



EXCERPT FROM THE MINUTES OF THE BOARD OF TRUSTEES MEETING

REGULAR MEETING OF THE BOARD OF TRUSTEES
May 2, 2024
10:00 A.M. – 11:25 A.M.
Conducted Virtually via Remote Communication

TRUSTEES PRESENT:

| | |
|----------------------------|-----------------|
| Mrs. SUSAN E. PAJALLA - | President |
| Mrs. RUBYLYN ESTONG - | Vice President |
| Mrs. CATHERINE B. UBANA- | Board Secretary |
| Mrs. ROSEMARIE B. PETILO - | Treasurer |
| Dr. RICARDO S. REYES JR.- | Member |
| Mrs. PIEDAD D. MATIAS- | Member |
| Mrs. NANCY T. FLORES - | Member |

BOARD OF ADVISERS:

| | |
|--------------------------|----------------------------------|
| Mr. MARLOU R. CONCEPCION | KGMI President |
| Mr. JOAN A. CORTEZ | KGMI Operations Director |
| Mr. RONALD V. TACTAQUIN | KGMI Finance & Admin Director |
| Mr. SONNY GUIANG | KGMI Portfolio Recovery Director |

IN ATTENDANCE:

| | |
|------------------------------|---------------------|
| Mrs. MARY JANE N. CONCEPCION | General Manager |
| Mrs. EDNA E. MEDIARIO | Operations Officer |
| Mrs. CRISTALYN R. ESTEL | Bookkeeper |
| Ms. CARMÍ G. MULI | Corporate Secretary |

I. INVOCATION

Trustee Catherine B. Ubana led the invocation.

II. NOTICE AND QUORUM:

The President certifies that notice of the meeting had been duly sent and that a quorum is present to conduct business.

III. CALL TO ORDER:

President Susan E. Pajalla, after determination of the presence of a quorum called the meeting to order at 10:00 A.M.

55 IV. READING OF THE MINUTES OF THE PREVIOUS BOARD MEETING

56
57 The Secretary read the minutes of the previous meeting. After being no correction or
58 clarification being raised, the President declared the minutes of February 23, 2024 Regular Board
59 Meeting stand approved as read.

60
61 V. MATTERS ARISING FROM THE PREVIOUS MINUTES

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63 General Manager Concepcion highlighted that during the previous meeting the board
64 authorized KGI-MBA in the submission of report (*i.e., basic data of members*) required by the
65 Credit Information Corporation (CIC).

66 That upon attending the recent CIC training, KGI-MBA confirmed that the mandatory
67 submission of report to CIC specifically referred to the members (*borrowers*) credit history and
68 information.

69 That upon the query raised by the association on the said training (*i.e., to shed light on the*
70 *submission of report since the association do not offer credit facility*) KGI-MBA was advised by
71 the CIC to elevate it concern directly to their Compliance Monitoring department.

72 That for purposes of clarification, KGI-MBA immediately sent an inquiry to the CIC
73 Compliance Monitoring regarding the foregoing concern.

74 That based on the information provided by the association, the compliance monitoring
75 clarified that the association is not required to register as submitting entity and report basic credit
76 data to the CIC because no loans or credit facilities are being offered to the members.

77 Upon the question raised by Trustee Reyes Jr., Mrs. Concepcion explained that KGI-MBA
78 is not prohibited to provide credit facility/ies to the members, that the association may offer loan/s
79 in a form of equity loans.

80 That the discussion about CIC is on the mandatory submission of borrower's basic credit
81 data which is categorically falls under the credit facilities offered by the MFIs.

82
83 VI. UNFINISHED BUSINESS

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85 There was no old business brought to the board.

86
87 VII. MANAGEMENT REPORT

88
89 ➤ BUSINESS PLAN ACHIEVEMENT

90
91 Bookkeeper Cristalyn Estel presented the First Quarter Business Plan Assessment. The complete
92 report is attached as ANNEX "B" and made as integral part of this minutes.

93
94 The Bookkeeper assessed the highlights and trends on the target versus the actual
95 achievement on membership (active members, net members, recognized, drop-out), collection,
96 benefit/underwriting expense, expenses, income and reserves.

97 Thereafter, the overall analysis for the First Quarter Business Plan Achievement was
98 presented to the board.

99 That in membership, the association failed to hit the target outreach, the total actual current
100 members are 4,195 out of 4,690 target members or 89% of achievement. That there are relatively
101 high rates of membership loss; instead of increasing the members retention, the net members were
102 reduced by 23.

103 That as a result of not hitting the target membership there is 88% achievement in the total
104 collections, the 2.6M actual collection is less than the 3M desired target.

105 That due to scarcity of membership, the 1.3M actual total benefit/underwriting expense is
106 below the 1.8M desired target or 72% achievement.

107 Bookkeeper Estel explained that although the dropped claims positively influenced the
108 income statement due to cost efficiency, however, it negatively affected the incurred claims ratio
109 indicators.

That the operating costs were well managed this year, the 1.2M actual expenses is below the 1.3M target or 92% achievement, signifying the substantial amount saved in the operating cost of KGI-MBA.

To end her report, Bookkeeper Estel stated the decreased number of insurance claims has direct correlation in the result of operation, it positively affected the income statement.

That the actual net income of 45,503.64 for the first quarter exceeded the target which is expected to be negative -210,222.42.

At this moment, President Pajalla invited questions and comments from the floor and there being none, thereafter, Trustee Flores moved the acceptance and approval of the First Quarter Business Plan Achievement for the year 2024 as presented.

Upon motion made by Trustee Flores duly seconded and approved by the members assembled, the Board unanimously approved:

***Resolution No. 12-2024
A Resolution Adopting the First Quarter
Business Plan Achievement
for the Year 2024***

VIII. ADJOURNMENT

There being no other matter to discuss the meeting was adjourned at 11:25 A.M., May 2, 2024.

Prepared by:



Ms. CARMi G. MULI
Corporate Secretary

Certified by:




Mrs. CATHERINE B. UBANA
Board Secretary


Attested by:




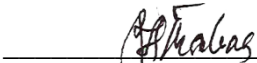
Mrs. SUSAN PAJALLA
President

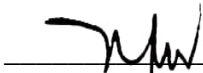
Read, Signed and Approved by:


Mrs. RUBYLYN ESTONG
Vice President, Board of Trustees


Dr. RICARDO S. REYES JR.
Member, Board of Trustees


Mrs. ROSEMARIE B. PETILO
Treasurer, Board of Trustees


Mrs. PIEDAD D. MATIAS
Member, Board of Trustees


Mrs. NANCY T. FLORES
Member, Board of Trustees