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**MINUTES OF THE MEETING**  
**1CISP 46<sup>TH</sup> ANNUAL GENERAL ASSEMBLY**  
**Held on July 25, 2020 via Zoom App**

**Attendees:**

1. 1CISP Member-Shareholders
2. Board of Directors
3. Cooperative Officers
4. Committee Members
5. Management and Staff
6. Sales and Marketing Team
7. External Auditors and guests

**PART I - REGISTRATION**

- A. Registration of participants started at 7:00 a.m.

**PART II – OPENING CEREMONIES**

- A. Opening Prayer led by Fr. Antonio Cecilio T. Pascual, 1CISP Board of Director
- B. National Anthem (AVP and music-guided)
- C. Cooperative Pledge led by Ms. Anna Marin B. Crisolo, 1CISP MIS Head/Board Secretariat.
- D. Singing of 1CISP Hymn (AVP and music-guided)
- E. Acknowledgement of 1CISP member-shareholders, board of directors, cooperative officers, committee members, management and staff, sales and marketing team and guests.
- F. Presentation of House Rules (AVP and music-guided)

**PART III – BUSINESS PROPER**

**I. CALL TO ORDER**

Chairperson BGen. Teodoro P. Evangelista AFP (Ret), called the meeting to order at 09:15a.m.

**II. PROOF OF DUE NOTICE**

As proof of due notice, Co-operative Secretary, Atty. Lyman A. Manzanares informed the general assembly that pursuant to Article VI Section IV of the 1CISP By-Laws, the notice for the annual general assembly together with the agenda, minutes of the meeting of the last GA and e-copy of annual reports were sent electronically to member-shareholders on July 14, 2020, ten (10) days prior to the virtual general assembly meeting.

53 **III. DETERMINATION OF QUORUM**  
54

55 Atty. Manzanares certified that 1CISP is compliant with Article VI Section VI of the By-Laws  
56 wherein out of 417 member-shareholders representing **16,360,509** shares, there are 42  
57 member-shareholders present representing **12,804,682** shares which is equivalent to 78% of  
58 the total capital shares of 1CISP. Accordingly, a quorum was present to hold the 46<sup>th</sup> Annual  
59 General Assembly. (See Annex A – List of Cooperatives present during determination of  
60 quorum)  
61

62 **IV. APPROVAL OF THE AGENDA FOR THE 46<sup>TH</sup> ANNUAL GENERAL**  
63 **ASSEMBLY**  
64

65 No other comments or questions were raised therein. Thus, Mr. Garibaldi O. Leonardo of  
66 Cooperative Health Management Federation, moved for the approval of the agenda, duly  
67 seconded by Ms. Maria Corazon E. Vispo of Basud Development Cooperative. Thus, the  
68 following Resolution was adopted, to wit:  
69

70 **G.A. RESOLUTION NO. 01 S. 2020**  
71

72 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED** that the agenda  
73 of today's 46<sup>th</sup> Annual General Assembly/Shareholders Meeting of  
74 1 Cooperative Insurance System of the Philippines Life and General  
75 Insurance (1CISP) dated July 25, 2020, as presented,  
76

77 **BE, AS IT IS HEREBY, APPROVED.**  
78

79 **V. PRESENTATION OF ELECTION GUIDELINES**  
80

81 Mr. Danilo M. Capili, ELECOM Chairperson, informed the general assembly that a copy of  
82 the election guidelines was sent electronically prior to the meeting. He presented the  
83 addendum to the election rules and recommended to the general assembly the adoption of  
84 the said addendum, as follows:  
85

86 **Rules on Protests:**

- 87 1. Only written protests will be entertained and should be duly received within 5  
88 calendar days after the conduct of elections.
- 89 2. The ELECOM must act upon the written protest within 15 days upon receipt.
- 90 3. Due process shall be observed at all times.  
91

92 After the presentation, Mr. Mario F. Jaraula of Amoros Farmers MPC, moved for the  
93 adoption of the addendum to the election guidelines. However, there have been questions  
94 raised from the body.  
95

96 **Questions:**

- 97 1. Mr. Isagani B. Daba of First Community Cooperative asked from the ELECOM –  
98 would it be fair enough if acceptance of candidates be done one month before the  
99 assembly and ELECOM will announce it to all the members specifying if there are  
100 questions as to the character of a certain candidate? Then, members may raise it before  
101 finalizing the approval?
- 102 2. Mr. Isagani B. Daba commented that it will be unfair to the candidates if the addendum  
103 to the election guidelines is adopted. He said that if the application for candidacy is

104 already processed and approved by the ELECOM, can the committee also overturn the  
105 decision of the general assembly?

- 106 3. Mr. Isagani B. Daba asked what if the ELECOM will decide one way or the other, and  
107 the party complaining is not satisfied with the decision, what actions shall be taken?  
108 4. Ms. Susan P. Ybanez of Consolidated Cooperative Bank asked the ELECOM if is it  
109 appropriate to make an addendum to the election guidelines on the day of the general  
110 assembly. She also added that the addendum may be implemented on the next general  
111 assembly since it will be unfair to the winning candidate if he/she will be contested  
112 afterwards. She also stated that protest should be done before the election.

113  
114 **Discussions:**

- 115 1. Mr. Capili said that the proposed addendum to the election guidelines is to complete the  
116 process whenever there is a protest and it is in accordance with the By-Laws. He assured  
117 that if the addendum is adopted, fairness will be practiced by the ELECOM and due  
118 process will be observed at all times. He also said that the addendum is to resolve issues  
119 and conflicts first within 1CISP and protest can be done before or after the election.  
120 2. Mr. Capili replied that the ELECOM may overturn the decision/votes of the general  
121 assembly.  
122 3. Mr. Capili stated that the issue/protest maybe elevated to the higher governing body,  
123 the Cooperative Development Authority (CDA) if the decision of the ELECOM is  
124 unfavorable to involved parties.  
125 4. Atty. Manzanares was requested to expressed his opinion by the ELECOM on the issue.  
126 Atty. Manzanares explained that based on rule 7 of 9520 and 1CISP By-Laws, election-  
127 related controversies are handled by the Election Committee and have the ability to  
128 decide. The final arbiter is the Election Committee. He further mentioned that either of  
129 the involved parties can go directly to the CDA. The general assembly only elects the  
130 board of director. However, election-related cases are definitely different issue. And as  
131 far as the legal is concern, they have expressed their opinion on the issue due to the fact  
132 that the addendum to the election guidelines is for general application and not for a  
133 particular case. Due process will be observed if the addendum will be considered.

134  
135 Mr. Eduardo G. Martinez of Bukidnon Community Cooperative commented that the  
136 questions/discussions had already prolonged the proceedings. He said that the approved  
137 agenda are the only items to be discussed and no additional topics (ie. addendum) should be  
138 presented during the assembly.

139  
140 Upon due deliberation, Ms. Marcosa B. Dela Cruz of Surallah North District Public School  
141 Teachers MPC, moved for the approval of the addendum to the election guidelines, duly  
142 seconded by Ms. Marites M. Bartolome of Mariveles Public Market Development  
143 Cooperative. But there has been an objection from Mr. Jaysan Ray N. Chee of Xavier  
144 University Community Credit Cooperative. Thus, the ELECOM Chairperson declared a  
145 division of the house.

