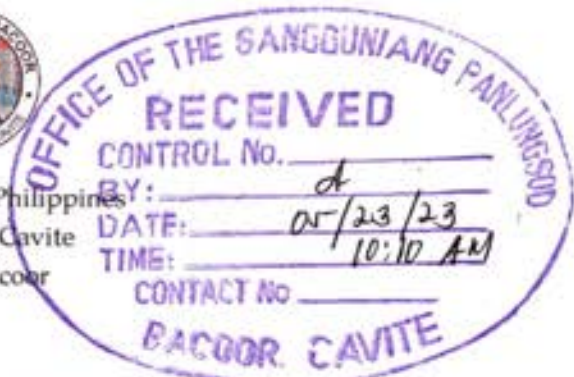




Republic of the Philippines
Province of Cavite
City of Bacoor



5th SANGGUNIANG PANLUNGSOD

COMMITTEE ON FINANCE, BUDGET AND APPROPRIATION

COMMITTEE REPORT

NO. FBA-123-S-2023

Subject: A RESOLUTION AUTHORIZING THE CITY MAYOR, HONORABLE STRIKE B. REVILLA TO SIGN ANY LEGAL DOCUMENTS, BORROW FUNDS AND ENTER INTO A LOAN AGREEMENT WITH LANDBANK OF THE PHILIPPINES IN THE AMOUNT OF ONE HUNDRED SIXTY-SEVEN MILLION SEVEN HUNDRED TWENTY-SEVEN THOUSAND NINE HUNDRED PESOS (Php167,727,900.00), FOR THE PURPOSE OF FINANCING THE PROJECT/S WHICH IS/ARE INCLUDED IN THE APPROVED 2023 LOCAL DEVELOPMENT PLAN AND/OR APPROVED ANNUAL INVESTMENT PROGRAM DETERMINED BY THE CITY GOVERNMENT OF BACOR, CAVITE; TO SIGN, ENDORSE LOAN DOCUMENTS, DEED OF ASSIGNMENTS, NOTES AND OTHER DOCUMENTS PERTAINING TO THE SAID LOAN; APPROVING THE PROJECTS TO BE FINANCED AND CERTIFYING THAT THESE ARE IN ACCORDANCE WITH THE APPROVED LOCAL DEVELOPMENT PLAN AND PUBLIC INVESTMENT PROGRAM OR APPROVED ANNUAL PROCUREMENT/INVESTMENT PROGRAM AND TO USE AS COLLATERAL THE ASSIGNMENT OF THE NATIONAL TAX ALLOTMENT (NTA), SUBJECT TO RATIFICATIONS OF THE SANGGUNIANG PANLUNGSOD, LAWS, RULES AND REGULATIONS- PCR-255-2023 dated March 20, 2023

The proposed City Resolution sought to be approved by the Sangguniang Panlungsod refers to a grant of authority for the City Mayor, Honorable Strike B. Revilla to enter into and sign legal documents pertaining to a loan agreement with the LANDBANK of the Philippines for the purpose of financing various city government project/s and to use as collateral the assignment of the National Tax Allocation (NTA).

Cited as bases are Section 296 and Section 297, Chapter IV of Republic Act No. 7160, known as the "Local Government Code of the Philippines", we quote:



Republic of the Philippines
Province of Cavite
City of Bacoor

5th SANGGUNIANG PANLUNGSOD

"TITLE IV

Credit Financing

X X X

SECTION 296. General Policy. – (a) It shall be the basic policy that any local government unit may create indebtedness, and avail of credit facilities to finance local infrastructure and other socio-economic development projects in accordance with the approved local development plan and public investment program.

(b) A local government unit may avail of credit lines from government or private banks and lending institutions for the purpose of stabilizing local finances.

SECTION 297. Loans, Credits, and Other Forms of Indebtedness of Local Government Units. – (a) A local government unit may contract loans, credits, and other forms of indebtedness with any government or domestic private bank and other lending institutions to finance the construction, installation, improvement, expansion, operation, or maintenance of public facilities, infrastructure facilities, housing projects, the acquisition of real property, and the implementation of other capital investment projects, subject to such terms and conditions as may be agreed upon by the local government unit and the lender. The proceeds from such transactions shall accrue directly to the local government unit concerned.

(b) A local government unit may likewise secure from any government bank and lending institution short-, medium- and long-term loans and advances against security of real estate or other acceptable assets for the establishment, development, or expansion of agricultural, industrial, commercial, house financing and livelihood projects, and other economic enterprises.

