

1 **Minutes of the NATCCO MBAI Board of Trustees Regular BOT Meeting**

2 Executive Room, NATCCO Bldg.,

3 Project 4, Quezon City

4 December 1, 2017

5 9:00am-12:00pm

6
7 **Attendees:**

8 Ms. Ellen Pastores	-	President
9 Ms. Evelia Tizon	-	Vice-President
10 Atty. Adolfo Ibanez	-	Member
11 Ms. Veronica Sierra	-	Member
12 Mr. Angel Garcia Jr.	-	Member
13 Mr. Leonardo Banga	-	Member
14 Mr. Romeo Magdaong	-	Member
15 Ms. Minerva Tejada	-	Manager
16 Ms. Zorahayda Cafirma	-	Treasurer
17 Ms. Mildred Cerezo	-	Board Secretary

18 **I. Call to Order**

19
20 The Meeting was called to order by President Pastores at 9:00 o'clock in the morning.

21
22 **II. Approval of the Agenda**

23
24 The agenda was presented and moved for approval by Trustee Garcia, seconded by Trustee
25 Magdaong. Motion Approved.

- 26
27 i. Call to Order
28 ii. Approval of the Agenda
29 iii. Reading and Approval of minutes of September 11 Special BOT of the meeting
30 iv. Approval of Anti-Fraud Plan
31 v. Approval of HR Manual
32 vi. Treasurer's Report
33 vii. Evaluation of MBAI GM
34 viii. Adjournment

35 **III. Reading and Approval of September 11, 2017 Special BOT Meeting**

36
37 Trustee Banga moved to dispense with the reading of minutes of the previous meeting,
38 seconded by Trustee Sierra. Motion Approved.

39
40 Matters Arising:
41

42 Trustee Banga requested a copy of MOA with CLIMBS.

43
44 Also, the Manager gave update regarding the resolution asking the management to explore
45 possibility to participate in the board membership with CLIMBS. She relayed that board
46 membership seat is limited only for primary cooperatives and relationship with CLIMBS is as
47 partner. The Board then suggested to check the possibility as associate member.

48
49 There was a short discussion following up the use of equity value. The Manager relayed to
50 the board that the Management follows the IRR regarding this item. And to give clarification
51 to the members, the Management was then directed to come up with specific enhancement
52 programs for members regarding the use of Free and Unassigned Fund and Equity
53 Enhancement, motion made by Trustee Banga and was duly seconded by Trustee Sierra.
54 Motion Approved.

55 **Resolution No 22-S2017. Motion directing the management to come up with specific enhancement**
56 **programs for members using the Free and Unassigned Fund and Equity Enhancement**

57 After discussing all matters arising in the minutes, Trustee Banga moved for the adoption of
58 September 11 Special BOT Meeting, seconded by Trustee Atty. Ibanez. Motion Approved.

59
60 **IV. For Approval**

61
62 Manager Tejada presented and sought the approval of the following items:

63
64 A. Creation and appointment of members: Related Party Transaction Committee

65
66 After a short deliberation on the functions of Related Party Transaction Committee,
67 Trustee Banga moved appointing Trustee Atty., Ibanez, Trustee Magdaong and
68 President Pastores as members of the Committee, seconded by Trustee Sierra.
69 Motion Approved.

70 **Resolution No.23-S2017. Motion for the appointment of the following Trustees:**

71 **Atty. Adolfo Ibanez**

72 **Romeo Magdaong**

73 **Ellen Pastores**

74 **as members of the Related Party Transaction Committee of the NATCCO MBAI.**

75
76 B. 2018 Budget

77 Approval of the Budget presented was deferred. The Board observed a substantial
78 difference on the projections for 2018 versus the previous years. The Manager
79 noted that their projection for 2018 was based from the actual experience of the

80 MBAI, and this is incomparable to previous years' performances. Since MBAI has
81 undergone the cleaning stage and automation system. Trustee Banga then made a
82 motion requesting the Board and Management to convene a Special BOT Meeting
83 on January 12, 2018 to discuss the budget in details, the motion was seconded
84 severally. Motion Approved.