146  
147 Casting of votes done thru google form and link was shared via zoom chatbox. After which,  
148 the ELECOM announced the voting results, as follows:

149  
150 Voting results on the approval of the addendum to the election guidelines:

- 151 ■ In favor – 455,444 shares votes
- 152 ■ Not favor – 1,086,178 shares votes

153  
154 Therefore, the addendum to the election guidelines was disapproved.  
155

156 **VI. ELECTION PROPER**

157

158 ELECOM Chairperson, Mr. Danilo M. Capili turned over the floor to Mr. Frederico A.  
159 Blanco, ELECOM Secretary, for the election proper. Mr. Blanco announced the election  
160 for the following vacant positions:

- 161     ▪ 4 Regular Members of the Board of Directors
- 162     ▪ 2 Members of the Election Committee
- 163     ▪ 2 Members of the Audit and Inventory Committee

164

165 **For Regular Members of the Board of Directors:**

166

167 <b>Name of Candidates</b>	<b>Cooperative Represented</b>
168 1. Mr. Roberto C. Mascariña	Barangka Credit Cooperative
169 2. BGen. Lorenzo R. Sumicad AFP (Ret)	ACDI Multipurpose Cooperative
170 3. Mr. George J. Pupa	USPD Savings and Credit Cooperative
171 4. Mr. Isagani B. Daba	First Community Cooperative

172

173 **For Audit & Inventory Committee:**

174

175 <b>Name of Candidates</b>	<b>Cooperative Represented</b>
176 1. Ms. Wilma L. Gidaya	Immaculate Conception Parish Development 177 Cooperative
178 2. Mr. Jaysan Ray N. Chee	Xavier University Community Credit Cooperative
179 3. Mr. Jerson S. Remo	Silangan MPC

180

181 **For Election Committee:**

182

183 <b>Name of Candidate</b>	<b>Cooperative Represented</b>
184 1. Mr. Danilo M. Capili	Parole & Probation Administration MPC

185

186 Notes:

- 187 1. All candidates were given chance to introduce themselves to the general assembly.
- 188 2. A video presentation of the voting system was presented to the general assembly.
- 189 3. Voting link was shared and sent via zoom chatbox.
- 190 4. Proclamation of winners was announced after the acknowledgement of top premium  
191 contributors.

192

193 **VII. APPROVAL OF MINUTES OF THE MEETING OF THE 45<sup>TH</sup> ANNUAL**  
194 **GENERAL ASSEMBLY MEETING**

195

196 Considering that the minutes of the meeting of the 45<sup>th</sup> Annual General Assembly was sent  
197 in advance to member-shareholders, Ms. Marilou R. Llawan of San Jose MPC moved for the  
198 dispensation of the reading of the minutes, duly seconded by Mr. Jaysan Ray N. Chee of  
199 Xavier University Community Credit Cooperative. Thus, the following Resolution was  
200 approved, to wit:

201

**G.A. RESOLUTION NO. 02 S. 2020**

202

203 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the  
204 member-shareholders approve the dispensation of the reading of the  
205 minutes of the meeting of the 45<sup>th</sup> Annual General Assembly, as presented,

206

207 **BE, AS IT IS HEREBY, APPROVED.**

208 No further corrections or other comments were raised therein. Consequently, Ms. Marilou  
209 R. Llawan of San Jose MPC, moved for the approval of minutes of the meeting of the 45<sup>th</sup>  
210 Annual General Assembly, duly seconded by Ms. Elizabeth G. Gabutin of Guadalupe  
211 Community MPC. Thus, the following Resolution was adopted, to wit:

212  
213 **G.A. RESOLUTION NO. 03 S. 2020**

214  
215 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that the  
216 member-shareholders approve the minutes of the meeting of the 45<sup>th</sup>  
217 Annual General Assembly, as presented,

218  
219 **BE, AS IT IS HEREBY, APPROVED.**

220  
221 Note: There is no other matters arising from the minutes of the meeting.  
222

223 **VIII. CONFIRMATION OF THE BOARD RESOLUTIONS FOR YEAR 2019**

224  
225 Atty. Manzanares informed the General Assembly that the acts of the Board of Directors  
226 are expressed in Board Resolutions that they promulgated, starting with resolution number  
227 001 dated January 25, 2019 and ended with board resolution number 215 dated December  
228 18, 2019, for a total of 215 board resolutions.

229  
230 There are approximately eighteen (18) board resolutions per month. Summarized as follows:

- 231 ▪ 20 Solidarity and membership resolutions
- 232 ▪ 26 Strategic, governance, legal and rules resolutions
- 233 ▪ 20 Property-related resolutions
- 234 ▪ 20 Project resolutions
- 235 ▪ 70 Operations, finance and admin resolutions
- 236 ▪ 12 Training and development and research resolutions
- 237 ▪ 27 Cooperative investment, deposits and support resolutions
- 238 ▪ 13 HR, marketing and incentive resolutions
- 239 ▪ 7 Designation resolutions

240  
241 Accordingly, Mr. Rogelio G. Decal of Safer Credit Cooperative, moved for the approval of  
242 the Board Resolutions for year 2019, duly seconded by Ms. Virgie D. Silawan of Samal Island  
243 MPC. Thus, the following Resolution was approved, to wit:

244  
245 **G.A. RESOLUTION NO. 04 S. 2020**

246  
247 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that all  
248 Resolutions adopted and/or approved by the Board of Directors for  
249 Calendar Year 2019, as presented,

250  
251 **BE, AS THEY ARE HEREBY, APPROVED.**

252  
253 **IX. APPROVAL OF ANNUAL REPORTS**

254  
255 **A. Joint Report of the Board of Directors and Management for 2019**

256  
257 With the aid of audio-visual presentation, a decade report was presented to the general  
258 assembly. Its full text was included in the Annual Report, highlights of which are as follows:  
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## **Ten-Year Review of the Organization**

- In 2010, 1 CISP was a home to 61 employees. It was also in the same year when the first area office in Region 3 was inaugurated in Pampanga.
- In 2011, the number of employees has increased to 84. The Davao City Area Office was inaugurated to keep focus on the growing business in Mindanao. 1CISP was once again recognized by the Insurance Commission as one of its Microinsurance partners and providers.
- In 2012, From 84, the number of employees was reduced to 80 as 1CISP has faced one of its biggest challenges in capital deficiency. Yet in this year, the organization still managed to secure approval for its 4 new products.
- In 2013, the capital has been written down. 1 CISP paid the employees who resigned, retired and got separated from the organization due to financial loss. These event brought down the number of employees from 80 to 33.
- After 2 years of consecutive losses, 1 CISP proves that good intentions can never go wrong as it made a huge turn-around in the year 2014. This was justified by the P62.02million net surplus with a dividend rate of 13%. The organization had 39 employees at the time.
- In 2015, as its net surplus continued to increase as well as its number of employees, 1CISP took part in the celebration of the Philippine Cooperative Centennial Year at the Philippine Trade Training Center as one of the major sponsors.
- In 2016, 1CISP gave focus on the training of its employees by participating in the Technical Working Group on Distribution Channels & Consumer Protection for Microinsurance. 1CISP's 42nd Annual General Assembly was held in Cebu. Eight CSR activities were also conducted.
- In 2017, 1CISP participated in 7 (seven) international trainings and for the first time in 1CISP history, the team building happened in Hong Kong.
- Year 2018 has brought many changes in the organization.
  - 1CISP secured its license from the Insurance Commission to operate as Life and General Insurance.
  - 1CISP amended its name to 1 Cooperative Insurance System of the Philippines Life and General Insurance or 1CISP.
  - 1CISP rebranded its logo which signifies the six pillar.
  - 1CISP launched three (3) trailblazing projects: Coop Kicks, 1 Koop Leaders Academy and 1 Koop Mart.
  - 1CISP shared its new advocacy: “A Prosperous Philippines is a Cooperative Philippines.”
  - 1CISP's 44th Annual General Assembly was conducted for 2 days in Pampanga with the theme, "Leadership and Innovation: Sustaining Growth, Empowering Communities.”
  - 1CISP's second international team building was held in Bangkok, Thailand.
  - 1CISP became a platinum sponsor in the 14th National Cooperative Summit

## **Ten-Year Financial Highlights, 2010-2019**

From its ups and downs, 1CISP is more than grateful that in the year 2019, it has recorded another milestone as it breached its three-billion peso mark in assets in the fourth quarter of 2019. The total assets at the end of 2019 has reached P3.20 billion, a hefty 34.6% increase from previous year's 2.57billion.

1CISP ended 2019 with a record-high growth in terms of gross premiums. For the first time in the coop's financial history, the first billion-peso mark in gross premiums has been

312 recorded in the amount of 1.20B. This only shows the continued trust and confidence of  
313 the members in the fastest-growing insurance cooperative in the country.

