



MARITIME AUTHORITY OF THE CAYMAN ISLANDS (MACI or the Authority)

Minutes of Board of Directors' Meeting

Held on 26 January 2022 at 10:00 a.m.
Caribbean Club, Boardroom
George Town, Grand Cayman

Members Present:

Sherice Arman, Chairman
Ian Wight, Deputy Chairman
John MacKenzie, Director
Stefano Rosina, Director (by zoom)
Caroline Barton, Director
Robb Maass, Director
Joel Walton, CEO (by zoom)

Invited:

Kenrick Ebanks, Global Director, Commercial Service
Philip Barnes
Greg Evans
Peter Southgate
Glenda Dilbert-Davis
Nicola Moore-Gothar

1. CALL TO ORDER

The Meeting was called to order at 10:15 a.m.

2. APOLOGIES

Charles Clifford, Director

3. QUORUM

IT WAS RESOLVED that notice of the meeting had been sent to all of the members of the board of MACI (Members) and in accordance with Schedule I, Section 7 (9) of the Maritime Authority Act (2013 Revision), a quorum of a simple majority of the Members was present and that business would proceed.

4. WELCOME

The chairman introduced and welcomed Mr Maass who was attending in person for the first time since the pandemic started, along with the other invited guests.

5. REVIEW AND APPROVAL OF PREVIOUS MINUTES

IT WAS RESOLVED that the Minutes of the Meeting held on 15 December 2021, be approved.

6. CURRENT COVID-19 OPERATIONS AND MACI UPDATE/DATES FROM PREVIOUS MINUTES

- a. The client services team remains to be the only team currently in office in the Breezy Way location, along with IT. There is one person currently in the Genesis Building. The staff are on a rotation system for being in the office. The situation is continuously reviewed. The UK office is in process to increase the current skeleton staff.

7. NEW BUSINESS

- a. **Cayman Registry Performance, December 2021 –**

- i. The December report reflects the highest number of units on the flag in years. There was also the largest number of deletions with approximately 34 units being deleted for nonpayment of fees. Name reservations are also the highest they have been in years.
- ii. The chair explained to the board and invited guests the economic substance implications of merchant ships having a Cayman flag and the owning company not being a Cayman company. The implications for pleasure yachts and charters are very clear.

b. Potential Business Development, Events, Special Projects, Training, HR and Official Meetings Programme, January 2022 – December 31, 2022 –

- i. The registry is still in the process of hiring a Director of Business Development for Merchant Shipping, the registry is currently shortlisting potential candidates.
- ii. Maritime week was postponed due to rate of community transmission of COVID in Cayman. The potential BD travel schedule:
- iii. Posidonia – June 2022
- iv. Monaco – September 2022
- v. Ft. Lauderdale – October 2022

c. Annual Report and audited financial Statements for the period ended December 31, 2021 –

- i. The registry is currently in a good financial position. 2020 financials are now ready to go to the ministry to be tabled; and to be tabled for the Public Accounts Committee for review and commentary.
- ii.

Q4 - Preliminary 31Dec21 resulted with operating profit of KYD1.4m (Budget KYD170k). Total assets and liabilities were respectively at KYD10.8m an increase of 9% and KYD9.9m a decrease of 5% over prior year. Revenues rose to KYD10.9m against expenses of KYD9.5m. Total equity increased to KYD877k or 250% over (KYD583k) the financial year ended 31 December 2020. The proposed bonus of 4.5% of actual salary amounts to \$155k which would reduce the net bottom-line to \$1.305m. The proposed dividend and bonus would reduce Equity to \$105k, before impact of PSPC and PRHC which are non operating costs to the SCI

	Net Operating income before Bonus	1,460,203
	Proposed Bonus (4.5%)	155,000
	Adjusted Net Operating income	1,305,203
	Equity before Dividend	877,265
	Proposed Dividend	617,450
	Adjusted Equity	259,815
	Bonus	155,000
	Adjusted Equity	104,815

d. Auditor General's Report

- i. The report had four findings:
 1. Financial statement review process – journals passed after the fact due to reconciliations were not done timely. MACI has now put in place a closeout procedure to ensure all adjustments are done timely.
 2. Payroll review process, MACI has agreed with the recommendations and have now put in place a separation of processes between HR and Finance.
 3. Post-retirement healthcare liability- MACI also has agreed with the recommendation and will implement a 4 eye system similar to the payroll process.
 4. Risk management framework – the framework is not finalized but is currently in the works and should be completed with the 2021 audit.

e. Report on risk –

- i. Progressing well, full management team working on the assessment.

f. IT Project

- i. Current ongoing project with no issues to report.

g. Staff and Benefits Review –

- i. Staff health insurance policy – no current updates or changes. This is still being reviewed and a proposal will be presented to the Board at the next meeting in February.

7. OTHER BUSINESS

a. Staff and benefits review:

- i. Appreciation was expressed to the staff for the hard work done during the COVID experience.
- ii. IT WAS NOTED that all staff excluding the executive committee be awarded a one-time 4.5% bonus in the amount of \$158,000. IT WAS FURTHER NOTED that should not be paid until May 2022 upon completion of the 2021 financials. The bonus is at 31 December 2021 and will not be impact the 2022 financials. IT WAS RESOLVED that the one-time bonus be approved subject to any necessary approvals required by the Cabinet.
- iii. IT WAS NOTED that the chair recommended that the one-time 4.5% bonus be extended to the extended to executive committee. IT WAS RESOLVED that the one-time bonus be approved subject to any necessary approvals required by the Cabinet.

b. Dividend Calculation:

- i. IT WAS NOTED that the Authority may have to pay a dividend to the Government. IT WAS RESOLVED and approved that the dividend be paid subject the necessary calculations.

DATE OF NEXT MEETING

21 February 2022 – Round Robin
20 April 2022
25 May 2022
27 July 2022
31 August 2022
19 October 2022
14 December 2022

9. ADJOURNMENT OF MEETING

The Meeting adjourned at 12:55 p.m.



Sherice Arman
Chairman

20 July 2022

Date