



**Simbag sa Emerhensya asin Dagdag Paseguro
Mutual Benefit Association Inc. (SEDP MBA)**

3/F The Chancery, Cathedral Compound
Old Albay District, Legazpi City, Philippines
Telefax: (052) 481-4449
Email: sedp_mba@yahoo.com.ph

MINUTES OF 11TH ANNUAL GENERAL MEMBERSHIP MEETING

July 25, 2020

SEDP SOCIAL HALL

The Chancery, Cathedral Compound.
Albay District, Legazpi City

PRESENT:

SEDP MBA BOARD OF TRUSTEES PRESENT AT MEDIA CENTER

1. Fr. Rex Paul B. Arjona - President/Chairman of the Board
Governance Committee Chair
2. Fr. Jose Victor E. Lobrigo - Vice President
Finance Committee Chair
3. Ms. Jennifer Casco - Secretary
4. Ms. Amy Bombuhay - Treasurer
5. Fr. Jonnathan Calleja - Independent Trustee
6. Ms. Teresita Galang - Independent Trustee
Audit Committee Chair
7. Mr. Andres Paclibar - Board Member

MEMBER REPRESENTATIVE VIA REMOTE COMMUNICATION

8. Ms. Evelyn Laot - MBA Coordinator, Nabua, Camarines Sur
9. Ms. Janette Ubalde - MBA Coordinator, Calatagan, Virac, Catanduanes
10. Mr. Carlito Estuarina - MBA Coordinator, Castila, Sorsogon
11. Ms. Salve Sabangon - MBA Coordinator, Masbate City
12. Mr. Rodolfo Baylon - MBA Coordinator, Catarman, Northern Samar

MEMBER REPRESENTATIVE PRESENT AT MEDIA CENTER

13. Ms. Jessica Belarmino - MBA Coordinator, Tabaco City
14. Ms. Rochelle Biato - MBA Coordinator, Albay, Legazpi City
15. Ms. Lany Sario - MBA Coordinator, Libon, Albay

MANAGEMENT AND STAFF PRESENT AT MEDIA CENTER

16. Mr. Roberto Dalit - SEDP MBA General Manager
17. Ms. Josie Belen - Finance and Admin. Officer
18. Ms. Ma. Charmaine Tubalinal - Claims Processor
19. Ms. Nica Madrona - Management Support Staff
20. Ms. Darlen Antuerpia - Bookkeeper
21. Ms. Brenda Flora - Cashier
22. Ms. France Bobier - Area Coordinator

OTHER GUEST PRESENT AT MEDIA CENTER

23. Ms. Riza Barrameda - SEDP Internal Auditor
24. Ms. Marie Grace Ubalde - SEDP MS Officer
25. Ms. Laarni Alilano - SEDP HR Officer
26. Mr. Joel Apuyan - SEDP Accounting Officer
27. Ms. Jocelyn Diaz - SEDP Finance Officer
28. Mr. Ray Anthony Madrona - SEDP MIS Officer
29. Mr. Isidro Banzuela - SEDP Research Program Officer
30. Ms. Ella Gonzalo - SEDP Operations Officer-Albay
31. Mr. Hermarex Ordan - SEDP Operations Officer- REG1
32. Ms. Naneth Mugar - SEDP Operations Officer-REG 2
33. Ms. Liza Bitas - SEDP Area Manager- Area 1
34. Ms. Agnes Bayna - SEDP Area Manager- Area 2
35. Ms. Fe Gepila - SEDP Area Manager-Area 3
36. Ms. Mary Ann Argote - SEDP Area Manager-Sorsogon
37. Mr. Dexter Barnuevo - SEDP Area Manager- Cam Sur/ROO
38. Rev. Fr. Kevin James Fonacier - Communication Officer

I. CALL TO ORDER

Fr. Rex Paul B. Arjona, the President and Chairman of the Board of Trustees called the meeting to order at 9:37 in the morning following with an opening prayer led by Ms. Darlen Antuerpia, SEDP MBA staff.

He introduced the Board of Trustees personally present at SEDP Social Hall, from where the meeting was held.