314  
315 This year has also seen a rise in brand loyalty, where the members felt engaged and they also  
316 helped in our insurance campaigns. This is proven by the 267 new cooperatives which  
317 represents the 115% membership growth. 1CISP enters the Year 2020 with a total of 3,467  
318 member-cooperatives all over the country.

319  
320 On the same year, 1CISP has paid 13,048 number of claims in Life Division and 625 in Non-  
321 life Division. A total amount of P371.41M amount of claims was released for both Life and  
322 Nonlife.

323  
324 Another milestone for 1CISP for the Year 2019 was the inauguration of its branch office in  
325 Cagayan De Oro. This aims to bring a more efficient and effective service to coop-members  
326 in Mindanao.

### 327 **Human Resource Development**

- 328  
329
- 330 ■ 1CISP has embraced its diverse workforce. 1CISP's manpower is composed of 34.20%  
331 male, 64% female, and 1.80% from the LGBTQ community. 73.50% of 1CISP's  
332 manpower represents the millennial generation, 12.40% in Generation X, 8% in  
333 Generation Z and 6.1 % in Baby Boomers.
  - 334 ■ To further enhance the capacity development of its employees, 1CISP implemented a  
335 comprehensive and holistic program that is expected to enhance the skills and capabilities  
336 of its personnel. A total of 42 local and 13 international trainings, seminars, workshops,  
337 and conferences were attended by the Board of Directors, top management, department  
338 managers, supervisors, rank and file personnel, and marketing team, to update and  
339 upgrade their knowledge and proficiencies to contribute to operational excellence.
  - 340 ■ 1CISP also offers a fun and engaging work environment to motivate their employees,  
341 marketing personnel, Board of Directors and committees to be more productive and  
342 efficient.
- 343

### 344 **Customer Service Associate**

345  
346 As a way of giving back to the communities, 1CISP has conducted 32 Corporate Social  
347 Responsibilities in the past 10 years and 2.67M sponsorships across the region.

### 348 **Linkages and Networks**

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350  
351 Over the years, 1CISP has also established strong partnerships with various local and  
352 international organizations to be more effective in providing the needs of its members.

353  
354 All the accomplishments for the past ten years were products of the continuous guidance of  
355 the Board of Directors and Senior Management, dedication and commitment of the  
356 employees and the unending support from its members.

### 357 **Question:**

- 358  
359 1. Mr. Rogelio G. Decal of Safer Credit Cooperative said that the Joint Report was a good  
360 presentation of the performance of 1CISP from 2010 up to 2019. However, he asked  
361 how would the three (3) bottom-line (people, profit, community participation) affected  
362 by the pandemic and how 1CISP address the challenges for this year and for the coming  
363 years.

364 **Discussion:**

- 365 1. Chairperson BGen. Evangelista said that all businesses nowadays are really affected by  
366 the pandemic. But some organizations are able to maintain its stability during this time.  
367 He shared to the general assembly that 1CISP's liquidity is remarkable and very  
368 compliant with the capital requirement. 1CISP even gave a 2-months extension loan  
369 coverage to its patronizing members. The profitability for the year will probably affected  
370 but compare to other industries/competitors, 1CISP is well ahead of the competition.  
371 Also, a recovery plan will be presented to the general assembly.  
372

373 Consequently, Mr. Gil C. Gilot of PERA MPC, moved for the approval of the Joint Report  
374 of the Board of Directors and Management detailing the results of 1CISP's operation for  
375 year 2019, duly seconded by Nicolas M. Valentin of Barbaza MPC. Thus, the following  
376 Resolution was approved, to wit:  
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378 **G.A. RESOLUTION NO. 05 S. 2020**

379  
380 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the Joint  
381 Report of the Board of Directors and Management detailing the results of  
382 1CISP's operation for the Year 2019, as presented and discussed,  
383

384 **BE, AS IT IS HEREBY, APPROVED.**  
385

386 **B. Audited Financial Statement for 2019**  
387

388 With the aid of powerpoint presentation, the Audited Financial Statement (AFS) as of  
389 December 31, 2019 was presented to the general assembly by EVP/COO Cecilia M. Laguna.  
390 Its full text was included in the Annual Report, highlights of which are as follows:  
391  
392

**Statement of Financial Condition**

ACCOUNTS	2019	VA	2018	VA	Inc. (Dec.)
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	P1,598,897,904	48.94%	P 1,074,142,094	41.88%	48.85%
Short-term Investments	273,054,311	8.36%	464,440,558	18.11%	-41.21%
Insurance Receivables	73,990,079	2.26%	51,909,947	2.02%	42.54%
Reinsurance Assets	71,529,266	2.19%	40,179,634	1.57%	78.02%
Financial Assets at cost	38,780,000	1.19%	71,861,549	2.80%	-46.04%
Financial Assets at amortized cost	125,111,904	3.83%	56,342,251	2.20%	122.06%
Financial Assets at FV through P&L	42,762,032	1.31%	24,167,226	0.94%	76.94%
Loans and Receivables	89,849,762	2.75%	93,944,520	3.66%	-4.36%
Other Current Assets	27,583,174	0.84%	12,071,616	0.47%	128.50%
<b>Total Current Assets</b>	<b>P2,341,558,432</b>	<b>71.67%</b>	<b>P1,889,059,395</b>	<b>73.64%</b>	<b>23.95%</b>
<b>Noncurrent Assets:</b>					
Financial Assets at amortized cost	P 148,701,751	4.55%	P 187,903,093	7.33%	-20.86%
Financial Assets at cost	228,209,465	6.98%	72,113,062	2.81%	216.46%
Loans Receivables	294,959,936	9.03%	319,810,785	12.47%	-7.77%
Property and Equipment					
At revalued amount	43,677,083	1.34%	37,745,746	1.47%	15.71%
At cost	182,436,101	5.58%	36,370,862	1.42%	401.60%
Advances to Contractors	27,703,174	0.85%	22,086,188	0.86%	25.43%