(c) Government financial and other lending institutions are hereby authorized to grant loans, credits, and other forms of indebtedness out of their loanable funds to local government units for purposes specified above."

FINDINGS:

Due to the decrease in the share of National Tax Allotment (NTA) of the City Government of Bacoor, notwithstanding its broader local taxation, the revenue remains insufficient to finance the immediate implementation of



Republic of the Philippines
Province of Cavite
City of Bacoor

5th SANGGUNIANG PANLUNGSOD

physical infrastructure and other socio-economic projects which were approved under the 2023 Local Development Plan and/or Annual Investment Program of Bacoor City.

With the afore-cited provisions of Republic Act No. 7160, the Committee finds that the approval of the proposed City Resolution for the purpose is **reasonable and justifiable**.

In contracting loans/borrowings, the Committee believes that the city government is aware and have considered the provision in the same Republic Act No. 7160, we quote:

"CHAPTER III Budgeting

ARTICLE I Local Government Budgets

SECTION 324. Budgetary Requirements. – The budgets of local government units for any fiscal year shall comply with the following requirements:

x x x

(b) Full provision shall be made for all statutory and contractual obligations of the local government unit concerned: Provided, however, That the amount of appropriations for debt servicing shall not exceed twenty percent (20%) of the regular income of the local government unit concerned;

x x x"

RECOMMENDATION:

In view of the foregoing, the Honorable Members of the Committee hereby recommend **TO APPROVE** the City Resolution authorizing the City Mayor, Honorable Strike B. Revilla, to enter into and sign the legal documents pertaining to the loan agreement with the LANDBANK of the Philippines.

The Committee further recommend, **TO RATIFY** the use as collateral the assignment of National Tax Allocation (NTA) share of the City Government of Bacoor for the above purpose, subject to the existing laws, policies, rules and regulations.



Republic of the Philippines
Province of Cavite
City of Bacoor

5th SANGGUNIANG PANLUNGSOD

WE HEREBY CERTIFY that the contents of the foregoing report are true and correct.

Signed this day of March 2023 at the City of Bacoor, Cavite.

THE COMMITTEE ON FINANCE, BUDGET AND APPROPRIATION

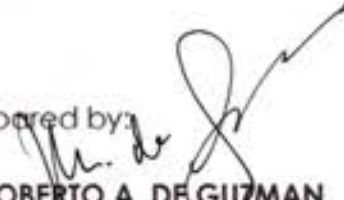

HON. ROGELIO M. NOLASCO
Chairman


HON. CATHERINE S. EVARISTO
Vice Chairperson


HON. REYNALDO D. PALABRICA
Member


HON. VICTORIO L. GUERRERO, JR.
Member

Prepared by:


ROBERTO A. DE GUZMAN
Local Legislative Staff Assistant I

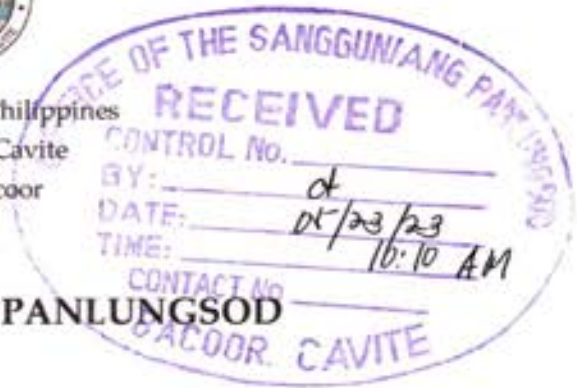
COMMITTEE REPORT FBA-123-S-2023

PCR-255-2023 – **A RESOLUTION GRANTING THE AUTHORITY FOR THE CITY MAYOR TO ENTER INTO AND SIGN LEGAL DOCUMENTS PERTAINING TO LOAN AGREEMENT WITH THE LANDBANK OF THE PHILIPPINES**

