



KASAGANA-KA Mutual Benefit Association, Inc.
7th Regular Meeting of the Board of Trustees
KMBA Members' Center Building, 5 Matimpiin St. Pinyahan, Quezon City
September 28, 2022, 9:00 am

In Attendance:

Board of Trustees:

- | | |
|--|---------------------------|
| 1. Marlin C. Perez | -President |
| 2. Neily S. Vengano | -Vice President |
| 3. Joseph M. Lopez | -Secretary |
| 4. Emelda A. Castro | -Treasurer |
| 5. Myrna N. Verdadero | -Board Member |
| 6. Jeronima C. Teodoro | -Board Member |
| 7. Sylvia A. Trijo | -Board Member |
| 8. Philip Arnold P. Tuaño | -Independent Board Member |
| 9. Atty. Maria Cleofe Gettie C. Sandoval | -Independent Board Member |

Also Present:

Board of Advisers:

10. Chona B. Capayas
11. Isabel M. Iliw-iliw
12. Enriqueta V. Navarro

Board Member Emeritus

13. Leticia T. Rodriguez
14. Wenifreda F. Rodriguez

Management and Staff

- | | |
|--------------------------|----------------------|
| 15. Silvida R. Antiquera | -General Manager |
| 16. Evelyn A. Lagmay | -Finance Manager |
| 17. Analyn A. Shih | -Executive Assistant |



ORDER OF BUSINESS

A. Board Agenda

- I. Call to Order
- II. Prayer
- III. Determination of Quorum
- IV. Approval of Proposed Agenda
- V. Reading and Approval of the minutes of the previous meeting
- VI. Business arising from the previous meeting
 - Update on CSO Accreditation
- VII. Financial Report
 - a. Financial Statement (July and August 2022)
 - b. Investments as of August 2022
- VIII. For Discussion and Matters Requiring Resolutions
 - a. Closing of Bank Accounts: MetroBank and BDO
 - b. Placement of Treasury Bills
 - c. Renewal of Registration to National Privacy Commission
 - d. Re-appointment of Ms. Silvida R. Antiquera as Data Protection Officer
 - e. Creation of official email address for DPO
 - f. Proposal for Annual Preventive Maintenance of KMBA Building
 - Electrical, Mechanical, FDAS, and Fire Protection
 - g. Performance Evaluation
 - h. Travel Budget for ICMIF
- IX. Upcoming Activities
 - a. IFRS 17 (September 27-29)
 - b. Governance and AMLA Workshop (October 12-14)
 - c. Online Performance Evaluation for Mi-MBAs (November 7-11)
- X. Other Matters
- XI. Schedule of Next Board Meeting
- XII. Adjournment



DISCUSSION HIGHLIGHTS

I. The meeting was formally started at 9:11 am. Before the discussions, President Marlin Perez expressed recognition and gratitude to the employees and management of KMBA, for the Association's award in the ASEAN Corporate Governance Scorecard (ACGS) Golden Arrow Awards, held on September 23, 2022. The Golden Arrow Award is given by the Institute of Corporate Directors in recognition to an institution's outstanding performance in the ACGS assessment. KMBA is one of only two awardees in the Mutual Benefit Associations sector.

II. Quorum and Agenda

The Board Secretary, Mr. Joseph Lopez conducted the roll call and determined the presence of a quorum, where all members of the Board were present. Subsequently, President Marlin presented the Agenda and it was approved by the Board upon motion by BoT Jeronima and seconded by BoT Sylvia.

III. Reading and Approval of the Minutes of the Meeting

Board Secretary, Mr. Joseph Lopez read the minutes of the previous Board meeting. The Board found no clarification or comments on the minutes that needed discussions. The minutes of the previous meeting was approved upon motion by BoT Sylvia and seconded by BoT Nelly.

IV. Business Arising

GM Silvida Antiquera mentioned that KMBA's application for CSO accreditation was already approved by the Quezon City LGU. GM Salve explained that the said accreditation is a great opportunity for the local government to be actively involved in the implementation of appropriate programs and projects that are beneficial to the members and the community.

Apart from the update mentioned above, there are no remaining tasks from the previous meeting.