ACCOUNTS	2019	VA	2018	VA	Inc. (Dec.)
<b>Total Noncurrent Assets</b>	<b>925,687,510</b>	<b>28.33%</b>	<b>676,029,736</b>	<b>26.36%</b>	<b>36.93%</b>
<b>TOTAL ASSETS</b>	<b>P3,267,245,942</b>	<b>100%</b>	<b>P2,565,089,131</b>	<b>100%</b>	<b>27.37%</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>					
<b>Current Liabilities:</b>					
Insurance Contract Liab.	611,886,808	18.73%	423,132,847	16.50%	44.61%
Due to Re-insurers	83,716,586	2.56%	29,935,663	1.17%	179.66%
Dividend and Patronage Refund Payable	298,994,223	9.15%	229,898,307	8.96%	30.05%
Loans Payable	130,000,000	3.98%	-	0.00%	
Other Current Liabilities	<u>291,775,315</u>	<u>8.93%</u>	<u>168,096,442</u>	<u>6.55%</u>	<u>73.58%</u>
<b>Total Current Liabilities</b>	<b>1,416,372,932</b>	<b>43.35%</b>	<b>851,063,259</b>	<b>33.18%</b>	<b>66.42%</b>
<b>Noncurrent Liability:</b>					
Retirement Liability	<u>15,624,906</u>	<u>0.48%</u>	<u>7,729,472</u>	<u>0.30%</u>	<u>102.15%</u>
<b>TOTAL LIABILITIES</b>	<b>P1,431,997,838</b>	<b>43.83%</b>	<b>P858,792,731</b>	<b>33.48%</b>	<b>66.75%</b>
<b>Members' Equity:</b>					
Share Capital	P 1,646,168,400	50.38%	P 1,262,740,100	49.23%	30.36%
Deposit for Share Capital Subscription	-		287,894,966	11.22%	-100.00%
Contributed Surplus	85,298	0.00%	85,298	0.00%	0.00%
Revaluation Surplus	12,081,337	0.37%	6,150,000	0.24%	96.44%
<b>Statutory Funds:</b>					
General Reserve Fund	110,553,058	3.38%	81,862,037	3.19%	35.05%
Optional Fund	32,567,166	1.00%	29,698,064	1.16%	9.66%
Cooperative Education and Training Fund	20,094,485	0.62%	20,952,346	0.82%	-4.09%
Community Development Fund	13,698,360	0.42%	16,913,589	0.66%	-19.01%
<b>Total Equity</b>	<b>1,835,248,104</b>	<b>56.17%</b>	<b>1,706,296,400</b>	<b>66.52%</b>	<b>7.56%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>P3,267,245,942</b>	<b>100%</b>	<b>P2,565,089,131</b>	<b>100%</b>	<b>27.37%</b>
<b>REVENUE:</b>					
Gross Premium Written	P 1,234,337,280	117.96%	801,214,096	113.88%	54.06%
Reinsurer's Share on Gross Premiums Written	<u>(162,492,629)</u>	<u>-15.53%</u>	<u>(84,736,421)</u>	<u>-12.04%</u>	<u>91.76%</u>
<b>Net Insurance Premium Written</b>	<b>1,071,844,651</b>	<b>102.43%</b>	<b>716,477,675</b>	<b>101.84%</b>	<b>49.60%</b>
<b>Change in:</b>					
Reserve for Unearned Premiums	(31,215,566)	-2.98%	(21,309,790)	-3.03%	46.48%
Deferred Re-insurance Premiums	<u>5,745,412</u>	<u>0.55%</u>	<u>8,367,827</u>	<u>1.19%</u>	<u>-31.34%</u>
<b>Net Insurance Premiums Earned</b>	<b>1,046,374,497</b>	<b>100.00%</b>	<b>703,535,712</b>	<b>100.00%</b>	<b>48.73%</b>
Interest Income	59,425,499	5.68%	38,845,291	5.52%	52.98%
Other Income	<u>8,440,416</u>	<u>0.81%</u>	<u>3,783,227</u>	<u>0.54%</u>	<u>123.10%</u>
<b>NET REVENUE</b>	<b>P 1,114,240,412</b>	<b>106.49%</b>	<b>746,164,230</b>	<b>106.06%</b>	<b>49.33%</b>
<b>BENEFITS, CLAIMS AND EXPENSES:</b>					
Benefits and Claims Expenses	P 371,408,979	35.49%	P 247,156,033	35.13%	50.27%
Collection Costs	109,589,356	10.47%	64,356,866	9.15%	70.28%

ACCOUNTS	2019	VA	2018	VA	Inc. (Dec.)
Salaries and Benefits	100,355,768	9.59%	59,035,907	8.39%	69.99%
Increase in Reserves for Life Policies	85,100,000	8.13%	67,300,000	9.57%	26.45%
Commission Expense	79,597,928	7.61%	50,842,149	7.23%	56.56%
General and Administrative Expenses	69,583,891	6.65%	36,894,346	5.24%	88.60%
Interest Expense	6,649,482	0.64%	-	0.00%	
Depreciation Expense	5,044,795	0.48%	4,500,682	0.64%	12.09%
	827,330,199	79.07%	530,085,983	75.35%	56.07%
<b>NET SURPLUS</b>	<b>P 286,910,213</b>	<b>27.42%</b>	<b>P 216,078,247</b>	<b>30.71%</b>	<b>32.78%</b>

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**Question:**

1. Mr. Isagani B. Daba of First Community Cooperative asked if R&B is already merged with 1CISP. Is the investment of FICCO and R&B counted in the book of accounts of 1CISP?

**Discussions:**

1. Chairperson BGen. Evangelista said that the Board and Management are doing their best so that the transfer will be unquestionable and all legalities will be duly covered. However, 1CISP is waiting for the approval from Securities and Exchange Commission (SEC) and currently working on some legalities. Perhaps, the next set of Board will expedite the process. Nevertheless, there have been some transfer of funds of R&B to 1CISP to accommodate the members in patronizing non-life products but still accounted as liabilities in the book of accounts of 1CISP. The amount is placed in a time deposit to a universal bank with approximately 3-4.5% earning interest.
2. President Miclat explained that the transfer of funds or investment of R&B which is owned by First Community Cooperative, was stalled due to the objection of the CDA because in the 9520, they are invoking that merger among cooperative and corporation is not stated in the law. Thus, there is a need to get clarification from the SEC and Insurance Commission (IC) if it is allowed. Therefore, they will rule based on the agreement of the three (3) institutions (CDA, SEC, IC). Thus, the transfer of funds is stalled but portion of the funds is intended for infusion to 1CISP. Infusion coming R&B was made but it was accounted as liability in the portion of 1CISP because of potential violation in terms of regulatory and compliance issues.
3. President Miclat also mentioned that R&B has ceased operation and ended its corporate life in 2018. But 1CISP still have to comply with the regulatory issues from the SEC. 1CISP should inform SEC the ended operation of R&B. Therefore, merger of R&B and 1CISP would be faster – it was the solution offered by SEC and CDA – to dissolve R&B. But there’s no need now to dissolve because its operation was ended 2018. It will be more easier to transfer the assets and liabilities of R&B to 1CISP. President Miclat looked forward that the new Board will take the post in terms of uniting CDA, SEC and IC to accept the transfer of assets and liabilities within the year. He also mentioned that the Board of Directors of 1CISP did not opposed the transfer but they were hampered by regulatory and compliance issues.
4. Mr. Daba mentioned that the merger of FICCO MBA (which is a corporation) and 1CISP in the previous years was done smoothly. He believed that this can be done as well with the merger of R&B and 1CISP.

Consequently, Nicolas M. Valentin of Barbaza MPC, moved for the approval of the 2019 Audited Financial Statements, duly seconded by Ms. Virgie D. Silawan of Samal Island MPC. Thus, the following Resolution was approved, to wit:

**G.A. RESOLUTION NO. 06 S. 2020**

**BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the Audited Financial Statements of 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) for Calendar Year ended December 31, 2019, as presented to, and discussed by, the General Assembly,

**BE, AS IT IS HEREBY, APPROVED.**

**C. Approval of Budget for 2020**

With the aid of powerpoint presentation, the operating budget for calendar year 2020 was presented to the general assembly by EVP/COO Cecilia M. Laguna. Highlights of which are as follows:

**1CISP Life And General Insurance  
Operating Budget For 2020**

<b>ACCOUNTS</b>	<b>ACTUAL 2019</b>	<b>VA</b>	<b>BUDGET 2020</b>	<b>VA</b>	<b>% INC (DEC)</b>
<b>REVENUE:</b>					
Gross Premium	P1,234,337,280	115.16%	P1,117,700,000	114.74%	(9.44%)
Reinsurer's share	<u>(162,492,629)</u>	<u>(15.16%)</u>	<u>(143,600,000)</u>	<u>(14.74%)</u>	<u>(11.62%)</u>
Net Insurance Premium	1,071,844,651	100.00%	974,100,000	100.00%	(9.12%)
Investment Income	59,425,499	5.54%	39,900,000	4.10%	(32.85%)
Other Income	<u>8,440,416</u>	<u>0.79%</u>	<u>14,400,000</u>	<u>1.48%</u>	<u>70.62%</u>
<b>NET REVENUE</b>	<b>P1,139,710,566</b>	<b>106.33%</b>	<b>P1,028,400,000</b>	<b>105.57%</b>	<b>(9.76%)</b>
<b>BENEFITS, CLAIMS &amp; EXPENSES:</b>					
Increase in Legal Policy Reserves	110,570,154	10.32%	85,200,000	8.75%	(22.94%)
Benefits and Claims Expenses	371,408,979	34.65%	340,600,000	34.97%	(8.29%)
Total Reserves, Benefits & Claims	481,979,133	44.97%	425,800,000	43.71%	(11.65%)
Collection & Commission Expenses	189,187,284	17.65%	180,700,000	18.55%	(4.48%)
Compensation and Benefits	100,355,768	9.36%	123,200,000	12.65%	22.76%
Utilities Expenses	4,540,044	0.42%	6,500,000	0.67%	43.17%
Depreciation Expenses	5,044,795	0.47%	8,900,000	0.91%	76.41%
Postage, Telephone & Comm.	2,787,905	0.26%	3,800,000	0.39%	36.30%
Travelling Expenses	4,012,297	0.37%	5,100,000	0.52%	27.12%
Professional, Legal & Audit Fees	6,992,379	0.65%	8,400,000	0.86%	20.14%
Printing, Stationery and Supplies	2,737,297	0.26%	3,600,000	0.37%	31.53%
Officers' Honorarium	3,002,620	0.28%	5,300,000	0.54%	76.55%
Conferences & Sales Meetings	3,534,166	0.33%	3,700,000	0.38%	4.70%
Representation & Entertainment	1,881,935	0.18%	2,800,000	0.29%	48.78%
Membership Fees and Assoc. Dues	827,768	0.08%	1,500,000	0.15%	81.20%
Board Expenses	3,225,878	0.30%	3,500,000	0.36%	8.49%

