



## KCCDFI Mutual Benefit Association Inc.

### Minutes of 11<sup>th</sup> Annual General Membership Meeting November 16, 2020 (Monday) via Video Conferencing

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#### Board of Trustees and MBA Coordinators/Representative:

##### Present:

- |                               |   |                            |
|-------------------------------|---|----------------------------|
| 1. Ms. Ellen M. Benitez       | – | President                  |
| 2. Ms. Mary Ann R. Candoy     | – | Vice-President             |
| 3. Ms. Araceli J. Amlih       | – | Secretary                  |
| 4. Ms. Myrna D. Gregorio      | – | Treasurer                  |
| 5. Ms. Mercedes G. Faustino   | – | Board Member               |
| 6. Ms. Dezza S. Mohammad      | – | Independent Trustee        |
| 7. Ms. Nevilyn P. Abualas     | – | Independent Trustee        |
| 8. Atty. Ibarra A. Malonzo    | – | Advisory Board             |
| 9. Ms. Catherine A. Elumbra   | – | Advisory Board             |
| 10. Ms. Arlene C. Sevilano    | – | MBA Coordinator            |
| 11. Ms. Jessica A. Araneta    | – | MBA Coordinator            |
| 12. Ms. Rachel S. Natividad   | – | MBA Coordinator            |
| 13. Ms. Lida A. Santos        | – | MBA Coordinator            |
| 14. Ms. Ma. Cristina D. Bugay | – | MBA Coordinator            |
| 15. Ms. Daniela V. Barredo    | – | MBA Coordinator            |
| 16. Ms. Hermie A. Hasan       | – | MBA Coordinator            |
| 17. Ms. Imelda F. Bautista    | – | MBA Coordinator            |
| 18. Ms. Alona D. Inso         | – | MBA Coordinator (Ipil)     |
| 19. Mr. Wilfredo A. Biwang    | – | MBA Coordinator(Kabasalan) |
| 20. Ms. Ludivina Q. Suminog   | – | Representative (Liloy)     |

##### Excused:

- |                               |   |                            |
|-------------------------------|---|----------------------------|
| 21. Ms. Evangeline D. Recalde | – | MBA Coordinator (Olutanga) |
| 22. Ms. Argelyn P. Pable      | – | MBA Coordinator (Imelda)   |

#### Proposed Order of Business:

1. Opening Prayer
2. Call to Order
3. Proof of Notice of Meeting
4. Determination of Quorum
5. Approval of Agenda
6. Reading and Approval of the Minutes of 2019 Annual General Membership Meeting
7. Business Arising from the Previous Meeting
8. Agenda of the Meeting
  - a. President's Report
  - b. Treasurer' Report
  - c. Ratification of Board and Management Actions
  - d. Appointment of External Auditor
  - e. Question & Answer
9. Adjournment

**PROCEEDINGS OF THE MEETING:**

**1. Opening Prayer**

- The opening prayer was led by Ms. Catherine A. Elumbra.

**2. Call to Order**

- Ms. Ellen M. Benitez, BOT President, presided over the meeting and called the meeting to order at 2:00 in the afternoon.

**3. Proof of Notice of the Meeting**

- Ms. Araceli J. Amlih, the Secretary, certified that Notice of Annual General Membership Meeting was issued last September 11, 2020 and was issued again last October 01, 2020 due to the postponement through publication in the KCCDFI MBA Facebook Page and was sent through their email address, and was also served to the members through their registered address.”

**4. Determination of Quorum**

- Ms. Araceli J. Amlih, the Secretary, determined the number of attendees, whether in person or in proxy, to validly transact business. Out of 17,952 voting members, there were 13,559 proxy votes gathered and 20 voting members present in person or 75.53%. That being so the meeting was formally started.

**5. Approval of the Proposed Agenda**

- Ms. Benitez presented the proposed agenda. Having no additional agendum raised, Ms. Daniela V. Barredo, Maasin Branch Representative, moved to approve the proposed agenda and it was seconded by Ms. Imelda F. Bautista, Putik Branch representative.

**Members’ Resolution No. 1-2020**

“**RESOLVED**, as it is hereby resolved that the General Membership approved the proposed agenda for the 2020 KCCDFI MBA Annual General Membership Meeting held on November 16, 2020.”