The Chairman also introduced the Member representatives present via remote communication: Ms. Evelyn Laot, Nabua, Camarines Sur, Ms. Janette Ubalde, Calatagan, Virac, Catanduanes, Mr. Carlito Estuaria, Castila, Sorsogon, Ms. Salve Sabangon, Masbate City, Mr. Rodolfo Baylon, Catarman, Northern Samar.

The Board of Trustees and the attendees were also informed of the presence of the SEDP Inc. Internal Auditor, Ms. Riza Barrameda, CPA, as independent party to count and validate the votes of AGMM proceedings for the 11th Annual General Membership Meeting.

Ms. Jennifer Casco, Corporate Secretary, recorded the minutes of the meeting.

II. PROOF OF NOTICE OF MEETING

Ms. Jennifer Casco, Board Secretary attested that the Annual General Membership Meeting Notice was issued on July 3, 2020 through publication in the SEDP MBA website https://www.sedpmba.com/wp-content/uploads/2020/07/notice-of-ga_2020.pdf and delivered to the respective email addresses of the members of the Board of Trustees for their proper information.

III. PROOF OF QUORUM

Fr. Rex Paul Arjona, BOT President welcomed the member representatives together with the Officers and staff of SEDP – Simbag Microfinance who are also members of SEDP MBA. He informed the participants that this year is the first time to conduct the Annual General Membership Meeting (AGMM) by way of a combination of actual and virtual attendance in compliance to MECQ protocol due to COVID-19 pandemic. With this, representatives coming from other provinces were able to participate in the discussions and were able to vote of all acts of the assembly. A dedicated email address was disclosed consistent with SEC rules so that members would be able to register and to submit proxies on the prescribed dates. Members who registered by proxy are considered present during the meeting.

Fr. Rex Paul Arjona, BOT President asked Ms. Jennifer Casco, Board Secretary to conduct the attendance confirmation from remote participants of Nabua, Castilla, Catarman, Masbate and Virac Branch following the roll call procedure:

1. Full Name/ Position
2. Location
3. Confirmation that he/she can clearly hear and/ or see the other attendees;
4. Confirmation that he/she received the notice of the Meeting including the agenda and materials; and
5. Specify the device being used (smartphone, tablet, laptop, desktop, television, etc.)

After the confirmation of the remote participants, the Chairman ask the Secretary for the certification of Quorum.

Ms. Jennifer Casco, Board Secretary states that upon confirmation of attendance from remote participants and the actual attendees out of **46** expected members' representative attendees **38** are present or **82.61%** attendance rate. With this I further certify that there is a quorum. Hence, the meeting was formally started.

Fr. Arjona asked Mr. Roberto Dalit, General Manager to discuss the voting procedures of all the acts during the assembly.

Voting Procedures and General Protocol

1. To approve an agenda item, at least a majority of YES vote is required from the voting members present either by virtual or physical participation. Only the items on the approved Agenda will be voted upon.
2. Proxy forms were made available to all members during the center meetings that will form part of the votes to be counted through their respective cluster representatives present today by virtual or physical presence. This is to ensure that all members have given the chance to exercise their right to vote of all the Acts during the Annual General Membership meeting.
3. The cluster representatives shall cast their votes by poll in the following manner
 - For those physically present you can cast your vote by writing in a piece of paper provided inside the folder distributed during registration.
 - For those virtually present you can cast your vote through the message section in the Google meet platform.
4. Valid vote to be counted shall be YES, NO or ABSTAIN for each Agenda item.
5. The Chairman of the Board shall appoint the Internal Audit of SEDP Microfinance to count the YES, NO or ABSTAIN votes of each agenda items.
6. Results of votes counted for each Agenda item shall be posted in the company's website on the next working day for the information of the general membership of voting results.

IV. PROPOSED AGENDA:

1. Call to Order
2. Proof of Notice of Meeting
3. Determination of Presence of Quorum
4. Reading and Approval the Minutes of the 2019 Annual General Membership Meeting
5. Discussion of the Business Arising from the Previous General Meeting
6. Presentation and Acceptance of 2019 Audited Financial Statements
7. Presentation and Ratification of 2019 Summary of Board Resolution and Amendment of By-Laws
8. Presentation and Approval of the 2020 Plan and Budget
9. Approval of the Appointment of External Auditor
10. Questions and Answers
11. Adjournment

After the presentation of Agenda for the 11th Annual General Membership Meeting, Fr. Arjona asked the members if there are comments/suggestions to be included in the Agenda. Since no comments/suggestions were raised, the President asked for approval of the Agenda.

