



KASAGANA-KA

Mutual Benefit Association, Inc.

KASAGANA-KA Mutual Benefit Association, Inc.
2015-5 Board of Trustees Meeting
DEHHA Clubhouse, Don Francisco St., Don Enrique Heights,
Brgy. Holy Spirit, Quezon City
July 31, 2015, 9:00 am

Present

Board of Trustees

1. Elizabeth N. Yayon – President, Marilao
2. Judea T. Gutierrez – Treasurer, Padilla
3. Jerlene B. Perez – Secretary, Head office
4. Ailene V. Ramos – Member, Sumulong
5. Marivic R. Loterte – Member, Bagong Silang
6. Ma. Jona K. Parolan – Member, Tungko

Board of Advisers

7. Leticia T. Rodriguez – Padilla
8. Wenifreda F. Rodriguez – Bagong Silang
9. Martiniana G. Mancio – Montalban
10. Chona B. Capayas – Masinag
11. Ma. Anna DR Ignacio – KDCI

Management & Staff

12. Silvida R. Antiquera – Gen. Manager
13. Evelyn A. Lagmay – Finance Manager
14. Analyn A. Shih – Admin. Officer

Absent

1. Perla F. Batingal – Independent Trustee

Certified by:

Jerlene B. Perez
Secretary



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ORDER OF BUSINESS

- I. Invocation
- II. Determining the quorum
- III. Review and approval of the agenda
- IV. Approval of the Minutes of the last regular Board meeting
- V. Business Arising from the last board meeting
- VI. Financial Report for the month of June 2015
- VII. Matters for discussion/Approval
 - A. Holiday Pay Leave
 - B. Accident death claim
 - C. K-Kabataan assistance
 - D. Meeting with IC
- VIII. Other Matters
 - A. Performance Evaluation of GM
- IX. Adjournment



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I. Invocation

The board of trustees meeting started at 9 :00 in the morning with a prayer led by BoT Adviser Weny.

II. Determining the quorum

M s. Jerlene Perez, Board Secretary reported that 6 out 7 board members are present in the meeting and therefore constitute a quorum . She mentioned that Independent board Perla Batingal will not be able to attend the meeting due to an emergency concern in the family.

III. Approval of the proposed agenda

M s. Beth Yayon, BOT President presented to the board the proposed agenda. There being no other additional agendum raised, BOT member Marivic moved to approve the proposed agenda and was seconded by BOT member Jona.

BOARD RESOLUTION No 9, Series of 2015. APPROVAL OF THE PROPOSED AGENDA

RESOLVED, as it is hereby resolved that the Board approved the proposed agenda for the Board of Trustees meeting

IV. Reading and approval of the minutes of the last board meeting.

BOT President Beth led the review of the minutes. BOT member Marivic read aloud the first part of the minutes. It was followed by BoT Treasurer Judea on the financial statements of May 2015. BOT member Marivic read the last part of the minutes from investments to other matters.

BOT President Beth entertained some clarifications to the minutes. BOT Adviser Mean on the 'emergency loan' of KDCl, she made it clear that borrowing money from KMBA saves them from the BPI offer of 7% per annum . Whereas, KMBA offers them only 5% per annum . She added that going through BPI takes a long process with a lot of paper requirements. She suggested that the board discuss how much it can render loan to partner MFI. As a reply, GM Salve said that this is one concern that MiMAP is bringing to the attention of the insurance commission for onward approval. She added that the proposal is that KMBA maybe allowed to lend money to its MFI partner up to a maximum of 10%



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of its admitted assets. While waiting for the approval of the insurance commission, the borrowings of KDCL must be paid on or before November 30, 2015

Since there were no other matters raised for questions/clarifications, BOT member Jona moved for the approval of the minutes of June 26, 2015 and seconded by BOT member Aileen.

