



Republic of the Philippines
Province of Oriental Mindoro
MUNICIPALITY OF BULALACAO

OFFICE OF THE SANGGUNIANG BAYAN

Municipal Building, Poblacion, Bulalacao, Oriental Mindoro, 5214

EXCERPTS FROM THE MINUTES OF THE REGULAR SESSION OF THE SANGGUNIANG BAYAN OF BULALACAO, ORIENTAL MINDORO HELD ON FEBRUARY 20, 2006 AT THE SANGGUNIANG BAYAN SESSION HALL

PRESENT:

Hon. Juan L. Salas, Sr.	-	Temporary Presiding Officer
Hon. Gabriel c. Hermitao	-	Sang. Bayan Member
Hon. Leonardo A. Andalfon	-	-do-
Hon. Sanmy O. Madra	-	-do-
Hon. Roberto A. Hilario	-	-do-
Hon. Eric Michael R. Pajotal	-	-do-
Hon. Joseph Rey S. Amparo	-	SK Fed. President

ABSENT:

Hon. Salvador A. Magalay	-	Mun. Vice Mayor- O.B.
Hon. Hon. Guillermo G. Salas, Jr.	-	Sang. Bayan Member
Hon. Efrén S. Acosta	-	-do- O.B.
Hon. Rosalinda M. Cabagay	-	-do-

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RESOLUTION NO. 06-02-024

AUTHORIZING THE HONORABLE ERNILO C. VILLAS, MUNICIPAL MAYOR TO SIGN THE SUBSCRIPTION AGREEMENT RELATING TO THE IRA MONETIZATION PROGRAM AND OTHER RELATED AGREEMENTS ON BEHALF OF THE LOCAL GOVERNMENT UNIT OF THE MUNICIPALITY OF BULALACAO, PROVINCE OF ORIENTAL MINDORO WITH RESPECT TO ITS SHARE IN THE PHP17.5 BILLION UNRELEASED IRA FOR CALENDAR YEARS 2000 AND 2001 IN THE AMOUNT APPEARING IN THE NOTICE OF PAYMENT SCHEDULE

"WHEREAS, the Supreme Court in a recent decision declared the Act of Congress of setting apart a portion of the Internal Revenue Allotment ("IRA") and transferred the same to Unprogrammed Fund as unconstitutional since it violates Section 6, Article X of the Constitution;

"WHEREAS, the Department of Justice has also opined that reclassification of Unprogrammed Fund was unconstitutional and should still be treated as regular Programmed Funds, further representing IRA already appropriated in the General Appropriations Acts ("GAAs") of 2000 and 2001, no act from Congress is necessary for the release;

"WHEREAS, Her Excellency, Gloria Macapagal-Arroyo has recognized that Php17.5 Billion unreleased IRA for calendar years 2000 and 2001 as a National Government commitment and obligation and the Department of Budget and Management (DBM) has issued a Notice of Payment Schedule (NPS) to the local Government Units, providing the release of the corresponding share of each LGU in the Php17.5 Billion IRA in such number of installment tranches as may be determined by the DBM;

"WHEREAS, the League of Municipalities of the Philippines is spearheading a program to allow participating member municipalities the opportunity to monetize their NPS ("Monetization Program") and has passed Resolution No. 009-2005 during its National Directorate meeting held at Puerto Princesa City on 1 September 2005 confirming its agreement to and pursuit of a Monetization Program;

"WHEREAS, in furtherance of the IRA Monetization Program, a Trust Agreement was executed by and between the Municipality of Bulalacao and the Land Bank of the Philippines-Trust Banking Group on February 20, 2006 (the "Trust Agreement") wherein a special purpose trust ("SPT" was created;

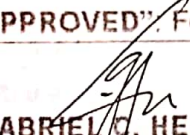
"WHEREAS, pursuant to the Trust Agreement, the SPT shall accept the NPS conveyed by participating local government units, and securitize the NPS through the issuance of zero-coupon certificates ("MIRA Certificates). The SPT shall thereafter monetize the MIRA Certificates by discounting them through participating financial institutions at prevailing market prices;

"WHEREAS, participation in the IRA MONETIZATION Program will be for the utmost benefit of LGUs since it provides LGUs with immediate access to resources for the implementation of its projects and programs, Now, therefore, be it

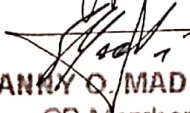
RESOLVED AS IT IS HEREBY RESOLVED, To: Authorize the Honorable Ernilo C. Villas, Municipal Mayor to sign the Subscription Agreement relating to the IRA Monetization Program and other related agreements on behalf of the Local Government Unit of the Municipality of Bulalacao, Province of Oriental Mindoro with respect to its share in the Php17.5 Billion Unreleased IRA for Calendar Years 2000 and 2001 in the amount appearing in the Notice of Payment Schedule;

ON MOTION of Councilor Roberto A. Hilario duly seconded by all members present, foregoing was . . .

APPROVED: February 20, 2006, Bulalacao, Oriental Mindoro.

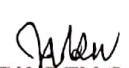

GABRIEL C. HERMILAO
SB Member


LEONARDECIA A. ANDALLON
VB Member

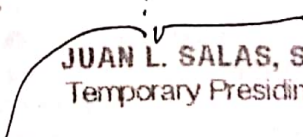

SANNY Q. MADRA
SB Member


ROBERTO A. HILARIO
SB Member

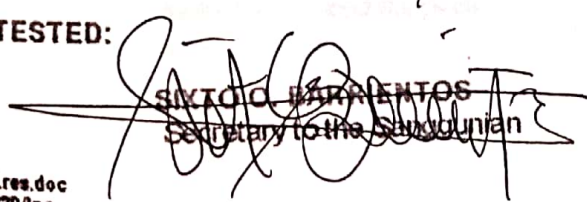

ERIC MICHAEL R. PAJOTAL
SB Member


JOSEPH REY S. AMPARO
SK Fed. President

CERTIFIED TRUE AND CORRECT:


JUAN L. SALAS, SR.
Temporary Presiding Officer

ATTESTED:


SYLVIO BARRIENTOS
Secretary to the SB/Union