



Minutes of the Annual General Assembly Meeting on March 31, 2024 at Mariners Court Convention Center

I. OPENING ACTIVITY

As a LIPIEMCO tradition, the General Assembly Meeting started with the celebration of the Holy Mass officiated by Rev. Fr. Cresenciano Ubod.

A few minutes after the Holy Mass, the event was formally opened with the rendition of the Philippine National Anthem and the recitation of the Cooperative Pledge. Followed by the introduction of the Board of Directors, Elected and Appointed Officers.

Director Narciso Pepito Jr. delivered his welcome address to the General Assembly. He then introduced the guest speaker Lina Durias. This was followed by the presentation of LIPIEMCO AWARDS which is an annual awards and recognition program designed to recognize loyal and deserving members of the cooperative. Awards and recognition were given to LIPIEMCO members based on the following award categories: (1) Top 3 Investors (2) Top 3 Time Depositors (3) Top 3 Regular Savings (4) Top 3 Kiddie Savings Depositor (5) Service Award (6) MEV Platinum Award (7) MEV Royalty Award (8) Volunteer of the Year Award (9) "15 & Above Years" Award.

The business meeting program immediately followed after.

II. BUSINESS MEETING PROPER

Agenda at hand:

- Call to Order
- Roll Call
- Proof of Due Notice
- Declaration of Quorum
- Adoption of the Agenda
- Consideration and Approval of the Minutes of the Previous AGM
 - > Reading of the minutes
 - > Correction and matters arising from the minutes
- Joint Board of Director's and Management Report
- GA Elected Committee Reports
 - > Audit Committee Report
 - > Election Committee Report
- Appointed Committee Reports
 - > MedCon Committee Report
 - > Ethics Committee Report
 - > Credit Committee Report
 - > Education . Training and Information Committee Report
- Presentation of the 2023 External Audit Results
- New Business
 - > Approval of the 2024 Plans & Budget
 - > Approval of the new external auditor
 - > Approval of the amendments of the by-laws
 - > Other Matters

1.0 The meeting was called to order by the Chairperson Narciso Pepito Jr. at 10:04AM.



- 2.0 Due notice was provided on February 22, 2024, the second notice was sent on March 4, 2024, third notice on March 15, 2024, and the fourth and final notice on March 21, 2024 via electronic mail, posted on our Facebook page and tarpaulins.
- 3.0 Total number of members who attended and registered during the event reached 878 members. A quorum was declared having reached attendees of 647 out of 985 members entitled to vote (MEV), equivalent to 66% of MEV. This is based on the electronic registration for MEV in attendance.
- 4.0 Agenda was adopted, **moved by Judith Casaysay and seconded by Josefina Coyoca. Carried.**
- 5.0 Consideration of the minutes of the meeting of the previous AGM.

A motion to dispense the reading of the previous AGM minutes of the meeting was raised by Alleine Logrono and seconded by Anchonie Leyson.

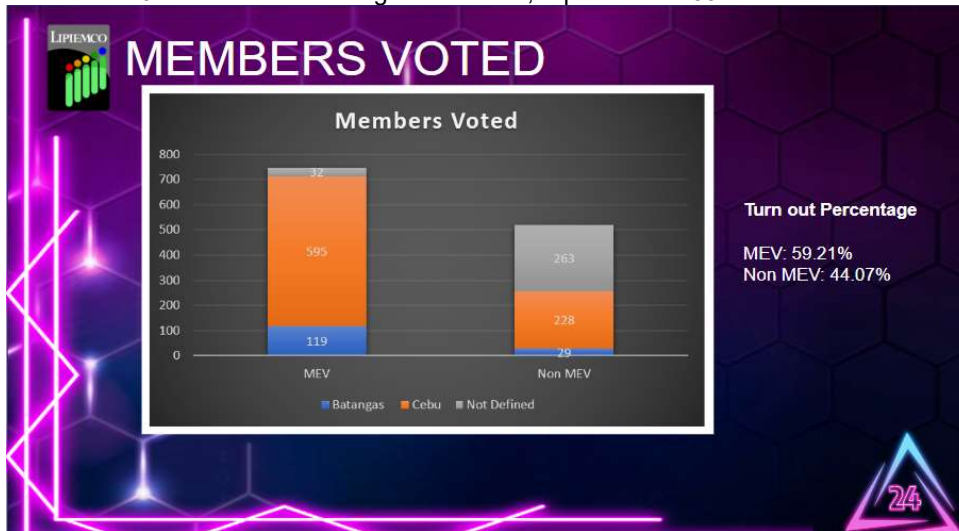
Flash on screen of previous minutes...

