



KASAGANA-KA
Mutual Benefit Association, Inc.

**KASAGANA-KA Mutual Benefit Association, Inc.
2015-7 Board of Trustees Meeting
DEHHA Clubhouse, Don Francisco St., Don Enrique Heights,
Brgy. Holy Spirit, Quezon City
October 30, 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. Ma. Jona K. Parolan – Member, Tungko
6. Perla F. Batingal – Independent Trustee

Board of Advisers

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


Management & Staff

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

Absent

1. Marivic R. Loterte – Member, Bagong Silang
2. Martiniana G. Mancio – Board of Adviser

Certified by:


Jerlene B. Perez
Secretary



KASAGANA-KA
Mutual Benefit Association, Inc.

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
 - A. Surplus Management
 - B. Referral Fee
- VI. Financial Report for the month of September 2015
- VII. Matters for discussion/Approval
 - A. Plan and Budget projection for 2016
 - B. Additional loan proposal of KDCI
 - C. Magazine & Video proposal
- VIII. For Information/Updates
 - A. Governance and AMLA workshop
 - B. Budget proposal for ICMIF
 - C. Credit Information System
 - D. DRRM
 - E. Philhealth consultation
 - F. Management Forum
 - G. ICMIF Invitation
- IX. Adjournment



KASAGANA-KA
Mutual Benefit Association, Inc.

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

Ms. Jerlene Perez, Board Secretary reported that 6 out of 7 board members are present and therefore constitute a quorum.

III. Approval of the proposed agenda

Ms. Beth Yayon, BOT President presented to the board the proposed agenda. There being no other additional agendum raised, BOT member Aileen moved to approve the proposed agenda and was seconded by BOT Treasurer Judea.

BOARD RESOLUTION No 14, 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.

The review of the minutes was led by BOT President Beth. She has asked BOT Treasurer Judea to read the first part of the previous minutes including some clarifications up to financial report. Then followed by BOT member Jona on the investment mix. The reading continued until the last part of the minutes by BOT member Aileen.

BOT President Beth opened the floor for clarifications. BOT Adviser Mean made a clarification on page 4, suggested to include in the list of investments the dates when the investments where acquired from mutual funds. In relation with this, she also clarified in page 5, 'KMBA will not acquire a 5 year term investment', instead, KMBA will wait the minimum holding period before withdrawing to avoid surcharges. Regarding network updates in page 7, BOT Adviser Me-an also corrected that there are some MBAs who are honestly expressing that they allow their MFI partners to borrow funds from them. In fact, CARD gives endowment fund to MIMAP, she added. In page 8 regarding actions and decisions, she suggested to conduct a survey



KASAGANA-KA
Mutual Benefit Association, Inc.

regarding health insurance plan. BOT President Beth confirmed that there are no further clarification on the previous minutes of the meeting.

BOT Jona moved to approve the minutes of the previous meeting and it was seconded by BOT Treasurer Judea.

BOARD RESOLUTION No. 15, Series of 2015. APPROVAL OF THE MINUTES OF OCTOBER 1, 2015 BOARD OF TRUSTEES MEETING

RESOLVED, as it is hereby resolved that the Board approved the MINUTES OF OCTOBER 1, 2015 board of trustees meeting

V. Business Arising

A. Surplus Management (excess of 20% liabilities) – GM Salve reported that IC has not yet address this proposal because Commissioner Dooc hasn't attended the meeting.

B. Finders Fee – GM Salve was seeking the suggestion for a giving commission/finder's fee to those who can recommend potential clients to KMBA. She asked if this set up is possible for KMBA. BTT Adviser Mean initially suggested the following factors that may be considered: (a) minimum number of enrolment (2) based on membership fee (3) based on first premium payment (4) combination of membership fee and first premium payment (5) check the previous cases as basis for the computation

VI. Financial report for the month of September 2015.

Eve presented the highlights of the financial report for the month of September 2015. The total assets of Php 132,375,299.02 has increased to 22% compared to the same period of last year. It consists of cash & cash equivalents, receivables, short term financial assets and non-current assets. She explained that the increase of cash derived from the premium collection. The total Liabilities is Php 93,623,765.48 with an increase of 22 % on the same period of last year.

