

Core Credit Union Ltd – 58th AGM

Date: 6th December 2023

Format: Virtual Meeting via Zoom

1. Attendance

- **Board Directors:** Alan Guerins (Chair), Ian McDonald (Vice Chair), Edel Churchill (Secretary), Elizabeth Harpur, Siobhán Harding, Stebbin Mwalilino, Matt McConnell, Eva Kane, Yvonne O’Hanlon.
- **Board Oversight Committee:** Eoin Massey, Stephen Forsythe, Pat McAuliffe.
- **Management Team:** Michael Byrne (CEO), Greg Allen, Mark Ryan, Paul Maher, Amanda Dillon, Clare McCann, Leann McGovern.
- **Members Present:** 114.

2. Meeting Opening

- The Chair outlined the meeting structure and confirmed a quorum.

3. Adoption of Standing Orders

- Member Jean O’Hara had a proposed amendment to Standing Order 16 to replace 2/3 majority with simple majority. Seconded by Member Patrick Fitzgerald. Member Jean O’Hara was not on platform when called and motion could not be put forward.
- Standing orders as listed in the Annual report (Annual Report - Page 9)

Proposed: Alan Guerins

Seconded: Eva Kane

Carried

Declaration of Conflicts: The chair asked if anyone had a conflict of interest with any matters on the agenda to inform the meeting of the same.

34 **4. Approval of 2022 AGM Minutes**

- 35 • Minutes were made available on our website and hard copies available in branches
36 ahead of meeting.
- 37 • Member Hugh McGuire was allowed to comment but did not state that he had any
38 changes to 2022 minutes.
- 39 • Minutes were taken as read, with no corrections made after discussion.

40 *Proposed: Siobhán Harding*

41 *Seconded: Ian McDonald*

42 **Carried by 88% Votes**

44 **5. Chairperson's Report (Annual Report – Page 10)**

- 45 • Positive feedback received on branch modernisations in Monkstown Farm and Dún
46 Laoghaire, with Ballybrack nearing completion.
- 47 • Financial health: Combined surplus of €2.87M over two years, reserves ratio at 13.9%.
- 48 • Strategic updates: Savings cap raised to €100,000; no active mergers but open to future
49 opportunities.
- 50 • The Credit Union (Amendment) Bill 2022 currently making its way through the legislative
51 process will also provide opportunities for deeper collaboration and shared services
52 between Credit Unions.
- 53 • Acknowledgment of staff, directors, and Board Oversight committee for their
54 dedication.

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56 **6. CEO's Report (Annual Report - Pages 11-13)**

57 Key highlights:

- 58 • Loan book exceeded €50M, with diverse loan sizes issued.
- 59 • Investment in ESG initiatives and social housing through the CUAHB fund.
- 60 • Robust financial performance with a surplus of €1.36M in 2023, reserves at €21.9M
61 (13.5%).
- 62 • Operational advancements: ISO 27001 certification, growth in current accounts and
63 electronic transactions.
- 64 • ECB has raised interest rates 10 times to 4.5%. This allowed Credit Union to lift the cap,
65 and members can invest up to €100,000 the statutory limit.
- 66 • New Credit Union Services Organisation for mortgages looks to be approved in 2024.

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68 **7. Committee Reports (In Annual Report)**

- 69 • Credit Committee Report (Page 49)
- 70 • Credit Control Committee (Page 50)
- 71 • Membership Report (Page 51)
- 72 • Risk, Compliance & Audit Committee (Page 15)
- 73 • Nominations Committee (Page 16)

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75 **8. Auditor's Report (Annual Report - Pages 21-23)**

- 76 • Grant Thornton provided an unqualified report.

77 **Q&A**

- 78 ○ Member question on: Properties disposed of €2.4mn. Please confirm how many
79 other properties were sold, for how much and were there any losses. **Reply:**
80 Finance Manager - Dalkey sold €750k; Sussex Street sold €1.6mn; Apartment No
81 2 Upper Georges Street sold for €340k. Gain on Sussex Street €70k. Loss on
82 Apartment of €6k.
- 83 ○ Member question on: How many key managements? **Reply:** Finance Manager –
84 There are 8 key personnel.
- 85
- 86 ○ Member question on: What were legal & professional fees? **Reply:** Finance
87 Manager- €130k relating to planning in various offices. CEO added significant
88 legal fees accrued for in relation to complaints and must be paid by members.
- 89
- 90 ○ Member question on: AHB is €35k less than investment. **Reply:** Finance
91 Manager - Every quarter a revaluation. Last 3 quarters there have been gains.
- 92
- 93 ○ Member question on: Other Income. **Reply:** Finance Manager - MPCAS income
94 and fees €125,178. Rental income will not be repeated as main income was
95 Sussex Street – sold. Commission €14,422. Secondment of one staff member is
96 included in Miscellaneous. Interest on budget account €835 and entrance fees
97 of €759.
- 98
- 99 ○ Member question on: Why is there no increase in Budget Accounts and why a
100 shortfall profit on current accounts? **Reply:** CEO said people more inclined to
101 use Current Accounts. There was a surplus for the year of €8k. Current Accounts
102 are now a profitable part of the Credit union.
- 103

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105 **9. Board Oversight Committee**

- 106 • Member Hugh McGuire: Board Oversight Statement appears inaccurate as Core Credit
107 Union have abided by Registered Rule of Core Credit Union have disaffiliated from Irish
108 League of Credit Unions as a result of not abiding by registered rules.

