



KASAGANA-KA Mutual Benefit Association, Inc.
5th Regular Meeting of the Board of Trustees
Zoom Video Conference
September 1, 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. Maria Anna Ignacio
11. Chona Capayas
12. Isabel Iliw-iliw
13. Enriquetta Navarro

Board Member Emeritus

14. Leticia Rodriguez
15. Wenifreda Rodriguez

Management and Staff

- | | |
|--------------------------|------------------|
| 16. Silvida R. Antiquera | -General Manager |
| 17. 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 July 26, 2023
- VI. Business arising from the previous meeting
- VII. Financial Report
 - a. Financial Statement for the Month July 2023
 - b. Investments as of July 2023
- VIII. For Discussion and Matters Requiring Resolution
 - a. Salary Scheme Adjustment
 - b. K-Kabataan Benefits
 - c. Performance Incentive for Employees
 - d. Update on Ms. Analyn Shih Health Condition
- IX. Schedules
Financial Management Training for KSO Board
- X. Adjournment

DISCUSSION HIGHLIGHTS

I. The meeting was formally started at 1:19 pm with a prayer.

II. Quorum and Agenda



President Marlin Perez 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 Nelly Vengano and seconded by BoT Emelda Castro.

III. Reading and Approval of the Minutes of the Meeting

President Marlin Perez 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 Emelda Castro and seconded by BoT Nelly Vengano.

IV. Business Arising

General Manager Salve Antiquera mentioned the updates on pending assignment from the previous meeting. She informed that in connection with the award received by KMBA from Ateneo de Manila University (ADMU) as their partner in the implementation of BINHI. BINHI is ADMU's program for their first year students to fully understand themselves and the society they live in. In this regard, she also informed that there are students from Ateneo who will conduct center visits to observe the communities and this will be conducted in the centers of BOT Marlin, BOT Emelda, and BOT Nelly.

Apart from this there are no other remaining assignments.

V. Financial Report

A. Financial Statements for July 2023

Finance Manager, Evelyn Lagmay presented the Statement of Financial Position for the month of July 2023. The summary of the report is provided below:

Particulars	As of July 31, 2023	As of July 31, 2022	Variance	
			Amount	%
Total Assets	Php 243,854,059.68	Php 231,848,306.61	Php 12,848,306.61	5.18%
Total Liabilities	145,826,535.88	126,448,580.32	19,377,955.56	15%
Total Fund Balance	98,027,523.80	105,399,726.30	(7,372,202.50)	- 6.99%

On the other hand, the summary of the Income Statement for July 2023 are as follows:

Particulars	For the Month of July 2023	For the Month of June 2023	Variance in Amount
Gross Revenue	Php 3,820,926.20	Php 4,064,923.82	(Php 243,997.62)
Total Benefit Expense	2,332,609.91	2,737,929.93	(405,320.02)
Total Operating Expense	1,188,589.83	861,856.65	(326,733.18)
Total Investment Revenue and Other Income	497,080.42	235,975.80	261,104.62
Net Surplus (Loss) before Income Tax	581,556.77	415,008.30	166,548.47
Income Tax Expense	(31,834.08)	-	-
Net Surplus (Loss)	549,722.69	415,008.30	166,548.47



Board adviser, Ms. Maria Anna Ignacio raised a question if the building has insurance so that if it suffer from fire, KMBA will be able to rebuild it again. General Manager Salve Antiquera responded that the KMBA building has adequate insurance for unexpected events.

The Board accepted the Financial Report for the month of July 2023 upon motion by BoT Myrna Verdadero and seconded by BoT Nelly Vengano.

B. Investments as of July 2023

The portfolio mix as of July 31, 2023, is as follows:

Type of Investment	As of July 31, 2023	As of August 30, 2023
Cash in Bank	Php 14,786,240.63	Php 36,541,020.32
Time Deposit	3,194,720.73	3,197,858.27
UITF	22,399,040.20	22,399,040.20
Government Securities	94,676,369.56	74,676,369.56
Corporate Bonds	10,280,000.00	10,280,000.00
Mutual Fund	5,666,050.35	5,666,050.35
Stocks	12,977,500.00	12,977,500.00
Investment Property	62,458,732.89	62,458,732.89
TOTAL INVESTMENTS	Php 231,438,654.36	Php 233,196,571.59

The Investment Mix as of July 31, 2023 was approved upon motion by BoT Myrna Verdadero and seconded by BoT Nelly Vengano.

VI. For Discussion

a. Salary Scheme Adjustment

The Board was informed that the changes in the salary scheme was the result of the discussion and was agreed upon by the KSO Coordinating Committee on July 27, 2023. In relation to the released wage order of the Department of Labor and Employment, the minimum wage in NCR increased from Php 570/day to Php 610/day, where it resulted in an additional Php 40/day. Due to this changes, the daily rate of the Trainee at salary level 1 will be below the minimum, so in order to comply with the said wage order, it is suggested that the current salary scheme be adjusted. This step is to ensure that even at the entry level, the entire KSO complies with the minimum wage.

