



Republic of the Philippines
PROVINCE OF ISABELA
City of Ilagan
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Office of the Secretary to 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. 2023-13-05

Series of 2023

A RESOLUTION DECLARING APPROPRIATION ORDINANCE NO. 2021-005 (2022 ANNUAL BUDGET) IN THE TOTAL AMOUNT OF ONE HUNDRED EIGHTY TWO MILLION THREE HUNDRED EIGHTY FOUR THOUSAND EIGHT HUNDRED NINETY SEVEN PESOS (P182,384,897.00) 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. 2021-005, An ordinance enacting the Annual Budget of the Municipality of San Manuel, Isabela for Calendar Year 2022 in the total amount of **ONE HUNDRED EIGHTY TWO MILLION THREE HUNDRED EIGHTY FOUR THOUSAND EIGHT HUNDRED NINETY SEVEN PESOS (P182,384,897.00)** covering the various expenditures for the operation of the Local Government of San Manuel, Isabela for Fiscal Year 2022, and appropriating the necessary funds for the purpose was submitted to this Sanggunian 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. 2021-005 (2022 ANNUAL BUDGET) IN THE TOTAL AMOUNT OF ONE HUNDRED EIGHTY TWO MILLION THREE HUNDRED EIGHTY FOUR THOUSAND EIGHT HUNDRED NINETY SEVEN PESOS (P182,384,897.00) 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 Two Million One Hundred Forty Three Thousand One Hundred Twenty Two Pesos & 37/100 (P2,143,122.37), computed as follows:

| | |
|---|-------------------------|
| Total Income from Regular Sources (NPY) | P129,812,819.41 |
| Allowable PS Level (55% PS Limitation) | P 71,397,050.68 |
| PS Cost: | |
| Amount Appropriated | P 86,679,408.49 |
| Terminal Pay | P (8,704,377.49) |
| Monetization | P (50,000.00) |
| Salaries & Other Benefits of additional personnel that are hired to implement the devolved basic services and functions | P (4,384,857.95) |
| Adjusted PS Cost | P 73,540,173.05 |
| Excess Over PS Limitation | <u>P (2,143,122.37)</u> |

2. The appropriation for Extraordinary & Miscellaneous Expenses (Discretionary Fund) should be in conformance with 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) | <u>P 2,419,537.36</u> |
| Required Appropriation (2%) | P 48,390.75 |
| Amount appropriated | <u>P 100,000.00</u> |
| Over Appropriation | <u>P 51,609.25</u> |

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. 2021-005 (2022 Annual Budget) of the Municipality of San Manuel, Isabela **INOPERATIVE IN PART** subject to the

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posting requirements under Section 59 of R.A No. 7160 and subject further to the following conditions:

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 should 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 |
|----------|---------------------------------|---|---|
| TREASURY | 6.19 | LTOO SG-11/2 | LTOO I SG-11/2 |
| ASSESSOR | 7.3 | Local Assessment Operations Officer SG-11/2 | Local Assessment Operations Officer I SG-11/2 |
| HEALTH | 12.8 | Sanitary Inspector SG-6/8 | Sanitation Inspector I SG-6/8 |
| | 12.18 | Nursing Asst. II SG-6/1 | Nursing Attendant II SG-6/1 |
| 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 |
| | 12.9 12.11 12.16 12.27 | Midwife I SG-6 | Midwife I SG-9 |

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| | | | |
|---------------|-------|--|--|
| | 12.23 | Pharmacist I SG-10 | Pharmacist I SG-11 |
| HEALTH | 12.24 | Disease Surveillance Officer SG-15/1 | NOT WITHIN THE LIST OF POSITIONS FOUND IN LBC 137 IOS |
| MAYOR | 2.26 | Confidential Asst. I SG-8/2 | |
| | 2.27 | Confidential Sec SG-11/1 | |

2. The implementation of Salary Rates for Public Health Workers must be in accordance with Item 5.5 of DBM Local Budget Circular No. 132 dated January 6, 2021, 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 EO No. 201, s. 2016, RA No. 7160, s. 1991, and RA No. 7305, s. 1992 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. 82, 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:

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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. The grant of Longevity Pay in the amount of One Hundred Thirty Thousand Pesos (P130,000.00) 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;
5. 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 |

6. The inconsistencies in the appropriation for Salaries and Wages of the following offices must be reconciled, to wit:

| OFFICE | APPROPRIATION ON THE LEP | TOTAL RATE PER ANNUM PER PERSONNEL SCHEDULE | UNDER APPROPRIATION |
|----------|--------------------------|---|---------------------|
| ASSESSOR | P 1,780,992.00 | P 1,896,108.00 | P 115,116.00 |

7. The MHRMO must reconcile the inconsistencies of Salary Rate and Step Increment of the following positions in accordance with Salary Schedule Annex "A6" of DBM Local Budget Circular No. 132 dated January 6, 2021, to wit:

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| OFFICE | ITEM NO. | POSITION TITLE IN THE LGU & SG/STEP INCREMENT | RATE PER ANNUM PER PERSONNEL SCHEDULE | RATE PER ANNUM-LBC 132 Annex "A6" |
|------------|----------|---|---------------------------------------|-----------------------------------|
| VICE MAYOR | 2.1 | Municipal Vice Mayor SG-25/2 | P 904,500.00 | P 889,980.00 |
| MCR | 9.1 | Municipal Civil Registrar SG-24/4 | P 819,527.00 | P819,528.00 0 |

8. The appropriation for the following accounts should be properly classified to specific Object of Expenditures and Account Code in accordance with 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 | 5-01-02-030/040 | 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 |
| Subsistence/ Laundry/ Quarters Allowance | 5-01-02-050 | 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 | Water Expenses 5-02-04-010 |
| | | Electricity Expenses 5-02-04-020 |
| Other MOOE (Internet Fee) | 5-02-99-990 | Internet Subscription Expenses 5-02-05-030 |

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|---------------------------|-------------|--|
| Discretionary Expenses | 5-02-10-010 | Extraordinary & Miscellaneous Expenses 5-02-10-030 |
| Legislative Research Fund | - | 5-02-99-990 |

9. That the Municipal Disaster Risk Reduction Management Office (MDRRMO) and Municipal Tourism Culture and Arts Office which both have an Asst. Department Head position 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;
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. 82 dated June 14, 2021, 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. Installation of streetlights for P5,000,000.00
 2. Rehabilitation of local roads for P2,476,979.40
 3. Development projects for 19 barangays for P4,000,000.00
 4. Construction of slaughterhouse for P1,750,000.00
 5. Maintenance of sanitary landfill for P1,750,000.00
 6. Purchase of cemetery lot with access road for P2,000,000.00
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 DILG Memorandum

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Circular No. 2021-004 dated January 18, 2021, on the Revised Guidelines on Motor Vehicle Acquisition by Local Government Units.

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;

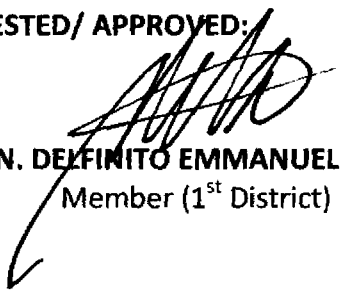
RESOLVED FINALLY, to furnish a copy of this Resolution to the **Honorable FAUSTINO U. DY IV**, Municipal Mayor, and to the Sangguniang Bayan of the Municipality of San Manuel, Isabela through the **Honorable TEMESTOCLES A. SANTOS**, Municipal Vice-Mayor.

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)