

Cooperative Alliance for Responsive Endeavor Mutual Benefit Association (CARE MBA), Inc.
Minutes of the Regular Meeting of the Board of Trustees held on October 24, 2024, 1:00 p. m.
via Zoom Videoconferencing

PRESENT:

- | | | |
|-------------------------------------|---|---------------------|
| 1. Mrs. CRISELDA R. ABUEL | - | President |
| 2. Atty. JOYCEE M. SIO | - | 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

Mrs. Labitigan, Independent Trustee, led the opening prayer.

2. CALL TO ORDER

President Abuel, called the meeting to order at exactly 1:10 p. m.

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. All seven (7) Trustees were present. There having all seven Trustees present, the Secretary certified that there is a quorum and therefore the meeting may proceed.

5. APPROVAL OF AGENDA

The agenda for October 24, 2024 board meeting were presented as indicated in the Notice of Meeting. There were no additional matters for discussion raised.

BOARD'S ACTION: On motion of Trustee Labitigan, duly seconded by Trustee Fajardo, the agenda for October 24, 2024 board meeting were approved.

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

The Minutes of previous meeting of the Board held on September 26, 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.

BOARD'S ACTION: On motion of Trustee Lavadia, duly seconded by Trustee Sio, the Minutes of the previous board meeting dated September 26, 2024 was approved.

MARY JULIET D. LABITIGAN
Independent Trustee

GAUDIOSO A. LAVADIA
Independent Trustee

LUCILO G. JIMENEZ
Trustee

ARMIEL A. AZUL
Trustee

PERSEVERANDO C. FAJARDO
Treasurer

ERLENE E. BARANDINO
Corporate Secretary

ATTY. JOYCEE M. SIO
Vice-President

CRISELDA R. ABUEL
President

7. BUSINESS ARISING FROM THE MINUTES OF THE PREVIOUS MEETING AND ACTION TAKEN

Mrs. Mendones clarified the details of the following matters discussed during the previous meeting:

AREAS OF CONCERN	STATUS/ ACTIONS TAKEN
Renewal of License to Insurance Commission	✓ Application for renewal was done last October 28, 2024 ✓ Requirements were submitted and received by IC including the AML Renewal of Registration ✓ Paid P90,900.00 for license renewal
ICD Client Survey on Preview to Corporate Governance	✓ ICD survey was accomplished and already submitted
ICD Letter RE: 2023 Corporate Governance Scorecard (ACGR) Result	✓ Paid P25,000.00 in order to claim the 2023 ACGR result

Remark: The Board noted the information.

8. REPORTS

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

A. FINANCIAL HIGHLIGHTS as of September 30, 2024 (Rounded Off to the Nearest Peso)

TOTAL ASSETS	P 183,685,778.00
TOTAL LIABILITIES	P 99,222,492.00
TOTAL FUND BALANCE	P 84,463,286.00
TOTAL GUARANTY FUND	P 23,046,751.00

B. MEMBERS CONTRIBUTION/RESERVES AND SURPLUS

(For the Month of September 2024)

Contributions	P 3,702,287.00
Reserves	(1,030,589.00)
Net Contributions	2,671,698.00
Less: Claims	(436,991.00)
Underwriting Expense	(908,407.00)
Total	P 1,326,300.00
Add: Other Income/Reinsurance	793,415.00
Net: Contribution and Other Income	2,119,715.00
Less: Administrative Expenses	(511,021.00)
Net Surplus for the Month	P 1,608,694.00

C. FINANCIAL RATIOS

RATIOS	STANDARD	ACTUAL as of September 30, 2024	Compared with Data as of August 31, 2024
Solvency	>120%	158%	158%
Liquidity	>100%	517%	573%
OpEx – BLIP	<=15%	18%	18%
OpEx – CLIP		15%	16%
Overall OpEx	<=20%	16%	17%
Claims- BLIP	<=30%	16%	16%
Claims – CLIP		14%	17%
Return on Assets	>0%	8%	5%
Return on Equity	>0%	18%	15%
Equity Value	>=50%	250%	227%

Remark: The Board noted the following comments regarding financial reports:

- (1) Liquidity Ratio suddenly decreased from 573% to 517%, because the non-current assets increased and there were long term investments
- (2) Target liquidity ratio is still at 500%, and as of September 30, 2024, the actual liquidity rate decreased by 56%