ACCOUNTS	ACTUAL 2019	VA	BUDGET 2020	VA	% INC (DEC)
General Assembly Expenses	4,987,791	0.47%	2,800,000	0.29%	(43.87%)
Provisions for Loan Losses	20,000,000	1.87%	15,500,000	1.59%	(22.50%)
Advertising/Donation Expenses	3,026,102	0.28%	3,600,000	0.37%	18.97%
Business Development Expenses	529,200	0.05%	1,000,000	0.10%	88.96%
Interest Expense	6,649,482	0.62%	-	0.00%	-
General and Administrative Expenses	7,498,510	0.70%	2,700,000	0.28%	(63.99%)
	852,800,353	79.56%	808,400,000	82.99%	(5.21%)
<b>NET SURPLUS</b>	<b>P 286,910,213</b>	<b>26.77%</b>	<b>P 220,000,000</b>	<b>22.58%</b>	<b>(23.32%)</b>

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### Capital Outlay Budget For 2020

<b>Computer/IT Equipment</b>	<b>Amount</b>	<b>Qty</b>	<b>Total</b>
Desktop/Laptop	40,000.00		
Head Office (Vacant Position)		22	880,000.00
Branch Office		28	1,120,000.00
Printer	10,000.00		
Head Office		5	50,000.00
Branch Office		2	20,000.00
Regions		5	50,000.00
Router	10,000.00	3	30,000.00
Software for ICARD			250,000.00
Integrated System			35,000,000.00
Projector	50,000.00	4	200,000.00
Sophos Cloud Endpoint Protection Adv. (Anti-virus)			200,000.00
Integrated Software (Branch Office & Non-Life)			5,000,000.00
Server	300,000.00		
Head Office		2	600,000.00
Branch Office		3	900,000.00
Sub-Total			44,300,000.00
<b>Office Equipment</b>	<b>Amount</b>	<b>Qty</b>	<b>Total</b>
Aircon (Inverter)	70,000.00		
Head Office		7	490,000.00
Branch Office		6	420,000.00
Regional Office		3	210,000.00
Emergency Light	5,000.00	11	55,000.00
Photocopying Machine			
Head Office		1	100,000.00
Branch Office		3	300,000.00
Sub-Total			1,575,000.00
<b>Office Furniture &amp; Fixtures</b>	<b>Amount</b>	<b>Qty</b>	<b>Total</b>
Head Office (for the new building)			25,000,000.00
Branch Office (for the newly renovated building)			3,000,000.00
Sub-Total			28,000,000.00

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	<u>Regional Offices</u>	<u>Amount</u>	<u>Qty</u>	<u>Total</u>
488				
489	Clerical Office Chair w/ arm	3,000.00	14	42,000.00
490	Executive Chair w/ arm	4,000.00	14	56,000.00
491	Pedestal Cabinet Model	6,000.00	14	84,000.00
492	Cubicle Table	9,000.00	14	126,000.00
493	Steel Cabinet Brown	13,000.00	14	182,000.00
494	Visitor Chair Black Lobby	2,000.00	14	28,000.00
495	Folding Table	3,000.00	4	12,000.00
496	<u>Records Cabinet OD:96 Hx42 Wx16D</u>	<u>21,000.00</u>	<u>14</u>	<u>294,000.00</u>
497	Sub-Total			824,000.00
498				
499	<u>Building/Improvements</u>			<u>Amount</u>
500	Head Office (newly acquired land)			
501	Construction of Building(Balance)			155,000,000.00
502	Head Office (newly acquired land)			
503	Interior Designer			6,000,000.00
504	Branch Office (CDO)			
505	Minor Repairs			1,000,000.00
506	Branch Office (Davao)			
507	Land			5,000,000.00
508	Building Construction			15,000,000.00
509	Branch Office (Visayas)			
510	Land			5,000,000.00
511	<u>Building Construction</u>			<u>15,000,000.00</u>
512	Sub-Total			202,000,000.00
513				
514	<b>OVERALL TOTAL</b>			<b>276,699,000.00</b>
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**Questions:**

1. Mr. Rogelio G. Decal of Safer Credit Cooperative commented that the previously raised concern on the profit is already answered thru the presentation of EVP/COO Laguna. However, some concerns were raised, as follows:
  - Why is there increase in the reinsurance?
  - Why is there increase in postage, telephone & communication?
  - Why is there increase in transportation considering the new normal?
  - Why is there increase in the honorarium? As per cooperative code, any increase will have to be approved by the general assembly.
  - Lastly, Mr. Decal concurred the budget as far as land-banking is concern wherein acquiring of building, land and office equipment are good investments.
2. Why is there increase in the compensation and benefit? – from Mr. Roger Ocaya of DMPI Employees Credit Cooperative.
3. Is the budget sent earlier along with the notice and audited financial statement? – from Ms. Susan P. Ybanez of Consolidated Cooperative Bank.
4. Is Mr. Decal an incumbent member of the Board of 1CISP? If he is, why is he raising those concerns? Was the budget not presented to the Board for its approval first before presenting it to the assembly? – from Mr. Eduardo Tan of Independent Cooperative Movement of Employees of Davao (INCOME Davao).

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**Discussions:**

1. President Miclat answered to the queries of Mr. Decal, as follows:
  - In terms of community participation and due to the current situation, 1CISP spent P3.5 million as response to the COVID 19 pandemic – P2.5 million of which is given to Philippine Cooperative Center (PCC) to administer the distribution of support to cooperative hospitals and other institutions; while P1 million is directly given to cooperative hospitals and other government hospitals in a form of medical supplies and equipment.
  - President Miclat mentioned that in terms of people – 1CISP maintained its manpower. All employees since the lockdown of March 16 until today who are working from home, are receiving full salaries and benefits while other organization are downsizing their manpower. 1CISP has been responsive in terms of the triple bottom-line, especially when it comes to organizational, governance and management.
  - President Miclat stated that 1CISP is currently discussing with CDA how to support the senior individual members of the cooperatives. 1CISP will be participating to insure 56-99 years old. A new product will be launched this August by 1CISP and CLIMBS.
  - President Miclat explained the increase in the budget for postage, telephone & communication: a) providing internet connection allowance for employees who work from home, b) increasing the band-width and capacity being used, and c) increasing the capacity of participants in zoom app. In terms of travelling expense, this was projected to increase when community quarantine is lifted in some areas. However, this can be reviewed by the next set of Board. In terms of honorarium, the increase is due to the projected non-monetary benefits such as liability and health insurance for the board of directors and shall be charged to board honorarium/expense. He said that the Board did not proposed any increase due to the current situation.
2. President Miclat explained that the increase in compensation and benefit is due to the opening of branches in Davao and Iloilo wherein additional manpower is required and will be deployed in the said branch offices.
3. Chairperson BGen. Evangelista said that the proposed budget was sent thru email 7 days before the assembly. He explained that the Board made a quick review on the original proposed budget and made some adjustments when the GA was scheduled and various board meetings were conducted just to rally the July 25 general assembly. The notice together with the budget were sent at [ccbtiano@yahoo.com.ph](mailto:ccbtiano@yahoo.com.ph) on July 14, 15 and 24. However, Chairperson BGen. Evangelista acknowledged the concern of Consolidated Cooperative Bank – to send the notice and other GA materials as early as possible before the general assembly.
4. Chairperson BGen. Evangelista clarified to the general assembly that Mr. Rogelio Decal was no longer a member of the board of directors of 1CISP. However, Mr. Decal's comments/questions are very valuable in terms of governance issue.
5. Mr. Garibaldi O. Leonardo of Cooperative Health Management Federation commented that the proposed budget could have been more appreciated by the assembly if it had been presented together with a quick presentation on plans and programs for 2020. Chairperson BGen. Evangelista acknowledged the comment of Mr. Leonardo and a recovery plan will be presented to the assembly.

