



COMMITTEE ON FINANCE, BUDGET AND APPROPRIATION

COMMITTEE REPORT NO. FBA-272-S-2024

Subject: A RESOLUTION APPROVING THE CITY LOCAL FINANCE COMMITTEE RESOLUTION NOS. 01, 02, 03 SERIES OF 2024. 1) CLFC RESOLUTION NO. 01 SERIES OF 2024 – A RESOLUTION RECOMMENDING THE CANCELLATION OF THE PROPOSED LOAN WITH THE LANDBANK OF THE PHILIPPINES AMOUNTING TO ONE BILLION PESOS. 2) CLFC RESOLUTION NO. 02 SERIES OF 2024 – A RESOLUTION RECOMMENDING ACQUIRING THE LOAN AMOUNTING TO TWO BILLION FIVE HUNDRED MILLION PESOS FOR LAND ACQUISITION AND INFRASTRUCTURE PROJECTS THAT ARE FOR PUBLIC USE AND PUBLIC PURPOSE. 3) CLFC RESOLUTION NO. 03 – A RESOLUTION RESOMMENDING THE TRANSFER OF THE DEPOSIT OF CITY GOVERNMENT OF BACOOOR’S SHARE IN THE NATIONAL TAX ALLOTMENT FROM THE LANDBANK OF THE PHILIPPINES TO THE DEVELOPMENT BANK OF THE PHILIPPINES – PCR 543-2023 dated Mrach 18, 2024.

Referred to this Committee on the 83rd Regular Session is the above-subject matter for appropriate action and recommendation.

Under Republic Act No. 7160, the local government units (LGUs) are authorized to resort to borrowing and enter into a loan agreement with accredited financial institutions to finance the infrastructure projects approved under their respective Annual Investment Programs (AIPs), subject to specific restrictions provided in the same law.

For information, the City Government of Bacoor negotiated with the Land Bank of the Philippines (LBP) for a loan grant to finance its various infrastructure projects and its pioneered housing projects. The Land bank of the Philippines after its evaluation had granted the City Government of Bacoor of an omnibus loan facilities amounting to One Billion Pesos (Php1,000,000,000.00), the claim of which is subject to compliance of documentary requirements.

Objectively, **Resolution Nos. 01 and 03, Series of 2024** of the City Finance Committee (CLFC) seeks the approval of the **cancellation of One Billion Pesos (Php1,000,000,000.00) loan facilities with the Land Bank of the Philippines**, and **the transfer of National Tax Allotment (NTA) share of the City Government of Bacoor** from the Land Bank of the Philippines to the Development Bank of the Philippines, respectively.



Republic of the Philippines
PROVINCE OF CAVITE
City of Bacoor

CGBCR-SPBac-F003.00
10/20/2023

OFFICE OF THE SAGGUNANG PANLUNGSOD

In relation with the subject matter under CLFC Resolution No. 01, Series of 2024 (**cancellation of loan**), the City Local Finance Committee in its previous **Resolution No. 02, Series of 2023** resolved that the term loans with the Land Bank of the Philippines, particularly:

- 1) **Term Loan 4** (Php167,727,900.00-for acquisition of land intended for socialized housing);
- 2) **Term Loan 5** (Php270,000,000.00-for the construction of 4th floor on city hall); and
- 3) **Term Loan 6** (Php90,000,000.00-construction of additional storage facility at STRIKE Gym)

were no longer needed by the City Government of Bacoor, and thus, recommended the **cancellation of said term loans**.

Correspondingly, in the same year 2023, the City Local Finance Committee in its **Resolution No. 03, Series of 2023** resolved and recommended the **transfer of Term Loan 1** which was contracted in May 10, 2021 involving the amount of Php530,000,000.00 (used to finance the construction of the Disaster Risk Reduction and Management Building) from the Land bank of the Philippines to the Development Bank of the Philippines, and thus, **proposed that the Development Bank of the Philippines would be the depository bank of the National Tax Allotment (NTA) share** of the City Government of Bacoor as required by the Development Bank of the Philippines in the facilitation of loan grant with the lowest interest rates.