9. COMMITTEE REPORTS

9.1 Corporate Governance Committee - re: Output of the Corporate Governance Committee meeting held on October 10, 2024:

Key Agenda	Key Resolutions & Recommendations	Status
The Corporate Governance Committee reviewed and approved the following policies:		
Policy on Calamity Assistance	The committee reviewed the Policy on Calamity Assistance and suggested for further enhancement and revision of the management.	Deferred
Board Diversity Policy	The committee reviewed and updated the Board Diversity Policy. This policy is being submitted and reported annually in the ACGR report.	For BOT information
Anti-Corruption Policy	The committee approved the Anti-Corruption Policy. This is also submitted annually in the ACGR report.	For Board approval through a Resolution
Video Conferencing Policy	The committee reviewed and revised the Video Conferencing Policy.	For Board approval through a Resolution

BOARD'S ACTION: There was a thorough discussion on items for Board approval, there having agreement on the details that were presented and clarified, the Board approved the Association's Anti-Corruption Policy and Video Conferencing Policy.

BOARD RESOLUTION NO. 038-2024

Anti-Corruption Policy

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

RESOLVED, AS IT IS HEREBY RESOLVED, to approve the Anti-Corruption Policy of CARE MBA, Inc. as presented in detail by the Corporate Governance Committee and duly discussed and deemed to be sound by the Board of Trustees.

RESOLVED FURTHER, that the said Anti-Corruption Policy shall be effective immediately and copy of which shall be attached in this resolution as ready reference of the Authorities.

APPROVED UNANIMOUSLY

BOARD RESOLUTION NO. 039-2024

Videoconferencing Policy

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

RESOLVED, AS IT IS HEREBY RESOLVED, to approve the Videoconferencing Policy of CARE MBA, Inc. as presented in detail by the Corporate Governance Committee and duly discussed and deemed to be sound by the Board of Trustees.

RESOLVED FURTHER, that the said Videoconferencing Policy shall be effective immediately and copy of which shall be attached in this resolution as ready reference of the Authorities.

APPROVED UNANIMOUSLY

9.2 Audit and Related Party Transactions Committee - re: Output of the Audit and Related Party Transactions Committee meeting held on October 22, 2024:

Key Agenda	Key Resolutions & Recommendations	Status
Audit Committee:		
2024 Assessment and 2025 Work Plan	The committee evaluated the 2024 assessment and finalized the 2025 work plan as presented by the management. Recommendations and suggestions were noted by the secretariat.	For Board approval through a Resolution
Presentation of 2025 Budget	The committee reviewed and checked the 2025 budget	For Board approval through a Resolution
Appointment of External Auditor	The committee approved the audit proposal of Quilab and Garsuta CPAs, as follows: ▪ Professional Fees – P85,000.00 ▪ Out of pocket expenses – ➤ Food Expenses ➤ Lodging Expenses ➤ Transportation ➤ Per Diem ➤ Report Reproduction ➤ Other Costs ▪ Proposed Timetables ➤ Planning Visit-As soon as engagement is approved ➤ Start of Year-end filed works- Between Feb. 01 to Mar. 31, 2025 ➤ Finalization of audit results-On or before March 31, 2025 or earlier ➤ Submission of AFS-On or before April 15, 2025	For Board approval through a Resolution
Related Party Transactions:		
Budget for Building Construction and Improvement	The committee approved the budget for building construction and improvement as follows: ▪ 20% Fund Balance – 13.5 million ▪ Unanimously agreed the Straight Contract ➤ 20% down payment ➤ 20% progress billing ➤ 10% retention ▪ Start of construction - 2025	For BOT Information

BOARD'S ACTION: There was a thorough discussion on items for Board approval, there having agreement on the details that were presented and clarified, the Board approved the 2025 Work Plan based on the output of CARE MBA Work Plan for Year 2025, 2025 Budget, and audit engagement with Quilab and Garsuta CPAs for the 2025 Audit Services.

BOARD RESOLUTION NO. 040-2024
Approval of CARE MBA Work Plan for Year 2025

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

RESOLVED, AS IT IS HEREBY RESOLVED, to approve the CARE MBA Work Plan for Year 2025 based on the output of 2024 Assessment.