109 **Reply:** Eoin Massey - BOC requirements are under Part 4 and Part 4a of Credit Union Act
110 1997 (as amended). BOC have acted in accordance with these Parts. There is nothing in
111 these Parts of the Act that refers to Irish League of Credit Unions nor for that matter
112 abiding by rules. Section 53 reinforces the fiduciary duty of directors to act in the best
113 interests of credit union and not individual member. The Board have responsibility for
114 the general control, direction and management of credit union. The BOC would hold the
115 Board to account should they fail to conduct themselves accordingly.

117 **10. Dividend Declaration**

- 118 • A dividend of 0.35% on members' savings, amounting to €441,459, was proposed.
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120 **11. Elections**

- 121 • **Board:** Eva Kane, Yvonne O'Hanlon, and Alan Guerins re-elected
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122 *Proposed: Ian McDonald*
123 *Seconded: Elizabeth Harpur*

- 124 • **Oversight Committee:** Stephen Forsyth and Pat McAuliffe re-elected.
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125 *Proposed Matt McConnell*
126 *Seconded: Siobhán Harding*

- 127 • **Auditor:** Grant Thornton reappointed.
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128 *Proposed: Matt McConnell*
129 *Seconded: Eva Kane*

- 130 • **Tellers** – Greg Allen RMO; Mark Ryan DPO and overseen by Eoin Massey, Chair Board
131 Oversight Committee.

132 **Results of Vote: All elected**

134 **12. Motions – Page 9**

- 135 • **Motion 1 to approve the dividend of 0.35%:**
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136 *Proposed: Elizabeth Harpur*
137 *Seconded: Ian McDonald*

- 138 • Member Hugh McGuire: Central Bank of Ireland giving guidelines to improve reserves
139 and many Credit Unions not giving dividends in order to improve reserves. Why is Core
140 Credit Union ignoring this guideline? Reserves of 13.5% in one part and 10.49% on page
141 27. **Reply:** CEO 10.49% is the Total Regulatory Reserves whereas Total Reserves
142 includes Regulatory Reserves and is 13.5% and this is the reason for difference.

143 • Member D. Gordon: AGM Booklet arrives only yesterday morning. It was very late
144 sending out notice and little time to read it. **Reply:** CEO confirmed that all notices
145 posted on November 24th 2023 and should have been received on time. An Post told
146 CCU that Black Friday did slow down postal deliveries.

147 **Voting: Motion 1 is carried – 96% in favour**

148 • **Motion 2 Approval of the 2023 Rule Book:** Carried with 80% in favour despite a counter
149 motion by Hugh McGuire. The counter motion was the negative of the approval i.e. in
150 effect same motion put differently.

151 *Proposed: Ian McDonald*
152 *Seconded: Matt McConnell*

153 • Member Hugh McGuire: members not advised of actual changes i.e. deletions from
154 existing versus proposed changes. I requested this on 29.11.2023 and as of 2pm today
155 did not receive it. **Reply:** Ian McDonald Vice-Chair: As we are no longer affiliated with
156 ILCU, these rules are based on Credit Union Development Association template rules in
157 use by almost 20 Credit Unions. These are not amendments but a new Rule Book. He
158 asked Members to support.

159 • Member Hugh McGuire: The current rules for Core Credit Union are standard rules for
160 Credit Unions of ILCU, rule book of 163 credit unions with 3mn members who voted and
161 approved this rule book. The existing rule books protects the members and underpins
162 governance. As seen with recent scandals, governance matters. We cannot allow our
163 Credit Union to change the rules underpinning the governance without consulting us,
164 otherwise the business will be run like a bank. **Reply:** Chair - Chair gave explanation
165 covering the managing of our 'Free Benefits' and engagement with insurers over viability
166 of benefits. With no substantive engagement forthcoming from ILCU we had to make
167 changes. Many Credit Unions cut benefits in line with our predictions. Subsequently,
168 possible changes from the Insurers would have allowed us to return to ILCU but this was
169 rejected by the ILCU and so we were expelled.

170 • Member - Aoibhinn O'Toole: Would it have been a good idea to show us the previous
171 rules for comparison with current rules to adopt? This would have helped in making a
172 decision. Also, on the 'Free benefits' spoke of, they weren't free. **Reply:** Chair: Thanked
173 member and said we could put it on our website. CEO shared, the old rules had a lot of
174 information that was also contained in the Act, the new rules removed a lot of the
175 references out as legislation covered that.