Mr. Isidro Banzuela, SEDP Research Program officer moved to approve the Agenda for the 11th Annual General Membership Meeting and seconded by Ms. Salve Rufina Angela Morcoso, SEDP Director for Finance and Admin. with the following resolution.

AGMM RESOLUTION NO. 01 – 2020

RESOLVED, as it is hereby resolved that the Agenda for the 11th Annual General Membership Meeting be approved.

Below are the votes received on the approval of the Agenda for 11th Annual General Membership Meeting.

Total Voting Members	Total Vote Casted	Votes in Favor	Invalid Votes	Abstentions
72,381	59,794	59,794	0	0

V. READING AND APPROVAL OF 2019 ANNUAL GENERAL MEMBERSHIP MEETING MINUTES HELD LAST MAY 25, 2019.

The first business item on the agenda was the reading and approval of the Minutes of the Annual General Membership Meeting held on 25 May 2019. The Minutes of the 2019 AGMM were posted on the Company's website one (1) business day after that meeting. Since no questions were raised, the President asked for approval of the Minutes including acknowledgement of the completeness and accuracy thereof.

Ms. Jocelyn Diaz moved to approve the previous minutes of the 10th Annual General Membership Meeting with the following resolution.

AGMM RESOLUTION NO. 02 – 2020

RESOLVED, as it is hereby resolved that the Previous Minutes of the 10th Annual General Membership Meeting held last May 25, 2019 at SEDP Social Hall, The Chancery, Cathedral Compound, Albay District, Legazpi City be approved.

The votes casted and received on the approval of the minutes of the 10th Annual General Meeting on May 25, 2019 were as follows:

Total Voting Members	Total Vote Casted	Votes in Favor	Invalid Votes	Abstentions
72,381	59,794	59,794	0	0

VI. DISCUSSION OF BUSINESS ARISING FROM THE PREVIOUS ANNUAL GENERAL MEETING

No discussion on business arising from the previous Annual General Membership Meeting since all matters had been discussed clearly and correctly.

VII. PRESENTATION OF THE ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019 AND ACTION THEREON

The next item on the Agenda was the approval of the Annual Report and of the Company's Audited Financial Statements and the Notes thereto for the year ended December 31, 2019. Copies of the report and the audited financial statements were previously distributed to the members and the Board of Trustees members in accordance with pertinent SEC rules.

Fr. Rex Paul Arjona, asked the General Manager to present the 2019 Annual Report. Mr. Roberto Dalit, General Manager then discussed the 2019 Annual report as follows;

OPERATIONAL HIGHLIGHTS:

ACTIVITIES OF NON-FINANCIAL SERVICES

1. Release of Calamity Assistance to members affected by typhoon Tisoy after the damage assessment last December 2019 in which Php 20,000,000 calamity assistance was released to more than thirty- six thousand (36,000.00 members from Bicol Region and some parts of Northern Samar.
2. Tree Planting activity held in Masbate branch with SEDP Staff and Barangay Officials, and the staff of the Department of Environment and Natural Resources-Masbate last October 20, 2019. Bakawan seedlings were planted at swamp area of the Barangay.
3. Zero Waste Parish Day Activity -SEDP dares members in Zero waste Challenge on parish day which was participated by more than 40,000 members in Albay Operations Group from November- December 2019
4. Members Welfare- As part of Center ko Padaba Ako, an incentive program given to those good performing members belonging to equally good performing center through the help of Members Development Services (MDS) Unit of SEDP Inc. and partners conduct check-up for 44 members chosen by their co-members from green center with Ear, Nose and Throat disorder also received medicines.
5. Staff and Board of Trustees Welfare-the staff of SEDP Inc., SEDP MPC, SEDP MBA and SEDP MBA BOT attended the Management Forum for the year 2019 held at Quezon city last July 22, 2019.

