provide funds for small and micro enterprise businesses in this Cayo area.

Last year Mr. Theodore Lennon asked how soon SMCU will get an ATM. I had noted that BCUL was working on a package to integrate all Credit Unions with similar ATM's so that if a member of St. Martin visited Toledo Teachers Credit Union they could also access their funds. We are still working towards this goal and there have been several workshops and presentations on ATM's. I sincerely believe that this year we will have this service for our membership.

I want to take this opportunity to address some of the younger members of our Credit Union. Today there is a culture of spending for luxury goods or "must have gadgets" such as expensive cell phones, I-pod's jewelry, beauty products, fancy cars and other expensive items. But if we consider for a moment that these items have very little resale value after an initial use perhaps young people should consider the alternative: saving a few dollars today can bring you major dividends tomorrow. Let me give you an example. Somewhere in the audience tonight there is a young man who started saving a few years ago. Today he owns a three bedroom house that he built with funds borrowed from our Credit Union. The exceptional aspect of this is that I doubt that he is any older than twenty five years. This is the effect that savings has and especially when it is done at an institution like St. Martin Credit Union, where we encourage young members to save, for an education, a home and a family. Therefore I challenged the young people here tonight to go out and bring a friend to join the Credit Union.

Finally, I want to thank my fellow Board members. Mrs. Sanchez our excellent Vice President has introduced many new initiatives especially those that provide training and investments in our staff. The Treasurer, Mr. Tzul, who will deliver his report later this evening, has also been responsible for ensuring that our budgets and revenue projections are realistic and that we maintain good business practices. Mr. Torres and Mr. Ian Segura, our Secretary and Education Director have also been very active in implementing the many initiatives that the Credit Union has embarked upon. I also want to express a great many thanks to the Supervisory Committee, especially Mrs. Fatima Morris and Mr. Clemente Cruz, who brought new ideas, new vision, and great energy to ensuring that the practices of managing the Credit Union remain transparent, honest and viable. Their diligence has ensured that the membership of St. Martin Credit Union can with certainty have great faith in their institution financial viability.

The Credit Committee who is charged with ensuring that loans are given within the prescribed policies have done a remarkable job this year and I would like to express a sincere gratitude to them for carrying out their duties effectively and prudently. Mr. Stanley Habet, Mr. Doroteo Balan and Mr. Manuel Medina deserve a round of applause for their efforts. These officers have given of their time and energy to ensure that the Credit Union is successful. They are the type of volunteer officers every Credit Union needs. Hence, I urged all who accept to volunteer as officers to do so with the idea that service to the Credit Union is one of dedication, hard work and sacrifice with no returns except the satisfaction of a job done well.

Finally where would the Credit Union be without our members who with patience and loyalty allowed the staff and management to carry out their functions? The membership commitment to saving has also yielded positive growth and therefore a special thanks is due for their contributions.

May God bless us all

Your Board of Directors

Dr. John Morris	President
Mrs. Irma Sanchez	Vice President
Mr. Rene Torres	Secretary
Mr. Raymond Tzul	Treasurer
Mr. Ian Segura	Education Director