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SUPPORT. PROMOTE. PROTECT.

The Cayman Islands Chamber of Commerce was established in 1965 and is a non-profit organisation that exists to Support, Promote and Protect Cayman business and the wider community. We proudly represent nearly 700 businesses and associations from every major industry sector.

MINUTES OF THE 10th MEETING OF THE 2014 COUNCIL ON 26th NOVEMBER 2014, CHAMBER OF COMMERCE CONFERENCE ROOM, GOVERNOR'S SQUARE, WEST BAY, GRAND CAYMAN, CAYMAN ISLANDS

ATTENDING:

- Mr. Johann Moxam, President and Chairman
- Mr. Barry Bodden, President-Elect
- Mrs. Natalie Urquhart, Secretary
- Mr. Wayne Cowan, Treasurer
- Mr. Paul Pearson, Councilor, 2nd Year
- Mr. Paul Byles, Councilor, 1st Year
- Mr. Steve McIntosh, Councilor, 1st Year
- Mrs. Lucy Tibbetts, Councilor, 1st Year
- Mr. Wil Pineau, CCE, Chief Executive Officer

1. Call to order and welcome

Treasurer Wayne Cowan called the meeting to order at 3:15 p.m. He confirmed the required quorum of five councilors as mandated by the Chamber's Memorandum and Articles of Association. CEO Wil Pineau, CCE, recorded the minutes. President Moxam arrived at 3:30 p.m. and chaired the meeting from that point.

2. Apologies

Mr. Colin Reid, Vice President – off island
Mr. Chris Duggan, Immediate Past President
Mrs. Katie O'Neill, Councilor, 2nd Year
Mr. Roger Ponce, Councilor, 2nd Year (*submitted letter of resignation in May*)

3. Review/Approval of draft minutes from the 15th October 2014 Council meeting

Draft minutes were distributed to the Council prior to the meeting for review. A motion to accept the draft without amendment was moved by President Johann, seconded by President-Elect Bodden and approved unanimously.

4. Action items arising from the Minutes

a. Council referrals for membership

(Goal: five referrals each Council member for the year – 60 new members)

As of this meeting, 61 new members have joined the Chamber in 2014 (54 corporate and 7 associate), exceeding the new member goal set by the Council for the year.

5. Treasurer's Report – Wayne Cowan – Submitted to Council prior to the meeting.

a. Presentation of audited financial statements for 2013



Treasurer Cowan presented the audited financial statements for 2013 as prepared by PKF (Cayman) Ltd. He said it was a clean audit with no qualifications. In 2013 the Chamber recorded a net loss of CI\$20,933 which is an improvement from a loss of CI\$28,585 in 2012. Membership dues income increased slightly from 2012 to CI\$320,279. Programmes and events netted \$131,155. Rental income increased to CI\$51,596 from CI\$36,020 in 2012, helping to offset a higher percentage of the office rent of CI\$129,111 in 2013. Training courses netted \$34,282 compared with \$46,975 in 2012. Salaries and benefits were CI\$332,378 in 2013 – a nominal increase of CI\$1,528 from 2012. The Treasurer invited questions or comments from the Council. A motion was moved by President-Elect Barry to approve the audited financial statements. The motion was seconded by President Johann and approved unanimously.

b. Budget update for 2014

The Treasurer provided the Council with an update on the 2014 budget. Based on figures from the office as at the end of October, he is forecasting net income of approximately \$20,000, reversing the downward trend over the last two years. He presented the summary 2013/14 financial comparison report which provided the Council with a budget versus actual comparison. The main highlights:

Membership dues increased by 5% in 2014. This and the addition of a Membership Sales Coordinator allowed the Chamber to surpass the 2013 dues income as well as the 2014 budget projection.