In the same **Resolution No. 03, Series of 2023**, the City Local Finance Committee presented a **comparative matrix** (Land Bank of the Philippines versus Development Bank of the Philippines) **which illustrates the net gain** if the amount of One Billion Pesos (Php1,000,000,000.00) principal deposit of the City Government with the LBP is transferred to DBP. The comparative matrix is hereunder copied for ready reference:

	DBP	LBP	NET GAIN
Project Term			
Deposit Principal	1,000,000,000.00	1,000,000,000.00	
Interest Rate	2.5%	1.15%	
Term	182	181	
Interest Earnings	10,111,111.11	9,251,111.11	
Annual Interest Earnings	20,222,222.22	9,251,111.11	10,971,111.11
Net Gain for 8.5 years			93,254,444.44



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OFFICE OF THE SAGGUNIANG PANLUNGSOD

The recommendations under **CLFC Resolution Nos. 02 and 03, Series of 2023** (i.e. **transfer and cancellation of existing loans with LBP** and the **proposal for the change of depository bank**) were all considered by this Committee and recommended the approval of said resolutions to the Sangguniang Panlungsod under Committee Report Nos. FBA 173 and FBA 174, all Series of 2023.

Finally, with regards to the request for approval of authority under **CLFC Resolution No. 02, Series of 2024**, that is, to acquire/avail the loan in the amount of **TWO BILLION FIVE HUNDRED MILLION PESOS (PHP1,500,000,000.00)** to finance the acquisition of land and infrastructure projects for public use and purposes, it may not be a missed to state that this Committee under its Committee Report No. **FBA-247-S-2023** had recommended to the Sangguniang Panlungsod the approval of proposed City Resolution PCR 511-2023 entitled "**A RESOLUTION AUTHORIZING THE CITY MAYOR, HON. STRIKE B. REVILLA AND THE CITY ADMINISTRATOR, ATTY. AIMEE TORREFRANCANERI, TO NEGOTIATE WITH GOVERNMENT FINANCIAL INSTITUTION FOR THE PLANNED BORROWING OF 2.5 BILLION PESOS BY THE CITY GOVERNMENT TO FINANCE VARIOUS PUBLIC PROJECTS FOR THE PROMOTION OF GENERAL WELFARE AND THE LOCAL HOUSING PROGRAM.**"

FINDINGS:

Except for CLFC Resolution No. 02, Series of 2024, the subject matters contained in CLFC Resolution Nos. 01 and 03, all Series of 2024 are similar and related to its preceding Resolution Nos. 02 and 03, all Series of 2023 on which this Committee have previously discussed, deliberated and submitted for approval by the Sangguniang Panlungsod.

RECOMMENDATION:

In view of the foregoing, the Honorable Members of the Committee hereby recommend **TO APPROVE** the CLFC Resolution Nos. 01. 02 and 03, all Series of 2024 in relation to the cancellation of LBP loan grant (omnibus loan facilities) amounting to One Billion Pesos, the authority to acquire the loan in the amount of Two Billion Five Hundred Million Pesos and the transfer of the National Tax Allotment (NTA) share of the City Government of Bacoor City to the Development Bank of the Philippines (DBP).



Republic of the Philippines
PROVINCE OF CAVITE
City of Bacoor

CGBCR-SPBac-F003.00
10/20/2023

OFFICE OF THE SAGGUNIANG PANLUNGSOD

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

Signed this day of March 2024 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. ADRIELITO G. GAWARAN
Member

Prepared by:


ROBERTO A. DE GUZMAN
Local Legislative Staff Assistant I



Committee on Finance, Budget and Appropriation

EXCERPT FROM THE MINUTES OF REGULAR SESSION

NO. FBA-272-S-2024

Subject: *A RESOLUTION APPROVING THE CITY LOCAL FINANCE COMMITTEE RESOLUTION NO. 01,02,03 SERIES OF 2024:*

- 1) *CLFC RESOLUTION NO. 01 SERIES OF 2024 - A RESOLUTION RECOMMENDING THE CANCELLATION OF THE PROPOSED LOAN WITH THE LANDBANK OF THE PHILIPPINES AMOUNTING TO ONE BILLION PESOS.*
 - 2) *CLFC RESOLUTION NO. 02 SERIES OF 2024 - A RESOLUTION RECOMMENDING ACQUIRING THE LOAN AMOUNTING TO TWO BILLION FIVE HUNDRED MILLION PESOS FOR LAND ACQUISITION AND INFRASTRUCTURE PROJECTS THAT ARE FOR PUBLIC USE AND PUBLIC PURPOSE.*
 - 3) *CLFC RESOLUTION NO. 03 SERIES OF 2024 - A RESOLUTION RECOMMENDING THE TRANSFER OF THE DEPOSIT OF THE CITY GOVERNMENT OF BACOORS SHARE IN THE NATIONAL TAX ALLOTMENT FROM THE LANDBANK OF THE PHILIPPINES TO THE DEVELOPMENT BANK OF THE PHILIPPINES. - PCR-543-2024 Dated March 18, 2024.*
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Honorable Rowena Bautista Mendiola, Presiding Officer called the 83rd Regular Session to order.

Atty. Khalid Atega, Jr., Secretary of the Sangguniang Panlungsod, proceeded with the roll call, the approval of the Journal and Minutes of the 82nd Regular Session, and the reading of the referrals to committees of proposed Ordinances, Resolutions, Messages, Communications, Petitions and Memorials.

On motion by Honorable Rogelio M. Nolasco which was unanimously seconded by the majority of the Honorable Members of Sangguniang Panlungsod, the internal rules were suspended.

Upon reading and referral of Agenda Item No. **F.1.2 – PCR-543-2024 – “A RESOLUTION APPROVING THE CITY LOCAL FINANCE COMMITTEE RESOLUTION NO. 01,02,03 SERIES OF 2024:**

- 1) **CLFC RESOLUTION NO. 01 SERIES OF 2024 - A RESOLUTION RECOMMENDING THE CANCELLATION OF THE PROPOSED LOAN WITH THE LANDBANK OF THE PHILIPPINES AMOUNTING TO ONE BILLION PESOS.**
- 2) **CLFC RESOLUTION NO. 02 SERIES OF 2024 - A RESOLUTION RECOMMENDING ACQUIRING THE LOAN AMOUNTING TO TWO BILLION FIVE**



Republic of the Philippines
PROVINCE OF CAVITE
City of Bacoor

OFFICE OF THE SAGGUNIANG PANLUNGSOD
HUNDRED MILLION PESOS FOR LAND ACQUISITION AND INFRASTRUCTURE PROJECTS
THAT ARE FOR PUBLIC USE AND PUBLIC PURPOSE.

3) CLFC RESOLUTION NO. 03 SERIES OF 2024 - A RESOLUTION RECOMMENDING THE TRANSFER OF THE DEPOSIT OF THE CITY GOVERNMENT OF BACOORS SHARE IN THE NATIONAL TAX ALLOTMENT FROM THE LANDBANK OF THE PHILIPPINES TO THE DEVELOPMENT BANK OF THE PHILIPPINES." Honorable Rogelio M. Nolasco moved the approval for the Resolution no. 1, 2 and 3 series of 2024 of Local Finance Committee to generate and maximize the use of resources and revenues of the City of Bacoor for the development plans, program objectives and priorities for the purpose of raising funds to finance development projects. It shall be the basic policy of the local government unit to create indebtedness and avail credit facilities to finance local infrastructure and other socio-economic development projects in accordance with the proposed local development plan and public investment program.

The motion was unanimously seconded by the majority of Honorable Members of the 5th Sangguniang Panlungsod. A resolution approving the city local finance committee resolution no. 1,2,3 series of 2024: 1) CLFC resolution no. 01 series of 2024 – a resolution recommending the cancellation of the proposed loan with the Landbank of the Philippines amounting to one billion pesos. 2) CLFC resolution 02 series of 2024 – a resolution recommending acquiring the loan amounting to two billion five hundred million pesos for land acquisition and infrastructure projects that are for public use and public purpose. 3) CLFC resolution no. 03 series of 2024 – a resolution recommending the transfer of the deposit of the city government of Bacoor's share in the national tax allotment from the Landbank of the Philippines to the Development Bank of the Philippines was **APPROVED**.

The regular session was closed and adjourned at 11:45 A.M.

