



**KASAGANA-KA Mutual Benefit Association, Inc.**  
**1<sup>st</sup> Regular Meeting of the Board of Trustees**  
**KMBA Members' Center Bldg, 5 Matimpiin St. Pinyahan, Quezon City**  
**January 27, 2023 9:00 am**

**In Attendance:**

Board of Trustees:

- |  |                           |
|--|---------------------------|
| 1. Marlin Perez                          | -President                |
| 2. Nelly Vengano                         | -Vice President           |
| 3. Emelda Castro                         | -Treasurer                |
| 4. Myrna Verdadero                       | -Board Member             |
| 5. Jeronima Teodoro                      | -Board Member             |
| 6. Sylvia Trijo                          | -Board Member             |
| 7. Philip Arnold P. Tuaño                | -Independent Board Member |
| 8. Atty. Maria Cleofe Gettie C. Sandoval | -Independent Board Member |

**Also Present:**

Board of Advisers:

9. Chona Capayas
10. Isabel Iliw-iliw
11. Enriquetta Navarro

Board Member Emeritus

12. Leticia Rodriguez

Management and Staff

- |                          |                      |
|--------------------------|----------------------|
| 13. Silvida R. Antiquera | -General Manager     |
| 14. Evelyn Lagmay        | -Finance Manager     |
| 15. Analyn Shih          | -Executive Assistant |

The following were not able to attend the meeting

1. Joseph M. Lopez Secretary

Attested by:

Marlin C. Perez  
President



## 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
- VII. Financial Report
  - a. Financial Statement (November and December 2022)
  - b. Investments as of December 2022
- VIII. For Discussion and Matters Requiring Resolution
  - a. Presentation of year-end report and plan
  - b. Revised budget
  - c. Realignment of excess and unassigned surplus
  - d. Commission Fee
  - e. Review of vision, mission, and goals
  - f. Review of Related Party Transaction
  - g. Commitment to Good Corporate Governance
  - h. Additional authorized representative to all government agencies
- IX. Ratification of resolutions approved online
  - a. K-Bente renewal
  - b. Pasasalamat package for employees
  - c. IPO Registration
- X. FYI/Updates
  - a. Certificate of copyright registration (KMBA Members Information System)
  - b. Annual Performance Evaluation (Board, Committees and General Manager)
- XI. Other Matters
- XII. Schedule of Next Board Meeting
- XIII. Adjournment

Prepared by:

Joseph M. Lopez  
Secretary



## DISCUSSION HIGHLIGHTS

I. The meeting was formally started at 9:00 am with a prayer.

### II. Quorum and Agenda

President, Marlin Perez conducted the roll call and determined the presence of a quorum, with eight of the nine members of the Board present. Subsequently, she presented the Agenda and it was approved by the Board upon motion by BoT Sylvia and seconded by BoT Myrna.

### III. Reading and Approval of the Minutes of the Meeting

The minutes of the previous meeting was reviewed, and with no other clarifications, the minutes of the previous meeting was approved upon motion by BoT Jeronima and seconded by BoT Emelda.

### IV. Business Arising

GM Silvida Antiquera mentioned that mentioned that the assignments from the previous meeting are included in those that will be discussed in the updates.

### V. Financial Report

#### A. Financial Statements for November and December 2022

Finance Manager, Evelyn Lagmay presented the Statement of Financial Position for the months November and December. The summary of the report is provided below:

Particular	As of December 31, 2022	As of December 31, 2021	Variance	
			Amount	
Total Assets	Php 240,183,762.98	Php 230,635,866.06	Php 9,547,896.92	4.14%
Total Liabilities	132,065,056.76	124,998,168.32	7,066,888.44	6.0%
Total Fund Balance	108,118,706.22	105,637,697.74	2,481,008.48	2.35%

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

Particulars	For the Month of November 2022	For the Month of December 2022	Variance in Amount
Gross Revenue	Php 4,975,407.71	Php 4,283,643.46	Php (691,764.25)
Total Benefit Expense	3,545,316.79	2,258,220.42	(1,287,096.37)
Total Operating Expense	1,193,518.77	1,106,542.34	(86,976.43)
Total Investment Revenue and Other Income	637,262.98	765,920.59	128,657.61
Net Surplus (Loss) before Income Tax	873,835.13	1,684,801.29	810,966.16
Income Tax Expense	(146,817.54)	-	146,817.54
<b>Net Surplus (Loss)</b>	<b>873,835.13</b>	<b>1,684,801.29</b>	<b>810,966.16</b>

The Board accepted the Financial Report for the months of September and October 2022 upon motion by BoT Sylvia and seconded by BoT Myrna.