Programmes and events income declined in 2014 due to the following reasons:

- Business Coaching was discontinued
- Golden Apple Awards were held in 2013 and not in 2014 (held every two years);
- Candidates forums were held in 2013 and not in 2014 (held every four years)
- Cayshop and Leadership Cayman sponsorship declined
- Office space rental income increased in 2014 with the addition of rental income from Junior Achievement, YMCA and increased rental income from the Chamber Pension Plan and the C.I. Bankers Association.
- Strict cost savings measures introduced for office supplies.
- A new office lease agreement signed in late 2013, specifying no rent increase for the next five years. This will result in savings of approximately \$16,000.
- Staffing expenses decreased in 2014 by eliminating two senior positions (General Manager and Programmes and Events Manager) and replacing them with a membership sales coordinator and administrative assistant.





- Expenses for the Careers Expo, Earth Day Clean-up, Legislative Luncheon and Golf Classic were reduced in 2014.

6. CEO Report (11th October – 14th November 2014)

The CEO distributed the report to the Council for review prior to the meeting. The report was accepted as presented.

7. Advocacy Agenda Progress Report (10th October – 26th November 2014)

The CEO distributed the report to the Council for review prior to the meeting. No additions were made and the report was accepted as presented.

8. Invited Guest: Gerry Kirkconnell, Chamber representative on the Port Authority

The Council welcomed Mr. Kirkconnell to the meeting at 4:15 p.m. He provided the Council with a general update on the cruise berthing project based on his discussions and meetings with Port and Ministry officials. He confirmed that Government is unable to finance the project on their own and they have entered discussions with the cruise lines. The Environmental Impact Assessment is expected to be completed by February 2015. He said the consultants are waiting to experience a northwester so they can measure the wave action in the harbour. He said he has seen two models for the cruise berthing; one version is extended towards the drop off that will require more dredging and the other is positioned in a slightly different direction that will require less dredging. One option is forecasted to have a 4% down time and the other 1%. These options will be presented to the Florida Caribbean Cruise Association for their review. He said it appears that Government intends to involve the major cruise lines on the financing since the cruise lines will guarantee a certain number of ships if they are involved in funding the project. Key potential partners include Carnival Corporation, Royal Caribbean and Disney. The berthing facility will be able to accommodate four cruise ships including the new Oasis class. Mr. Kirkconnell said he understands the Foreign and Commonwealth Office is satisfied with the business case and may allow Government to borrow some of the necessary funds. When asked about the impact the cruise berthing facility will have on the tenders, Mr. Kirkconnell said the berthing facility will only be able to accommodate four cruise ships and there will be days when there are more ships in harbour that will require tendering. Regarding the much needed improvements to Spotts landing on days when seas are rough in town, Mr. Kirkconnell reported that the Port Authority Board had commissioned Danny Owens to develop an improvement plan. The plan costs more than \$1.5 million and the port is unable to afford the project at this time. In the interim the Board has authorised the leveling of the property as a first step for CI\$150,000. Mr. Kirkconnell said the Board is attempting to improve the flow of tour buses at the Port. The Board has written to the Ministry seeking the use of the old Tower building site for tour bus staging. He admitted the conditions at the port with sidewalk vendors (coconut and conch shell sales outside the Port Authority building) and tour operators with signs along the





harbour front needed coordination, improvement and enforcement. Mr. Kirkconnell reported that the Board has hired Deloitte to conduct a review of the management structure at the Port. This report is expected to be completed by April 2015. He said the Board has decided not to renew the Port Director's contract which expires in May 2015. The Board has informed him that he can apply when it is advertised. Mr. Kirkconnell reported that the Board is seeking legal advice on all matters. He was unable to provide all of the minutes because the chair had not approved them. In the future, he said the Board has agreed to post all approved minutes online for public access. The Council thanked him for his attendance. He left the meeting at 4:55 p.m.

