**Cooperative Alliance for Responsive Endeavor Mutual Benefit Association (CARE MBA), Inc.**
**Minutes of the Regular Meeting of the Board of Trustees held on**
**April 26, 2024 at CAREMBAI Office**

**PRESENT:**

| | | |
|---|---|---|
| 1. Mrs. CRISELDA R. ABUEL | - | President |
| 2. Mrs. LUZVIMINDA G. CALZADO | - | Vice-President |
| 3. Mr. PERSEVERANDO C. FAJARDO | - | Treasurer |
| 4. Mr. ARMIEL A. AZUL | - | Trustee |
| 5. Mr. LUCILO G. JIMENEZ | - | Trustee |
| 6. Mr. GAUDIOSO A. LAVADIA | - | Independent Trustee |
| 7. Mrs. MARY JULIET D. R. LABITIGAN | - | Independent Trustee |

**ALSO, PRESENT WERE:**

| | | |
|---|---|---|
| 1. Mrs. PAZ L. BOBADILLA | - | Board of Adviser |
| 2. Mrs. PELAGIA C. MENDONES | - | General Manager |
| 3. Mrs. ERLENE E. BARANDINO | - | Corporate Secretary |
| 4. Mrs. MA. LOURDES E. QUESEA | - | Admin & Operations Manager |
| 5. Mrs. GILDA R. BABASA | - | Executive Secretary |

## MEETING PROPER

### 1. OPENING PRAYER

Vice-President Calzado led the opening prayer.

### 2. CALL TO ORDER

President Abuel, called the meeting to order at exactly 9:51 am.

### 3. PROOF OF NOTICE

All Trustees were duly notified of the board meeting through the group chat intended for use of the members of the Board of Trustees.

### 4. ROLL CALL & SECRETARY'S CERTIFICATION OF QUORUM

The Secretary called the roll of all the participants. Seven (7) Trustees were present. Thus, the Secretary certified that there is a quorum and the meeting may proceed.

### 5. APPROVAL OF AGENDA

The agenda for April 26, 2024 board meeting were presented as indicated in the Notice of Meeting. There were no additional matters for discussion raised.

<u>BOARD'S ACTION</u>: On motion of Trustee Azul, duly seconded by Trustee Calzado, the agenda for April 26, 2024 board meeting were approved.

### 6. READING & APPROVAL OF MINUTES OF THE PREVIOUS BOARD MEETING

The Minutes of previous meeting of the Board held on March 25, 2024 were sent to all Trustees. The said Minutes were presented during the meeting for perusal. All items were read and the Secretary emphasized on the highlights from the said meeting.

<u>BOARD'S ACTION</u>: On motion of Trustee Calzado, duly seconded by Trustee Fajardo, the Minutes of the previous board meeting dated March 25, 2024 were approved.

### 7. BUSINESS ARISING FROM THE MINUTES OF THE PREVIOUS MEETING

- NONE



CRISELDA R. ABUEL
President

LUZVIMINDA G. CALZADO
Vice-President

ERLENE E. BARANDINO
Corporate Secretary

PERSEVERANDO C. FAJARDO
Treasurer

ARMIEL A. AZUL
Trustee

LUCILO G. JIMENEZ
Trustee

GAUDIOSO A. LAVADIA
Independent Trustee

MARY JULIET D. LABITIGAN
Independent Trustee

## 8. REPORTS

**8.1 Financial Report-** the Treasurer reported the financial status of CARE MBAI, as follows:

A. FINANCIAL HIGHLIGHTS AS OF March 31, 2024 (Rounded Off to the Nearest Peso)

| | |
|---|---|
| TOTAL ASSETS | P 174,167,811.00 |
| TOTAL LIABILITIES | P 98,486,325.00 |
| TOTAL FUND BALANCE | P 75,681,487.00 |
| TOTAL GUARANTY FUND | P 21,476,890.00 |