FR. Rex Paul Arjona also presented the number of Board Meeting attended and conducted and Board of Trustees Remunerations for the year 2019 for transparency and openness.

Fr. Rex Paul Arjona, President presented to the general membership the 2019 Operations Status according to the approved plan implemented by the Management.

A. MEMBERSHIP AND CONTRIBUTIONS COLLECTED

Particulars	2019		2018		%
	Number	Amount	Number	Amount	
Membership	72,253		61,528		17%
BLIP Contribution		63,594,989		53,653,686	18%
CLIP Contribution		14,332,404		13,093,490	9%

B. NUMBER AND AMOUNT OF CLAIMS PAID

Particulars	2019		2018		%
	Number	Amount	Number	Amount	
Basic Life Insurance Plan (BLIP)	775	16,310,000	523	11,799,500	38%
Credit Life Insurance Plan (CLIP)	220	3,710,000	122	1,783,133	100%
Daily Hospitalization Income Benefit (DHIB)	1,055	735,600	816	534,600	38%

C. NON-FINANCIAL SERVICES

Additional Benefits	Number	Amount
Calamity Assistance	36,000	11,000,000
SEDP CARE Program	25	250,000
Retirement Birthday Gift	356	534,000
Wedding Assistance	64	64,000

Ms. Amy Bombuhay Board of Trustees Treasurer reported to the members the Audited Financial Statement for the Year 2019 as follows.

	2019	2018
ASSETS		
Current Assets		
Cash and Cash Equivalents	49,100,301	40,001,225
Trade and Other Receivables	553,464	595,285
Other Assets	74,987	56,279
Total Current Assets	49,728,752	40,652,789

	2019	2018
Non-Current Assets		
Trade and Other Receivables	20,000,000	20,000,000
Furniture, Fixtures & Office Equip.	26,214	78,301
Investment in Debt & Equity Securities	201,619,453	178,579,465
Total Non-Current Assets	221,645,453	198,657,766
TOTAL ASSETS	271,374,419	239,310,555

	2019	2018
LIABILITIES & FUND BALANCE		
Current Liabilities		
Trade and Other Payables	7,873,069	6,687,808
Insurance Contract Liabilities	785,189	1,774,594
Total Current Liabilities	8,658,258	8,462,402

	2019	2018
LIABILITIES & FUND BALANCE		
Non-Current Liabilities		
Aggregate Reserves for Unexpired Risks	154,117,880	130,468,832
TOTAL LIABILITIES	162,776,138	138,931,234

	2019	2018
Fund Balance		
Assigned FB - Guaranty Fund	28,216,049	24,319,679
Assigned Fund Balance	46,519,319	48,273,395
Free and Unassigned Fund Balance	32,555,228	27,786,247
Revaluation Reserve on Investments	1,307,685	
Total Fund Balance	108,598,281	100,379,321
TOTAL LIABILITIES & FUND BAL.	271,374,419	239,310,555

	2019	2018
REVENUE		
Members' Gross Premium Contributions	77,927,394	66,747,177
Less: Guaranty Fund	3,896,370	3,337,359
Net Members' Premium Contributions	74,031,024	63,409,818

	2019	2018
REVENUE		
Interest and Investments Income	8,009,177	5,461,114
Membership Fees	2,518,223	2,392,228
Other Income	5,699	5,553
Total Revenue	84,564,123	71,268,713

	2019	2018
BENEFITS & OPERATING EXP.		
Benefits and Claims Paid	27,694,781	25,452,905
Increase in Aggregate Reserves	23,649,048	19,574,792
Collection Costs	5,490,951	4,919,345
Mem. Enrollment & Marketing Exp.	2,411,058	954,736
Net Insurance Benefits & Claims	<u>59,245,838</u>	<u>50,901,778</u>

	2019	2018
Compensation & Employees Benefits	2,170,378	1,983,254
General & Administrative Expenses	2,552,115	2,256,081
Depreciation	52,087	55,998
Total Benefits & Operating Exp	<u>64,020,418</u>	<u>55,197,111</u>
NET SURPLUS for the Year	<u>20,543,705</u>	<u>16,071,602</u>
Other Comprehensive Inc.	1,307,685	
TOTAL COMP. INCOME	<u>21,851,390</u>	<u>16,071,602</u>

After the presentation of 2019 SEDP MBA Operations Status Fr. Rex Paul Arjona asked the members for any questions or clarifications on the report presented. Since there were no questions or clarifications, he proceeded of asking the Board of Trustees members and the general membership to approve the Operations Status report.