9. New Business

a. **Proposed change of date for AGM: Wednesday, 14th January 2015**

In recent years the Council has been moving the date for the AGM towards the end of the fiscal year. To complete this process, it is proposed to move the AGM to January to complete this process. The Council approved the date change.

b. **Proposed Draft Deed of Amendment for the Chamber Pension Plan**

In early November, the Trustees wrote to President Johann informing the Council that they were considering some interim amendments to the Trust Deed and seeking the views of the Council on this action. A draft Deed of Amendment is being discussed with the legal advisors at Maples. These are the relevant matters:

- a) to remove the requirements to have one Employee-appointed and one Chamber-appointed Trustee present to constitute quorum for the meetings of the Board of Trustees: the trustees feel that their overall representation, and the present quorum of five members, should suffice to ensure the integrity of the Plan and thus not restrict or create situations in which meetings cannot be held because of lack of representation from any particular category. The requirement of having an Employer-appointed present was removed in the Deed of Amendment done in 1999. The input from the Chamber Council would be greatly appreciated regarding the Chamber-appointed trustees.
- b) to remove the requirement of having to mail out printed copies of the audited accounts and trustee report to each member; the intention is to have them posted on the website and copies available on request. This is similar to other Plans on the Island and will result in a significant cost savings as there will be no need to produce over 15,000 copies.

The Council supported the interim amendments.

c. **Immigration focus group**

Chief Officer Eric Bush from the Ministry of Home Affairs is asking





the Chamber to organise a two hour focus group with up to 20 members. The Ministry is undertaking a project to identify and implement changes to the work permit application system to create an online and automated work permit application and processing system to help ensure that Caymanians are considered as the first option for relevant jobs in the Cayman Islands. The project will also look at changes to the appeals system and the implementation of a new corporate accreditation system to incentivize businesses to hire, train and promote Caymanians. Deloitte has assumed the role of Project Manager and will be responsible for the management of all phases of the project. The Council agreed to arrange a focus group for the membership.

d. Trade and Business Licensing amendments

The Council was informed that amendments were being presented during this sitting of the Legislative Assembly. The Chamber was not represented on the review committee and received the final draft of the bill on 6th November.

e. Nomination Committee for 2015 Chamber Council

The President informed the Council that a committee will be established as per the Memorandum and Articles of Association to nominate members to fill the vacancies on the Council. He informed the Council that Vice President Colin Reid does not intend to automatically move up to the position of President-Elect so the committee will be assigned to identify a member to fill both the Vice President and the President-Elect offices. The office of Secretary and three Councilor positions will also need to be filled. President Johann and President-Elect Barry and a past president will serve on the Nomination Committee.

10. Any other business

a. Motion to create an independent development agency – Submitted by Councilor Steve McIntosh

The motion recommended the creation of an independent development agency to focus on business attraction with a tripartite mandate of growing the economy, broadening the government revenue base and creating new job opportunities for Caymanians and other legal residents.

“We hereby instruct and authorise the President, CEO, and any other person that may be appointed to assist, to take whatever action may be necessary to advance the concept in cooperation with the Cayman Islands Government, Cayman Finance (and any other party representing a key stakeholder that may be invited to participate),





including, but not limited to, the following:

1. To arrange or attend preliminary meetings with Cayman Islands Government and other stakeholders as may be necessary, and to pledge the unconditional support of the Chamber (save for the need for the Council to approve a fully-formed proposal at the appropriate time).
2. To draft a communique to members outlining the high level proposal, expressing the Chamber's strong support for the concept and its intended leadership on the issue.
3. To solicit funding pledges from members as may be required in order to support the development of a specific proposal.
4. To engage, or support the engagement of, a suitably qualified third party to develop a detailed proposal and/or business plan that can be presented to the Council for final approval within a 12 month timeframe."

The Council supported points 1 and 2 but could not support points 3 and 4 until a detailed report was developed. President Johann appointed Councilor Steve and CEO Wil to serve on a committee as well as another member of the Council to be confirmed.

11. Next meeting:

The date for the next meeting will be confirmed via email.

12. Adjournment

The meeting adjourned at 5:25 p.m.