B. Investments as of December 31, 2022

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

Type of Investment	As of December 31, 2022	As of January 25, 2023
Cash in Bank	Php 29,756,861.43	Php 31,127,268.04
Time Deposit	3,194,720.73	3,194,800.90
UITF	22,555,531.72	22,556,754.77
Government Securities	75,646,307.26	75,646,307.26
Corporate Bonds	10,280,000.00	10,280,000.00
Mutual Fund	5,616,958.05	5,616,958.05
Stocks	12,940,000.00	12,940,000.00
Investment Property	63,064,409.36	63,064,409.36
<b>TOTAL INVESTMENTS</b>	<b>Php 228,054,788.55</b>	<b>Php 229,426,498.38</b>

The Board acknowledged the efforts of the management and praised its good performance concerning the management of the organization's investments.

The Investment Mix as of 31 December 2022 was approved upon motion by BoT Sylvia and seconded by BoT Myrna.

**VI. For Discussion**

a. Presentation of year-end report and plans

GM Salve reported on the state of operations for the year 2022:

	TARGET	ACTUAL
Membership	50,500	48,580
Premium Collection	P49.8M	P46.5M
Assets	P235.6M	P240.18M
Liabilities	P158M	132.01M
Fund Balance	P77.6M	108.12M
Number of claims	-	763
Amount of claims	P16.9M	P12.8M
Operating expense	20%	23%

During the discussion, it was explained that of the total membership of 45,480, only 39,603 are in force and 8,977 have lapsed. It was also shown what made up the total membership of KMBA, of which 37,609 are K-Coop members, 9,681 are from CAPS-R, 413 are from JVOMFI and 877 are from various small organization.

It was also discussed in the report that there were 454 claims, where the amount paid for them reached P9.4M and the claims ratio was 29%. The leading causes of death are as follows: cardiovascular, respiratory, hematological, neurological and gastro-intestinal.

In CLIP, there were 262 claims where the total amount reached P3.2M and the claims ratio was 28%. Whereas in HIIP, there were 47 claims and the total amount reached P95,600 and the claims ration was 3%. KMBA continues to provide other services such as K-Kalinga, K-Bente, calamaitiy assistance and Kuya Jun Scholarship Program everyone agreed that there should be a proper campaign to reduce the number of lapsed accounts, and increase the enrollment of K-Bente and HIIP. GM Salve also explained that this



concern has been conveyed to K-Coop so that the mandatory enrollment of members in HIIP can be implemented more strictly for members in the 2nd loan cycle. Board Emeritus Letty Rodriguez suggested that the HIIP enrollment should be campaigned to the Coordinators so that they themselves can explain and campaign it in the centers.

The Board accepted the Operations report chaired by BoT Sylvia and seconded by BoT Nelly.

b. Budget Projection for 2023

The budget projection for the year 2023 was discussed:

ASSUMPTIONS	2022 PROJECTION	ACTUAL as of December 31, 2022	PROJECTION FOR 2023
MEMBERS	50,500	48,850	60,000
ASSETS	235,648,352.20	240,183,763.00	252,497,515.19
LIABILITIES	158,004,359.24	132,065,057.00	146,247,334.29
FUND BALANCE	77,643,992.91	108,118,706.00	106,250,180.90
TOTAL COLLECTIONS	50,725,500.00	39,740,060.25	61,355,000.00
TOTAL BUDGET	36,548,272.56	30,396,134.44	41,776,629.99

The projections for the year 2023 were approved upon motion by BoT Emelda and seconded by BoT Myrna.

c. Realignment of excess and unassigned surplus

The proposed realignment of excess and unassigned surplus was presented to the Board for approval:

ITEM	2023 BEGINNING	2023	2024	2025	TOTAL
Benefits in kind and other relevant services	-	500,000.00	500,000.00	500,000.00	1,500,000.00
	-	670,000.00	670,000.00	670,000.00	2,010,000.00
Total benefits in kind	1,280,275.00	1,170,000.00	1,170,000.00	1,170,000.00	3,510,000.00
Enhancement of equity value	2,700,000.00	-	-	-	-
Capacity building	129,222.47	500,000.00	500,000.00	477,576.08	1,477,576.08
Research and development	1,113,125.00	350,000.00	350,000.00	-	700,000.00
Upgrading and improving systems and equipment	1,424,887.21	500,000.00	500,000.00	-	1,000,000.00
Continuing member education	1,449,124.49	700,000.00	700,000.00	-	1,400,000.00
TOTAL EXCESS UNASSIGNED SURPLUS	8,087,576.08	3,220,000.00	3,220,000.00	1,647,576.08	8,087,576.08