Page 4



Republic of the Philippines
Province of Cavite
City of Bacoor



5th SANGGUNIANG PANLUNGSOD

COMMITTEE ON FINANCE, BUDGET AND APPROPRIATION

EXCERPT FROM THE MINUTES OF REGULAR SESSION

NO. FBA-123-S-2023

Subject: A RESOLUTION AUTHORIZING THE CITY MAYOR, HONORABLE STRIKE B. REVILLA TO SIGN ANY LEGAL DOCUMENTS, BORROW FUNDS AND ENTER INTO A LOAN AGREEMENT WITH LANDBANK OF THE PHILIPPINES IN THE AMOUNT OF ONE HUNDRED SIXTY-SEVEN MILLION SEVEN HUNDRED TWENTY-SEVEN THOUSAND NINE HUNDRED PESOS (Php167,727,900.00), FOR THE PURPOSE OF FINANCING THE PROJECT/S WHICH IS/ARE INCLUDED IN THE APPROVED 2023 LOCAL DEVELOPMENT PLAN AND/OR APPROVED ANNUAL INVESTMENT PROGRAM DETERMINED BY THE CITY GOVERNMENT OF BACoor, CAVITE; TO SIGN, ENDORSE LOAN DOCUMENTS, DEED OF ASSIGNMENTS, NOTES AND OTHER DOCUMENTS PERTAINING TO THE SAID LOAN; APPROVING THE PROJECTS TO BE FINANCED AND CERTIFYING THAT THESE ARE IN ACCORDANCE WITH THE APPROVED LOCAL DEVELOPMENT PLAN AND PUBLIC INVESTMENT PROGRAM OR APPROVED ANNUAL PROCUREMENT/INVESTMENT PROGRAM AND TO USE AS COLLATERAL THE ASSIGNMENT OF THE NATIONAL TAX ALLOTMENT (NTA), SUBJECT TO RATIFICATIONS OF THE SANGGUNIANG PANLUNGSOD, LAWS, RULES AND REGULATIONS- PCR-255-2023 dated March 20, 2023

The proposed City Resolution sought to be approved by the Sangguniang Panlungsod refers to a grant of authority for the City Mayor, Honorable Strike B. Revilla to enter into and sign legal documents pertaining to a loan agreement with the LANDBANK of the Philippines for the purpose of financing various city government project/s and to use as collateral the assignment of the National Tax Allocation (NTA).

Atty. Khalid Atega, Jr., Secretary of the Sangguniang Panlungsod, proceeded with the roll call, the approval of the Journal and Minutes of the 34th Regular Session, and the reading of the referrals to committees of proposed Ordinances, Resolutions, Messages, Communications, Petitions and Memorials.

COMMITTEE REPORT FBA-123-S-2023

PCR-255-2023 – **A RESOLUTION GRANTING THE AUTHORITY FOR THE CITY MAYOR TO ENTER INTO AND SIGN LEGAL DOCUMENTS PERTAINING TO LOAN AGREEMENT WITH THE LANDBANK OF THE PHILIPPINES**



Republic of the Philippines
Province of Cavite
City of Bacoor

5th SANGGUNIANG PANLUNGSOD

On motion by Honorable Reynaldo D. Palabrica which was unanimously seconded by the majority of the Honorable Members of 5th Sangguniang Panlungsod, the internal rules were suspended.

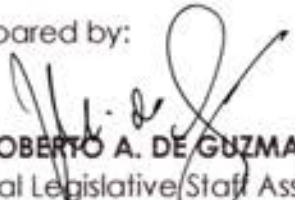
Upon reading and referral of Other Matters – PCR-255-2023 "A RESOLUTION AUTHORIZING THE CITY MAYOR, HONORABLE STRIKE B. REVILLA TO SIGN ANY LEGAL DOCUMENTS, BORROW FUNDS AND ENTER INTO A LOAN AGREEMENT WITH LANDBANK OF THE PHILIPPINES IN THE AMOUNT OF ONE HUNDRED SIXTY-SEVEN MILLION SEVEN HUNDRED TWENTY-SEVEN THOUSAND NINE HUNDRED PESOS (Php167,727,900.00), x x x", Honorable Rogelio M. Nolasco, Chairman of the Committee on Finance, Budget and Appropriation moved for the Approval of the City Resolution relative to the above-subject matter.

The motion was unanimously seconded by the majority of Honorable Members of the 5th Sangguniang Panlungsod. The request for a City Resolution authorizing the City Mayor, Honorable Strike B. Revilla to enter in and sign the legal documents pertaining to the loan agreement with the LANDBANK of the Philippines was **APPROVED**.

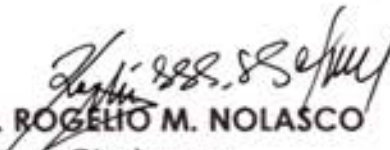
Further, the use as collateral the assignment of National Tax Allocation (NTA) share of the City Government of Bacoor for the purpose was **RATIFIED**, as recommended.

The regular session was closed and adjourned at 11:55 A.M.

Prepared by:


ROBERTO A. DE GUZMAN
Local Legislative Staff Assistant I

Attested by:


HON. ROGELIO M. NOLASCO
Chairman

Committee on Finance, Budget and Appropriation