MARY JULIETA LABITGAN
Independent Trustee

GAUDIOSA L. ADIA
Independent Trustee

LUCILO G. HERNANDEZ
Trustee

ARMIELA AZUL
Trustee

PERSEVERANDO C. FAJARDO
Treasurer

ERLENE E. BARANDINO
Corporate Secretary

ATTY. JOYCEE M. SIO
Vice-President

CRISELDA R. ABUEL
President

RESOLVED FURTHER, that the said Work Plan shall be properly monitored. and the copy of which shall be attached in this resolution as ready reference of the Management and the Board.

APPROVED UNANIMOUSLY

BOARD RESOLUTION NO. 041-2024
Approval of CARE MBA Budget for Year 2025

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

RESOLVED, AS IT IS HEREBY RESOLVED, to approve the CARE MBA Budget for Year 2025 as finalized according to identified key result areas with specified target goals.

RESOLVED FURTHER, that Budget compliance shall be diligently monitored, and the copy of which shall be attached in this resolution as ready reference of the Management and the Board.

APPROVED UNANIMOUSLY

BOARD RESOLUTION NO. 042-2024
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 Fajardo, duly seconded by Trustee Sio.

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 approve the professional fee of EIGHTY-FIVE THOUSAND PESOS (P85,000) net of tax and out-of-pocket expenses.

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

APPROVED UNANIMOUSLY

9.3 Remuneration Committee - re: Output of the Remuneration Committee meeting held on October 01, 2024:

Key Agenda	Key Resolutions & Recommendations	Status	
1. SURETY BOND Coverage	✓ The management suggested renewing the SURETY BOND coverage for the following Trustees and employees as a requirement for renewing the License with the Insurance Commission.	For Board information	
	Name covered		Amount of Coverage
	o Criselda R. Abuel		P 100,000.00
	o Perseverando Fajardo		P 100,000.00
	o Pelagia Mendones		P 100,000.00
	o Marianne C. Castro		P 100,000.00
	o Marie Joy M. Polinar		P 100,000.00
	o Ma. Lourdes Quesea		P 100,000.00

 **CRISelda R. ABUEL**
 President
 **ATTY. JOYCE M. SIO**
 Vice-President
 **ERLENE E. BARANDINO**
 Corporate Secretary
 **PERSEVERANDO C. FAJARDO**
 Treasurer
 **ARMIDA A. ZORILLA**
 Trustee
 **LUCHILO G. JIMENEZ**
 Trustee
 **GAUDIOSO E. LAVADIA**
 Independent Trustee
 **MARY JUANA P. LABITIGAN**
 Independent Trustee

	✓ Amount of premium P 1,111.29 each with a total of Net Premium P 5,334.19																																																																							
2. DOLE Wage order IVA-21	✓ In line with the publication of DOLE Wage, order dated September 14, 2024 regarding new minimum wage rates in Region IVA-21 that will take effect on September 29, 2024, the management informed the committee. ▪ Province of Quezon minimum wage: ▪ From P479.00 to P520.00 increased of P41.00, first tranche effective Sept. 30, 2024 ▪ From P520.00 to P540.00 increased of P20.00, second tranche effective April 01, 2025 ✓ The committee recommends updating the salary scale matrix for employees, aligning it with DOLE Wage Order No. IVA-21, effective October 1, 2024. Management will present this update to the Board for its information.	For Board information																																																																						
3. Renewal to PHILCARE HMO	✓ General Manager Mendones informed the committee that the employees' health coverage under PHILCARE will expire on October 22, 2024. Due to high utilization, the premium amount has increased significantly, with an additional 66% (see table below). <table><tr><th rowspan="2">Classification</th><th rowspan="2">Room</th><th rowspan="2">MBL</th><th colspan="3">Amount of Annual Fee</th></tr><tr><th>Current</th><th>Renewal w/ 66% Increase</th><th>Amount of Increase</th></tr><tr><td>Supervisor/ Officer</td><td>Semi-Private</td><td>60,000.00</td><td>8,052.00</td><td>14,971.04</td><td>6,919.04</td></tr><tr><td>Rank & File</td><td>Ward</td><td>60,000.00</td><td>6,828.00</td><td>12,695.20</td><td>5,867.20</td></tr></table> <table><tr><th colspan="7">Other Health Provider</th></tr><tr><th colspan="4">First Life Financial Co.</th><th colspan="3">Maxicare (excluding 9 major hospitals)</th></tr><tr><th>Age</th><th>Room Rate</th><th>MBL</th><th>Amount</th><th>Room</th><th>MBL</th><th>Amount</th></tr><tr><td>15-65</td><td>1,500.00</td><td>60,000.00</td><td>13,644.00</td><td>Semi-Private</td><td>80,000.00</td><td>16,264.00</td></tr><tr><td>66-70</td><td>1,500.00</td><td>60,000.00</td><td>24,784.00</td><td>Ward</td><td>70,000.00</td><td>14,035.00</td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table> ✓ The committee recommends exploring alternative health providers or establishing a dedicated fund for employee healthcare expenses due to a substantial increase in premium costs. This fund could be used to reimburse employees for approved medical treatments and medications.	Classification	Room	MBL	Amount of Annual Fee			Current	Renewal w/ 66% Increase	Amount of Increase	Supervisor/ Officer	Semi-Private	60,000.00	8,052.00	14,971.04	6,919.04	Rank & File	Ward	60,000.00	6,828.00	12,695.20	5,867.20	Other Health Provider							First Life Financial Co.				Maxicare (excluding 9 major hospitals)			Age	Room Rate	MBL	Amount	Room	MBL	Amount	15-65	1,500.00	60,000.00	13,644.00	Semi-Private	80,000.00	16,264.00	66-70	1,500.00	60,000.00	24,784.00	Ward	70,000.00	14,035.00															For Board Information
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Remark: The Board duly noted the committee report.