In the original proposal of HR, the amount of Php 40 was simply added to the salary of level 1 and the computation will be automatic based on the current formula of the salary scheme. In the discussion of the KSO Coordinating Committee, the following was proposed:

- Instead of adding Php 40 to level 1, it was the level that was adjusted, where the amount to be used for level 1 is the amount of level 2 and so on. In this way, there is no need to have additional amount and adjustments and if there are any, it will be minimal.



- Also through this method, the entry level of the KSO is higher than the minimum wage, thus avoiding the frequent adjustment of the salary scheme every time the DOLE issues a wage order.

Using the method proposed by the Coordinating Committee, it was seen that the financial impact has decreased more compared to the first proposal. This adjustment will cause an additional cost of Php 33,489 per month or Php 167,445 until the end of the year 2023.

It was also clarified in the discussion that the entire KSO will conduct a job evaluation to determine the appropriate level of each position based on workload and responsibilities. The job evaluation is expected to be completed in the month of September which will be the basis of the necessary salary adjustments.

The Board accepted and approved the change in the salary scheme in compliance with the DOLE wage order upon motion by BoT Emelda Castro and seconded by BoT Myrna Verdadero.

**BOARD RESOLUTION No. 2023-15
APPROVING THE NEW SALARY STRUCTURE**

RESOLVED, to approve the implementation of a new salary structure in accordance with the Department of Labor and Employment Wage Order [NCR-24] dated June 26, 2023 effective July 16, 2023.

b. K-Kabataan

The disbursement of K-Kabataan support to qualified employees and Officers of the Association was submitted for approval by the Board. It was discussed that K-Kabataan is a support given to employees who have been employed for 1 year or more regularly and to officers who have an educational beneficiary. During the discussion, the following policies to be implemented for K-Kabataan were clarified:

- For employees, they can have up to 3 children as beneficiaries or 1 sibling studying in college. For officers, they can have 1 child as a beneficiary.
- If the employee or officer does not have any beneficiary, there will be no benefits extended to them. It was also clarified that the Php 1,000 financial assistance that was implemented in the year 2021 and 2022 to employees and officers is permanently removed and will no longer be implemented.
- The benefit amount for each beneficiary is Php 3,000.00
- Next year, the benefit will be returned to the original amount (Php 4,000/per beneficiary).

	NUMBER	BENEFICIAR Y	AMOUNT
Qualified employees, Board and Officers	53	55	PHP 165,000.00



The policy to be implemented in K-Kabataan, as well as its disbursement to qualified employees and officers was approved by the Board upon motion by BoT Nelly Vengano and seconded by BoT Jeronima Teodoro.

**BOARD RESOLUTION No. 2023-16
APPROVING THE DISBURSEMENT OF K-KABATAAN TO QUALIFIED EMPLOYEES
AND OFFICERS OF THE ASSOCIATION**

RESOLVED, to approve the terms for the disbursement of the K-Kabataan Benefits amounting to One Hundred Sixty Five Thousand pesos (Php 165,000.00).

c. Performance Incentive of Employees

The performance evaluation of employees for the performance of January to June 2023 was submitted for approval by the Board. This was the basis for giving performance incentives to qualified employees. The total amount that will be given to employees as a performance incentive is Two Hundred Forty-Four Thousand Two-Hundred Sixty-Three 79/100 pesos (Php 244,263.79).

The disbursement of the performance incentive of employees for January to June 2023 was approved by the Board upon motion by BoT Emelda Castro and seconded by BoT Myrna Verdadero.

**BOARD RESOLUTION No. 2023-17
APPROVING THE DISBURSEMENT OF PERFORMANCE INCENTIVE TO
QUALIFIED EMPLOYEES**

RESOLVED, to authorize the disbursement of the performance incentive of qualified employees for the period January to June 2023, amounting to Two Hundred Forty-Four Thousand Two-Hundred Sixty-Three 79/100 pesos (Php 244,263.79), subject to adherence to the existing policies on performance evaluation.

d. Update on Analyn Health Condition

General Manager Salve Antiquera gave an update on the health of employee, Ms. Analyn Shih, where she filed for a six-month indefinite leave to heal and recover from her kidney failure, auto-immune disease and other health complications. Because of this, there is a high possibility that she will not be able to return to work due to her health condition. In GM Salve's meeting with Ms. Shih together with her spouse, they discussed various options that can be done that will improve not only the health of the employee, but also the interest of the organization. The last day of her indefinite leave is on September 26, 2023 and before this date the steps to be taken must be decided upon.

VII. Schedules

The Board was informed that the Boards of KSO will conduct a training regarding financial management on September 7-8, 2023 which will be held on the 3rd Floor of the KMBA building.



GM Salve also introduced to the Board the newly hired employee of KMBA, Ms. Khayla Lacpao as Administrative Officer.

XI. Adjournment

There being no other matters discussed, the meeting ended at 2:35 pm upon motion by BoT Nelly Vengano and seconded by BoT Emelda Castro.