Consequently, Mr. Roberto C. Mascarina of Barangka Credit Cooperative, moved for the approval of the aforesaid appropriations as presented and discussed, duly seconded by Mr. Ricardo S. Justol of SPMC Employees Credit Cooperative. Thus, the following Resolution was adopted, to wit:

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593 **G.A. RESOLUTION NO. 07 S. 2020**  
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595 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that the  
596 proposed Budget for Calendar Year 2020 as presented to, and deliberated  
597 on, by the General Assembly of 1 Cooperative Insurance System of the  
598 Philippines Life and General Insurance (1CISP),  
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600 **BE, AS IT IS HEREBY, APPROVED.**  
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602 **D. Audit Committee Report for 2019**  
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604 With the aid of powerpoint presentation, Ms. Wilma L. Gidaya, Chairperson of the Audit  
605 Committee, presented the report of the committee, stated as follows:  
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- 607
- 608 ■ We have examined the compliance to the industry standards of the 1 Cooperative  
609 Insurance System of the Philippines (1CISP) Life and General Insurance for the year  
610 ending December 31, 2019.
  - 611 ■ Our responsibility is to render a report on the company’s compliance to said standards  
612 based on our examination.
  - 613 ■ In our opinion, based on the report rendered by Reyes Tacandong & Co. and in  
614 accordance with the CDA CAPR and Social Audit, 1CISP obtained the following ratings  
615 for the year ending December 31, 2019.

Reports	Rating	Report Rendered
Financial Statements		Unqualified
CDA CAPR	Satisfactory	
CDA Social Audit	Very Satisfactory	
CDA Performance Audit	Satisfactory	

- 616
- 617 ■ We conducted our examination in accordance with the CDA Cooperative Annual  
618 Progress Report (CAPR), the Guidelines on Social Audit of Cooperatives, ASEAN  
619 Corporate Governance Scorecard and the Audit Report rendered by Reyes Tacandong  
620 & Co.
  - 621 ■ These standards require that we plan and perform the examination to ensure reasonable  
622 assurance about whether the 1CISP Life and General Insurance complies with the  
623 standards set by the governing/regulating agencies.
  - 624 ■ The examination included validating the Cooperative Performance Report,  
625 accomplishing the Social Audit Questionnaires and calculating the points earned by the  
626 1CISP Life and General Insurance based on parameters/criteria set forth under the CDA  
627 and Insurance Commission guidelines.
  - 628 ■ We believe that our examination provided a reasonable basis to render a rating on the  
629 insurance company’s performance.
  - 630 ■ This audit was conducted by the Audit and Inventory Committee:  
631     1. Wilma L. Gidaya, CPA             – Chairperson  
632     2. Marites M. Bartolome, CPA     – Secretary  
633     3. Joel L. Canuel                   – Member  
634

635 No objection or question was raised therein. Consequently, Mr. Jerson S. Remo of Silangan  
636 MPC, moved for the approval of the report of Audit and Inventory Committee, duly  
637 seconded by Ms. Elizabeth G. Gabutin of Guadalupe Community MPC. Thus, the following  
638 Resolution was approved, to wit:

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**G.A. RESOLUTION NO. 08 S. 2020**

**BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the report of the Audit and Inventory Committee on the financial and operations performances of 1CISP for Calendar Year 2019, as presented and discussed,

**BE, AS IT IS HEREBY ACCEPTED AND APPROVED.**

**E. Business Continuity & Recovery Plan for 2020**

With the aid of audio-visual presentation, the business continuity and recovery plan was presented to the general assembly. Its full text was included in the Annual Report, highlights of which are as follows:

The COVID-19 Pandemic’s economic impact has devastated numerous businesses all over the world. Operational limitations were imposed and services were abruptly halted. Although 1CISP has strategically solved the business continuity challenge amidst the pandemic, a recovery plan has to be set to ensure close to normal resumption of business operations by assessing the affected areas and utilizing the necessary tools to fully rehabilitate the cooperative.

**RECOVERY PLAN**

For the cooperative to recover, six (6) aspects of the business must be examined and focused on. These aspects were identified after data has been gathered from all departments using the template provided in the previous page. The following are the 6 aspects and their details:

**A. Timelines, Targets, & Plans**

- An organization-wide review of timelines must be conducted to assess the current status of the company’s undertakings and other matters with a set schedule.
- Targets must be reset to increase the organization’s flexibility to better address the its current and future needs, as well as its issues.
- In addition, plans and goals must be further reviewed and amended if necessary, to meet the set targets.

**B. Sales & Marketing**

- The organization must create strategies and implement activities that will fortify client trust and maximize the current partnerships we have established with other organizations.
- Aggressive promotion of brand, products, and services must be done through the use of technology including digital platforms to increase sales.
- The cooperative must strengthen its product development and sales force.

**C. Finance**

- The cooperative must adjust the budget and allot funds for business continuity.
- Cost-efficient measures must be implemented to further improve the coop’s financial status.
- Investment must be improved by establishing strategies that facilitate economic/financial gain.



691 **D. Organizational Processes**

- 692       ▪ Organizational processes must be revised to adapt to the new normal.  
693       ▪ A catch-up plan must be developed and information-sharing must be enhanced to  
694       further aid the organization in adapting to the new normal.  
695       ▪ Documentary requirements must be relaxed.

696  
697 **E. Information Technology**

- 698       ▪ The core insurance system must be implemented.  
699       ▪ To safeguard data and other important information, back-ups must be done and  
700       other protection methods must be employed.  
701       ▪ The 1CISP website must be upgraded and engagement with the digital platform  
702       must be done.

703  
704 **F. Human Resources**

- 705       ▪ The organization’s hiring process must be suspended until the end of the year. For  
706       the worst-case scenario, retrenchment must be implemented.  
707       ▪ Employee’s capabilities must be maximized and engagement must be increased to  
708       further aid in business recovery.  
709       ▪ Online trainings and employee support must be provided when necessary.

710  
711 **POST-RECOVERY PLAN**

712  
713 **Restructuring of the Business Continuity Plan**

714  
715 1CISP has already assembled a team for Disaster Recovery and Risk Management (DRRM  
716 Team). This team will be in-charge of further strengthening the cooperative’s business  
717 continuity plan, wherein the team can apply the experiences during this pandemic.

718  
719 **Decentralization of Department Functions**

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721 Looking at 1CISP as a whole, to decentralize simply means to grant autonomy and authority  
722 to branches to make the operations-related decisions that usually only the Head Office  
723 makes. This entails that branch offices will be the main decision-making body when it comes  
724 to approvals needed for cooperatives within the major island group that the branch is located  
725 in. For instance, Cagayan de Oro Branch will be the mother office of all the regional offices  
726 in Norther Mindanao (Regions 9, 10, and 13) and will have authority to approve claims and  
727 the like for the whole Northern Mindanao. The same goes for the Davao Branch, which will  
728 be responsible for Regions 11, 12, and BARMM, and Visayas for Regions 6 to 8. The same  
729 will be applied to Luzon branch offices in the future.