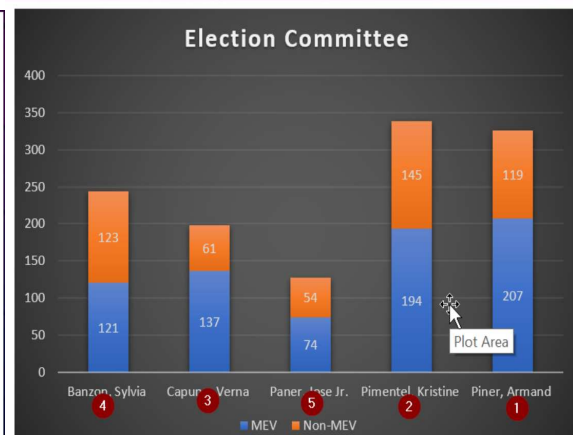
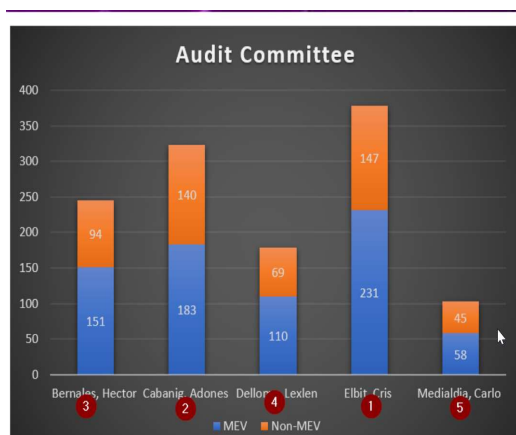
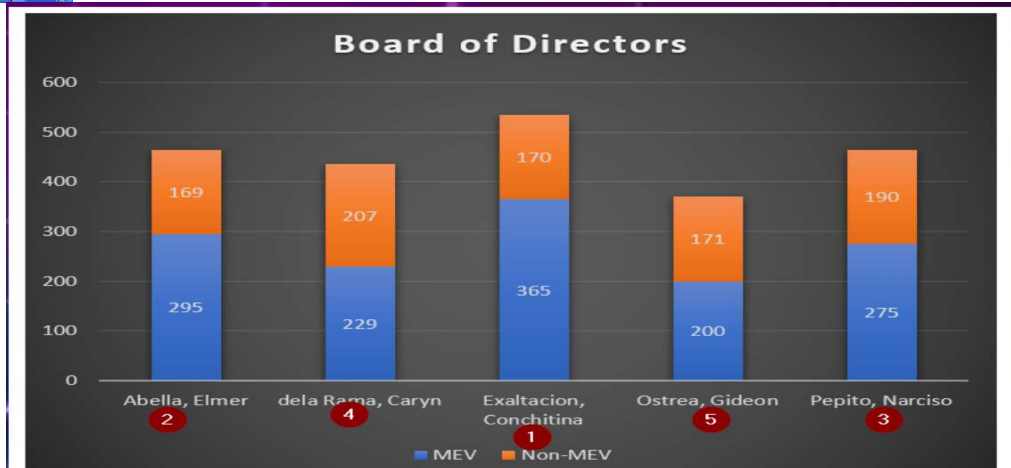
A motion to adopt the previous AGM minutes without any correction was moved by Marivic Almenario and seconded by Lyle Catacutan. Carried.

- 6.0 In the interest of time the Chairperson Narciso Pepito Jr. proceeded with the election committee reports and after the declaration of winners from the 2024 Election:
Election Committee Report was presented by its Chairperson Gina Bihag emphasizing on its 2023 accomplishments and also reporting the 2024 committee plans.

Declaration of Election 2024 was done by Gina Bihag based on the election results:

A total of 746 of MEV voted during this election, equivalent to 59.21% election turnout.





Board of Directors:

Chit Exaltacion, and Elmer Abella

Audit Committee

Cris Elbit

Election Committee

Armand Piner

After the declaration was made, oath of office was officiated by Gina Bihag.