B. MEMBERS CONTRIBUTION/RESERVES AND SURPLUS
(For the Month of March 2024)

| | |
|---|---|
| Contributions | P2,826,209.00 |
| Reserves | (864,616.00) |
| Net Contributions | 1,961,603.00 |
| Less: Claims | (581,996.00) |
| Underwriting Expense | (545,987.00) |
| Total | P 833,620.00 |
| Add: Other Income | 313,625.00 |
| Net: Contribution and Other Income | 1,147,245.00 |
| Less: Administrative Expenses | (487,916.00) |
| Net Surplus for the Month | **P 659,319.00** |

C. FINANCIAL RATIOS

| RATIOS | STANDARD | ACTUAL as of March 31, 2024 | Compared with Data as of February 29, 2024 |
|---|---|---|---|
| Solvency | >120% | 152% | 151% |
| Liquidity | >100% | 769% | 699% |
| OpEx – BLIP | <=15% | **15%** | 13% |
| OpEx – CLIP | | 14% | 13% |
| Overall OpEx | <=20% | 14% | 13% |
| Claims- BLIP | <=30% | 12% | 14% |
| Claims – CLIP | | 15% | 17% |
| Return on Assets | >0% | 2% | 1% |
| Return on Equity | >0% | 5% | 3% |
| Equity Value | >=50% | 267% | 308% |

Remarks: The Board noted the following comments regarding financial reports:
(1)*The reports should be properly signed by the maker, checker, approver.*
(2) Work more on investments and set annual target to reduce liquidity ratio. It was agreed upon that for this year, with May-December remaining, the commitment is to reduce liquidity ratio to 600%. The Management was instructed to provide schedule of cash in bank or cash inventory (for inclusion in monthly financial report) for monitoring purposes.

**8.2 Election Committee Report/Update.** The Election Committee reported that submission of candidacy is ongoing. In terms of the members who signified intention to file applications, it is apparent that there will be sufficient number of candidates. It was also reported that former trustees who have been unable to fulfill completely their function, specifically in attending meetings and the required seminar for Trustees are among those who signified to file candidacy. This then posed a concern to the Board since it was noted that the Association incurred 'minus points' for such absences, which should not be repeated anymore.

Remark: In view that the Election Committee is an independent of the Board on the matter at hand, the Board can only provide the provisions on qualifications and functions of Trustees from Authorities so that the Election Committee will be guided accordingly.

**8.3 Audit Committee Report/Update.** The Audit Committee recommended the audit engagement with Quilab and Garsuta CPAs for the preparation of financial reports 2024.

BOARD'S ACTION: The Board accepted resolved to approve the Audit Engagement with Quilab & Garsuta, CPAs.

**BOARD RESOLUTION NO. 015-2024**

A Resolution to Enter into Audit Engagement with Quilab & Garsuta, CPAs
for the Conduct and Preparation of the Financial Statements 2024

On motion of Trustee Azul, duly seconded by Trustee Labitigan

**RESOLVED, AS IT IS HEREBY RESOLVED,** to enter into audit engagement with Quilab & Garsuta, CPAs for the conduct and preparation of the Financial Statements 2024 of CARE MBA, Inc. in accordance with Philippine Standards on Auditing.

**RESOLVED FURTHER,** to furnish the Insurance Commission a copy of this resolution for its information and proper guidance.