730  
731 **Advantages**

732  
733 One of the several advantages of having decentralized operations is that it allows for  
734 organizational flexibility. Such quality allows for prompt decision-making and this is because  
735 in a decentralized organization, decisions don’t have to undergo rigorous bureaucratic  
736 review.

737  
738 Information-processing ability is considered an advantage as well. As an insurance  
739 cooperative, 1CISP already collects a tremendous amount of information. Furthermore,  
740 1CISP’s efforts in digitalization entails amassing a substantial amount of user data as well,  
741 and “a centralized management simply cannot respond effectively to such information in a  
742 timely manner.”

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Other advantages also include increased morale in employees as they are given autonomy and empowerment. In addition, decentralization allows for local insight. For instance, in Japan, Johnson & Johnson is run by locals as they are more able to manage and are more knowledgeable when it comes to marketing to their own people. Likewise, in 1CISP, the CDO Branch is able to communicate more effectively with those who are in Mindanao, and can understand better the market demands of the area, compared to the Head Office.

**Disadvantages and how they can be eliminated**

One of the disadvantages of decentralization mainly lies in one of the critical phases of the transition process: the implementation of change. Organizational changes may take a long time and require clear and accepted systems when it comes to making such changes. This may be particularly challenging for 1CISP during the COVID-19 Pandemic as there are limitations on mobility and operations.

In addition, coordination between teams is also considered a primary challenge for decentralized companies as the inability to collaborate effectively may lead to information silos.

It is apparent that decentralization comes with a couple disadvantages. The key is to create a robust inter-office IT (data management) system that could eliminate both the disadvantages identified. That is, having a system that could expedite the implementation of change and make it easier for employees to adapt to such change not only aids the transition process, but enables teams to collaborate effectively as well, which in turn, eradicates information silos. Fortunately, 1CISP’s IT team is more than capable of developing such a system.

Even more apparent is that even before the elimination of the disadvantages of decentralization, the advantages far more outweigh them as these said advantages directly address the operational challenges that 1CISP has been facing, which were exacerbated by the limitations consequent to the pandemic outbreak in the country.

No objection or question was raised therein. Hence, Ms. Magielyn M. Santarinala of Sacred Heart Parish Development Cooperative, moved for the approval of the Business Continuity and Recovery Plan, duly seconded by Mr. Rogelio G. Decal of Safer Credit Cooperative. Thus, the following Resolution was approved, to wit:

**G.A. RESOLUTION NO. 09 S. 2020**

**BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the Business Continuity Plan and Recovery Plan, as presented and discussed,

**BE, AS IT IS HEREBY ACCEPTED AND APPROVED.**

**X. APPROVAL OF THE DISTRIBUTION OF NET SURPLUS FOR 2019**

With the aid of powerpoint presentation, President & CEO, Roy S. Miclat, presented the following allocation of net surplus for Calendar Year 2019, as follows:

795	<b>NET SURPLUS</b>		<b>286,910,213.00</b>	
796	General Reserve Fund	28,691,021.30		10.00%
797	Reserve for Educ. & Training	14,345,510.65		5.00%
798	Community Development Fund	8,607,306.39		3.00%
799	Optional Fund	<u>2,869,102.13</u>		1.00%
800			<u>54,512,940.47</u>	
801	<b>DISTRIBUTABLE SURPLUS</b>		<b>232,397,272.53</b>	<b>81.00%</b>
802				
803	<b>APPROPRIATIONS FOR DISTRIBUTABLE SURPLUS</b>			
804	Patronage Refund		23,239,727.25	10.00%
805	Experience Refund		<u>46,479,454.51</u>	20.00%
806	<b>Amount Available For Dividend</b>		<b>162,678,090.77</b>	<b>70.00%</b>
807				
808	<b>Dividend Rate:</b>			
809	For Preferred Shares		943,902.20	4.00%
810	For Common Shares		<u>161,734,188.57</u>	10.00%
811	<b>Total Dividend For Distribution</b>		<b>162,678,090.77</b>	
812	<b>Patronage &amp; Experience Refund Rate</b>			<b>6.66%</b>

No question or comment was raised on the proposed allocation of net surplus. Consequently, Mr. Frederico A. Blanco of San Francisco Government Employees MPC, moved for the approval of the aforesaid appropriations to be distributed to all qualified members of 1CISP as presented and discussed, duly seconded by Mr. Isagani B. Daba of First Community Cooperative. Thus, the following Resolution was adopted, to wit:

**G.A. RESOLUTION NO. 10 S. 2020**

**WHEREAS**, as a result of the remarkable performance of 1 Cooperative Insurance System of the Philippines Life and General Insurance (1CISP) on its operation for Calendar Year 2019, its Audited Financial Statements recorded a net surplus of **Php 286,910,213.00**;

**WHEREAS**, the Board of Directors in its financial report to the General Assembly recommended for the approval of the Member-Shareholders, the allocation of net surplus which include statutory/mandatory reserves, land acquisition and building improvement and/or construction, patronage refund, experience refund and dividend for preferred and common shares,

**WHEREFORE, FOREGOING PREMISES CONSIDERED, BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that 1CISP General Assembly approve the abovementioned distribution of net surplus as presented and discussed and the following appropriations for dividend, patronage refund, and experience refund for the year ended December 31, 2019, to wit:

<b>Dividend Rate</b>		
For Preferred Shares:	943,902.20	4.00%
For Common Shares:	<u>161,734,188.57</u>	10.00%
Total Dividend For Distribution:	162,678,090.77	
<b>Patronage &amp; Experience Refund Rate:</b>		<b>6.66%</b>

**BE, AS IT IS HEREBY, APPROVED.**

847 **XI. APPOINTMENT OF THE NEW EXTERNAL AUDITOR FOR YEAR 2020**  
848

849 On the recommendation of the Audit & Inventory Committee, Ms. Maria Corazon E. Vispo  
850 of Basud Development Cooperative, moved for the approval to appoint R.G. Manabat &  
851 Co. as 1CISP's new external auditor for Calendar Year 2020, duly seconded by Ms. Marcosa  
852 B. Dela Cruz of Surallah North District Public School Teachers MPC. Thus, the following  
853 Resolution was adopted, to wit:

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855 **G.A. RESOLUTION NO. 11 S. 2020**  
856

857 **BE IT RESOLVED, AS IT IS HEREBY RESOLVED,** that the  
858 appointment of R.G. Manabat & Co. as 1CISP's new External Auditor for  
859 Calendar Year 2020, as presented to the general assembly,

860 **BE, AS IT IS HEREBY, APPROVED.**  
861

862  
863 **XII. ACKNOWLEDGEMENT OF TOP PREMIUM CONTRIBUTORS**  
864

865 Ms. Gelizabeth DT. Cabuhat, 1CISP Marketing Development Specialist, presented the  
866 1CISP Top Premium Contributors for year 2019, as follows:

867  
868 **For Small Scale Category - with assets below P100,000,000.00**

869 Prize for Top 1 – Brand New Toyota Avanza

870 Prizes for Top 2 to 4 – P50,000; Top 5 to 7 – P25,000; Top 8 to 10 – P15,000  
871

No	Name of Cooperatives	Net Premium	Capital 2019	Interest on Capital	Patronage Refund	Experience Refund
1	Fastrack MPC	676,046.75	100,000.00	10,000.00	36,663.57	73,327.15
2	Dao MPC	577,554.57	381,796.24	34,327.48	31,322.11	62,644.23
3	Mariveles Public Market Development Cooperative	548,227.82	546,827.76	51,709.32	29,731.66	59,463.32
4	Tao Management Service & MPC	529,193.90	200,762.13	19,409.55	23,699.40	52,398.81
5	Calamba City Employees MPC	528,970.70	224,964.82	22,390.81	25,687.30	54,374.60
6	Zamboanga Social Welfare And Development MPC	504,973.85	220,000.00	22,000.00	17,385.90	44,771.79
7	Talibon Credit Cooperative	402,138.02	123,179.02	12,317.90	21,808.87	43,617.74
8	Capiz Provincial MPC	393,373.62	274,896.77	27,489.68	21,333.56	42,667.12
9	Bataan School of Fisheries Faculty and Staff MPC	390,012.77	69,146.40	6,914.64	21,151.29	42,302.58
10	ISUZU Philippines Corporation Employees MPC	373,166.63	80,000.00	8,000.00	20,237.69	40,475.37