Minor raffle draw follows after the oath taking facilitated by Education Committee. After the raffle draw, the general assembly meeting proceeded with the BOD and Management Report.

7.0 **Audit Committee**. ACOM Chairperson presented the 2024 report:



7.1

2023 Achievements	2024 Focus
Audit Safekeeping of Investment Certificates and Approved Policies/Board Resolutions	Financial Audit <ul style="list-style-type: none"> o Top Borrowers o DOSRI and EX DOSRI Accounts o Other Financial Related Audit Activities
Revised the Internal Audit Procedure	Operational Audit <ul style="list-style-type: none"> o Process Documentation and Audit o Compliance to Policies
Created the Audit Program (Focus on Financial, Governance, and Operations)	Governance Audit <ul style="list-style-type: none"> o Compliance to Statutory and Regulatory Requirements
Conducts regular audits (Financial, Governance, and Operations)	
Completed Social and Performance Audit Report	

8.0 **BOD & Management Report.** BOD Chairperson Narciso Pepito Jr. rendered the 2023 performance report, emphasizing on the following:

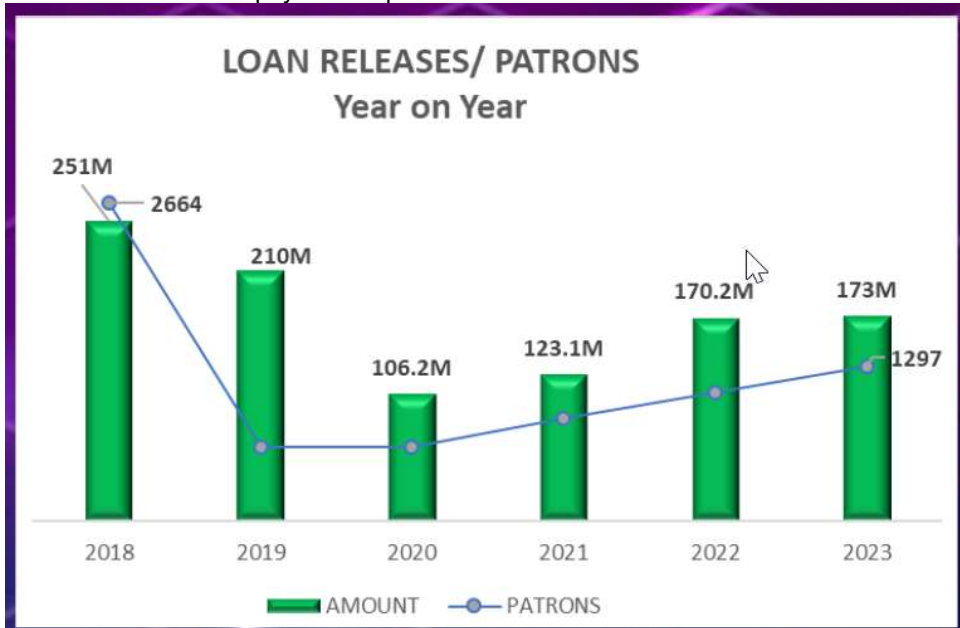
- i) 2023 Challenges
 - (1) New revenue generation
 - (2) Internal organization structure
 - (3) Outdated Systems
 - (a) Coop Management System
 - (b) Documentation and policies
 - (4) Operations: Execution
 - (5) Communication
- ii) 2018 Actions
 - (1) Infrastructure renovations for revenue generation
 - (2) Hire competent personnel
 - (3) Digitalization
 - (4) Policy updates
 - (5) Operations alignment
 - (6) Linkages and building partnership through cooperative engagement
- iii) LIPIEMCO 5 Year Plan (2023-2027)