Prepared By:

EDGARDO B. NOLASCO
CLERK

Attested By:

COUN. ROGELIO "BOK" M. NOLASCO
Chairman

Committee on Finance, Budget and Appropriation

F.1.2 PCR 543-2024



Republic of the Philippines
Province of Cavite
CITY OF BACOOR

Office of the Mayor

11 March 2024

HON. ROWENA BAUTISTA-MENDIOLA

Vice Mayor
City Government of Bacoor
Legislative Building
Bacoor Government Center
Barangay Bayanan, Bacoor City, Cavite

OFFICE OF THE
SANGGUNIANG PANLUNGSOD
RECEIVED
By: RUTH
DATE: 3/11/24 TIME: 10:41 AM
BACOOR CITY, CAVITE

THRU: ATTY. KHALID ATEGA JR.
Sangguniang Panlungsod Secretary

**SUBJECT: REQUEST FOR CITY RESOLUTION APPROVING THE CITY
LOCAL FINANCE COMMITTEE RESOLUTION NO. 01, 02, 03, SERIES OF
2024**

Dear Hon. Bautista-Mendiola,

Greetings in the name of public service!

Pursuant to RA10160 Section 11(2)(iv) the sangguniang panlungsod, as the legislative body of the City, generate and maximize the use of resources and revenues for the development plans, program objectives and priorities of the City for the purpose of raising funds to finance development projects;

Under Section 296 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, provides that "it shall be 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 proposed local development plan and public investment program."

On 27 February 2024, the Local Finance Committee convened the following matters pursuant to the authority to formulate or adopt such policy or plan of action that will ensure the effective discharge of its functions: possibility of cancelling the proposed loan with Landbank amounting to One Billion Pesos; whether or not there is a financial basis for acquiring a loan amounting to Two Billion Five Hundred Million Pesos (Php 2,500,000,000.00); and the possibility of transferring the deposit of the City Government of Bacoor's share in the National Tax Allotment ("NTA") from the Landbank of the Philippines ("Landbank") to the Development Bank of the Philippines ("DBP").

In view thereof, I respectfully request the esteemed members of the Sangguniang Panlungsod to pass a resolution – approving/concurring the following CLFC Resolutions:

**STR1KE
AS**

Address: Bacoor Government Center, Bacoor Divd. Brgy. Bayanan City of Bacoor, Cavite
Hotline: 434-1111 Website: www.bacoor.gov.ph



SCAN ME



Republic of the Philippines
Province of Cavite
CITY OF BACOR

Office of the Mayor

1. **CLFC Resolution No. 01, series of 2024-** *A Resolution recommending the cancellation of the Proposed Loan with the Landbank of the Philippines amounting to One Billion Pesos*
2. **CLFC Resolution No.02, series of 2024-** *A Resolution recommending the loan amounting to Two Billion Five Hundred Million Pesos for Land Acquisition and Infrastructure projects that are for Public Use and Public Purpose*
3. **CLFC Resolution No. 03, series of 2024-** *A Resolution recommending the transfer of the deposit of the City Government of Bacoor's share in the National Tax Allotment from the Landbank of the Philippines to the Development Bank of the Philippines.*

Thank you.

Respectfully yours,


STRIKE B. REVILLA
City Mayor



**STR1KE
AS1KE**

Address: Bacoor Government Center, Bacoor Blvd. Brgy. Bayanan City of Bacoor, Cavite
Telephone: 434-1111 Website: www.bacoor.gov.ph



SCAN ME



Republic of the Philippines
Province of Cavite
City of Bacoor

CITY LOCAL FINANCE COMMITTEE (CLFC)

RESOLUTION NO. 01 SERIES OF 2024

**A RESOLUTION RECOMMENDING THE CANCELLATION OF
THE PROPOSED LOAN WITH THE LANDBANK OF THE
PHILIPPINES AMOUNTING TO ONE BILLION PESOS**

WHEREAS, Section 296 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, provides that "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 proposed local development plan and public investment program"

WHEREAS, Section 297 paragraph (8) of the same law further states that "a local government unit may likewise secure from any government bank and lending institution short, medium and long-term loans and advances against the security of real estate or other acceptable assets from the establishment, development or expansion of agricultural, industrial, commercial, house financing and livelihood projects, and other economic enterprises".