Before ratification by the general membership Fr. Rex Paul Arjona asked the members present of any comments or clarifications to the resolutions presented. No objections were raised so Ms. Laarni Alilano, SEDP HR Officer moved to ratify and approved all the acts of the Board of Trustees for 2019 and seconded by Ms. Naneth Mular, SEDP Operations Officer-REG 2.

AGMM RESOLUTION NO. 03 – 2019

RESOLVED, as it is hereby resolved that the SEDP MBA 2019 Annual Report be approved.

AGMM RESOLUTION NO. 04 – 2020

RESOLVED, as it is hereby resolved that the 2019 Audited Financial Statement be approved.

The votes casted and received on the approval of the 2019 Audited Financial Statements and other Operations highlights were as follows:

Total Voting Members	Total Vote Casted	Votes in Favor	Invalid Votes	Abstentions
72,381	59,794	59,794	0	0

VIII. RATIFICATION OF 2019 SUMMARY OF BOARD OF TRUSTEES RESOLUTIONS

The next item on the agenda was the ratification and approval of the acts of the Board of Trustees of SEDP MBA during the past year.

At the Chairman's request, the Corporate Secretary to present the Lists of 10 Board of Trustees Resolutions that were discussed and approved during the conduct of SEDP MBA Board of Trustees meeting in the year 2019 as follows:

RESOLUTION NUMBER	RESOLUTIONS	STATUS
RES. NO. 1 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Board of Trustees approved the formation of Joint Management Committee composed of SEDP Inc., SEDP MPC and SEDP MBA	Implemented
RES. NO. 2 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Board of Trustees approved the following: a.) Study of the extension of retirement age up to 70 years old; b.) CDW and Branch incentive and c.) approval of the loan term of SEDP Inc. up to 5 years.	a. & c. Implemented b. Onhold for further study
RES. NO. 3 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Board of Trustees approved the 2019 Plan and Budget.	Implemented
RES. NO. 4 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Board of Trustees approved the appointment of Fr. Rex Paul Arjona and Mr. Roberto Dalit as the Official Representative to MiMAP Annual General Assembly on March 22, 2019.	Implemented
RES. NO. 5 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Board of Trustees approved the designation of Fr. Jose Victor E. Lobjrigo as the alternate secondary signatory.	Implemented
RES. NO. 6 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Board of Trustees approved the Ten (10) Year Service Award Incentive of MBA Staff.	Implemented
RES. NO. 7 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Governance Committee approved to endorse the Dakila Plan 40 together with its mechanism and Implementing Rules & Regulations.	Implemented
RES. NO. 8 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Governance Committee approved to endorse the amendment to the Article of Incorporation and By Laws for approval.	For submission to Insurance Commission and Securities & Exchange Commission
RES. NO. 9 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Governance Committee approved to endorse to the Board	Implemented

	en banc the assignment of Mr. Roberto Dalit & Josie Belen as the AML Compliance Officer and Alternate Compliance Officer respectively	
RES. NO. 10 SERIES OF 2019	RESOLVED, as it is hereby resolved that the Governance Committee approved to endorse the addendum to SEDP & MBA MOA for approval by the Board en banc.	Implemented

Before ratification by the general membership Fr. Rex Paul Arjona asked the members present of any comments or clarifications to the resolutions presented. No objections were raised so Ms. Laarni Alilano, SEDP HR Officer moved to ratify and approved all the acts of the Board of Trustees for 2019 and seconded by Ms. Naneth Mujar, SEDP Operations Officer-REG 2.

AGMM RESOLUTION NO. 04 – 2020

RESOLVED, that the 10 Resolutions of the Board of Trustees for 2019 be ratified and approved.