V. Financial Report

A. Financial Statements for May and June 2022

Finance Manager, Evelyn Lagmay presented the Statement of Financial Position for the month July and August 2022. The summary of the report is provided below:

Particulars	As of July 31, 2022	As of July 31, 2021	Variance	
			Amount	%
Total Assets	Php 233, 282,127.81	Php 232, 592,581.49	Php 689,546.31	.30%
Total Liabilities	127,402, 399.02	151,589,764.97	(24,187,365.95)	-16%
Total Fund Balance	105,879,728.78	81,002,816.52	24,876,912.26	30.71%

On the other hand, the summary of the Income Statement for the months of July and August 2022 are as follows:



Particulars	For the Month of August 2022	For the Month of July 2022	Variance in Amount
Gross Revenue	Php 5,416,195.51	Php 3,849,048.68	Php 571,986.95
Total Benefit Expense	4,375,191.19	2,549,500.63	1,825,690.56
Total Operating Expense	1,012,052.215	1,043,256.40	(31,204.25)
Total Investment Revenue and Other Income	592,693.44	296,896.10	295,797.34
Net Surplus (Loss) before Income Tax	621,645.61	553,187.76	68,457.86
Income Tax Expense	-	-	-
Net Surplus (Loss)	621,645.61	553,187.76	68,457.86

The Board accepted the Financial Report for the months of July and August 2022 upon motion by BoT Neily and seconded by BoT Emeida.

B. Investments as of July 28, 2022

The portfolio mix as of August 31 2022, is as follows:

Type of Investment	As of August 31, 2022	As of September 27, 2022
Cash in Bank	Php 18,113,948.85	Php 23,410,323.38
Time Deposit	3,192,781.19	3,193,026.25
UITF	22,513,747.01	22,515,732.40
Government Securities	78,144,155.02	78,144,155.02
Corporate Bonds	10,280,000.00	10,280,000.00
Mutual Fund	5,666,755.03	5,666,755.03
Stocks	13,347,400.00	13,347,400.00
LTNCD	5,000,000.00	5,000,000.00
Investment Property	63,413,122.28	63,413,122.28
TOTAL INVESTMENTS	Php 219,671,909.38	Php 224,970,514.36

The Investment Mix as of 31 August 2022 was accepted upon motion of BoT Jeronima and seconded by BoT Myrna.

VI. For Discussion

a. Closing of Bank Accounts: MetroBank and BDO

Currently, the Association has the following accounts in MetroBank and Banco De Oro, originally intended for BLIP and CLIP but after the pandemic, those accounts are not used much because most of the transaction is done online through Union Bank:

BANK	ACCOUNT TYPE	BALANCE as of 09/27/2022
METROBANK	1. Current account – GF (007-032-50403-1)	Php 531,331.31
	2. Current account – CLIP (032-7032-50480-5)	35,405.18
	3. Current account – BLIP (007-032-50451-1)	151,681.77
	4. Savings account – BLIP (3032178775)	1,897,549.84



	5. Savings account – CLIP (032-3-032-322213)	477,743.22
	Total Cash in Bank in MetroBank	Php 3,093,711.32
	LESS: Maintaining Balance	500,000.00
	Available Funds	2,593,711.32
	Available Funds for T-Bills Placement	Php 2,500,000.00
BANCO DE ORO	1. BDO Current	714,702.49
	2. BDO Savings	1,282,119.21

The MetroBank accounts is suggested to be closed except for the Savings account – BLIP (3032178775) because it serves as the settlement account of KMBA's investments, where all the interest from the investments goes into it. The total amount of Php 2,500,000.00 will be deposited in Treasury Bills at First Metro Securities and Brokerage Corporation with the following details:

Validity Date	Offer	No. of Days	Net Interest
March 8, 2023	3.7300	162	2.98%

As for BDO accounts, it is suggested to close the Current account and transfer the amount of Php 714,702.49 to the Savings account. All dividends go into the BDO savings account and it is used every time KMBA opens a new investment.

The Board accepted and approved the closing of MetroBank accounts except the Savings account – BLIP (3032178775), as well as the placement of Two Million Five Hundred Thousand pesos (Php 2,500,000.00) in Treasury Bills within 162 days upon motion of BoT Sylvia and seconded by BoT Nelly.

The Board also accepted and approved the closing of the BDO current account and the transfer of Seven Hundred Fourteen Thousand Seven Hundred Two 49/100 (Php 714,702.49) to the BDO savings account upon motion by BoT Sylvia and seconded by BoT Nelly.

**BOARD RESOLUTION NO. 2022-23:
CLOSING OF BANK ACCOUNTS**

RESOLVED, to approve the closing of bank accounts in Metro Bank and Banco De Oro, previously intended for the remittance of BLIP and CLIP.