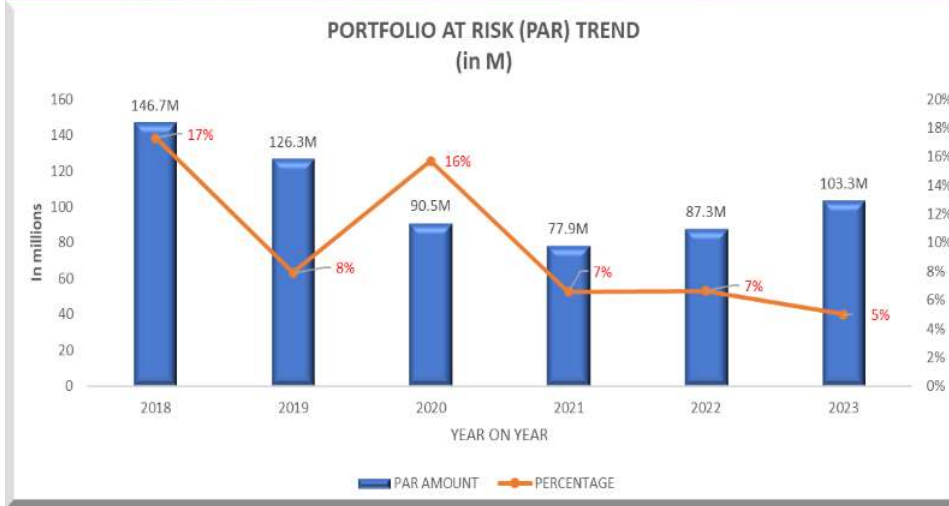
(1)



- iv) Membership
 - (1) 371 new members with a total of 2390 members of which +1497 MOA, +680 MOA, +213 EX MOA
 - (2) 24 MOA partners to date
- v) Loan Portfolio, Portfolio at Risk (PAR)
 - (1) An increase of 3M YoY on loan releases
 - (2) Lower PAR due to full payment of past due and restructured accounts

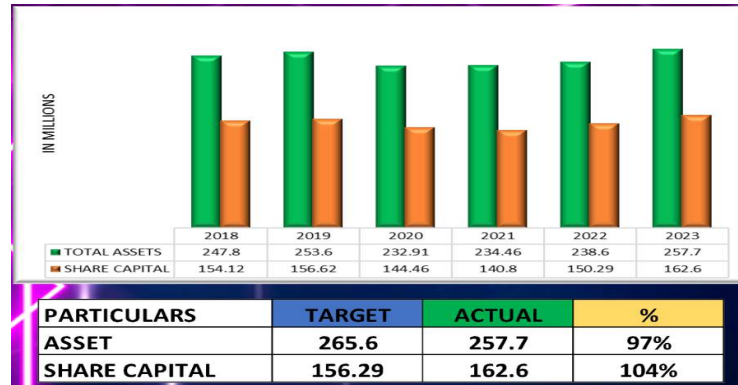


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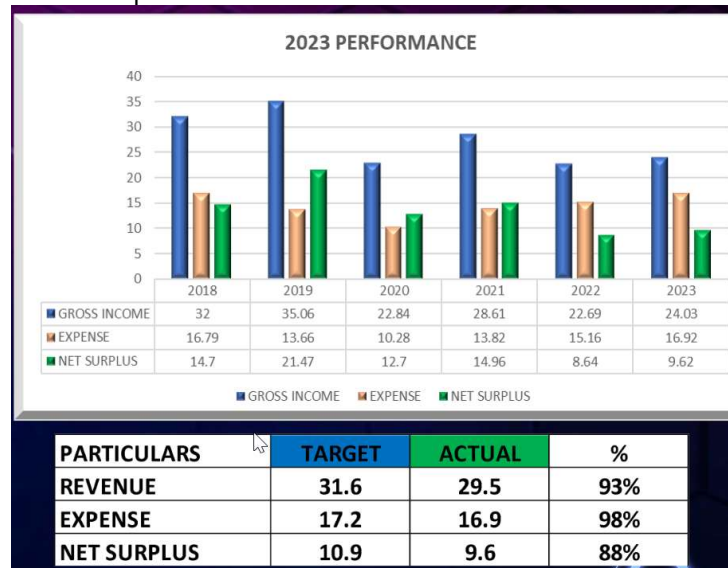


(4)

- vi) 2023 Financial Updates
 - (1) Assets and Capital



(a)
(2) Income and Expense



(a)
(3)

vii) Dividend, Patronage Refund

NET SURPLUS	9,629,816
DISTRIBUTED AS FOLLOWS:	
Reserved Fund	962,982 10%
Cooperative Education and Training Fund	
Due to APEX Organization	481,491 5%
Local Education and Training Fund	481,491 5%
Community Development Fund	288,894 3%
Optional fund	674,087 7%
Interest on Share Capital and Patronage Refund	6,740,871 70%
NET SURPLUS AS DISTRIBUTED	9,629,816