10. COMMUNICATIONS RECEIVED

Mrs. Ma. Lourdes E. Quesea, Administrative and Operations Manager (AOM) presented the communications received for the month of September and October 2024, as follows:

DATE	FROM	PARTICULARS	REMARKS/ ACTION TAKEN
Sept. 30, 2024	Insurance Commission <i>Admin Div.- Records Section</i>	Advisory No: RS-2024-022 RE: Extension of Submission on the AMLC NRA Project Data/Information Collection Requirement for the Insurance and Mutual Benefit Associations' Vulnerability on Oct. 15, 2024	Received already submitted last Sept. 12, 2024
Oct. 8, 2024	MIMAP <i>Ms. June-an Villojan</i>	Billing Statement for Service Package 2 for the 4 th quarter 2024 _ P37,089.23	Received and paid the SP2
Oct. 8, 2024	MIMAP <i>Ms. Judith A. Torres</i>	Request for KPI report as of June 2024 on or before Oct. 15, 2024	Received and submitted on July 20, 2024
Oct. 11, 2024	MIMAP <i>Ms. Vianca Maria A. Castillo</i>	Billing Statement for Good Governance and AMLA Workshop - Registration Fee-18,000.00 - Astoria Plaza -10,800.00 (Food & Venue) - Red Planet Hotel-3,600.00 (Accommodation)	Received to be attended by: Atty. Joycee M. Sio Ma. Lourdes E. Quesesa
Oct. 15, 2024	1 CISP <i>Mr. Fitz Gerald Q. Dela Cruz</i>	Denial Letter: CLIP Settlement of the late Salvacion Dugan Pre-existing condition Under 1 year contestability period	Received and already submitted the letter of appeal
Oct. 17, 2024	Insurance Commission <i>Admin Div.- Records Section</i>	Circular Letter No: 2024-19 Insurance Commission Circular Letter No. 2024-19 re: Application of Philippine Financial Reporting Standard (PFRS) 17 - Insurance Contracts in the Audited Financial Statements (AFS)	Received for implementation
Oct. 22, 2024	<i>Mr. Raymundo A. Magboo</i>	Quotation for: Well Drilling and Construction of Production Well - Specification - 6" diameter x 400 ft. - Method of Drilling - Rotary System - Depth of Well - 300 Ft. Lump sum – P1,215,000.00	Received and rejected-too expensive

Remark: The Board duly noted the information.

11. MATTER/S FOR DISCUSSION AND APPROVAL

NOTE: The discussions were done during the reports of Committees. Please refer to Item Nos. 9.1 – Corporate Governance Committee Reports and 9.2 Audit and Related Party Transactions Committee Reports of this Minutes for the corresponding actions taken.

12. MANAGEMENT REPORTS – Mrs. Ma. Lourdes E. Quesea, Administrative and Operations Manager (AOM) reported the management updates as of September 30, 2024, as follows:

12.1 Membership and Claims.

- **MEMBERSHIP**- total number of new members as of September 30, 2024:

Month	New Members
January	263
February	377

Month	New Members
March	440
April	451
May	403
June	247
July	387
August	338
September	208
Total New Members	3,144

Total Active Members : 28,234

• **CLAIMS** - Claims paid for the month of September 2024:

BLIP/CLIP CLAIMS – September 2024						
	Members	Dependent	Cooperative	Beneficiaries	Re-insurance	Total Amount
BLIP	P 215,000.00	P22,500.00				P237,500.00
CLIP			P251,390.00	P79,610.00		P331,000.00
TOTAL						P568,500.00

Remark: The Board duly noted the report.

