

KASAGANA-KA Mutual Benefit Association, Inc.
Treasury Committee Meeting
Via zoom
13 June 2022 1:30 pm

<p>Present</p> <p>Board Committee Members</p> <ol style="list-style-type: none"> 1. Enriqueta Navarro 2. Teresita D. Padel 3. Eduardo M. Pangan 4. Rita T. Dela Cruz <p>Also Present:</p> <ol style="list-style-type: none"> 1. Evelyn A. Lagmay 	<ul style="list-style-type: none"> - Chairperson, BoT President - Committee Member - Committee Member - Committee Member <ul style="list-style-type: none"> - Finance Manager
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Topic	Discussion
Call to Order	The meeting started at 1:30 pm with a prayer.
Review of the Previous Minutes of the Meeting	The Committee reviewed the minutes of the previous meeting. It being subject to prior perusal, the committee unanimously approved the minutes.
Review of Risk Policy Statement	<p>Chairperson Enriqueta presented to the committee the agenda for the meeting. Advance copy of the materials are send ahead for the committee to have enough time to go over and review the materials before the discussion. Committee member Eduardo Pangan, inquire about KMBA's Risk Policy Statement and the guidelines set by the Insurance Commission on investment.</p> <p>Chairperson Enriqueta explained that KMBA uses Risk based Capital Ratio subject for IC verification. In addition to Ms. Navarro's explanation, FM Evelyn said that in using Risk Based Capital, KMBA should follow the standard or within the standard rate of $\geq 125\%$. As per 2020 IC verified Annual Statement, KMBA is at 336% while as of December 2021, KMBAs initial computation subject for IC verification is at 398.29%.</p> <p>Using the Risk Based Capital, each investment are being assess over assets (Assets Default Risk) with corresponding risk factor.</p> <p>In every investment risk, KMBA should have enough Equity or Fund Balance in which KMBA has sufficient as per data from 2020 to 2021 RBC Ratio.</p> <p>FM Evelyn also discussed the following guidelines set by the Insurance Commission. Below are the admitted assets based on the New Insurance Code RA 10607.</p> <ul style="list-style-type: none"> ➤ Cash on Hand/in transit/cash in a financially sound bank duly authorized by the BSP. ➤ Investments in Mutual Fund, REIT, Salary loans, UITF and SDAs



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- Other assets deemed by the Commissioner to be readily realizable and available for the payment of losses and claims at values to be determined by him in a circular, rule or regulation.

While ETF or Exchange Traded Fund is also considered as admitted asset, below are the list of non-admitted asset.

- Goodwill, Trade name and other Intangible Assets;
- Preferred or deferred charges;
- Advances to officers, employees, agents and other person not secured
- Treasury stocks;
- Furniture and Fixtures, Supplies, Library;
- Checks, drafts, or notes returned by the banks which is unpaid after bank statement date; and
- Negative fluctuation/ revaluation reserve.

FM Evelyn also presented to the committee the list of investment as of May 22, 2022.

Type of Investment	Bank/ Issuer	Account Type	Placement / Maturity Date	Coupon/ Gross Rate	Net Int.Rate	April 30, 2022	As of 05/27/2022
CASH IN BANK	Metro Bank	Current Account - General FUnd #007-032-50403-1		0.00%	0.00%	524,220.28	552,580.29
		Current Account- CLIP#032-7032-50480-5		0.50%	0.40%	1,033,788.65	1,035,788.65
		Current Account- BLIP #007-032-50451-1		0.00%	0.00%	1,491,859.64	1,563,948.77
		Savings Account - BLIP Acct.#3032178775		0.06%	0.05%	2,416,168.03	2,571,788.03
		Savings Account - CLIP Acct.#032-3-032-322213		0.06%	0.05%	477,682.84	477,682.84
		Savings Account - Dollar Account		0.06%	0.05%	118,442.84	3,224.99
	BDO	Savings Account Acct.#7250027686		0.06%		1,014,279.97	1,016,379.97
		Current Account Acct#7258003871		0.00%	0.00%	714,702.49	714,702.49
	SECURITY Bank	Savings Account Acct.#0000025634022		0.11%	0.09%	3,045,836.94	3,045,836.94
		Savings Account Acct.#002270005436		0.04%	0.03%	4,019,785.03	4,217,541.84
	Union Bank	Savings Account Acct.#002270006131		0.04%	0.03%	5,026,147.17	8,863,796.01
		Savings Account Acct.#0022 7000 6453		0.04%	0.03%	3,030,297.77	4,070,380.47
	BPI	Savings Account Acct.#0423-365129		0.06%	0.05%	455,574.77	455,574.77
	CHINA BANK	Savings Account Acct.#138-313121-3		0.06%	0.05%	156,429.15	249,825.15
Total cash in Bank						23,525,215.57	28,839,051.21
TIME DEPOSIT	Metro Bank	Regular Time Deposit Acct#032-103202982-3	06/28/22 (63 Days)	0.250%	0.20%	2,057,459.37	2,057,459.37
		Regular Time Deposit Acct#032-1032028517	07/01/22 (35 Days)	0.125%	0.10%	824,060.61	824,140.61
	BDO	Regular Time Deposit Acct#372507309020	07/01/22 (35 Days)	0.125%	0.10%	309,853.53	309,709.44
Total Time Deposit						3,191,173.51	3,191,309.42
TIME DEPOSIT	Metro Bank	Regular Time Deposit Acct#032-103202982-3	06/28/22 (63 Days)	0.250%	0.20%	2,057,459.37	2,057,459.37
		Regular Time Deposit Acct#032-1032028517	07/01/22 (35 Days)	0.125%	0.10%	824,060.61	824,140.61
	BDO	Regular Time Deposit Acct#372507309020	07/01/22 (35 Days)	0.125%	0.10%	309,853.53	309,709.44
Total Time Deposit						3,191,173.51	3,191,309.42
UITF			Placement Date	NAVPU Placement	NAVPU 04/30/22		
	Union Bank	COP9901677722 - Mutual Guaranty Fund	31-Dec-16	n/a	n/a	472,542.40	472,542.40
	BPI	BPI Bayanihan Balance Fund - 3147444	24-Jul-18	102.29	113.27	22,147,003.48	22,147,003.48
Total UITF						22,619,545.88	22,619,545.88

Adjournment

There being no other matter to discuss, the meeting ended at 3:45 pm.