



Republic of the Philippines
Province of Iloilo
MUNICIPALITY OF BINGAWAN



SANGGUNIANG BAYAN

EXCERPT FROM THE MINUTES OF THE 58th REGULAR SESSION OF THE 13TH SANGGUNIANG BAYAN OF THE MUNICIPALITY OF BINGAWAN, PROVINCE OF ILOILO, HELD AT THE SANGGUNIANG BAYAN SESSION HALL ON AUGUST 9, 2017.

Present:

Hon. Matt P. Palabrica, Ph.D.	Vice Mayor/Presiding Officer
Hon. Joy L. Quimba	SB Member
Hon. Jose C. Rabago, Jr.	SB Member
Hon. Lorens M. Belloga	SB Member
Hon. Ted Peter P. Plagata	SB Member
Hon. Nemesio A. Cachite	SB Member
Hon. Jofe C. Celeste	SB Member
Hon. Leovy C. Simora	SB Member/Floor Leader
Hon. Perceval T. Girao	Ex-officio SB Member/Liga President
Hon. Eduardo A. Dalipe	SB Member

Absent:

None

Resolution No. 65 – 2017

AN URGENT RESOLUTION AFFIRMING THE INTEREST OF THE LOCAL GOVERNMENT UNIT OF BINGAWAN TO APPLY, NEGOTIATE AND BORROW FUNDS FROM THE MUNICIPAL DEVELOPMENT FUND OFFICE (MDFO) OF THE DEPARTMENT OF FINANCE (DOF) FOR THE IMPLEMENTATION OF THE MUNICIPAL DEVELOPMENT FUND PROJECT

WHEREAS, the Municipal Development Fund Project, a financing scheme offering pure loan to LGUs nationwide to finance the implementation of priority projects related to social, environmental, health and economic development;

WHEREAS, the Municipal Development Fund Project (the "Project") is included in the Local Development Investment Plan (LDIP) 2016 – 2019 and Annual Investment Program of the *Local Government Unit of Bingawan*;

WHEREAS, due to financial constraint to finance the Municipal Development Fund Project, the Municipality of Bingawan opted to avail of credit facility for its implementation;

WHEREAS, the Local Government Code of 1991 empowers the local government units to 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;

WHEREAS, the Municipal Development Fund Office ("MDFO"), an attached agency of the Department of Finance, provides financing assistance to Local Government Units (LGUs);

WHEREAS, Municipality of Bingawan would like to access the credit financing offered by the MDFO, of which financing terms and conditions were properly conveyed and understood by this body.

NOW THEREFORE:

ON MOTION of, Hon. Leovy C. Simora, Floor Leader, duly seconded by Hon. Perceval T. Girao;

RESOLVED, that the Municipality of Bingawan shall apply, negotiate and borrow funds from the MDFO to finance the Municipal Development Fund Project;

RESOLVED FURTHER, that the Municipality of Bingawan hereby commits to undertake the necessary acts for the implementation of the Project, as follows:

- a. Create a Project Implementation Unit ("PIU") by providing adequate number of technical and support staff, office space and all necessary facilities and assistance for the effective and efficient management of the Project;
- b. Provide the LGU equity for the Project, when necessary;
- c. Appropriate the total project costs composed of loan proceeds, equity and grant(if applicable);
- d. Appropriate funds for the amortization of loan until fully paid. The funds appropriated shall include the cost of insurance and all operation and maintenance expenses of the Project;
- e. Conduct public hearings and consultations, enact ordinances authorizing the collection of fees, charges and other impositions and carryout necessary measures in support of the viability and sustainability of the Project;
- f. Authorize the MDFO to deduct from the LGU's Internal Revenue Allotment ("IRA") the amount due to MDFO in connection with the Project under the following cases: (i) default in the payment of principal amortization including interests and penalties; or (ii) any un-liquidated financial obligations. The right of MDFO to deduct on the LGU's IRA shall be without prejudice to any other remedies available under Philippine law;
- g. To appropriate LGU funds to defray expenses charges and penalties contemplated in the commitment letter attached hereto, incurred by MDFO during appraisal which include administrative/travel expenses settled between the parties in case the LGU would withdraw, cancel or postpone the application.

RESOLVED FURTHERMORE, to:

- a. Authorize and empower the incumbent local chief executive, Hon. Mayor Mark P. Palabrica, and his successor, for and on behalf of the Municipality of Bingawan to:
 - i. Apply, negotiate and enter into a loan agreement with the MDFO and with partner agency/s, when necessary, and executed deeds and to do all acts necessary and proper under the premises for the effective and efficient implementation of the Project;
 - ii. Enter into agreements with qualified private individuals or corporations, after public bidding, to execute the Project; and


- iii. Together the with the Local Municipal Treasurer, to open a separate bank account to facilitate the transfer of funds due to MDFO as payment for principal amortizations, interests and any other amount owing to MDFO by the LGU in connection with the Project.

RESOLVED FINALLY, within a reasonable time from its adoption, to furnish the MDFO with a copy of this Resolution.


APPROVED.

I HEREBY CERTIFY to the veracity of the above-quoted resolution.

CERTIFIED CORRECT:


JULIO C. CASTIGADOR
SB Secretary

ATTESTED:


MATT P. PALABRICA, Ph.D.
Municipal Vice Mayor/ Presiding Officer