



Republic of the Philippines
PROVINCE OF ISABELA
City of Ilagan
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Office of the Sangguniang Panlalawigan

EXCERPT FROM THE MINUTES OF THE 36th REGULAR SESSION OF THE 11th SANGGUNIANG PANLALAWIGAN OF ISABELA HELD AT PROVINCIAL CAPITOL, ILAGAN CITY, ISABELA ON APRIL 18, 2023.

PRESENT:

| | |
|------------------------------|--|
| DELFINITO EMMANUEL L. ALBANO | Member (1 st District) & Presiding Officer Protempore |
| ED CHRISTIAN S. GO | Member (2 nd District) & Floor Leader Protempore |
| EMMANUEL JOSELITO B. AÑES | Member (1 st District) |
| EDGAR R. CAPUCHINO | Member (2 nd District) |
| MARY GRACE D. ARREOLA | Member (3 rd District) |
| RAMON JUAN N. REYES, JR. | Member (3 rd District) |
| CLIFFORD R. RASPADO | Member (4 th District) |
| VICTOR G. DY | Member (4 th District) |
| MANUEL FAUSTINO U. DY | Member (5 th District) |
| EDWARD S. ISIDRO | Member (5 th District) |
| MARCO PAOLO A. MERIS | Member (6 th District) |
| AMADOR A. GAFFUD, JR. | Member (6 th District) |
| ANTONIO S. HUI | Member, PCL Federation President |
| DANTE G. HALAMAN | Member, LnB Federation President |
| DAX PAOLO C. BINAG | Member, SK Federation President |
| ADRIAN PHILIP S. BAYSAC | Member, Agricultural Workers Sector Representative |
| LOURDES S. PANGANIBAN | Member, Women's Sectoral Representative |
| MARGARETTE U. CHIN | Member, Indigenous Cultural Communities Sector Representative |
| EVYN JAY C. DIAZ | Member, Labor Sector Representative |

RESOLUTION NO. 2023-13-03

Series of 2023

A RESOLUTION DECLARING APPROPRIATION ORDINANCE NO. 2022-224 (2023 ANNUAL BUDGET) IN THE TOTAL AMOUNT OF ONE HUNDRED FIFTY SIX MILLION NINE HUNDRED TWENTY SEVEN THOUSAND ONE HUNDRED SIXTEEN PESOS (P156,927,116.00) OF THE MUNICIPALITY OF SAN MANUEL, ISABELA INOPERATIVE IN PART SUBJECT TO SOME CONDITIONS

Sponsor: HON. DELFINITO EMANNUEL L. ALBANO
Chairperson, Committee on Municipal Appropriation

WHEREAS, Appropriation Ordinance No. 2022-224, An ordinance enacting the Annual Budget of the Municipality of San Manuel, Isabela for Calendar Year 2023 in the total amount of **ONE HUNDRED FIFTY SIX MILLION NINE HUNDRED TWENTY SEVEN THOUSAND ONE HUNDRED SIXTEEN PESOS (P156,927,116.00)** covering the various expenditures for the operation of the Local Government of San Manuel, Isabela for Fiscal Year 2023, and appropriating the necessary funds for the purpose was submitted to this Sanggunian for review pursuant to the provisions of Section 327 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991;

Nagkaisa para sa Isabela



A RESOLUTION DECLARING APPROPRIATION ORDINANCE NO. 2022-224 (2023 ANNUAL BUDGET) IN THE TOTAL AMOUNT OF ONE HUNDRED FIFTY SIX MILLION NINE HUNDRED TWENTY SEVEN THOUSAND ONE HUNDRED SIXTEEN PESOS (P156,927,116.00) OF THE MUNICIPALITY OF SAN MANUEL, ISABELA INOPERATIVE IN PART SUBJECT TO SOME CONDITIONS

WHEREAS, the subject Appropriation Ordinance shows substantial compliance with the budgetary requirements, general limitations and other provisions set forth under Republic Act No. 7160 except for the following items of appropriation:

1. The amount Appropriated for Personal Services has exceeded the PS limitation. As Provided under Section 325 (a) of Republic Act 7160, The Total PS Appropriation, whether Annual or Supplemental, for Personal Services of a Local Government Unit for one (1) fiscal year shall not exceed forty-five percent (45%) in the case of first to third class Provinces, Cities and Municipalities, and (55%) in case of fourth class or lower, of the total Annual Income from Regular sources realized in the Next Preceding Year. Results of Review disclosed an Excess in PS limitation amounting to Seven Million Two Hundred Three Thousand Three Hundred Forty Five Pesos & 19/100 (P7,203,345.19), computed as follows:

| | |
|---|-------------------------|
| Total Income from Regular Sources (NPY) | P136,971,149.63 |
| Allowable PS Level (55% PS Limitation) | P 75,334,132.30 |
| PS Cost: | |
| Amount Appropriated | P 83,392,334.09 |
| Terminal Pay | P <u>(854,856.60)</u> |
| Adjusted PS Cost | P 82,537,477.49 |
| Excess Over PS Limitation | P <u>(7,203,345.19)</u> |

2. The LGU shall appropriate the amount of Forty Seven Thousand Five Hundred Ninety Pesos & 75/100 (P47,590.75) for Extraordinary & Miscellaneous Expenses (Discretionary Fund) in compliance to Section 325(h) of Republic Act No. 7160 which provides that the **annual appropriations** for discretionary purposes of the Local Chief Executive shall not exceed the 2% of the actual receipts derived from basic Real Property Tax (RPT) in the next preceding calendar year, to wit:

| | |
|--|-----------------------|
| Actual Receipts Derived from RPT (NPY) | P <u>2,379,537.74</u> |
| Required Appropriation (2%) | P 47,590.75 |

NOW THEREFORE, on motion of SP Member **DELFINITO EMMANUEL L. ALBANO** duly seconded:

THE SANGGUNIANG PANLALAWIGAN IN SESSION DULY ASSEMBLED:

RESOLVED, to declare Appropriation Ordinance No. 2022-224 (2023 Annual Budget) of the Municipality of San Manuel, Isabela **INOPERATIVE IN PART** subject to the posting requirements under Section 59 of R.A No. 7160 and subject further to the following conditions:

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1. That the position titles of all positions shall be allocated to their proper titles and salary grades in accordance with the Index of Occupational Services, Position Titles and Salary Grades in the Local Government (IOS-LGU), CY 2021 Edition pursuant to Local Budget Circular (LBC) No. 137 dated July 13, 2021 and Local Budget Circular No. 2009-92, the Upgrading of the Affected Positions for Public Health Workers. However, the following Position Titles and Salary Grades from the Local Government Unit of San Manuel, Isabela must be in accordance with the above-mentioned guidelines, to wit:

| OFFICE | ITEM NO. | POSITION TITLE IN THE LGU AND SG | PROPER CLASSIFICATION AS PER LBC No. 137 IOS/ LBC 2009-92 |
|----------|---|---|---|
| ENGINEER | 3.7 | Engineer II SG-12/2 | Engineer I SG-12/2 |
| TREASURY | 6.19 | LTOO SG-11/2 | LTOO I SG-11/2 |
| HEALTH | 12.7 | Midwife III SG-11 | Midwife III SG-13 |
| | 12.3 12.4 12.5 | Midwife II SG-8 | Midwife II SG-11 |
| | 12.6 12.9 12.11 12.17 12.24 | Midwife I SG-6 | Midwife I SG-9 |
| | 12.21 | Pharmacist I SG-10 | Pharmacist I SG-11 |
| | 15.2 & 15.3 | Administrative Aide IV (Bookbinder IV) SG-4 | Administrative Aide IV (Bookbinder II) SG-4 |
| PESO | | | |

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2. The implementation of Salary Rates for Public Health Workers must be in accordance with Item 5.5 of DBM Local Budget Circular No. 143 dated January 3, 2022, states that:

The salaries of Public Health Workers (PHWs) shall be determined by the Sanggunian after considering and balancing the impact of the relevant provisions of RA No. 11466, RA No. 7160, and RA No. 73053 on fiscal discipline, prioritization of expenditures, financial capability, and improvement of service delivery. The sanggunian may adopt any of the following options:

- 5.5.1 *Adopt the salary rates authorized for personnel of Special Cities/First Class Provinces and Cities (Annex "A-1") for the PHWs of the LGU.*
- 5.5.2 *If LGU funds are not sufficient adopt a modified salary schedule for PHWs but a uniform percentage of the salaries in Annex "A-1" similar to the percentage applied in item 5.3 of the said circular.*

3. The DBM Local Budget Memorandum No. 85, additional instruction No. 3 of LBP Form No. 3 states that only funded vacant positions shall be included in the plantilla. All unfunded positions shall be removed/deleted from the plantilla.