**APPROVED UNANIMOUSLY**

## 9. COMMUNICATIONS RECEIVED

Operations Manager Quesea, presented the communications received from March 26, 2024 to April 22, 2024, as follows:

| DATE | FROM | PARTICULARS | REMARKS/ ACTIONS TAKEN |
|---|---|---|---|
| Mar. 26, 2024 | **MIMAP** *Ms. Allelie Ruth M. Azucinas* | Sponsorship Invitation for Publication of National Microinsurance Forum 2024 Forum ▪ Package A – P10,000.00 ▪ Package B – P 5,000.00 | The Management's recommendation is to sponsor for Package A – P10,000.00 |
| Mar. 26, 2024 | **RMSI** *Ms. Karen M. Alipio* | Data Request for CAT-XOL Treaty Renewal | The data were already submitted. |
| Apr. 01, 2024 | **MIMAP** *Ms. Anne Pauline D. Del Rosario* | Mobile App-Text Blast and Agent App Tutorial Session on April 5, 2024 at 10:30 a. m. via zoom | Attended By:<br>Pelagia C. Mendones<br>Ma. Lourdes E. Quesea<br>Graemarc Lester L. Alzaga<br>Marianne C. Castro<br>Gil Paolo B. Reynoso<br>Mylen S. Ibarrola |
| Apr. 03, 2024 | **MIMAP** *Ms. Judith A. Torres* | Invitation for the AS Workshop on Apr. 16 and 17, 2024 via zoom. | Attended by:<br>Mary Altrese A. Panganiban<br>Maria Victoria A. Abrigo<br>Graemarc Lester L. Alzaga<br>Brein Symon P. Diala<br>Reinnie Rose P. Torres |
| Apr. 03, 2024 | **Insurance Commission** | Guidelines on the Electronic Submission of the Annual Statements (AS), Audited Financial Statements (AFS) and attachments | The AS and AFS with attachments are for submission on or before April 30, 2024 |
| Apr. 08, 2024 | **CASA del Niño Jesus de Tayabas** *CNJT* | Solicitation Letter RE: "*Gabi ng Pag-alala, Gabi ng Musika*" to be held on May 3, 2024 at 5:00 p. m. | CARE MBA donated P5,000.00 |
| Apr. 15, 2024 | **QFUC** *QFUC Training* | Invitation Letter for Launching and Blessing Ceremony of VCO Processing Plant scheduled on Apr. 26, 2024 @ 8:30 a. m. in Brgy. Binahaan, Pagbilao, Quezon | Attended by:<br>Pelagia C. Mendones<br>Ma. Lourdes E. Quesea |

| DATE | FROM | PARTICULARS | REMARKS/ ACTIONS TAKEN |
|---|---|---|---|
| Apr. 16, 2024 | **MIMAP**<br>*Ms. Karah Pristina C. Gonzales* | IC Advisory No. RS - 2024-007: Omnibus Guidelines on Investments- Requesting for Feedback on or before April 22, 2024 | Comments/feedbacks were sent. |
| Apr. 16, 2024 | *Ms. Estrella B. Bonggo* | Final Draft of the Audited Report for Final Review and Approval | Received, reviewed, and finalized. |
| Apr. 16, 2024 | **MIMAP**<br>*Ms. Anne Pauline D. Del Rosario* | Mobile App Project-Submission Instructions | Received and Implemented |
| Apr. 17, 2024 | **1 CISP**<br>*Mr. Fitz Gerald Dela Cruz* | Forwarded the Non-Life Forms - Application Forms for the following:<br>▪ Surety Bond<br>▪ Fire Insurance<br>▪ MSPR | Received<br>▪ Surety Bond- already Implemented<br>▪ Fire Insurance &MSPR- for implementation for new applications |
| April 22, 2024 | **Institute of Corporate Directors** | Final Reminder for Online CGS Workshop for Insurance Companies on April 23-24, 2024 via zoom | Received and attended by:<br>Gilda R. Babasa<br>Gaudioso A. Lavadia<br>Mary Juliet DR Labitigan |

BOARD'S ACTION: The Board duly noted the report and resolved to approve the recommendation of the Management to sponsor for publication of National Microinsurance Forum 2024 amounting to P10,000.00 (Package A).