The votes casted and received on approval of the proposed agenda for the 2020 Annual General Membership Meeting were as follows:

Total Voting Members	Total Votes Cast	Votes in Favor	Invalid Votes	Abstentions
17,952	13,559	13,559	0	4,393

**6. Reading and Approval of the Minutes of 2019 Annual General Membership Meeting**

- Ms. Benitez reiterated that, since the minutes has been sent ahead of time, asked for the dispensation of the reading of the minutes of the 2019 Annual General Membership Meeting held on October 15, 2019. Ms. Jessica A. Araneta, Vitali Branch representative, moved to dispense the reading of the previous

minutes. And it was seconded by Ms. Ma. Cristina D. Bugay, Sta. Catalina Branch representative.

- There having no further comments, Ms. Mercedes G. Faustino, BOT Member, moved to approve the minutes of the previous general membership meeting and was seconded by Ms. Amlih. The Resolution is as follows:

**Members’ Resolution No. 2-2020**

“**RESOLVED**, as it is hereby resolved that the General Membership approved the Minutes of the 10<sup>th</sup> Annual General Membership Meeting held on October 15, 2019.”

The votes casted and received on approval of the minutes of the 2019 Annual General Membership Meeting on October 15, 2019 were as follows:

Total Voting Members	Total Votes Cast	Votes in Favor	Invalid Votes	Abstentions
17,952	13,559	13,559	0	4,393

**7. Business Arising**

- There were no business arising which should be resolved from the previous annual general membership meeting.

**8. President’s Report**

- Ms. Benitez presented to the general assembly the 2019 KCCDFI MBA, Inc. result of operations highlights, key accomplishment and forward plans for 2020.
- As of 2019, the total active membership of the Association has reached 22,435 covering 68,268 total insured individuals. The total contributions collected hit Php 18,516,250 million of which Php 14,103,462 million are the total amount claims paid.
- Ms. Benitez also shared to the general assembly, the key accomplishments for the year 2019 in terms of Governance, Membership, Investment, Product, Claims, and Regulatory Compliance, to wit;
  - Based on the 2019 Asean Corporate Governance Scorecard Report KCCDFI MBA was still among one of the Top 5 out of 18 Mi-MBAs under MIMAP network.
  - Improved solvency ratio to 136.79%, exceeding the standard limit of 120%. This is attributed to the effort done on formalizing the loan agreement and complying with the requirements set by Insurance Commission.
  - Established and appointed an RPT Committee, which shall be responsible to assist the Board of Trustees in assessing material agreements of any kind with related party whether to approve, disapprove or reject a related party transaction ensuring that the best interest of the Association, its members and stakeholders is their utmost priority.

- A joint Corporate Governance and Board Committees Orientation Workshop of KCCDMFI and KCCDFI MBA was conducted, participated by the Board and Management of both institutions.
  - An increased in membership of about 44% from last year’s membership.
  - Additional associate members from organized groups are given accessed to microinsurance.
  - Reserve and excess funds are mostly invested in government securities with a mix of short and medium term which gives better yields.
  - Was able to invest additional funds of 4 million in the UITF Bayanihan Fund with a prospective ROI ranging from 5-8% per annum depending on the fund performance.
  - Interest income from investments increased by 101% from last year.
  - Enhanced Basic Life and HAPI Plan has been submitted to IC last January 2019.
  - We have improved our 1-3-5 claims settlement ratio from 86% last year to 90% this year.
  - The Association has also successfully complied with the regulatory reports under the following agencies, Insurance Commission, Securities and Exchange Commission and Bureau of Internal Revenues.
  - And based on the verification of the Insurance Commission on the Association’s 2019 Annual Statement, the association are compliant with the Solvency Ratio and RBC (Risk Based Capital) standard set by them.
- Lastly, to Conduct Business Plan for 2021 to be able to evaluate previous year performance and to identify strategies on how to continuously improved performance and to address challenges brought about by the new normal.
  - To continuously improve Good Governance Practices including review of manual/charter.
  - To fully coordinate with Insurance Commission to hasten approval of the proposed HAPI Plan and BLIP enhancement for members.
  - To upgrade MIS database.
  - There having no comments raised, Ms. Bugay moved for the acceptance of the President’s report and it was duly seconded by Ms. Arlene C. Sevillano, Talisayan Branch Representative.