Dividend Rate = Interest on Share Capital / Average Paid Up Capital
= 6,740,871 / 156,369,591
= **3.018%**

Patronage Refund = Dividend Rate x 2
= **6.035%**

(1)

viii) Project Updates presented by Dante Sachez

- (1) Completed renovation of 3rd floor LIPIEMCO building
 - (a) Total of 6 offices and a common CR meeting area



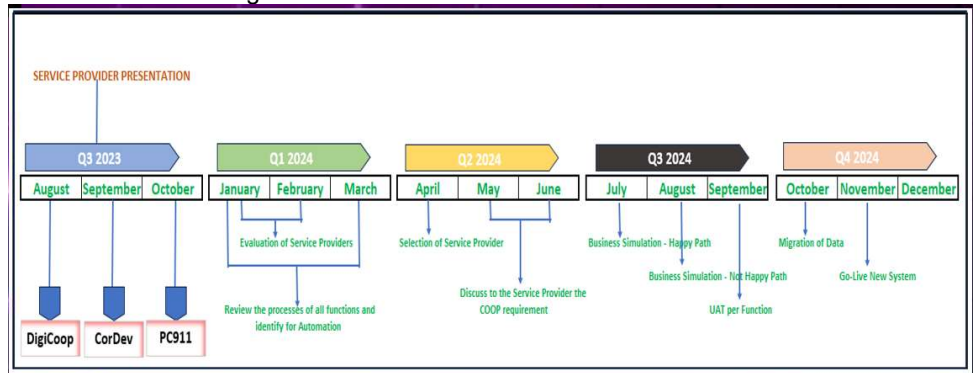
- (b) 5 available office space for rental



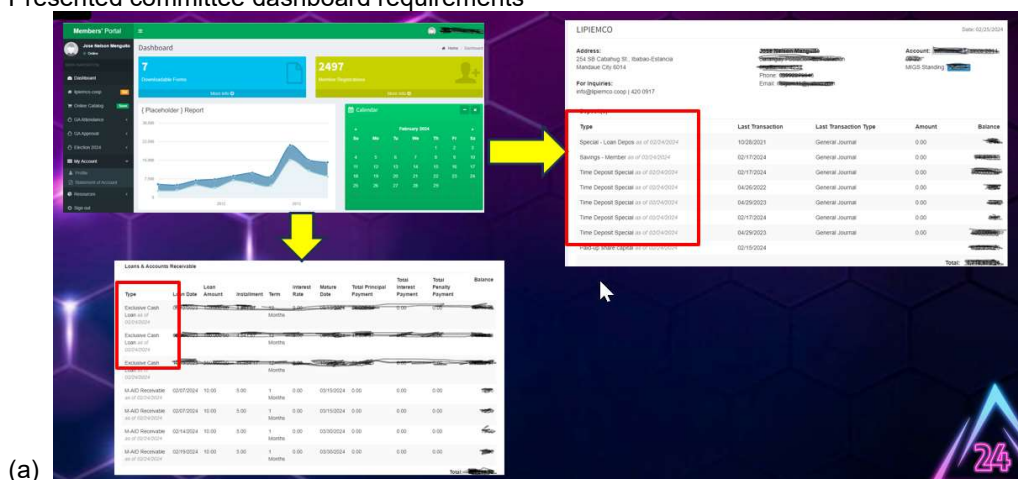
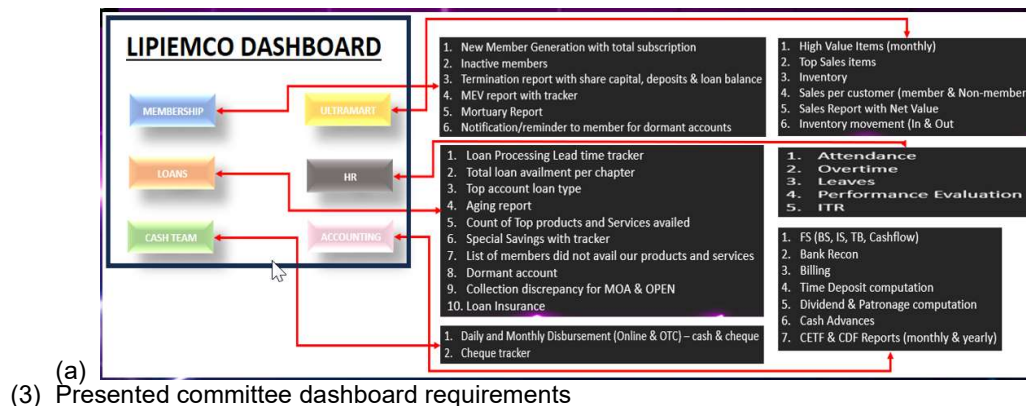
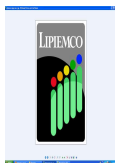
- (c)
 (2) Completed renovation of 4th floor
 (a) Can accommodate 70 pax
 (b) Airconditioned and equipped with sound system, tables and chairs with back stage and cr
 (c) Open for events, parties, meetings, conferences & etc.
 (3) Completed perimeter fence of vacant lot