Total Voting Members	Total Vote Casted	Votes in Favor	Invalid Votes	Abstentions
72,381	59,794	59,794	0	0

IX. PROPOSED REVISIONS OF SEDP MBA BY LAWS

In the presented resolutions or acts of the board of Trustees there is an approved resolution to amend the SEDP MBA By Laws for presentation and ratification by the general membership. With this, Fr. Rex Paul Arjona asked the General Manager to discuss the articles for amendment. Mr. Roberto Dalit, General Manager explained that the proposed amendments in the By Laws are based on the recommendations of Legal consultant in compliance with the Bureau of Internal Revenue requirement particularly on tax exemption certificate appeal so as with the Insurance Commission's requirement on ASEAN Corporate Governance Scorecard.

CURRENT	PROPOSED
Article III, Section 4 The elected members of the Board of Trustees shall serve beginning immediately following their election for a term of tree (3) years and two (2) years respectively until their successors shall have been elected. Provided, that no member shall serve as member of the Board of Trustees for more than two (2) consecutive terms.	The elected members of the Board of Trustees shall serve beginning immediately following their election for a term of tree (3) years and two (2) years respectively until their successors shall have been elected. Provided, that no member shall serve as member of the Board of Trustees for more than two (2) consecutive terms. <u>The Independent Trustee shall serve a maximum cumulative of Nine (9) Years.</u>

<p>Article III, Section 1.e</p> <p>To establish pension, retirement, bonus, or other types of incentives or compensation plans for the members, employees, including officers and Trustees of SEDP MBA.</p>	<p>To establish pension, retirement, bonus, or other types of incentives or compensation plans for the members and employees of SEDP MBA.</p>
<p>Article IV, Section 7</p> <p>The members of the Board shall not receive any salary, as such Trustees, but shall be entitled to gratuity, per diem and reimbursement of all necessary expenses incurred on account of attendance in committee and board meetings, however, all other entitlements, benefits, and emoluments other than per diems and reimbursement of incidental expenses may be granted to the trustees by vote of the members representing at least a majority of the membership at a regular or special meeting.</p>	<p>The members of the Board shall not receive any salary, as such Trustees, <u>but shall be entitled to reimbursement of all necessary expenses incurred on account of attendance in committee and board meetings</u></p>
<p>Article VIII, Section 4</p> <p>The MBA Manager, Administrative & Finance Officer and Auditor shall receive such salary and/or benefits as may be fixed by the Board. The President, Secretary and Treasurer shall receive no salary, but may receive allowances, in addition to per diems and other emoluments authorized for members of the Board of Trustees.</p>	<p>The MBA Manager, Administrative & Finance Officer and Auditor shall receive such salary and/or benefits as may be fixed by the Board. The President, Secretary and Treasurer shall receive no salary, <u>but shall be entitled to reimbursement of all necessary expenses incurred on account of attendance in committee and board meetings.</u></p>
<p>Article IX, Section 5</p> <p>A majority of the number of trustees as fixed in the Articles of Incorporation shall constitute a quorum for the transaction of corporate business, and every decision of at least a majority of the trustees present at a meeting at which there is a quorum shall be valid as a corporate act, except for the election of officers which shall require the vote of all the members of the board.</p>	<p><u>A quorum of at least two-thirds (2/3) of the members of the Board of Trustees shall be required during the conduct of any Board of Trustees meeting so that any decisions and/or actions of associations is/are valid.</u></p>

Legends: Red – for deletion
Blue – for addition

After presentation Fr. Rex Paul Arjona asked the members present of any comments or clarifications to the proposed amendment in By Laws presented. The participants were satisfied of the discussion hence Ms. Evelyn Laot, MBA Coordinator-Nabua Branch moved to ratify and approved the Amendments in the By Laws and seconded by Ms. Rochelle Biato, MBA Coordinator-Albay Branch.

AGMM RESOLUTION NO. 04 – 2020

RESOLVED, that the amendment of SEDP MBA By Laws be ratified and approved.