With regard to the Fund Balance, it amounts to Php 38,751,533.54 while the Net Surplus is 4,720,580.81. BLIP Claim registered at Php 465,799.97. Clip claim is Php 108,757.00 or 24%. OPEX has maintained at 18% for the month.



KASAGANA
Mutual Benefit Ass

Ms. Eve presented the list of investments as of October 2015.

Type of Investment	Bank	Account Type	Maturity Date	Net Int.Rate	Face Amount	
CASH IN BANK	Metro Bank	Current Acct. Gen. Fund #:007-032-50403-1			900,906.08	
		Current Account- CLIP #:032-7032-50480-5			584,095.64	
		Current Account-BLIP Acct.# 032-50451-1			738,130.07	
		Savings Account-BLIP Acct.#032-303217877-5			6,326,216.88	
		Savings Account-CLIP Acct.#032-3032-2221-3			448,493.65	
	Sub-Total				8,997,842.32	
	BDO	Savings Account Acct.#7250027686				51,417.20
		Current Account Acct#7258003871				439,110.36
	Sub-Total					490,527.56
	China Bank	Savings Account Acct.# 138-313121-3				7,010.32
TOTAL					9,495,380.20	

TIME DEPOSIT	BDO	Regular Time Deposit Acct#372507309020	November 12, 2015 (30 Days)	0.400%	302,632.32
	MBTC	Regular Time Deposit Acct#032-1-03202782-0	December 10, 2015 (30 Days)	1.100%	4,067,073.58
		Regular Time Deposit Acct#032-1032028215	October 30, 2015 (30 Days)	0.800%	10,000,000.00
		Regular Time Deposit Acct#032-103202851-7	November 4, 2015 (30 Days)	0.800%	804,795.14
TOTAL					15,174,501.04



KASAGANA-KA
Mutual Benefit Association, Inc.

GOVT. SECURITIES	BDO	RTB10-04 ISIN#PIID1023H046	August 15, 2023 (10years-Tradable)	2.600%	10,000,000.00
	Metro Bank	FXTN 25-08 ISIN#PIBD2535L086	Dec. 16, 2035 (25years-Tradable)	6.320%	15,035,000.00
	FMIC	FXTN 25-08 ISIN#PIBD2535L086	Dec. 16, 2035 (25years-Tradable)	6.480%	5,000,000.00
		FXTN 25-08 ISIN#PIBD2535L086	Dec. 16, 2035 (25years-Tradable)	6.430%	4,000,000.00
	CHINA BANK	FXTN 25-08 ISIN#PIBD2535L086	Dec. 16, 2035 (25years-Tradable)	6.486%	7,127,000.00
		RTB10-04 ISIN#PIID1023H046	Aug. 15, 2023 (10years-Tradable)	2.600%	10,000,000.00
		FXTN 10-59 ISIN# PIBD1024H595	Aug. 20, 2024 (10years-Tradable)	3.300%	10,000,000.00
TOTAL					61,162,000.00
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					120,331,881.24

PORTFOLIO MIX as of September 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 8,997,812.41	7.94%		
Time Deposit		Php 15,158,927.26	13.38%		
Gov't. Sec.		Php 68,162,000.00	60.19%		



KASAGANA-KA
Mutual Benefit Association, Inc.

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		Php 119,818,739.67			
Admitted Assets as of Dec. 2014 per IC Audit		Php 113,253,996.00			Php 21,464,298.20

VII. For Discussion/Approval

A. 2016 Plan

GM Salve presented to the board the highlights of the 2016 plan, as follows :

1. 10th Year Anniversary
2. Development of KMBA MIS
3. Designing of 7- year strategic plan (2017-2023).
4. Additional 5000 members and 100% retention rate for existing members
5. 100% enrolment in CLIP and 15,000 in k-kalinga
6. Additional Account Officer for South Area; 8 OJT per semester
7. 100 KJSP scholars
8. Active participation in Mutual Guarantee Fund and other reinsurance program of network
9. Implementation of the new IRR
10. Search for a lot for MBA office
11. Trainings for Board and coordinators.