85 **Resolution No. 24-S2017. Resolution, to convene a Special BOT Meeting on January 12, 2018 for**
86 **budget planning.**

87 **C. Increase in LGP Retained Loan Amount**

88 The Manager sought the approval to increase the LGP Retained Loan Amount from
89 10T to 50T since claims experience from reinsurer and claim recovery are minimal
90 and that the MBAI will increase the amount save from the reinsurance premium.
91 After due deliberation, Trustee Magdaong moved for the proposed 50T LGP
92 Retained Loan Amount, subject for evaluation after a year, duly seconded by
93 Trustee Banga. Motion Approved.

94 **Resolution No. 25-S2017. Resolution, to increase the LGP Retained Loan Amount to 50T subject for**
95 **evaluation after a year.**

96

97 **D. Release of cash gift for NMBAI Board of Trustees, Officers, and staff**

98 The Manager presented that MBAI has reached 31% increase in surplus based on
99 the target. With this, proposed an increase to cash gift for this year to 30T.
100 Discussion followed. It was commented that the proposed amount shouldn't be
101 higher than NATCCO. Atty. Trustee Ibanez presented his rationale, that it could be a
102 challenge to NATCCO. Thereafter, Trustee Banga moved to increase the cash gift to
103 30T which was duly seconded by Trustee Atty. Ibanez.

104 **E. Actuarial services of Mr. Lyndon Fadri**

105 At current RIMANSI provides actuarial services for MBAI but failed to provide
106 prompt action to some of the needs. The Manager recommended to avail Mr.
107 Lyndon Fadri actuarial services, who offered lower services fee compared to
108 RIMANSI. After due deliberation, Trustee Banga moved for the approval of the
109 actuarial services offered by Lyndon Fadri mandating the Management to secure
110 Service Engagement contract to be presented to the Board. The motion was
111 seconded by Trustee Magdaong. Motion Approved.

112 **Resolution No.26-S2017. Resolution, accepting Mr. Lyndon Fadri's actuarial services for the NATCCO**
113 **MBAI.**

114 **V. Management Report**

115

116 The Manager presented her report.

117 **a. Monthly Enrolees**
118 It was requested to include in the report the advances and allocation per month.
119 As of October 2017, achievement from target is 82% for Damayan enrollees, 112%
120 for LGP loan amount.
121 SACDECO officially joined MBAI.

122 **b. Claims Data**
123 Increased of 52% on claim cases due to the increase of number of enrolees.
124 Atty. Ibanez, requested a report of claims for direct coops.

125 **c. SEGURO**
126 MBA got 65 rating. Need to improve the rating on Corporate Governance
127 particularly the community outreach.
128 Trustee Sierra reiterated the request of the Board a copy of the result of SEGURO
129 with ASEAN matrix scorecard from the Management.

130 **d. New product for members: Hospitalization Income**
131 In response to some coop members looking for hospital income benefit. Manager
132 presented two proposals on Hospital Income Benefit from RIMANSI and Western
133 Guaranty Corp. After evaluating the two providers that can cater to MBAI's needs,
134 she recommended Western Guaranty Corp which offers the cheaper rate with
135 consideration to the benefit it can give to members. However, Board deferred the
136 approval. They are requesting further presentation of their existing clients and
137 feedback from them to be presented in the next board meeting.
138

139 Trustee Magdaong moved for the approval the Management Report , seconded by
140 Trustee Garcia.

141
142 **VI. Treasurer's Report**
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144 Treasurer Cafirma presented her report.
145
146 Trustee Banga moved for the acceptance of the report presented, seconded by
147 Trustee Banga. Motion Approved.
148

149 **VII. Committees' Report**
150 Trustee Sierra presented the Committee Report, she relayed that the Committee will work
151 on the Terms of Agreement for Mr. Abao as Auditor and will provide update in the next
152 meeting.
153

154 **VIII. Adjournment**

155 Trustee Garcia moved for the adjournment of the meeting at 11:50 o'clock in the morning.

156

157 Prepared by:

158

159 Mildred C. Cerezo

160 Board Secretary

Attested by:



Ellen R. Pastores

President