176 **Voting: Motion 2 carried - 80% in favour**

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178 **13 Members Prize Draw:**

179 1st A. Murtagh; 2nd L Pierce; 3rd L. Purser; 4th C. O'Brien; 5th A. Dillon; 6th P. Peare Keogh;
180 7th M. Lee; 8th P. Page; 9th C. O'Keeffe, 10th B. Moriarity

181 **14. Other Business**

- 182 • Member P. McGuire: Is there any consideration to meetings returning to in-person?
183 Some elderly members may not be great with technology. **Reply:** Chair While the board
184 are happy to use either platform, feedback from last year’s AGM shows attendees felt
185 intimidated by a few. Some felt they could not ask questions they had on the night, a
186 meeting that went on for two and a half hours. A virtual AGM held 2 years ago was
187 successful and this method provides a safe environment for all members to engage.
- 188 • Member Brian Callaghan; I feel this meeting is way less interactive than it should be with
189 no cameras, typing questions to Q&Q and heavily controlled. Mark Ryan seems to be
190 answering most questions and the maximum 21days, minimum 7 days’ notice he
191 suggests, is incorrect. It is minimum 21 days. Proposing and seconding should not be
192 done in block. I am concerned about our expulsion; is it something we should be
193 concerned about? What percentage of Credit unions are in the ILCU and not. **Reply:**
194 Chair Proposing and Seconding was done correctly. CEO said the Credit Union Act 1997
195 does say notice has to be between 7 and 21 days. In reference to our expulsion from
196 ILCU. CCU are looking to join CUDA who have been growing their membership
197 significantly in the last couple of years. Currently full members of CUDA represent 25%
198 of the Credit union sector with associate members at 44%. While it is unfortunate, we
199 made every effort not to be expelled but we had to put our members interests first.
200 CUDA and the League should join together, this country is too small for two
201 representative bodies.
- 202 • Member Patrick Fitzgerald: Concerned the CEO and Board operated policies that lead to
203 expulsion from ILCU. Concerned that Core Credit Union are losing the Board Oversight
204 facility and this represents a reduction in corporate governance. Why was expulsion
205 from the league not handled in CEO’s report in a more comprehensive manner? **Reply:**
206 Chair: The Board and Core’s regulatory requirements are exemplary. We have Internal
207 Audits, External audit, Board and Central Bank overlooking. CEO said Mr Fitzgerald
208 should be assured CCU did a comprehensive review of insurances, covering the impact
209 to the whole sector highlighting significant risks to the ILCU. Unfortunately, the league
210 did not accept CCU information although subsequently what CCU predicted has
211 happened. CEO served on the ILCU board and raised issues on the insurance
212 programmes which was reported and had a €90m deficit. Another initiative, CUSO
213 Payments, again raised concerns regarding its structure. On top of this, money was
214 taken from the SPS Fund and put into CUSO Payments. CCU members can be very
215 assured CCU has a very strong governance in place. CEO offered an invitation to meet
216 with member to discuss financials further.
- 217 • Member question: On the potential of hybrid AGM? **Reply:** CEO CCU would be happy to
218 go back to physical meetings and hybrid is an option but again, some things would have
219 to change for that to be possible.
- 220 • Member David Harrington: To reiterate other members, despite the last meeting, it
221 would be worth resuming in person or hybrid for all members involved. Perhaps better
222 policing would allow people take part. Regarding the ILCU, can the door be reopened in
223 the future? **Reply:** Chair agrees on physical meetings but again, following the last
224 meeting it is not possible now. The ILCU door could be opened again but we need to
225 make the decision what is best for us. The Chair agrees with CEO, if both entities joined
226 together, it would make the sector stronger.
- 227 • Member Aoibhinn O’Toole would like the board to consider a hybrid option. How does
228 CCU propose to make the decision on this? Main point is about inclusion for all. **Reply:**
229 Chair - Inclusion is what is strived for, but the last AGM was not inclusive in the way it

230 was conducted. The Board cannot allow this to happen again. There was no respect
231 shown to the Board and our duty is to protect our members.

- 232 • Member Peter McGuire: as said previous 'it's unfortunate there were a number of
233 complaints' it's not great to say it is unfortunate, it is their right, accountability shouldn't
234 be shied away from, and it is regretful you suggest a member putting in a complaint is
235 problematic. **Reply:** Chair: We have no issue with members making complaints and we
236 have detailed procedures in the Rules which CCU follow diligently.
- 237 • Member Deirdre Gordon: Please don't knock back old staff, volunteers who were
238 committed to the credit union. An in-person AGM is more personal and maybe they
239 should be policed another way, a security firm possibly. **Reply:** CEO: On my comment,
240 my job is to leave the credit union in a better place than I received it. To clarify, I received
241 it in good condition, but it is my responsibility with the board to continue to build on this.
- 242 • Member Miriam Lee: Attended last AGM and agreed it was very heated although
243 freedom to express is important. However, member wanted to compliment Jennifer
244 Bowe on the membership report but did not feel comfortable to do so as the vibes were
245 so negative in the room. **Reply:** Chair thanked member for her comments.
- 246 • Member Jean Brohan: On zoom Board can be seen, but the members are not visible.
247 **Reply:** Chair: We will make every effort to make the AGM as open and accessible to
248 everybody.

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250 Chairperson thanked everyone for their attendance and thanked all the members, staff,
251 management and board for their hard work and dedication.
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Meeting closed at 19:55