**BOARD RESOLUTION NO. 2022-24:
PLACEMENT OF ADDITIONAL INVESTMENT**

RESOLVED, to approve the placement of additional investment to First Metro Securities Brokerage Corporation Treasury Bills amounting to Two Million Five Hundred Thousand Pesos (Php 2,500,000.00) for one hundred sixty two days (162 days) with the net interest of 2.98%.



b. Renewal of Registration to National Privacy Commission

KMBA is registered with the National Privacy Commission pursuant to the provisions of Data Privacy Act as a "data processing organization". This year, the registration needs to be renewed and a Data Protection Officer needs to be reappointed. The following were submitted for Board approval:

1. KMBA's registration with the National Privacy Commission will be renewed,
2. Re-appointment of Ms. Silvida Reyes-Antiquera as Data Protection Officer, and
3. Creation of an official email address that will be used exclusively for concerns and communications related to data protection.

The Board approved and accepted the renewal of KMBA's registration with the National Privacy Commission upon motion by BoT Nelly and seconded by BoT Myrna.

The Board approved and accepted the re-appointment of Ms. Silvida Reyes-Antiquera as Data Protection Officer upon motion by BoT Sylvia and seconded by BoT Nelly.

The Board approved and accepted the creation of an official email address that will be used exclusively for communication and data protection concerns upon motion by BoT Myrna and seconded by BoT Jeronima.

**BOARD RESOLUTION NO. 2022-20:
AUTHORIZING THE RENEWAL OF REGISTRATION TO THE NATIONAL PRIVACY
COMMISSION**

RESOLVED, to approve the renewal of registration to the National Privacy Commission, in compliance to the Data Privacy Act of 2012.

**BOARD RESOLUTION NO. 2022-21:
APPOINTMENT OF DATA PROTECTION OFFICER**

RESOLVED, to approve the re- appointment of Ms. Silvida R. Antiquera as the Data Protection Officer of KMBA and that she is duly authorized to and made accountable for ensuring compliance with pertinent laws and regulations for the protection of data privacy and security as defined in and pursuant to the requirements of Republic Act No. 10173, also known as the Data Privacy Actrenewal of registration to the National Privacy Commission, in compliance to the Data Privacy Act of 2012.

**BOARD RESOLUTION NO. 2022-22:
CREATION OF OFFICIAL EMAIL FOR DATA PRIVACY CONCERNS**

RESOLVED, to approve the creation of an official email specifically intended for the sole purpose of transacting and communicating data privacy concerns.



c. Annual Preventive Maintenance of KMBA Building

The Quezon City Fire Department conducted an inspection of the KMBA building in July 2022. In the said inspection, it was apparent that KMBA is compliant with the set regulations. An annual check of the building's equipment is only recommended because there is no in-house electrical/mechanical engineer. The things that should be inspected annually are the following:

1. Electrical
2. Mechanical
3. Fire Detection and Alarm System, and
4. Fire Protection

In compliance with the recommendation of the Quezon City Fire Department, the following are the quotations obtained for the conduct of the said testing:

SCOPE OF WORK	SERVICE PROVIDER		
	Private Practitioner (Eng. Ray Pagtama)	Princillo Builders Jan Vincent Ayila	SteamJet Services Jerick Joves
Electrical	Php 20,000.00	Php 30,000.00	Php 50,000.00
Mechanical	10,000.00	30,000.00	15,000.00
FDAS and Fire Protection System	60,000.00	42,000.00	50,000.00

The management recommended that the services of the private practitioner, Eng. Correct for Electrical and Mechanical because be obtained since it presented the lowest price for said testing. As for the FDAS and Fire Protection System, management recommends Princillo Builders.

It is also necessary to refill and add new fire extinguishers, for which below are the quotations received:

ITEM	QUANTITY	SUPPLIER		
		Bon-Earnest Fire Extinguisher Trading	Cycemar Enterprise Corp	Princillo Builders
ABC Dry Chemical (Refill)	6	Php 50,200.00	Php 51,600.00	Php 61,100.00
ABC Dry Chemical (Brand New)	11			
HCFC 123 Chemical (Green)	1			
A-FFF (Blue) 20 lbs	1			
A-FFF (Blue) 50 lbs	1			

The Management recommends purchasing the necessary fire extinguishers from Born-Earnest Fire Extinguisher Trading because it presented the lowest price.

The hiring of the services of private practitioner Eng. Ray Pagtama for Electrical and Mechanical testing for a total cost of Thirty Thousand pesos (Php 30,000.00) and to Princillo Builders for FDAS and Fire Protection System for a cost of Forty-Two Thousand pesos (Php 42,000.00) were accepted and approved by the Board upon motion by BoT Emelda and seconded by BoT Sylvia.