- (a)
 ix) Digitalization updates presented by Nelson Menguito
 (1) Brief the members with digitalization timeline



- (a)
 (2) Presented the reporting and dashboard requirements



A motion to adopt the report of the Election Committee, Management & BOD Joint report and Audit Committee was moved by 1:08:12 and seconded by Liza Ando. Carried.

A motion to dispense the reports of succeeding / non elected committee reports and have it sent to emails or post it on the coop's website was moved by Logroño, Alleine and seconded by Catherine Fabregas. Carried.

A motion to adopt the report of the non elected committee reports was moved by Lyle Catacutan and seconded by Helena Adlawan. Carried

Melgarr Sario, interrupts and ask question, the Chairman explained to hold off his question during the allotted time Q&A portion. Question was not heard because of microphone issue.

1) Other Business – For GA Membership Approvals

- Approval for budget on 2024 future plan, to allocate P60M for the following opportunities (for all opportunities and whichever is viable,



- To generate new revenue we will allocate P60M
 - ✓ Real Estate
 - ✓ Franchising
 - ✓ Construction / Hardware business
 - ✓ Transport Services
 - ✓ Travel Agency Services
 - ✓ Agriculture
- i)

Angelo Parcon was acknowledged, Since the online portal was activated including the online catalog can this be enhanced so that we can order online? ANS: This will be part of the digitalization plan.

A motion to approved the 2024 future plan was moved by Calimot, Hazzellel Carmel Joyce and seconded by Montecillo, James. Carried.

2024 BUDGET FORECAST			
LPI EMPLOYEES MULTIPURPOSE COOPERATIVE (LPIEMCO)			
OPERATIONAL FORECAST			
FOR THE YEAR 2024			
Particulars	2023 Actual	2024 Forecast	% Inc. (Dec.)
Income from Credit Operations	18,239,818	23,000,000	26%
Sales Revenues - Store Operations	3,548,136	5,000,000	41%
Other Income	7,765,687	10,118,700	30%
TOTAL GROSS REVENUES	29,553,641	38,118,700	29%
Less: Interest on Deposits	1,248,724	1,500,000	20%
Cost of Sales - Store	2,931,225.30	4,300,000	47%
TOTAL	25,373,692	32,318,700	27%
GEN. AND ADMINISTRATIVE EXPENSES	16,923,961	20,944,365	24%
Optional Fund	1,180,084	1,180,084	0%
NET SURPLUS	9,629,816	12,554,419	30%

Net Surplus net of reserves (70% of NS)	6,740,871.08	8,788,093.40	
Fund for Dividend Distribution (70% of 70%)	4,718,609.76	6,151,665.38	
Share capital	156,369,591.00	175,000,000.00	
	3.018%	3.52%	
Fund for Patronage Distribution (30% of 70%)	2,022,261.32	2,636,428.02	
	6.035%	7.03%	

b)

A motion to approved the 2024 Budget was moved by Moniño, Ma. Cydthevesa and seconded by Baguasan, Richelle Mae. Carried.