WHEREAS, in 2023, the City Government of Bacoor wanted to loan the amount of One Billion Pesos (Php 1,000,000,000.00) from the Landbank of the Philippines ('Landbank') to finance its housing projects and storage building facility.

WHEREAS, the City Government of Bacoor communicated with the Landbank for the said loan and the Landbank sent their loan proposal.

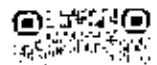
WHEREAS, on 27 February 2024, the Local Finance Committee was convened to discuss the possibility of canceling the proposed loan with Landbank amounting to One Billion Pesos.

WHEREAS, the issue to be resolved by the Local Finance Committee is whether or not it is more beneficial for the City Government of Bacoor to cancel the proposed loan with Landbank amounting to One Billion Pesos

WHEREAS, on 05 September 2023, the City of Bacoor Urban Development and Housing Board issued CBUDHB Resolution No. 7 series of 2023 recommending

CLFC RESOLUTION NO. 01 S. 2024

1 of 1





the disbursement of funds for the acquisition, purchase, and procurement of parcels of lots covered by five titles

WHEREAS, the One Billion Pesos loan from Landbank was supposed to be used for the purchase of these lots

WHEREAS, the One Billion Pesos loan from Landbank is no longer needed

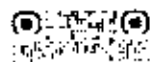
WHEREAS, the loan's interest rate with the Landbank is 3.5% and may increase to 6%. The loan rate is also subject to quarterly review for possible increases

WHEREAS, continuing with the loan even though it is no longer needed is not beneficial to the City of Bacoor

NOW THEREFORE, pursuant to the authority of this committee to formulate or adopt such policy or plan of action that will ensure the effective discharge of its functions, the City Local Finance Committee **RESOLVED** to recommend to the City Mayor the following:

1. To recommend to the City Mayor - Hon. Strike B. Revilla, to cancel the loan proposal from Landbank amounting to One Billion Pesos since the City Government of Bacoor will no longer push through with the projects for which this amount is originally intended; hence, funds to finance these projects are no longer needed.
2. To provide the City Mayor – Hon. Strike B. Revilla, a copy of this Resolution and endorsement for the issuance of such amendatory City Ordinance by the Sangguniang Panlungsod.

Done this 27 February 2024 at Bacoor City, Cavite





Republic of the Philippines
Province of Marikina
City of Marikina

THE CITY LOCAL FINANCE COMMITTEE.

ATTY. AIMEE T. NERI
Chairperson – City Administrator

MS. RHOWENA D. ALCANTARA
Vice-Chairperson – City Planning Office

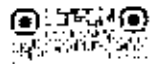
MS. ELVINIA S. GUERRERO
Member – City Budget Officer

ATTY. MARVIE KATE ENCARNADO
Member – OIC City Accountant

MR. LODGENE ASUNCION
Member – Department Head MIS

ATTY. EDITH C. NAPALAN
Member – City Treasurer

ENGR. ALLAN QUINATADCAN
Member – City Assessor





Republic of the Philippines
Department of Environment and Natural Resources
Office of the Secretary, DENR

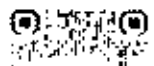
MR. CHRISTIAN GAWARAN
Member - Department Head BPLD

APPROVED:

STRIKE B. REVILLA
City Mayor



CLFC RESOLUTION NO. 025-2024
4 of 4





Republic of the Philippines
Province of Cavite
CITY OF BACODR

CITY LOCAL FINANCE COMMITTEE (CLFC)

RESOLUTION NO. 02 SERIES OF 2024

A RESOLUTION RECOMMENDING ACQUIRING THE LOAN AMOUNTING TO TWO BILLION FIVE HUNDRED MILLION PESOS FOR LAND ACQUISITION AND INFRASTRUCTURE PROJECTS THAT ARE FOR PUBLIC USE AND PUBLIC PURPOSE

WHEREAS, Section 296 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, provides that "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 proposed local development plan and public investment program".

WHEREAS, Section 297 paragraph (B) of the same law further states that "a local government unit may likewise secure from any government bank and lending institution short, medium and long-term loans and advances against the security of real estate or other acceptable assets from the establishment, development, or expansion of agricultural, industrial, commercial, house financing and livelihood projects, and other economic enterprises".

