



KASAGANA-KA Mutual Benefit Association, Inc.
4th Regular Meeting of the Board of Trustees
KMBA Members' Center Bldg, 5 Matimpiin St. Pinyahan, Quezon City
July 26, 2023 9:00 am

In Attendance:

Board of Trustees:

- | | |
|--|---------------------------|
| 1. Marlin Perez | -President |
| 2. Nelly Vengano | -Vice President |
| 3. Whilmelita Pableo | -Secretary |
| 4. Emelda Castro | -Treasurer |
| 5. Jeronima Teodoro | -Board Member |
| 6. Myrna Verdadero | -Board Member |
| 7. Sylvia 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 Capayas
11. Isabel Iliw-iliw
12. Enriquetta Navarro

Board Member Emeritus

13. Leticia Rodriguez

Management and Staff

- | | |
|--------------------------|------------------|
| 14. Silvida R. Antiquera | -General Manager |
| 15. Evelyn Lagmay | -Finance Manager |



ORDER OF BUSINESS

A. Board Agenda

- I. Call to Order
- II. Prayer
- III. Determination of Quorum
- IV. Approval of the Proposed Agenda
- V. Reading and Approval of the previous meeting's Minutes on May 25, 2023
- VI. Business arising from the previous meeting
- VII. Financial Report
 - a. Financial Statement (May and June 2023)
 - b. Investments as of June 2023
- VIII. For Discussion and Matters Requiring Resolution
 - a. Key Performance Indicator (January-March 2023)
 - b. Treasury Committee recommendation: Investment to government securities
 - c. Additional Contribution to MIMAP Legal Research Fund
 - d. Update on KMBA application for Tax Exemption
 - e. MIMAP support for Mobile App local staff and mobilization activities
 - f. GM Performance evaluation
 - g. BINHI schedule
 - h. Management Forum in Zamboanga
 - i. Golden Arrow Award for 2022 ACGS Report
 - j. Travel Budget for AOA seminar in Sydney, Australia
- IX. Other Matters
 - Training Needs Analysis
- X. Adjournment

DISCUSSION HIGHLIGHTS

- I. The meeting was formally started at 9:02 am with a prayer.



II. Quorum and Agenda

Vice President, Nelly Vengano conducted the roll call and determined the presence of a quorum, with all members of the Board present. She then inquired if there are any revisions or additions to the agenda. With no clarifications, the Agenda was approved by the Board upon motion by BoT Emelda Castro and seconded by BoT Jeronima Teodoro.

III. Reading and Approval of the Minutes of the Meeting

Vice President Nelly Vengano presented the minutes of the previous meeting. There being no objections or clarifications, the minutes of the previous meeting was approved upon motion by BoT Sylvia Trijo and seconded by BoT Jeronima Teodoro.

IV. Business Arising

GM Salve Antiquera mentioned that there are no pending assignment from the previous meeting.

V. Financial Report

A. Financial Statements for May and June 2023

Particular	As of May 31, 2023	As of June 30, 2023	As of June 30, 2022	Variance	
				Amount	%
Total Assets	Php 245,153,747.38	Php 245,908,013.23	Php 231,673,374.17	Php 14,234,639.06	6.14%
Total Liabilities	147,085,633.65	148,085,570.92	125,527,436.03	22,558,134.90	18%
Total Fund Balance	98,068,113.73	97,882,442.31	106,145,938.15	(8,323,495.84)	- 7.84%

Finance Manager, Evelyn Lagmay presented the Statement of Financial Position for the months May and June 2023. The summary of the report is provided below:

On the other hand, the summary of the Income Statement for the months of May and June 2023 are as follows:

Particulars	For the Month of May 2023	For the Month of June 2023	Variance in Amount
Gross Revenue	Php 4,763,722.70	Php 4,064,923.82	(Php 698,798.88)
Total Benefit Expense	3,876,343.56	2,737,929.93	(1,138,413.64)
Total Operating Expense	1,220,222.50	1,147,961.39	(72,261.11)
Total Investment Revenue and Other Income	335,061.72	235,975.80	(99,085.92)
Net Surplus (Loss) before Income Tax	2,218.36	415,008.30	412,789.95
Income Tax Expense	-	-	-
Net Surplus (Loss)	2,218.36	415,008.30	412,789.95

Finance Manager Evelyn Lagmay explained that in comparison, although the gross revenue was greater in the month of May, the benefit expenses were also higher due to claims compared to the month of June.



The Board accepted the Financial Report for the months of May and June 2023 upon motion by BoT Jeronima Teodoro and seconded by BoT Sylvia Trijo.

B. Investments as of June 2023

The portfolio mix as of June 30, 2023, is as follows:

Type of Investment	As of June 30, 2023	As of July 25, 2023
Cash in Bank	Php 37,347,043.60	Php 19,150,395.60
Time Deposit	3,194,720.73	3,197,140.78
UITF	22,418,592.60	22,418,592.60
Government Securities	73,178,366.33	89,676,559.03
Corporate Bonds	10,280,000.00	10,280,000.00
Mutual Fund	5,677,090.25	5,677,090.25
Stocks	12,944,900.00	12,944,900.00
Investment Property	62,545,258.10	62,545,258.10
TOTAL INVESTMENTS	Php 232,585,971.61	Php 230,889,936.36

The Investment Mix as of June 30, 2023 was approved upon motion by BoT Emelda Castro and seconded by BoT Jeronima Teodoro.