Total Voting Members	Total Vote Casted	Votes in Favor	Invalid Votes	Abstentions
72,381	59,794	59,794	0	0

X. PPRESENTATION AND APPROVAL OF THE 2020 PLAN & BUDGET

Mr. Roberto Dalit, General Manager of SEDP MBA presented the plan of SEDP MBA for the year 2020 according to 4 Perspectives:

A. MEMBERS PERSPECTIVES

1. Increase Membership of Organized Groups
2. Increase and maintain Membership of SEDP members
3. Revisions of New Product
4. Provision of Additional benefits to members
5. Involvement of members in MBA Operations & Governance

B. FINANCIAL PERSPECTIVES

1. Increase in Revenue
2. Increase Investment Income
3. Maintain Solvency
4. Proper Fund Placement to increase admitted asset
5. Improve profitability/Sustainability
6. Improve Liquidity
7. To ensure sufficient fund for the conduct of meetings and trainings

C. INTERNAL PERSPECTIVES

1. To insure sufficient stocks of supplies
2. Ensure accurate & timely processing of Payroll
3. Timely and Accurate disbursement
4. Ensure Timely and Accurate recording of remittances
5. Compliant to the regulators and Board of Trustees
6. On-time claims Settlement
7. Reduction of cancelled Claim
8. Ensure proper implementation of claims settlement
9. Maintain updated claims and loss registry reports
10. On-time Reimbursement
11. Complaint to the Network Partners, Regulatory and Board of Trustees
12. Good Governance
13. To establish uniformity in the implementation of Policies and Guidelines
14. Improve staff, Management and BOT performance
15. To improve Social Media Accounts for Promotion and Marketing and ACGS Performance Evaluation
16. Maintain updated Attendance records of the staff
17. Maintain updated staff Leave Records

D. LEARNING & GROWTH PERSPECTIVES

1. Enhance Competence of staff and BOT members

After the presentation of Operations Plan Ms. Josie Belen, Admin & Finance Officer presented also the 2020 Approved Budget as follows:

	Actual 2019	Budget 2020	%INC
Revenues	80,451,315	91,664,615	14%
Net Benefit/Claims Expense	27,331,783	33,433,795	22%
Total Other Benefit Expense	44,521,414	58,040,088	30%
Total Benefit Expense	71,853,197	91,473,884	27%
Net Surplus before Operating Expense	8,598,118	190,731	-98%
Total Operating Expense	4,341,813	5,490,866	26%
Net Surplus Before Investment Returns	4,256,305	(5,300,135)	-225%
Total Investment Revenues	7,356,144	9,200,000	25%
Total Investment Expense	42,921	50,000	16%
Net Return from Investment	7,313,224	9,150,000	25%
Projected Net Surplus (LOSS)	11,569,529	3,849,865	-67%
Projected Net Surplus after adjustment	21,733,042	23,450,525	8%

After the presentation of 2020 Plan and Budget, Fr. Arjona asked the members if there are comments/suggestions to be included in the Plan. Since no comments/suggestions were raised, the President asked for approval of the 2020 Plan and Budget.

Ms. Remegia Balucio, SEDP MPC Director moved to approve the Plan and Budget for the year 2020 and seconded by Ms. Laarni Alilano, SEDP Inc. HR Officer with the following resolution.

AGMM RESOLUTION NO. 01 – 2020

RESOLVED, as it is hereby resolved that the 2020 Plan and Budget be approved.

Below are the votes received on the approval of the the 2020 Plan and Budget

Total Voting Members	Total Vote Casted	Votes in Favor	Invalid Votes	Abstentions
72,381	59,794	59,794	0	0

XI. APPOINTMENT OF EXTERNAL AUDITOR TO AUDIT THE 2019 FINANCIAL STATEMENT

Fr. Arjona appointed the Quilab and Garsuta CPAs from Cagayan de Oro City to be the External Auditor of SEDP MBA. Fr. Arjona explained that it was the recommended external auditor of the Management because it has passed the requirement of Insurance Commission to conduct an audit to MBAs. Below is the Fees & Incidental Expenses proposed.

FEES AND INCIDENTAL EXPENSES

Professional Fees

For the services outlined above, we will bill you for our professional fees the amount in pesos: **SEVENTY-FIVE THOUSAND PESOS ONLY (P75,000)**

Out-of-Pocket Costs

As the usual practice in our profession, we will bill you for the out-of-pocket expenses we will incur in this engagement representing substantially the cost of

transportation, board and lodging, communications and the reproduction of our reports to the Association.