WHEREAS, on 27 February 2024, the Local Finance Committee was convened to discuss the possibility of loaning the amount of Two Billion Five Hundred Million Pesos (Php 2,500,000,000.00).

WHEREAS, the issue to be resolved by the Local Finance Committee is whether or not there is a financial basis for acquiring a loan amounting to Two Billion Five Hundred Million Pesos (Php 2,500,000,000.00).

WHEREAS, it was discussed that, at present, the City Government of Bacoor has a net borrowing capacity amounting to Two Billion Five Hundred Million Pesos (Php 2,500,000,000.00).

WHEREAS, the local chief executive, the Hon. Mayor Strike B. Revilla, plans to acquire several lots within the City of Bacoor for various housing, township, and infrastructure projects for public use and public purpose that are projected to cost One Billion Pesos.

CLFC RESOLUTION NO. 02 S. 2024

1 of 3





WHEREAS, the local chief executive, the Hon. Mayor Strike B. Revilla, plans to build and construct various infrastructure and buildings for the benefit of the public for a public purpose that are estimated to cost One Billion Five Hundred Million Pesos

NOW THEREFORE, pursuant to the authority of this committee to formulate or adopt such policy or plan of action that will ensure the effective discharge of its functions, the City Local Finance Committee **RESOLVED** to recommend to the City Mayor the following:

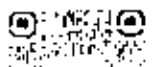
1. To recommend to the City Mayor - Hon. Strike B. Revilla, to loan the amount of Two Billion Five Hundred Million Pesos (Php 2,500,000,000.00) to be used as follows:
 - a. One Billion Five Hundred Million Pesos (Php 1,500,000,000.00) for the acquisition of land within the City of Bacoor for the benefit of the public and for public purpose; and
 - b. One Billion Pesos (Php 1,000,000,000.00) for constructing various infrastructure and buildings for public use and public purpose
2. To provide the City Mayor – Hon. Strike B. Revilla, a copy of this Resolution and endorsement for the issuance of such amendatory City Ordinance by the Sangguniang Panlungsod.

Done this 27 February 2024 at Bacoor City, Cavite.

THE CITY LOCAL FINANCE COMMITTEE.

ATTY. AIMEE T. NERI
Chairperson – City Administrator


MS. RHOWENA D. ALCANTARA
Vice-Chairperson – City Planning Office




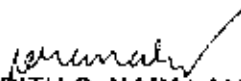



Republic of the Philippines
City of Marikina
Office of the City Mayor


MS. ELVINIA S. GUERRERO
Member - City Budget Officer


ATTY. MARVIE KATE ENCARNADO
Member - OIC City Accountant


MR. LODGENE ASUNCION
Member - Department Head MIS

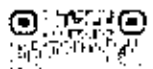

ATTY. EDITH C. NAPALAN
Member - City Treasurer


ENGR. ALLAN QUINATADCAN
Member - City Assessor


MR. CHRISTIAN GAWARAN
Member - Department Head BPLD

APPROVED:

STRIKE B. REVILLA
City Mayor





Republic of the Philippines
Province of Cavite
CITY OF BACOR

CITY LOCAL FINANCE COMMITTEE (CLFC)

RESOLUTION NO. 03 SERIES OF 2024

A RESOLUTION RECOMMENDING THE TRANSFER OF THE DEPOSIT OF THE CITY GOVERNMENT OF BACOR'S SHARE IN THE NATIONAL TAX ALLOTMENT FROM THE LANDBANK OF THE PHILIPPINES TO THE DEVELOPMENT BANK OF THE PHILIPPINES

WHEREAS, Section 296 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, provides that "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 proposed local development plan and public investment program".

WHEREAS, Section 297 paragraph (B) of the same law further states that "a local government unit may likewise secure from any government bank and lending institution short, medium and long-term loans and advances against the security of real estate or other acceptable assets from the establishment, development, or expansion of agricultural, industrial, commercial, house financing and livelihood projects, and other economic enterprises".

WHEREAS, on 27 February 2024, the Local Finance Committee was convened to discuss the possibility of transferring the deposit of the City Government of Bacoor's share in the National Tax Allotment ("NTA") from the Landbank of the Philippines ("Landbank") to the Development Bank of the Philippines ("DBP").