We noted that there are *Forty Five (45)* unfunded vacant positions as shown in the Personnel Schedule of various Offices/Departments. Item 4.2.3 of DBM Local Budget Circular No. 145 dated March 2, 2022, states that:

Vacant and new positions shall be adequately provided with corresponding appropriations for salaries, authorized allowances and benefits, and fixed personnel expenditures, to back up their legal existence; otherwise, said positions are deemed abolished.

Furthermore, the BOM 2016 provides that unfunded positions, that is, those not covered by funds for salaries and associated compensation costs, should be deleted in the plantilla since there are no appropriations to back up their legal existence.

4. That the position of **Administrative Aide IV (Driver II)** with **SG-4** shall **not be allowed** pursuant to the Qualification Standard (Revised 1997) of the Civil Service Commission and the Manual on Position Classification and Compensation Scheme in LGUs. Item 9.2.1.6 under Chapter 9 of the Manual on Position Classification and Compensation Scheme in LGUs states that the classification of Driver position is dependent on the

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level/rank of the position they serve. *Per established standards, the allowable level of the position of Driver II is SG-4 for the Mayor's Office only and for the different offices the position must be Driver I, SG 3.* Since the subject position does not conform to the herein prescribed allowable SG allocation, correction shall be effected without diminution in salary of the concerned personnel. However, subsequent salary increase shall be applied only on the correct classified position, to wit:

| OFFICE | ITEM NO | POSITION TITLE & SALARY GRADE AS PER PLANTILLA OF PERSONNEL | POSITION TITLE & SALARY GRADE AS PER MPCC SCHEME IN LGUs |
|------------|---------|---|--|
| VICE MAYOR | 2.35 | Administrative Aide IV (Driver II) SG-4 | Administrative Aide III (Driver I) SG-3 |

5. The grant of Longevity Pay in the amount of One Hundred Five Thousand Pesos (P105,000.00) shall be in accordance with CSC-DBM Joint Circular No. 1, s. 2012 dated September 3, 2012, on Rules and Regulations on the grant of step increment/s due to meritorious performance and step increment due to length of service;
6. Reiterating that the Salary Grade and Step Increment of Nurse positions at the Municipal Health Office shall be in accordance with Item No. 5.0 and 6.0 of DBM Budget Circular No. 2021-2 dated August 25, 2021, on the Modification of Nurse Positions, to wit:

| Item No | POSITION | | Salary Grade | |
|---------------|----------|----------|--------------|----|
| | From | To | From | To |
| 12.2 | Nurse II | Nurse II | 15 | 16 |
| 12.14 & 12.15 | Nurse I | Nurse I | 11 | 15 |

7. The appropriation for the following accounts should be properly classified to specific Object of Expenditures and Account Code in accordance with

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COA Circular No. 2015-009 dated December 1, 2015, on Prescribing the Revised Chart of Accounts for LGUs, to wit:

| OBJECT OF EXPENDITURE ON LEP | ACCOUNT CODE ON LEP | OBJECT OF EXPENDITURE & ACCOUNT CODE AS PER COA CIRCULAR 2015-009 |
|-------------------------------------|----------------------------|--|
| RATA | 5-01-02-020 | Representation Allowance 5-01-02-020 |
| | | Travel Allowance 5-01-02-030 |
| Mid Year Bonus | 5-01-02-140 | Other Bonuses and Allowances- Mid Year Bonus 5-01-02-990 |
| Magna Carta | 5-01-02-060 | Subsistence Allowance 5-01-02-050 |
| | | Laundry Allowance 5-01-02-060 |
| | | Quarters Allowance 5-01-02-070 |
| Water and Electricity Expenses | 5-02-04-010-20 | Water Expenses 5-02-04-010 |
| | | Electricity Expenses 5-02-04-020 |
| Legislative Research Fund | - | 5-02-99-990 |
| Other MOOE (Accounts Payable) | 5-02-99-990 | Specify object of expenditures of the Accounts Payable |