BOARD RESOLUTION No. 10, Series of 2015. APPROVAL OF THE MINUTES OF JUNE 26, 2015 BOARD OF TRUSTEES MEETING

RESOLVED, as it is hereby resolved that the Board approved the MINUTES OF JUNE 26, 2015 board of trustees meeting

V. Financial report for the month of June 2015.

Ms. Eve reported the highlights of the financial condition of the association as of June 2015. The total assets is currently Php 125,282,221.33. It consists of cash & cash equivalents, receivables, short-term financial assets and non-current assets. It also increased by Php 23M or 24% compared to the same period of previous year. The liabilities is at Php 86,237,945.52, with an increase of 19% over the same month of the previous year in 2014. Meanwhile the Fund Balance has amounted to Php 37,044,275.81. The net surplus is up by Php 2,637,766.71 for the month of June. There is a slight rise in BLIP claims for the the month of June with Php 755,000.00 or 23% compared to the previous month of May with a total amount of Php 456,353. The claims covered twenty one (21) members and seventeen (17) dependents. CLIP claims also increased with a total of Php 152,000.00 or 27% equivalent to sixteen (16) members. OPEX remained low with 18%.

Eve also presented the Cash Flow for the month of June. BOT Adviser Mean noted there are Php 13M cash in the bank. Eve explained that Php 9M is already included in the Time deposits while the Php 4M will be transferred to the BLIP savings account if funds will be needed.



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M s. Eve presented the list of investments as of June 2015.

Type of Investment	Bank	Account Type	Maturity Date	Net Int. Rate	Face Amount	
	Metro Bank	Current Acct. Gen. Fund #:007-032-50403-1			822,288.69	
		Current Account- CLIP #:032-7032-50480-5			523,001.32	
		Current Account-BLIP Acct.# 032-50451-1			299,458.63	
		Savings Account-BLIP Acct.#032-303217877-5			1,655,557.99	
		Savings Account-CLIP Acct.#032-3032-2221-3			395,859.36	
	Sub-Total				3,696,165.99	
	BDO	Savings Account Acct.#7250027686				51,391.29
		Current Account Acct#7258003871				263,867.29
	Sub-Total					315,258.58
	China Bank	Savings Account Acct.# 138-313121-3				7,010.32
TOTAL					4,018,434.89	

	BDO	Regular Time Deposit Acct#372507309020	Sept. 3, 2015 (30 Days)	0.400%	302,399.07
	MBTC	Regular Time Deposit Acct#032-1-03202782-0	Aug. 04, 2015 (30 Days)	1.100%	4,044,122.55
		Regular Time Deposit Acct#032-1032028215	Aug. 04, 2015 (30 Days)	0.800%	4,030,503.38
		Regular Time Deposit Acct#032-103202851-7	Aug. 04, 2015 (30 Days)	0.800%	803,392.86
TOTAL					9,180,417.86



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	BDO	Treasury Bills PIBD 12141094	Sept. 2, 2015 (69 days)	1.604%	7,000,000.00
		RTB 10-04 ISIN #PIID 1023H 046	Aug. 15, 2023 (10 years - Tradable)	2.600%	10,000,000.00
	Metro Bank	FXTN 25-08 ISIN #PIBD 2535L086	Dec. 16, 2035 (25 years - Tradable)	6.320%	15,035,000.00
	FMIC	FXTN 25-08 ISIN #PIBD 2535L086	Dec. 16, 2035 (25 years - Tradable)	6.480%	5,000,000.00
		FXTN 25-08 ISIN #PIBD 2535L086	Dec. 16, 2035 (25 years - Tradable)	6.430%	4,000,000.00
	CHINA BANK	FXTN 25-08 ISIN #PIBD 2535L086	Dec. 16, 2035 (25 years - Tradable)	6.486%	7,127,000.00
		RTB 10-04 ISIN #PIID 1023H 046	Aug. 15, 2023 (10 years - Tradable)	2.600%	10,000,000.00
		FXTN 10-59 ISIN # PIBD 1024H 595	Aug. 20, 2024 (10 years - Tradable)	3.300%	10,000,000.00
	TOTAL				68,162,000.00
CORP. BONDS	FMIC	SMIC - Fixed Rate Bond	July 16, 2019 (7 years)	4.800%	7,500,000.00
		Meralco Fixed Rate Bond	Dec. 12, 2020	3.5%	7,000,000.00
TOTAL				14,500,000.00	
MUTUAL FUNDS	FMIC	Save & Learn Fixed Income Fund (SALFIF)		2.1285	5,000,000.00
	SUNLIFE	Government Securities Fund (GS Fund)		1.5359	2,000,000.00
Sub-Total				7,000,000.00	
STOCK	FMIC SECURITIES BROKERAGE CORP.	PETRON Preferred Shares Series A.		6.300%	8,000,000.00
EMERGENCY LOAN		KDCI		5.000%	5,000,000.00
GRAND TOTAL					115,860,852.75