WHEREAS, the issue to be resolved by the Local Finance Committee is whether or not it is more beneficial for the City Government of Bacoor to transfer its deposit of NTA share from Landbank to DBP starting January 2025.

WHEREAS, the comparative matrixes of Time Deposits were presented to completely determine which bank is more beneficial to the financial interest of the City Government of Bacoor.

WHEREAS, the comparative matrix of the Income from Time Deposits was presented. Based on the table, the principal amount of One Billion Pesos (Php





1,000,000,000.00) will earn annual interest earnings of Php 20,222,222.22 with the Development Bank of the Philippines at an interest rate of 2.5% and a term of 182 days. On the other hand, the principal amount of One Billion Pesos (Php 1,000,000,000.00) will earn annual interest earnings of Php 9,251,111.11 with the Landbank of the Philippines at an interest rate of 1.15% and a term of 181 days. Thus, the interest income earnings of the City Government of Bacoor is Php 10,971,111.11 higher with the Development Bank of the Philippines than with the Landbank of the Philippines. In 8.5 years, the difference is at Php 93,254,444.44.

Project Term Deposit	DBP	LBP	NET GAIN
Principal	1,000,000,000.00	1,000,000,000.00	
Interest Rate	2.5%	1.15%	
Term	182	181	
Interest Earnings	10,111,111.11	9,251,111.11	
Annual Interest Earnings	20,222,222.22	9,251,111.11	10,971,111.11
Net gain for 8.5 years			93,254,444.44

WHEREAS, the City Government of Bacoor will earn more through the income in the interest rate of deposits if its NTA share is deposited with DBP.

WHEREAS, the difference in the interest rates was also presented. Currently any loan with Landbank shall earn an interest of 3.5% and may be increased to 6%. This is also subject to quarterly review for possible increases. On the other hand, the interest rate with the DBP will be 3% until 31 December 2028 and may be increased to 3.25% starting 01 January 2029 if it will be the City Government of Bacoor's depository bank for its NTA share in 2025. If the Development Bank of the Philippines would not be the City Government of Bacoor's depository bank for its National Tax Allotment share, then the interest rate would be at 3.5% until 2026 and increase to 4% until the loan's maturity.

WHEREAS, the City Government of Bacoor will save more through a lower interest rate on loans if its NTA share is deposited with DBP.





Resolution of the City Local Finance Committee
Province of Cavite
CITY OF BACOR

NOW THEREFORE, pursuant to the authority of this committee to formulate or adopt such policy or plan of action that will ensure the effective discharge of its functions, the City Local Finance Committee **RESOLVED** to recommend to the City Mayor the following:

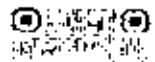
1. To recommend to the City Mayor - Hon. Strike B. Revilla, to transfer the deposit of the City Government of Bacoor's share in the NTA from Landbank to DBP starting January 2025 since DBP (a) has a higher interest rate on deposits, which in turn leads to a higher income for the City Government of Bacoor derived from the interest of the deposits, and (b) has lower interest rate on loans which in turn leads to higher savings for the City Government of Bacoor derived from the lower interest on loans
2. To provide the City Mayor - Hon. Strike B. Revilla a copy of this Resolution and endorsement for the issuance of such amendatory City Ordinance by the Sangguniang Panlungsod

Done this 27 February 2024 at Bacoor City, Cavite.

THE CITY LOCAL FINANCE COMMITTEE.

ATTY. AIMEE T. NERI
Chairperson - City Administrator

MS. RHOWENA D. ALCANTARA
Vice Chairperson - City Planning Office





Republic of the Philippines
Province of Cavite
City of Marikina

MS. ELVINIA S. GUERRERO
Member – City Budget Officer


ATTY. MARVIE KATE ENCARNADO
Member – OIC City Accountant


MR. LODGENE ASUNCION
Member - Department Head MIS


ATTY. EDITH C. NAPALAN
Member – City Treasurer


ENGR. ALLAN GUINATADCAN
Member – City Assessor


MR. CHRISTIAN GAWARAN
Member – Department Head BPLD

APPROVED:

STRIKE B. REVILLA
City Mayor