8. That the Municipal Disaster Risk Reduction Management Office (MDRRMO) and Municipal Tourism Office which both have an Asst. Department Head position and the Municipal Administrator's Office and Municipal Environment and Natural Resources Office must be headed by a Department Head in accordance with the Civil Service Commission Memorandum Circular No. 12, s. 2022, on the 2022 Guidelines and Standards in the Establishment of Organizational Structures and Staffing Patterns in Local Government Units;

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9. The inconsistencies in the total appropriation for the following object of expenditure must be reconciled, to wit:

| ACCOUNT | APPROPRIATION ON THE LEP AS PER WORKSHEET | TOTAL APPROPRIATION ON THE LEP AS PER SUMMARY | DIFFERENCE |
|---------------------|---|---|----------------|
| Travelling Expenses | P1,298,000.00 | P1,018,000.00 | P 280,000.00 |
| Training Expenses | P 190,000.00 | P 470,000.00 | P (280,000.00) |

10. That the utilization of 5% LDRRMF shall be in accordance with the approved Local Disaster Risk Reduction and Management Plan pursuant to RA 10121 and its implementing Rules and Regulations, as supplemented by NDRRMC-DBM-DILG JMC No. 2013-1 dated March 25, 2013. Provided further, that the LDRRMF Plan shall be reviewed by the Office of Civil Defense (OCD) pursuant to RA 10121 and its implementing Rules and Regulations supplemented by Local Budget Memorandum No. 85 dated June 15, 2022, copy furnish the Office of the Sangguniang Panlalawigan of the reviewed LDRRMF;

11. That the appropriation and utilization of the 20% Development Fund shall be subject to the pertinent provisions of DBM-DOF-DILG Joint Memorandum Circular No. 1 dated November 4, 2020 and the additional guidelines of DILG-DBM Joint Memorandum Circular No. 1 dated March 27, 2020;

That the following appropriations under the 20% Development Fund shall be identified or broken-down into specific/project component indicating the **activities/programs to be undertaken** and the **project site/location** in accordance with DILG-NEDA-DBM and DOF JMC No. 1 Series of 2007:

1. Covid-19 related expenses for P2,000,000.00
2. Construction of Local Government Owned Potable Water Supply System for P300,000.00
3. Construction/Rehabilitation of Health Center Laboratory for P1,500,000.00
4. Improvement of Multi-Purpose Building for P1,475,000.00
5. Construction/Rehabilitation of Local Roads for P2,011,554.58
6. Development projects for 19 barangays for P3,800,000.00
7. Purchase of Lot and Improvement of New Public Cemetery for P2,700,000.00

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8. Installation of Solar Panels in the New Multi-Purpose Building for P4,000,000.00
 9. Construction/Rehabilitation of Old Agricultural Building for P1,000,000.00
 10. Construction of Sanitary Landfill with Access Road and Three Phase Line for P2,730,000.00
12. That all procurement activities must be governed by the provisions of Republic Act No. 9184, the Government Procurement Reform Act (GPRA) and its Implementing Rules and Regulations. Further, the acquisition of motor vehicles shall be subject to the provisions of DBM Budget Circular No. 2022-1 dated February 11, 2022, the Omnibus Guidelines on the Acquisition, Use, Rental and Replacement of Government Motor Vehicles.

RESOLVED FURTHER, to require the Municipality of San Manuel, Isabela to comply with the herein conditions and notify this body of actions taken thereon;

RESOLVED FURTHERMORE, to furnish the Municipality of San Manuel, Isabela that this review action does not authorize any item of appropriation that is/are specifically prohibited by or inconsistent with the provisions of law and that compliance with all the existing laws, rules and regulations shall be the responsibility of the Local Government Unit and disbursement of funds shall be subject to the usual budgeting, accounting rules and regulations and COA requirements;

RESOLVED FINALLY, to furnish a copy of this Resolution to the the **Honorable FAUSTINO U. DY IV**, Municipal Mayor, and to the Sangguniang Bayan of the Municipality of San Manuel, Isabela through the **Honorable TEMESTOCLES A. SANTOS**, Municipal Vice-Mayor.

Approved and Adopted, April 18, 2023.

**I HEREBY CERTIFY TO THE CORRECTNESS
of the foregoing Resolution:**

ATTY. FRANCIS JAMES E. MEER
Secretary to the Sangguniang Panlalawigan

ATTESTED/ APPROVED:

HON. DELFINITO EMMANUEL L. ALBANO
Member (1st District)