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PORTFOLIO MIX as of July 30, 2015

Type of Investment	Investment Limit (IC Code)	Current Placement as of August 28, 2014	% of Placement w / Admitted Assets	Potential for Placement	
				%	Amount
Cash in Bank		Php 4,018,434.89	3.55%		
Time Deposit		Php 9,180,417.86	8.11%		
Gov't. Sec.		Php 68,162,000.00	60.19%		
Corp. Bonds	25%	Php 14,500,000.00	12.80%	12.197%	13,813,499.00
Mutual Fund	10%	Php 7,000,000.00	6.18%	3.819%	4,325,399.60
Stocks	10%	Php 8,000,000.00	7.06%	2.936%	3,325,399.60
KDCI LOAN		Php 5,000,000.00	4.41%		
Total Funds as of July 30, 2015		Php 115,860,852.75			
Admitted Assets as of Dec. 2014 per IC Audit		Php 113,253,996.00	Php 21,464,298.20		

VI. Matters for Discussion/Approval

A. Holiday Pay Leave

GM Salve relates an incident in which the CLIP member Carmelita Camus, with 25 months loan covering from November 25, 2014 to May 19, 2015. The member died on May 24, 2015 and therefore, technically speaking is no longer covered by the CLIP insurance. KDCI's policy allows one (1) week 'holiday pay' or deferral from loan payments during the month of December. BOT Adviser Mean proposed that this case be paid to consider the 1 week "holiday pay" policy.

BOT Treasurer Judea moved to approve the application of 'holiday pay leave' during the month of December and was seconded by BOT member Jona.

BOARD RESOLUTION No. 50, Series of 2015. APPROVAL OF HOLIDAY PAY LEAVE FOR CREDIT LIFE INSURANCE COVERAGE

RESOLVED, as it is hereby resolved that the Board approved the HOLIDAY PAY LEAVE FOR CREDIT LIFE INSURANCE COVERAGE



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B. Death claims in Cebu

G M Salve reported to the board that a member from Camotes Island branch was confirmed to have been one of those people died in the MV Nirvana tragedy on July 2, 2015. There was no reported typhoon before the boat traveled from Ormoc to Camotes Island. Based on the IRR, drowning is not covered by the insurance. However, in this case, the incident is not self-inflicted but an accident by nature. G M Salve sought the advice from CARD MBA who happened to have also a member in the same boat. They said that they would consider it as an accident and therefore be paid double. This was also the take of their in-house actuary that there is no details specified in the IRR on the issue of "drowning."

The board unanimously approved the granting of accident benefit to the member.

BOARD RESOLUTION No. 11, Series of 2015. APPROVAL OF GRANTING THE ACCIDENT BENEFIT OF MEMBER WHO DIED OF THE MV NIRVANA TRAGEDY

RESOLVED, as it is hereby resolved that the Board approved the accident benefit to beneficiaries of the member who died of the MV Nirvana tragedy.

C. K-Kabataan assistance

G M Salve reported to the board the complaint filed by an area coordinator from Taytay through the official FB page of KMBA. According to the post, she served for one (1) year from March 2014 to February 2015, but she did not receive the k-kabataan assistance. G M Salve explained that according to the record, the coordinator only attended six (6) times of the coordinator's monthly meeting and center visits. This was explained to her by G M Salve when they had a meeting in Taytay with the cluster manager and KMBA. She claimed that she has completed the center visits in one year but could not produce evidence of area work report. G M Salve asked the opinion of the board members whether to consider or not the request of the member to receive the k-kabataan assistance.

BOT Adviser commented that the coordinator do not deserve the k-kabataan assistance because she failed to fulfill her duties as coordinator. She added that behavior such as this should never be tolerated. Independent board



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Perla proposed that KMBA should have a code of conduct for board and area coordinator. It can also be the basis for assessment of the coordinators, especially in the next election.

The proposal not to grant the request of the coordinator for a k-kabataan assistance was unanimously accepted.

D. Meeting of MiMAP with IC

GM Salve reported that MIMAP met with IC Commissioner Emmanuel Dooc and discussed the following issues and concerns such as the (1) setting up of mutual guaranty fund (2) Self Organization for Mi-MBA (3) surplus management (4) IC approval on investment (5) Fund Management

VII. Adjournment

The meeting was adjourned at 12:30 P.M.

Prepared by: Jerlene B. Perez
Board Secretary