**Members’ Resolution No. 03-2020**

**“RESOLVED, as it is hereby resolved that the General membership accepted the 2019, President’s Report.”**

The votes casted and received on the acceptance of the 2019 President’s report were as follows:

Total Voting	Total Votes Cast	Votes in Favor	Invalid Votes	Abstentions
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Members				
17,952	13,559	13,559	0	4,393

**9. Treasurer’s Report**

The Treasurer, Ms. Myrna D. Gregorio presented the Treasurer’s Report in terms of assets, liabilities, fund balance, income statement, revenue and expenses.

- For current assets, there is a total of Php 35,933,331 and for the non-current assets, a total of Php 75,871,467. Overall, the association have a total assets of Php 111,804,798.
- For the liabilities, the association have an overall total liabilities of Php 76,076,577. And for fund balances, a total fund balances amounted to Php 35,728,221. Overall, the association have a total liabilities and fund balance of Php 111,804,798.
- For the revenue, the association have generated a total revenue of Php 23,465,528. And a total of Php 23,161,459 was cost for the total benefits and operating expenses.
- To sum up, the overall total Comprehensive Surplus of the Association for the year 2019 is Php 744,469.

There having no comments raised, Ms. Ludivina Q. Suminog, Liloy Branch Representative moved to accept the 2019 Treasurer’s Report. Ms. Candoy seconded that motion.

**Members’ Resolution No. 04-2020**

**“RESOLVED, as it is hereby resolved that the General membership accepted the 2019, Treasurer’s Report.”**

The votes casted and received on the acceptance of the 2019 Treasurer’s report were as follows:

Total Voting Members	Total Votes Cast	Votes in Favor	Invalid Votes	Abstentions
17,952	13,559	13,559	0	4,393

**10. Ratification of Board and Management Actions**

Ms. Maria Teresa C. Gonzales, General Manager presented to the general assembly the list of the resolutions passed by the Board of Trustees during the previous year and was asked to approve and ratify the said actions. A total of 10 resolutions were passed last 2019.

Having no comments from the general assembly, Ms. Gregorio moved to ratify and approve the 2019 Board and Management actions which was seconded by Ms. Candoy. And the following Members’ resolution was passed.

**Members’ Resolution No. 05-2020**

**“RESOLVED, as it is hereby resolved that the General membership ratified and approved the 2019, Board and Management Actions.”**

The votes casted and received on the ratification and approval of the 2019 Board and Management Actions were as follows:

Total Voting Members	Total Votes Cast	Votes in Favor	Invalid Votes	Abstentions
17,952	13,559	13,559	0	4,393

**10. Appointment of External Auditor**

The Audit Committee Chairman, Ms. Nevilyn P. Abualas, reported to the general assembly that the Board decided to reappoint Quilab & Garsuta CPAs’ to be the external auditor of KCCDFI Mutual Benefit Association, Inc., for the period of January 2020 to December 2020. Ms. Alona D. Inso, Ipil Branch Representative moved to approve the reappointment of Quilab & Garsuta CPAs’ to be the external auditor of the Association for the year 2020. And was seconded by Ms. Lida A. Santos, Tetuan Branch Representative.

**Members’ Resolution No. 06-2020**

**“RESOLVED, as it is hereby resolved that the General membership approved the retention of Quilab & Garsuta CPAs’ as KCCDFI MBA’s external auditor.”**

The votes casted and received on the approval of the appointment of external auditor were as follows:

Total Voting Members	Total Votes Cast	Votes in Favor	Invalid Votes	Abstentions
17,952	13,559	13,559	0	4,393

**11. Questions and Answers**

- After the presentation of the reports, the general assembly were asked if they have any question or clarification that needed to be answered and clarified.
- Atty. Ibarra A. Malonzo made a clarification by asking, what is the exact name of the association, is it KCCDFI MBA or KCCDMFI MBA? Ms. Gonzales answered that, an amendment has yet to be approved by the regulatory body to formally change the name of KCCDFI MBA to KCCDMFI MBA.
- Ms. Faustino also raised a question, when is the next election of the board of trustees? Ms. Gonzales replied that the next board election will be next year, 2021.

**12. Adjournment**

There having no further questions or other matters discussed the 11<sup>th</sup> Annual General Membership Meeting was adjourned at 4:02 in the afternoon upon motion of Ms. Bugay and duly seconded by Ms. Araneta.

Prepared by:



**Ms. Ma. Perla J. Medina**  
Secretariat

Approved by:



**Ms. Ellen M. Benitez**  
President