The realignment of excess and unassigned surplus was approved upon motion by BoT Jeronima and seconded by BoT Nelly.

d. Commission Fee

The Board was informed that in order to help the operations recover from the challenges it is facing, especially the current financial challenges of the organization, it is suggested by the management to request from K-Coop to lower the collection fee charged by the latter from 5% to 3% until such time when KMBA has recovered from its financial challenges. This proposal was accepted and approved by the Board upon motion by BoT Myrna and seconded by BoT Jeronima.



e. Review of vision, mission, and goals

KMBA's current vision and mission was presented to the Board:

VISION	MISSION	GOALS
A self-reliant and self-sustaining mutual benefit association that actively and appropriately responds to the financial risk management needs of the poor Filipino families.	To provide microinsurance products and services to the poorest Filipino families.	<ul style="list-style-type: none"> <li>To promote life insurance that can broaden the safety net of the Filipino poor;</li> <li>To engage in a socially oriented activities that render assistance to members in terms of their security needs;</li> <li>To develop a cost-effective mechanism for the delivery of microinsurance products and services</li> </ul>
Isang MBA na matatag at may ganap na kasarinlan na aktibong tumutugon sa pangangailangang pinansyal dulot ng panganid sa buhay nga mga maralitang Pilipino.	Makapagbigay ng mga produkto at serbisyong microinsurance sa pinakamahirap na pamilyang Pilipino.	<ul style="list-style-type: none"> <li>Maisulong at maipalaganap ang basic life insurance na makapagpapalawak ng seguridad ng mga maralitang Pilipino.</li> <li>Makilahok sa mga panlipunang Gawain na makakapaghatid ng tulong sa mga miyembro lalo na sa kanilang mga pangangailangan sa seguridad.</li> <li>Makabuo ng mekanismong matipid, sulit, at epektibo para sa paghahatod ng mga serbisyong microinsurance.</li> </ul>

There being no question or clarification on the current vision, mission, goals of KMBA, the same was accepted and approved upon motion by BoT Nelly and seconded by BoT Sylvia.

f. Commitment to Good Corporate Governance

Subsequently, the review and ratification of the commitment to good governance was carried out, stating the following:

The Board of Trustees and the Management team of KMBA are committed to the principles of and best practices on good governance as expressed in its Articles of Incorporation, By-Laws, and the Corporate Governance Manual, and as provided by pertinent laws and government regulations. To this end, Board and management will maintain transparency and accountability to its members and other stakeholders, and shall manage its operations with integrity. Periodic disclosure of relevant information to the public and specific stakeholders will be complied with. Greater participation of members in policy determination and decision-making shall continually be encouraged. Checks and balances and the appropriate control mechanisms shall always be in place and further strengthened.

The Board affirmed the commitment to good governance practices upon motion by BoT Emelda and seconded by BoT Jeronima.

g. Review of Related Party Transactions

Discussion of this agenda item was postponed subject to the availability of the report from the external auditor.

h. Additional authorized representative to all government agencies

KMBA's Bookkeeper, Ms. Maria Victoria Mapola was submitted for approval by the Board to be added to the authorized representatives in government agencies. The request was approved by the Board upon motion by BoT Myrna and seconded by BoT Jeronima.



**VII. Ratification of approved resolutions online**

The resolutions approved online were submitted for Board ratification:

- Renewal of K-Bente in First Life Insurance for the year 2023.
- Providing a " Pasasalamat package" to employees which are groceries worth Php 1,000.00. During the pandemic, this was one of the benefits that was temporarily suspended due to the losses experienced by KSOs. In the year 2022, the "restoration of pre-pandemic benefits" was submitted to the Board and this benefit is one of those proposed to be given to the employees.
- Copyright application of the KMBA Members Information System to the Intellectual Property Office (IPO)

The ratification of the aforementioned resolutions was approved by the Board upon motion by BoT Nelly and seconded by BoT Sylvia.

**VIII. Updates**

The Board was informed that the KMBA Members Information System has fully obtained a certificate of copyright registration from the Intellectual Property Office.

EA Anayn announces the schedule of annual performance for all Board members, Committees and the General Manager

**IX. Schedule the next meeting**

The next meeting of the Board will be on March 24, 2023 at 9:00 am in the KMBA Members Center Building. It was also announced that the recollection will be held on March 16, 2023, which will be attended by all officers and coordinators.

**XI.**

**Adjournment**

There being no other matters discussed, the meeting ended at at 12:33 noon upon motion by BoT Nelly and seconded by Bot Sylvia.

Prepared by:

Attested by:

Joseph M. Lopez  
Secretary

Marlin C. Perez  
President