**BOARD RESOLUTION NO. 016-2024**
Approval of Sponsorship for Publication of the
National Microinsurance Forum 2024

On motion of Trustee Fajardo, duly seconded by Trustee Labitigan,

**RESOLVED, AS IT IS HEREBY RESOLVED,** to approve the Sponsorship for Publication of the
National Microinsurance Forum 2024 amounting to TEN THOUSAND PESOS (P10,000.00)

**RESOLVED FURTHER,** that the foregoing resolution pursuant to Board Resolution No. 010-2023 dated April 28, 2023 re: Policy on Donations to solicitors.

**APPROVED UNANIMOUSLY**

**10. MATTER/S FOR DISCUSSION AND APPROVAL**

- **Annual General Meeting and 15th Foundation Anniversary Celebration.** The Management presented the updates on the combined AGM and Anniversary celebration to be held on May 31, 2024, as follows:
  (1) Venue- is at St. Jude Coop Hotel and Event Center, Tayabas City
  (2) Expected/Invited Participants- 300 persons
  (3) Guest Speaker- Hon. Regalado, IC Commissioner
  (4) Cost- the estimated expenses were presented in detail

  BOARD'S ACTION: The Board has previously approved the holding of this momentous event with instruction to present the expenses that will be incurred and based on the Management's estimate of expenses the Board approved a budget P500,000.00 for the said events.

**BOARD RESOLUTION NO. 017-2024**
Approval of Budget for CARE MBA Annual General Meeting 2024
And 15th Foundation Anniversary Celebration

On motion of Trustee Azul, duly seconded by Trustee Labitigan,

**RESOLVED, AS IT IS HEREBY RESOLVED,** to approve the budget of FIVE HUNDRED THOUSAND PESOS (P500,000.00) for the combined Annual General Meeting 2024 and 15th Foundation Anniversary Celebration of CARE MBA, Inc. to be held on May 31, 2024

**RESOLVED FURTHER,** that the said budget shall be subject to liquidation of actual expenses incurred during the event.

**APPROVED UNANIMOUSLY**

## 11. MANAGEMENT REPORT

**11.1 Membership and Claims.** General Manager Pelagia C. Mendones reported insurance claims processed and paid for the month of March 2024, as follows:

- **MEMBERSHIP-** total number of new members as of March 31, 2024:

| Month | New Members |
|---|---|
| January | 263 |
| February | 377 |
| March | 440 |
| **Total New Members** | **1,080** |

Total Active Members – **28,995**

- **CLAIMS -** Claims paid for the month of March 2024:

| | **BLIP/CLIP CLAIMS – March 2024** | | | | | |
|---|---|---|---|---|---|---|
| | **Members** | **Dependent** | **Cooperative** | **Beneficiaries** | **Re-insurance** | **Total Amount** |
| BLIP | P 357,500.00 | P150,000.00 | | | | P507,500.00 |
| CLIP | | | P484,417.74 | P256,582.26 | | P741,000.00 |
| **TOTAL** | | | | | | **P1,248,500.00** |

*Remark*: The Board duly noted the report.

**11.2 Compliance Reports**

Submitted the following reports: April 2024

- 1st Quarter EQRSFS
- Report on Negative lists together with sworn statement
- Report on Investment made and Sold
- MRPT for the 1st quarter
- Annual Financial Statement
- Acquire BIR Stamp to CARE AFS and submit 2copies to BIR
- Submit AFS with BIR stamp to SEC

**11.3 Mutual Security Fund**

1. There is a total gain of Php 65,654.47 from the 4th quarter of 2023
2. The MSF value as of March 2024 is Php6,040,052.30 from the Php5 million investment of the 7 Mi-MBAs with accumulated yield of Php1,040,052.32
3. The YTD absolute ROI is at 1.10%