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873 **For Medium Scale Category - with assets below P100,000,001.00 to P500,000,000.00**

874 Prize for Top 1 – Brand New Toyota Innova

875 Prizes for Top 2 to 4 – P50,000; Top 5 to 7 – P25,000; Top 8 to 10 – P15,000

876

No	Name of Cooperatives	Net Premium	Capital 2019	Interest on Capital	Patronage Refund	Experience Refund
1	Cooperative Health Management Federation	4,482,190.34	5,000,000.00	208,333.33	235,079.51	478,159.02
2	San Jose MPC	3,317,791.67	213,907.28	21,390.73	179,931.48	359,862.97
3	KoopKing MPC	2,567,093.87	12,486,097.26	1,131,097.78	139,219.41	278,438.83
4	Bohol Public School Teachers and Employees MPC	2,555,745.54	327,872.91	32,787.29	138,603.97	277,207.94
5	United Sugarcane Planters of Davao MPC	2,523,892.07	642,721.30	64,272.13	136,876.48	273,752.96
6	National Teachers and Employees Cooperative Bank	2,016,948.36	100,000.00	8,333.33	109,383.76	218,767.51
7	Pantukan Chess Club Cooperative	1,927,842.47	986,230.52	98,623.05	104,551.34	209,102.68
8	SCI Multi-Purpose Cooperative	1,033,636.30	1,093,163.49	60,111.60	56,056.48	112,112.96
9	Allen Municipal Officials and Employees MPC	854,489.84	1,186,914.08	75,982.77	43,340.95	89,681.90
10	Tadian MPC	761,115.25	5,646,788.35	505,389.90	41,277.03	82,554.07

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**For Large Scale Category - with assets above P500,000,000.00**

Prize for Top 1 – Brand New Toyota Hi-Ace

Prizes for Top 2 to 4 – P50,000; Top 5 to 7 – P25,000; Top 8 to 10 – P15,000

No	Name of Cooperatives	Net Premium	Capital 2019	Interest on Capital	Patronage Refund	Experience Refund
1	ACDI MPC	177,062,172.74	497,379,068.78	49,737,906.88	9,602,489.50	19,204,979.07
2	First Community Cooperative	128,338,023.57	604,832,266.80	59,851,478.15	6,950,066.65	13,910,133.35
3	Air Cavaliers Credit Cooperative	4,207,453.50	200,000.00	11,061.71	228,179.90	456,359.79
4	San Francisco Government Employees MPC	3,931,617.44	5,320,438.03	173,324.68	213,220.67	426,441.34
5	Kapalong Cooperative	3,731,677.72	275,821.84	27,582.18	202,377.48	404,754.96
6	Agdao MPC	2,502,321.41	29,027,095.60	2,077,709.56	130,706.65	266,413.31
7	Abra Diocesan Teachers and Employees MPC	2,327,016.30	996,595.17	99,659.52	126,199.45	252,398.91
8	Sta. Cruz Savings & Development Cooperative	1,883,997.30	1,205,059.61	96,740.98	92,173.51	194,347.03
9	BCS Credit Cooperative	1,731,014.59	4,149,510.28	414,950.89	93,876.91	187,753.82
10	USPD Savings and Credit Cooperative	1,643,711.47	4,314,689.50	431,468.95	89,142.26	178,284.52

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**XIII. PROCLAMATION OF WINNERS IN THE ELECTION**

Mr. Blanco, ELECOM Secretary, announced the result of the election, as follows:

**Regular Members of the Board of Directors:**

<u>Name of Candidate</u>	<u>Votes Garnered</u>
1. Mr. Isagani B. Daba	7,615,311
2. BGen. Lorenzo R. Sumicad AFP (Ret)	4,202,062
3. Mr. Roberto C. Mascariña	889,726
4. Mr. George J. Pupa	770,666

**Election Committee:**

<u>Name of Candidate</u>	<u>Votes Garnered</u>
1. Mr. Danilo M. Capili	13, 477, 765

**Audit & Inventory Committee:**

<u>Name of Candidate</u>	<u>Votes Garnered</u>
1. Mr. Jaysan Ray N. Chee	7,349,972
2. Ms. Wilma D. Gidaya	3,321,744
3. Mr. Jerson S. Remo	2,806,049

(See Annex B – List of Cooperatives who voted during the election.)

Therefore, based on the foregoing, the following are hereby declared winners and will assume their post as **REGULAR MEMBERS OF THE BOARD OF DIRECTORS** for a period of two (2) years, to wit:

1. Mr. Isagani B. Daba
2. BGen. Lorenzo R. Sumicad AFP (Ret)
3. Mr. Roberto C. Mascariña
4. Mr. George J. Pupa

Therefore, based on the foregoing, the candidate stated below is hereby declared as winner and will assume his post as **MEMBER OF THE ELECTION COMMITTEE** for a period of two (2) years, to wit:

1. Mr. Danilo M. Capili

Therefore, based on the foregoing, the candidates stated below are hereby declared winners and will assume their post as **MEMBERS OF THE AUDIT & INVENTORY COMMITTEE** for a period of two (2) years, to wit:

1. Mr. Jaysan Ray N. Chee
2. Ms. Wilma D. Gidaya

After the proclamation of winners, Mr. Blanco turned over the floor to Chairperson BGen. Evangelista.

935 **XIV. NEW BUSINESS**

936

937 Chairperson BGen. Evangelista asked Atty. Manzanares if there are unfinished or new  
938 business. Atty. Manzanares stated that Fr. Antonio Cecilio T. Pascual, 1CISP Board of  
939 Director, mentioned a probable unfinished business. However, Fr. Pascual replied to defer  
940 the suggestions to the new set of directors.

941

942 **XV. CLOSING PRAYER**

943

944 The general assembly meeting was concluded with an uplifting and inspiring words as 1CISP  
945 Treasurer, Ms. Leonila R. Medina representing Sacred Heart Parish Development  
946 Cooperative led the closing prayer.

947

948 **XVI. ADJOURNMENT**

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950 President Miclat thanked the coop-members for participating on the first virtual GA. He  
951 highlighted that the event could not be accomplished if not for the support of the Board of  
952 Directors, the management, the member committees and its partners. He thanked the Board  
953 of Directors led by Chairperson BGen. Evangelista in the last 6 years in steering 1CISP to  
954 what it is now. President Miclat thanked the outgoing Board of Directors for their untiring  
955 support to the Management and hoped that they will be back again serving 1CISP in one  
956 way or another to push the organization to its limits and serve more cooperators in the  
957 future.

958

959 On behalf of the members of the Board, Chairperson BGen. Evangelista also commended  
960 Dir. Bacani who had the longest stay in 1CISP as director and witnessed the ups and downs  
961 of the organization. He informed the general assembly that there are four (4) outgoing board  
962 including himself, Vice Chair Imelda S. Magabilen, Dir. Senen C. Bacani and Dir. Benjamin  
963 T. Que, who performed excellently including the rest of the Board.

964

965 Chairperson BGen. Evangelista welcomed the new set of Board led by Mr. Isagani B. Daba.  
966 He also expressed his appreciation to the management and the outsource provider on the  
967 success of the event. He also thanked all the cooperative leaders for taking their time to  
968 attend in the 1CISP's general assembly.

969

970 With no other matters to be discussed, Mr. Jasper Gelacio of INCOME Davao, moved for  
971 the adjournment, duly seconded by Ms. Marcosa B. Dela Cruz of Surallah North District  
972 Public School Teachers MPC. Thus, the assembly meeting was adjourned at 1:30 p.m.

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Certified True and Correct:

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Attested:

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**FR. ANTON CT. PASCUAL**  
1CISP Chairperson

  
**ATTY. LYMAN A. MANZANARES**  
Co-operative Secretary