Our charges, which have been billed consistently during our previous engagements, would be guided

by our existing policies as follows:

a) Food Expenses

An employee on official business outside of Cagayan de Oro City shall receive a fixed per diem for food expenses in the amount of FIVE HUNDRED PESOS (P500) per day for meals not provided by clients. In case of broken claims for meal allowance, an employee may claim ONE HUNDRED PESOS (P100) for breakfast and TWO HUNDRED PESOS (P200) each for lunch and dinner. No receipts are required in liquidating meals per diem.

b) Lodging Expenses

Unless provided by client, employees on official business trips are required to secure safe and decent lodgings in their destinations. Lodging expenses are based on actual rates and must be liquidated with actual receipts using the Travel Liquidation Report.

c) Transportation

Employees on mission outside of the home base shall have their actual transportation expenses reimbursed based on actual receipts submitted.

d) Report Reproduction

We shall charge the Association with a fixed cost for report reproduction of SIX HUNDRED PESOS ONLY (P600.00) per printed reports for the Board of Directors and Management and reports to be submitted to the BIR, SEC and IC. We will be printing our reports based on the following allotments:

- For BOD and management - 5
- For SEC - 6
- For IC - 5
- For BIR - 3
- Total 19

Please let us know in advance if you need more or less of the copies for BOD and management.

e) Other Costs

Other necessary costs that would be incurred (such as reproduction costs of audit-related documents, mailing, communication and others) would also be charged to you based on reimbursements basis.

Our fees are based on the time required by the staffs assigned to the engagement. Individual hourly rates of our staff vary according to the degree of responsibility involved and the experience and skills required.

Ms. Ella Gonzalo, SEDP Inc., Operations Officer- Albay moved to approve the appointment of Quilab and Garsuta CPAs to be the external auditor of SEDP MBA. The motion was seconded by the body

AGMM RESOLUTION NO. 05 – 2019

RESOLVED, that the Board of Trustees and members approved the proposal of Quilab and Garsuta to conduct External Audit for the Year 2019.

Below are the votes received on the Appointment of External Auditor to Audit the Financial Statement for the year 2020 as follows:

Total Voting Members	Total Vote Casted	Votes in Favor	Invalid Votes	Abstentions
72,381	59,794	59,794	0	0

XII. QUESTIONS AND ANSWERS

Before adjournment, the President further solicit questions from the members of the Board of Trustees, from the member representatives and remote participants to clarify issues and concerns aside from the agenda discussed and approved.

No one raised questions and clarifications from the participants so the Chairman of SEDP MBA, Fr. Rex Paul Arjona let Ms. Teresita Galang, Independent Trustee of SEDP MBA to share her impression and observation as a Board of Trustee.

Ms. Galang states that SEDP MBA is very corporate in terms of systems used, reports, and processes. She also commends the Board of Trustees and Management and staff of SEDP MBA by giving their best efforts in performing their specific tasks and giving their heart in achieving the Vision, Mission and Objectives of the SEDP MBA.

The Chairman also request the remote participants to give their message, impression, and observation as a member of SEDP MBA.

The members express their gratitude to SEDP MBA which made possibilities to let them attend the 11th Annual General Membership Meeting amidst of Covid-19 Pandemic. The members also states that through the conduct of google meet, they feel important by letting them know the activities, operational status, Corporate plans and strategies of the SEDP MBA in order to give them the highest form of customer service which is not just to meet but to exceed their expectations.

XIII. OTHER MATTERS/ ADJOURNMENT

The Chairman asked if there are any other matters that need to be taken up. Without any other matters for discussion, Ms. Fe Bataller SEDP Inc., Director for Operations moved to adjourn the meeting and was seconded by the body.

The 11th Annual General Membership Meeting of SEDP MBA was adjourned at 11:27 in the morning.

Prepared by


Jennifer Casco
Corporate Secretary

Approved by


FR. REX PAUL ARJONA
President

Simbag sa Emerhensya asin Dagdag Paseguro
Mutual Benefit Association Inc., (SEDP MBA)
Minutes of the Annual General Membership Meeting
Held on 25 July 2020
Date Published: July 27, 2020