12.2 Compliance Reports

Submitted the following reports: October 2024

- Negative List of Officers and Employees
- Quarterly Selected Financial Statistics
- Investment Made and Sold or Disposed
- Related Party Transactions

12.3 Update of Activities – Admin & Operations Manager, Ma. Lourdes E. Quesea, presented the update of activities attended by the Management and Staff for the months of September and October 2024, as follows:

- Sept. 26, 2024 - Regular Board of Trustees Meeting @ via zoom videoconferencing
- Sept. 26, 2024 - Webinar: Mastering Liquidity Insights for Mutual Cooperative Insurance 9:00 p. m. via zoom videoconferencing
- Sept. 26, 2024 - Fintech Meeting RE: Mobile App @ 1:30 p. m. via zoom videoconferencing
- Oct. 01, 2024- CLIP Refund Training with Rhudarda MPC @9:00 a. m. onwards via zoom videoconferencing
- Oct. 01, 2024 - Remuneration Committee Meeting at CARE MBA, Inc. office, 3:00 p. m. onwards
- Oct. 02, 03 & 04, 2024 - 19th STARCDC at Antipolo City
- Oct. 09, 2024 - PCMD Meeting @ 9:00 a. m. onwards via zoom videoconferencing
- Oct. 10, 2024 - Corporate Governance Committee Meeting @ 2:00 p. m. via zoom videoconferencing
- Oct. 11, 2024 - Coop night @ St. Jude Hotel & Event Center 3:00 p. m. onwards. Theme: Denims and Diamonds
- Oct. 13, 2024 - Koop Fun Run @ 5:30 a. m. onwards
- Oct. 15, 2024 - Assessment of 2024 Work Plan per unit
- Oct. 17, 2024 - Provincial Coop Month Celebration @ Quezon Convention Center
- Oct. 17, 2024 - BOT Meeting of MIMAP @9:00 a. m. onwards via zoom videoconferencing
- Oct. 22, 2024 - Audit and Related Party Transactions Committee, 1:00 pm at CAREMBAI office

Remark: The Board duly noted the information.

13. OTHER MATTER/S

13.1 MIMAP Schedule Activities- General Manager Mendones presented the MIMAP schedule

of activities for October to December 2024 as follows:

- October 28 – 30, 2024 – Good Governance and AMLA Workshop
- November 28 & 29, 2024 – Claims Management Masterclass for Mi-MBAs
- December 16 – 18, 2024 - BCP Manual Development Writeshop

13.2 Schedule of Next Board meeting- is on November 29, 2024, 9:00 a. m., face-to-face at CARE

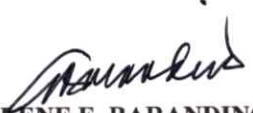
MBA, Inc. Office, Ilang-Ilang St., Zaballero Sudb., Brgy. Gulang-Gulang, Lucena City.

Remark: The Board duly noted the information.

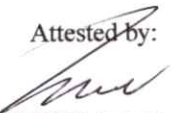
14. ADJOURNMENT

There having no other matters to be discussed, the meeting ended at exactly 4:20 p.m.

I hereby certify to the correctness of the foregoing Minutes.

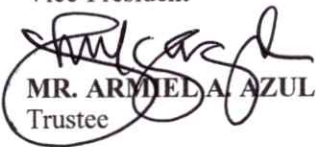

ERLENE E. BARANDINO
Secretary

Attested by:


MRS. CRISELDA R. ABUEL
President

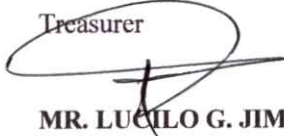

ATTY. JOYCEE M. SIO

Vice-President


MR. ARMIEL A. AZUL
Trustee


MR. PERSEVERANDO C. FAJARDO

Treasurer


MR. LUCILO G. JIMENEZ
Trustee


MR. GAUCIOSO A. LAVADIA
Independent Trustee


MRS. MARY JULIET D. LABITIGAN
Independent Trustee