VI. For Discussion

a. Key Performance Indicator (January-March 2023)

General Manager Salve Antiquera discussed the MIMAP report regarding the performance of MBAs belonging to the network. Performance measurement is according to microinsurance standards or SEGURO. This information is important so that KMBA can compare its performance with other microinsurance that belongs to the network. The indicators measured are solvency, efficiency, governance, understanding of the product by the insured, rate of growth, and outreach. Throughout the report, it can be seen that KMBA performed well especially in terms of financial stability and speed of settling claims. It is only necessary to improve some indicators such as lowering operating expenses and continuously adding new members.

b. Treasury Committee recommendation: Investment to government securities

KMBA had available investable funds amounting to Php 21,500,000.00. In the meeting held by the Treasury Committee, the committee recommended that the said amount be deposited in the following government securities:

BANK/ISSUER	MATURITY DATE	NET INTEREST RATE	AMOUNT
FMIC	190 days	4.69%	1,000,000.00
	358 days	4.62%	10,000,000.00
	155 days	4.76%	5,500,000.00
Security Bank	90 days	6.49%	5,000,000.00
TOTAL			21,500,000.00



The Treasury committee's recommendation to invest Php 21,500,000.00 in government securities was approved by the Board upon motion by BoT Jeronima Teodoro and seconded by BoT Sylvia Trijo.

**BOARD RESOLUTION No. 2023-13
APPROVING THE PLACEMENT OF INVESTMENT IN GOVERNMENT SECURITIES**

RESOLVED, to approve and authorize the investment of Twenty One Million Five Hundred Thousand Pesos (PHP 21,500,000.00) in government securities under the management of First Metro Asset Management Inc. and Security Bank.

- c. Additional Contribution to MIMAP Legal Research Fund
GM Salve informed that all members of the MIMAP network are required to contribute to the legal research fund which is used to continuously study not only tax exemption but also compliance with international financial reporting standards to help MBAs in government compliance. The previous fund accumulated for this needs to be filled in order to continue the ongoing studies. The Board is requested that KMBA contribute to the network amounting to Php 40,000.00.

The contribution amounting to Php 40,000.00 for the Legal Research Fund in the MIMAP network was approved by the Board upon motion by BoT Sylvia Trijo and seconded by BoT Jeronima Teodoro.

**BOARD RESOLUTION No. 2023-14
APPROVING THE CONTRIBUTION OF KMBA TO MIMAP'S LEGAL RESEARCH FUND**

RESOLVED, to approve the contribution of PHP 40,000.00 to MIMAP's Legal Research Fund.

- d. Update on KMBA application for Tax Exemption
The update regarding KMBA's tax exemption application was explained to the Board. Atty Charadine Bandon attended the meeting via Zoom Video Conference, a tax lawyer who helped KMBA with the said application. She gladly announced that the application for tax exemption has been approved by the Bureau of Internal Revenue for 3 years and subject for renewal after said term. She explained that the only scope of the exemption is the contributions KMBA receive from members, partners and benefactors. The exemption does not cover other activities that are not mentioned in the certificate such as building rental income.

The management and the Board expressed great gratitude for the assistance provided by Atty. Bandon to KMBA to quickly get the tax exemption.

- e. MIMAP support for Mobile App local staff and mobilization activities
GM Salve informed that KMBA received a grant from MIMAP as follows:

KEY COST ITEM	AMOUNT
Support for mobilization of Local Project Staff (12-month engagement)	Php 161,298
Support for onsite FinTech education	Php 138,895



The Board expressed its acceptance and gratitude for the assistance received from MIMAP upon motion by BoT Emelda Castro and seconded by BoT Jeronima Teodoro.

f. GM Performance evaluation

The Board was informed that after the meeting a performance evaluation will be conducted for GM Salve to be facilitated by the HRMDS.

g. BINHI schedule

The Board was informed that KMBA received an award from Ateneo de Manila University as their partner. In this regard, they were also informed that there are students from Ateneo who will conduct center visits to observe the communities. The place and schedule where it will be held still needs to be discussed.

h. Management Forum in Zamboanga

The Board was also informed that MIMAP will hold its annual management forum to be held in Zamboanga on August 22-26, 2023 where important topics such as compliance and others will be discussed.

i. Golden Arrow Award for 2022 ACGS Report

GM Salve informed the Board that KMBA will once again receive the Golden Arrow award on September 28, 2023. The award will be accepted by President Marlin Perez and Vice President Nelly Vengano.

j. Travel Budget for AOA seminar in Sydney, Australia

GM Salve informed the Board that the Asia and Oceania Association (AOA) of the International and Mutual Insurance Federation (ICMIF) will hold a seminar in Sydney, Australia on September 24-29, 2023 which will be attended by GM Salve and Finance Manager Evelyn Lagmay. The estimated budget for the said seminar is Php 365,214.93 but this amount can still be reduced because the expenses are usually exempted and covered by the grant.

The budget worth Php 365,214.93 was approved by the Board upon motion by BoT Emelda Castro and seconded by BoT Sylvia Trijo.

VII. Other Matters

The Board was informed that after the meeting, the KDCI will conduct a training needs analysis among the members of the Board.

XI. Adjournment

There being no other matters discussed, the meeting ended at 11:46 pm upon motion by BoT Sylvia Trijo and seconded by Bot Jeronima Teodoro.