Budget for 2016

Eve discussed the projected budget for the year 2016 amounting to Php 8,843,941.98 based on the assumption of an additional 5,000 members. Some of the priorities are as follows:

1. Php 35 M for members contribution (BLIP)
2. Php 5.6 M for premium (CLIP) contribution
3. Php 7.6 M Retirement Savings Fund
4. Php 5.4M Income
5. Php 137M assets



KASAGANA-KA
Mutual Benefit Association, Inc.

Eve also explained that the expenses were subdivided to avoid going beyond the standard 20% OPEX. Board adviser Me-an asked the basis in projecting for MIS development. GM Salve explained that this is estimated based upon the MIS developed by RIMANSI.

B. Additional loan of KDCI

GM Salve discussed to the board that KDCI requested to borrow additional P 15M besides from the first P 5M loan. Board adviser Me-an explained that they encountered problems in their fund because of the government's sudden closure of PCFC. PCFC serves as the biggest financial institution for MFIs. She added that, they didn't took the offer of BPI because their board members didn't like the policies of BPI in giving credit. According to her, they talked to the agency responsible for the closure of PCFC and discussed their complaints wherein they were allowed to "draw down". She added that, they will know first how much they can borrow from PCFC and if ever it will not be sufficient for their needs they will turn to KMBA to borrow funds. GM Salve explained that there's an available funds if ever KDCI will borrow from KMBA and prompts that it must be returned to KMBA before the end of the year 2015. GM Salve also added that it is necessary for KMBA and KDCI to help each other in times of needs where everyone in the board agreed upon.

BOARD RESOLUTION No. 48, Series of 2015. APPROVAL FOR Php 2M ADDITIONAL LOAN OF KDCI

RESOLVED, as it is hereby resolved that the Board approved the Php 2M additional loan of KDCI

C. Magazine/Video Proposal

GM Salve informed the board that KMBA is already preparing for the 10th year anniversary in May 2016. According to her, KMBA will again request Ms. Cynthia Veneracion's help to have a Magazine and a Video to be used in the anniversary. KMBA allotted P 20,000 as payment for the interviewer for stories to be published in the magazine and P 25,000 for video shooting and editing plus the out-of-pocket expenses of P 60,000.

VIII. For Information/Updates

A. GM Salve reported to the board that the recent AMLA and Good Governance held at BSA Twin Towers last October 22-23, 2015 was




KASAGANA-KA
Mutual Benefit Association, Inc.

attended by KMBA staff and board members, BoT Secretary Jerlene and BoT Member Marivic.

- B. Budget Proposal for ICMIF (RIMANSI) –KMBA presented a budget proposal in ICMIF-Rimansi partnership with the amount of Php 8.8M in relation with ICMIF 5-5-5 strategy. The funds will be used to further enhance KMBA, continued trainings and the development of KMBA MIS. Along with KMBA are ASKI and CARD who will implement the program in the Philippines.
- C. Credit information System - Diobert and Analyn attended the Credit Information System held at Makati. It aimed to gather all data of all enrolled insurance members as well as microfinance and other agencies to be used as basis for granting loans.
- E. Philhealth Consultation – attended by coordinator Judith Tandog (Batasan), Oliver Roldan (Bagong Silang) and Marilyn Aldave (Taytay)
- F. Management Forum – will be held in Bacolod on November 25-27, 2015.
- G. ICMIF Invitation – GM Salve informed the board that she received an invitation from ICMIF for a conference to be held in Colombo, Sri Lanka on December 7-9, 2015. She added that RIMANSI urges KMBA to attend to be able to discuss further the proposal. It has been approved by the board and BoT adviser Me-an.

IX. Adjournment

The meeting ended at 1:00 in the afternoon.

Prepared by: 
Jerlene B. Perez
Board Secretary