**11.4 Update of Activities –** Operations Manager Ma. Lourdes E. Quesea, presented the update of activities attended by the Management and Staff for the months of March and April 2024, as follows:

| DATE | TITLE | PARTICIPANTS |
|---|---|---|
| Mar. 25, 2024 | Board of Trustees Meeting @ CARE MBA, Inc. via zoom videoconferencing | Board of Trustees<br>General Manager<br>Corporate Secretary<br>Board of Adviser<br>Operations Manager<br>Executive Secretary |
| Mar. 26, 2024 | Visita Iglesia at Batangas | Participated By:<br>CARE MBA, Inc. Staff |
| March 31, 2024 | General Assembly of FARMERS Multi-Purpose Cooperative at Sampaloc, Quezon | Attended By:<br>Ma. Lourdes E. Quesea<br>Gilda R. Babasa |
| April 01, 2024 | 15th Anniversary of CARE MBA, Inc. | Attended BY:<br>Board of Trustees<br>Officers and Staff of CAREMBAI<br>Invited Partners (SJMPC; QFUC)<br>Walk-in Partners |
| April 05, 2024 | Text Blast Training via zoom @ 10:00 a. m. onwards | Attended BY:<br>Pelagia C. Mendones<br>Ma. Lourdes E. Quesea<br>Graemarc Lester L. Alzaga<br>Marianne C. Castro<br>Gil Paolo B. Reynoso<br>Mylen S. Ibarrola |
| April 11, 2024 | Meeting with Actuary (Ms. Mae) via zoom at 3:30 p. m. | Attended BY:<br>Maria Victoria A. Abrigo<br>Graemarc Lester L. Alzaga |
| April 11, 2024 | ELECOM Meeting @ 11:00 a. m. onwards | Attended By:<br>Myrna T. Salvaleon<br>Engr. Sonia Mayuga<br>Milagros Decena<br>Pelagia C. Mendones<br>Ma. Lourdes E. Quesea |
| April 16 & 17, 2024 | Annual Statement Workshop via Zoom<br>▪ Part 1 – 9:00 a. m. to 12:00 noon<br>Part 2 – 1:30 p. m. to 4:00 p. m. | Attended By:<br>Maria Victoria A. Abrigo<br>Mary Altrese A. Panganiban<br>Graemarc Lester L. Alzaga<br>Brein Symon P. Diala<br>Reinnie Rose P. Torres |
| April 23, 2024 | Day 1 – ACGS & CGS Workshop via zoom @ 2:00 p. m. – 5:00 p. m. | Attended By:<br>Gaudioso A. Lavadia<br>Pelagia C. Mendones<br>Gilda R. Babasa |
| April 24, 2024 | Day 2 – ACGS & CGS Workshop via zoom @ 2:00 p. m. – 5:00 p. m. | Attended By:<br>Gaudioso A. Lavadia<br>Mary Juliet D. R. Labitigan<br>Pelagia C. Mendones<br>Gilda R. Babasa |
| April 25, 2024 | Staff Meeting RE: Annual General Meeting Status and Updates | All Staff |

| DATE | TITLE | PARTICIPANTS |
|---|---|---|
| April 26, 2024 | Blessing of QFUC VCO Plant in Pagbilao, Quezon | Attended By:<br>Pelagia C. Mendones<br>Ma. Lourdes E. Quesea |

*Remark*: The Board duly noted the information.

## 12. MATTERS FOR INFORMATION

- **Outcome of BOT Assessment-** were presented to the Board and the same was well acknowledged. The Board was delighted of the overall result and most importantly of the impact of the said results as it informed the Board and even prompted the Board to reflect on what must be considered for this year. Some of which that can be immediately implemented are as follows:
  (1) Adhere to the scheduled meetings specified in the bylaws of CARE MBA, specifically the regular board meetings (every fourth Friday of the month) and the annual general meeting (every last week of May) and comply with the required trainings for Trustees. It is very evident that the Election Committee, with the concern reported earlier, should be reminded to carefully review the qualifications of new candidates as well as those returning candidates with whom the Association has already experienced difficulties.
  (2) Minutes of meetings should be distributed in advance. For monthly board meetings, Minutes should be distributed by the 3rd Friday of month, to give the Board five days advanced reading time. As for the annual general meeting, Minutes should be posted the following working day. Thus, for this year's AGM Minutes, it was suggested that there be a ready template one week before the AGM so that during the meeting proper, it will facilitate the drafting of the Minutes as the Secretary will just fill out the said template with the data during the event itself.
  (3) Goal is set to target a better score next ACGR

  *Remark*: The Board commended the Management with the presentation.

