



EXCERPT FROM THE MINUTES OF THE 2ND REGULAR SESSION OF THE HONORABLE SANGGUNIANG BAYAN, TIGBAUAN, ILOILO HELD AT THE S.B. SESSION HALL, TIGBAUAN MUNICIPAL BUILDING, TIGBAUAN, ILOILO ON JANUARY 13, 2016 AT 1:45 IN THE AFTERNOON

PRESENT:

HON. ROEL T. JARINA	- Vice Mayor & Presiding Officer
HON. JOSE DONEL T. TRASPORTO	- S.B. Member
HON. RENEE LIBRODO-VALENCIA,	- S.B. Member
HON. VIRGILIO T. TERUEL,	- S.B. Member
HON. MARLON TERUÑEZ	- S.B. Member
HON. MA. GERRYLIN SANTUYO-CAMPOSAGRADO,	- S.B. Member
HON. SUZETTE MARIE HILADO-BANNO,	- S.B. Member
HON. RICKY T. NULADA	- S.B. Member
HON. ARIEL I. BERNARDO	- S.B. Member
HON. RONNIE T. PAGUNTALAN,	- Liga President

ABSENT: NONE

Resolution No. 2016-008

RESOLUTION AUTHORIZING MUNICIPAL MAYOR, ATTY. SUZETTE TENEFRENCIA-ALQUISADA FOR AND IN BEHALF OF THE MUNICIPALITY OF TIGBAUAN, PROVINCE OF ILOILO TO ENTER INTO A NEW MEMORANDUM OF AGREEMENT WITH THE PHILIPPINE VETERANS BANK (PVB) RELATIVE TO THE BANK'S SALARY LOAN PROGRAM TO QUALIFIED EMPLOYEES OF THE LGU".

WHEREAS, the Municipality has an existing Memorandum of Agreement with the PVB entered into on June 19, 2008, signed by former Mayor James Excelsior Torres;

WHEREAS, sometime in November 2015, a draft MoA was presented by the bank to LGU Tigbauan for signature of Mayor Alquisada and Ms. Elma Tionsay (OIC Treasurer); attached to which are sheets containing new terms and conditions for consideration;

WHEREAS, on November 24, 2015, Hon. Mayor Suzette forwarded to the Sanggunian the subject letter request for the passing of a resolution relative to PBV's proposed new Salary Loan Program for the employees of LGU Tigbauan, and which was subsequently referred to the Committee on Appropriations for its review and recommendation;

WHEREAS, the Committee failed to promptly act on the matter because no copy of the existing MoA can be found in the files of the LGU and the bank's copy was secured only this January 2016. It shall be noted that the stipulations contained in the former MoA is necessary to enable the Committee to comparatively study the terms of the agreement and competently come up with a recommendation on the Mayor's request for a resolution;

WHEREAS, the review of both the existing and proposed MoA is summarized as follows:

- a. The existing document or MoA is more detailed, as it contains Sections for Borrower's Eligibility, Documentary Requirements, Terms of Acceptance, Covenants of the Client, Covenants of the Bank and Miscellaneous Provisions which clearly lay down the entire terms and conditions of the agreement in a single document.

The proposed document or MoA does not have said Sections, but merely attaches a tabular presentation of the terms such as loan amount, interest rate, tenor, etc. It was noted, however, that no reference to this attached table is mentioned in the proposed MoA itself.

- b. Comparative terms and conditions:

	Existing MoA	Proposed MoA
Minimum Loan Amount	P 10,000	P 5,000
Maximum Loan Amount	3 months gross but not exceeding P 100,000	P 300,000
Interest Rates	13% per annum, or about 1.08% - 1.5% per month	0.84% - 0.99% per month (ATM, no ATM) 0.56% - 0.69% per month (ATM, no ATM); with 3% processing and service fee

Loan Tenor	3 years or 36 months, but shall not to exceed retirement period	6, 12, 18, 24, 30, 36 months
Minimum Net Take Home Pay Requirement	P 3,000 after deducting the required loan amortization	P 3,000 or existing government regulatory requirement after deducting required loan amortization
Penalty	1.5% per month (or fraction thereof) on the unpaid monthly amortizations or on the remaining principal amount when the loan becomes past due	3% per month (or fraction thereof) on the unpaid monthly amortizations or on the remaining principal amount when the loan becomes past due
Grace Period	3 months on Principal; Interest discounted for 3 months	None... MoA is silent on the matter.
Processing Fee	3% flat based on the principal amount of loan	None for 0.84% - 0.99% monthly add on 1.50% for 0.56% - 0.69% monthly add on
Service Fee	3% flat based on the principal amount of loan	None for 0.84% - 0.99% monthly add on 1.50% for 0.56% - 0.69% monthly add on
Notarial Fee	P 100	P 250
Documentary stamps tax	P 1 for every P 200 or a fraction thereof	Imposed on loans used for business or those exceeding P 250,000
Renewal or re-avilment	After payment of at least 80% of the principal amount of the loan	After at least 12 monthly loan amortization for terms of 24, 30 or 36 months; After payment of at least 50% of the loan for terms of 6, 12 or 18 months
Documentary Requirements		More or less the same documentary requirements

- c. Except for provision on Penalties imposed in case of delinquency in monthly loan payment or amortization and on the grace period, most terms and conditions under the proposed Memorandum of Agreement is found favorable to borrower employees.


NOW, THEREFORE, on motion of HON. RENEE LIBRODO-VALENCIA, Chairperson, Committee on Appropriations and duly seconded by Hon. Jose Donel Trasporto, Hon. Virgilio Teruel, Hon. Marlon Teruñez, Hon. Ma. Gerrylin Santuyo-Camposagrado, Hon. Suzette Marie Hilado-Banno, Hon. Ricky Nulada, Hon. Ariel Bernardo and Hon. Ronnie Paguntalan,

RESOLVED, to authorize Municipal Mayor, Atty. Suzette Tenefrancia-Alquisada For And In Behalf Of The Municipality Of Tigbauan, Province Of Iloilo To Enter Into A New Memorandum Of Agreement With The Philippine Veterans Bank (PVB) Relative To The Bank's Salary Loan Program To Qualified Employees Of The LGU".

RESOLVED FURTHER, to forward copies of this Resolution to Hon. Suzette Tenefrancia-Alquisada, Municipal Mayor, this municipality, to Philippine Veterans Bank (PVB), Iloilo City and to all concerned for their information and/or appropriate action.

APPROVED.

CERTIFIED CORRECT:


MARLENE TAYO-NAVA
S.B. Secretary

ATTESTED:

ROEL T. JARINA
Vice Mayor & Presiding Officer

HON. ROEL T. JARINA, M.D.
Municipal Vice Mayor

Sangguniang Bayan Members:

Hon. Jose Donel T. Trasporto, Lawyer	Hon. Marlon R. Teruñez, Ph.D.	Hon. Ricky T. Nulada
Hon. Renee Librodo- Valencia, CPA,MBMM	Hon. Ma. Gerrylin Santuyo- Camposagrado	Hon. Ariel I. Bernardo
Hon. Virgilio T. Teruel, Lawyer	Hon. Suzette Marie Hilado-Banno, M.D.	Hon. Ronnie Paguntalan (LnB-Pres.)

“Public office is a public trust. Public Officials must at all times be accountable to the people.”