2024 GAD & Social Development

Activities/Program	Budget
Education:	
Teenage pregnancy	
Mental Health	40,000
Hydroponic project	
OJT Program with Mary Our Help (TIW) for 3 students	180,000
Social	
Outreach Program to Orphan Children with Cancer - Batangas	30,000
Feeding	20,000
MCCDC Coop Pantry (for Day Care Center)	18,000
Environmental (Cebu)	
Mangrove Planting (1st year) base on 15000 propaguls.	107,000
Adopt a river/canal	10,000
Total	405,000

c)



2024 Training and Development Plan

KEY RESULT AREAS	1st QUARTER			2nd QUARTER			3rd QUARTER			4th QUARTER		
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
TRAINING												
Onsite / Local	2	0	0	3	3	2	2	3	2	2	2	1
National	0	0	0	0	1	1	0	0	1	0	0	0
TOTAL	33											
PROPOSED BUDGET	400,000											

A motion to approved the 2024 Trainign and Development Plan was moved by Sisante, Glennaand seconded by Obeso, Ivy. Carried.

d) Confirmation of the new external auditor for 2024 – 2027 is Victo, National Cooperative Federation

A motion to appoint the new external auditor was moved by Barazon, Jerome and seconded by Cuetara, Mark Anthony. Carried.

e) Proposed amendments # 1



Article 5 Section 5 Education & Training Committee

[Existing] ...composed of three (3) members

[Amendment] ...composed of five (5) members

Rationale:

- Since 2014, committee members were increased by virtue of Board Resolution due to its multiple activities (e.g. trainings for staff, officers, members & community; capacity building; events organization, etc...)
- By-laws (in accordance with R.A. 9520) states, that the Vice-Chairperson of the Board of Directors shall act as the Chairperson of the Committee. Due to multiple BOD meetings, the committee is challenged with workloads.

i)

(1) No objection, Unanimously approved

f) Proposed amendments # 2

Article 5 Section 12 Gender and Development (GAD) Committee

[Existing] ...composed of three (3) members

[Amendment] ...composed of four (4) members

Rationale:

- MC 2013-22 dictates that at least 1 member shall come from the Board. Due to multiple BOD meetings, the committee is challenged with workloads.
- Functions of GAD Committee will be expanded to cover responsibilities related to Social Development Program

i)

(1) No objection, Unanimously approved

g) Proposed amendments # 3



Article 5 Section 13 Functions and Responsibilities (GAD)

[Existing]

- a. Conduct gender analysis;
- b. Develop and recommend Gender and Development (GAD) and Gender Equality (GE) policies and programs/activities/projects to the Board;
- c. Monitor and assess progress in the implementation of Gender and Development (GAD) programs/activities/projects towards achieving Gender Equality (GE);
- d. Submit report to the Board; and
- e. Provide directional guidance.

[Amendments] re-write d + e, and additional function

- d. Provide directional guidance; and submit reports to the Board;
- e. Develop, propose, and spearhead social development plans and activities for the cooperative in tandem with the operations team.

i)

(1) No objection, Unanimously approved

h) Proposed amendments # 4

Article 5 Section 11 Credit Committee

[Existing] ...

- a. The Committee shall assist the board of directors in the formulation of sound lending policies, systems and procedure.
- b. They shall be responsible for the credit management of the co-operative. In the performance of its functions, it shall process, evaluate and act upon loan application and withdrawal of deposits, except when the applicant is a member of the committee or related to any of them within the third civil degree of consanguinity and affinity, in which case, the applicant shall be acted upon by the Board of Directors; and
- c. Exercise general supervision including collection over all loans to members.

i)

[Amendment] discontinue the committee

(1) There was objection, Unanimously Disapproved.

A motion to adopt the result of the 4 amendments was moved by Suarez, Janus and seconded by Logroño, Alleine. Carried.

9.0 Question and Answer

Melgarr Sario was acknowledged, Suggested for a Junior Officer for BOD

BOD Chair – responded duly noted and sited existing Junior Officers. But the suggestion was for Junior Board. Director Maria also emphasized that this is existing program.



Angelo Parcon was acknowledged, Why is it that the dividend this year is lower compared to last year? Ans: Director Maria answered mainly on the loans that we converted to diminishing. To address this we need to explore new businesses.

The BOD Chair provide his gratitude to all the members.

10.0 **Adjournment.** Clerigo, Bryan moved for the adjournment of the meeting, duly seconded by Torres, Virginio.

Meeting officially adjourned at 12:19PM.

The awarding follows....

Certified true and correct:

Attested by:

JESSE M. CARREDO
Board Secretary

Narciso Pepito
Chairperson of the Board of Directors