The hiring of Bon-Earnest Fire Extinguisher Trading for the refilling and purchase of additional fire extinguishers for the amount of Fifty Thousand Two Hundred pesos (Php 50,200.00) was accepted and approved by the Board upon motion by BoT Myrna and seconded by BoT Nelly.

**BOARD RESOLUTION NO. 2022-25:
APPROVAL OF SERVICE PROVIDERS FOR THE ANNUAL PREVENTIVE MAINTENANCE OF
KMBA BUILDING**

RESOLVED, to acquire the services of Eng. Ray Pagtama for the Electrical and Mechanical maintenance in the amount of Thirty Thousand pesos (Php 30,000.00);

RESOLVED FURTHER, to acquire the services of Princillo Builders for the Fire Detection and Alarm System (FDAS) and Fire Protection System maintenance in the amount of Forty-Two Thousand pesos (Php 42,000.00);

RESOLVED FINALLY, to administer the refill of six (6) units and procurement of fourteen (14) additional fire extinguishers with Bon-Earnest Fire Extinguisher Trading in the amount of Fifty Thousand Two Hundred pesos (Php 50,200.00).

d. Performance Evaluation

The results of the computation for the employees' performance incentive for January to June 2022 were submitted to the board. The total amount of Two Hundred Twenty Six Thousand Four Hundred Five 15/100 (Php 226,405.15) was requested to be granted to the concerned employees as performance. bonus.

The disbursement of Two Hundred Twenty Six Thousand Four Hundred Five 15/100 (Php 226,405. 15) as a performance incentive for employees was approved by the Board upon motion by BoT Myrna and seconded by BoT Sylvia.

**BOARD RESOLUTION NO. 2022-26:
RELEASE OF PERFORMANCE INCENTIVE OF EMPLOYEES**

RESOLVED, to authorize the release of the performance incentive of qualified employees for the period January to June 2022, subject to adherence to the existing policies on performance evaluation.

e. Travel Budget for ICMIF

In connection with the invitation sent by ICMIF to KMBA to attend its Centennial Anniversary and Conference to be held on October 24-28, 2022 in Rome, Italy, the total amount of Two Hundred Eighty-Five Thousand Three Hundred Seventy Nine 23/100 (Php 285,379.23) was submitted to the board for approval.

ICMIF is the international network of KMBA, in which Kasagana-ka actively participates in its activities.



The Board approved and accepted the total cost of Two Hundred Eighty-Five Thousand Three Hundred Seventy Nine 23/100 (Php 285,379.23) for attending the ICMIC Centenary Conference upon motion by BoT Sylvia and seconded by BoT Jeronima.

f. Upcoming Activities

The Board was informed of the following activities:

1. A session will be conducted on September 27-29, 2022 regarding IFRS which will be of great help to better understand the changes in accounting standards posed by the PFRS 17. This system is the new accounting standard that the Insurance Commission will implement on insurance companies and organizations that offer insurance products. This new accounting standard is scheduled to be implemented on January 1, 2025. Based on the new accounting standard, there will be a change in how premiums are recorded. The financial statement of the insurance companies for the year 2025 must comply with PFRS 17, as well as the regulation requires that the financial statement of the year 2023 and 2024 be reviewed and also comply with this new standard. Because of this, it is necessary to study and prepare for this change right now.
2. The four (4) newly elected BoT Vice President Nelly, BoT Sylvia, BoT Myrna and BoT Emelda must attend the Governance and AMLA workshop on October 12-14, 2022 to be conducted by MiMap. In this activity, the former President of KMBA, Mrs. Enriqueta Navarro will share KMBA's experience on governance.
3. MiMap will conduct a performance evaluation on MBAs, with the schedule of KMBA on November 7-11, 2022. It will be conducted online.

g. Other Matters

The Board was informed of the invitation for the 20th Anniversary Celebration of KDCI to be held on October 1, 2022 at 8:30 am on the 3rd Floor of the KMBA building.

h. Schedule of the Next Board Meeting

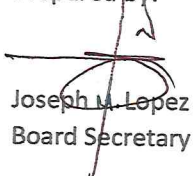
GM Salve explained that the schedule of activities will be arranged first and the schedule of the next Board meeting will be then announced.

XI.

Adjournment

There being no other matters discussed, the meeting ended at at 11:33 am, with the motion of BoT Nelly and seconded by BoT Myrna.

Prepared by:


Joseph M. Lopez
Board Secretary

Attested by:


Marlin C. Perez
President