- **Sharing from ACGS Workshop-** were given by the attendees of the said workshop from which the Board can get tips on how to score better in ACGR, as follows:
  (1) Consider what affects governance
  (2) Identify risks at all aspects of admin and operation
  (3) Comply with schedules, especially when they are specified in the bylaws.
    - this coincided with what was mentioned earlier, so to reiterate- minutes of board meetings is every 3rd Friday or five days before the scheduled meeting every 4th Friday; posting of AGM minutes is the following working day after the conduct of the AGM itself
  (4) Trustees' attendance in meetings, both the regular board meeting and especially the annual general meeting because the Association will incur 'minus points' when the Trustees are absent for whatever reason there may be.
    - so again, this coincided with what was discussed earlier regarding the election of Trustees, that they should be committed to CARE MBA and they will devote their time and expertise for the Association during their stint as Trustees.
  (5) Capacity-building of personnel and Trustees
    - this reminds us of the concern brought out that for Trustees, we may overlook that we do not stop after the mandatory governance and AMLA seminar, we need to line-up training for them, whether it both local and international.
    - as for the employees, we have no problem because we really prioritize them to attend trainings, but we can also line-up 'leveled-up' trainings for them also, both local and international
  (6) Reward the management and staff
    - this brings us to the concern of the Remuneration Committee regarding salaries/wages and compensation from the General Manager to the lowest of ranks in the staff.

  **<u>NOTE</u>: Mrs. Mendones, the General Manager inhibited herself from participating in the discussion on salaries/wages and compensation as it involves her compensation and also her appointment as well.**

- output of the discussion on salaries/wages and compensation:
  - GM's appointment and compensation will be decided upon by the incumbent Board during the Organizational Meeting to be held right after the AGM
  - for the employees, they are due for salary increase starting by next month plus the anticipation of Wage Order from DOLE which comes every year, the Trustees deemed the need to revisit the salary grade scale of the employees because we need to keep the best people we have so far
    > Trustee Azul expressed willingness to help, so upfront, the Board instructed the remuneration Committee to work on this, so they will have to meet within the week and plan for the best steps to do to settle this concern- meeting is on May 4, face-to-face but Trustee Azul is requested to join the meeting as well, and expressed to present a strategy, from what he learned from NATTCO training and this will require interview with all employees. Mrs. Barandino and Mrs. Bringel are enjoined to conduct the said interview sessions within the week.
  - In sum, the Board posed no objection on salary adjustment for as long as it is within the budget. So it is actually approved in principle but implementation will have to wait for the recommendation of the Remuneration Committee

_Remark_: The Board commended the attendees of the said seminar/workshop for the insightful sharing.

## 13. OTHER MATTER/S

- Next BOT Meeting- is on May 23, 2024 at 1:00 pm via zoom videoconferencing.

## 14. ADJOURNMENT

There having no other matters to be discussed, the meeting ended at exactly 3:30 p.m.

I hereby certify to the correctness of the foregoing Minutes.

**ERLENE E. BARANDINO**
Secretary

Attested by:

**MRS. CRISELDA R. ABUEL**
President

**MRS. LUZVIMINDA G. CALZADO**
Vice-President

**MR. PERSEVERANDO C. FAJARDO**
Treasurer

**MR. ARMIEL A. AZUL**
Trustee

**MR. LUCILO G. JIMENEZ**
Trustee

**MR. GAUDIOSO A. LAVADIA**
Independent Trustee

**MRS. MARY JULIET D. LABITIGAN**
Independent Trustee