



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 40th REGULAR SESSION OF THE 11th SANGGUNIANG PANLALAWIGAN OF ISABELA HELD AT PROVINCIAL CAPITOL, ILAGAN CITY, ISABELA ON MAY 16, 2023.

PRESENT:

FAUSTINO G. DY III	Vice Governor & Presiding Officer
DELFINITO EMMANUEL L. ALBANO	Member (1 st District) & Floor Leader
EMMANUEL JOSELITO B. AÑES	Member (1 st District)
ED CHRISTIAN S. GO	Member (2 nd 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)
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

ON LEAVE:

ANTONIO S. HUI	Member, PCL Federation President
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RESOLUTION NO. 2023-17-01

Series of 2023

A RESOLUTION DECLARING APPROPRIATION ORDINANCE NO. 2022-495 (2023 ANNUAL BUDGET) IN THE AMOUNT OF ONE BILLION TWO HUNDRED FORTY SEVEN MILLION ONE HUNDRED TWENTY ONE THOUSAND SIX HUNDRED FORTY NINE PESOS (P1,247,121,649.00) AND APPROPRIATION ORDINANCE NO. 2022-496 (2023 ANNUAL BUDGET FOR CITY ECONOMIC ENTERPRISE) IN THE AMOUNT OF EIGHT MILLION SIX HUNDRED NINETY SIX THOUSAND PESOS (P8,696,000.00) OF THE CITY OF CAUAYAN, ISABELA OPERATIVE IN ITS ENTIRETY SUBJECT TO SOME CONDITIONS

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

WHEREAS, Ordinance No. 2022-495 and 2022-496, an Ordinance authorizing the 2023 Annual Budget of the City of Cauayan, Isabela and for the Operation of the City Economic Enterprise in the amount of **ONE BILLION TWO HUNDRED FORTY SEVEN MILLION ONE HUNDRED TWENTY ONE THOUSAND SIX HUNDRED FORTY NINE PESOS (P1,247,121,649.00)** and **EIGHT MILLION SIX HUNDRED NINETY SIX THOUSAND PESOS**

Nagkaisa para sa Isabela



A RESOLUTION DECLARING APPROPRIATION ORDINANCE NO. 2022-495 (2023 ANNUAL BUDGET) IN THE AMOUNT OF ONE BILLION TWO HUNDRED FORTY SEVEN MILLION ONE HUNDRED TWENTY ONE THOUSAND SIX HUNDRED FORTY NINE PESOS (P1,247,121,649.00) AND APPROPRIATION ORDINANCE NO. 2022-496 (2023 ANNUAL BUDGET FOR CITY ECONOMIC ENTERPRISE) IN THE AMOUNT OF EIGHT MILLION SIX HUNDRED NINETY SIX THOUSAND PESOS (P8,696,000.00) OF THE CITY OF CAUAYAN, ISABELA OPERATIVE IN ITS ENTIRETY SUBJECT TO SOME CONDITIONS

(P8,696,000.00) respectively, covering various expenditures for the operation of the Local Government of the City of Cauayan, 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.

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

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. 2022-495 (2023 Annual Budget) and 2022-496 (2023 Annual Budget for the Operation of City Economic Enterprise) of the City of Cauayan, Isabela **OPERATIVE IN ITS ENTIRETY** subject to the posting requirements under Section 59 of R.A No. 7160 and subject further to the following conditions:

1. The lump sum appropriation for SSL V – Fourth Tranche Compensation Adjustment in the amount of Fifteen Million Pesos (P15,000,000.00) must be distributed in the Plantilla in accordance with the guidelines of DBM Local Budget Circular No. 149, dated January 10, 2023, on the Implementation of the Fourth Tranche of the Modified Salary Schedule for Local Government Personnel Pursuant to Republic Act (RA) No. 11466;
2. This is to reiterate our review action on your 2021 and 2022 Annual Budget that the grant of **Clothing Allowance** in the amount of One Million Eight Hundred Fourteen Thousand Pesos (P1,814,000.00) under the Mayor's office shall be in accordance with DBM Budget Circular No. 2018-1 dated March 8, 2018, on the Rules and Regulations on the Grant of Uniform/Clothing Allowance (U/CA) to Civilian Government Personnel;
3. Reiterating our review action on your 2021 and 2022 Annual Budget that the grant of **Cash Gift** in the amount of Three Million Seven Hundred Forty Five Thousand Pesos (P3,745,000.00) under the Mayor's Office shall be in accordance with DBM Budget Circular No. 2016-4 dated April 28, 2016, on the Updated Rules and Regulations on the Grant of the Year-end Bonus and Cash Gift for FY 2016 and Years Thereafter;
4. 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-

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LGU), CY 2021 Edition pursuant to Local Budget Circular (LBC) No. 137 dated July 13, 2021;

5. The corrections of the following positions under various offices in your 2023 Annual Budget should be as follows:

OFFICE	ITEM NO.	BUDGET YEAR 2022 POSITION TITLE IN THE LGU AND SG	BUDGET YEAR 2023 POSITION TITLE IN THE LGU AND SG	SHOULD BE:
CEEMO	27.9	Administrative Aide III (Clerk I) SG-3	Administrative Aide I SG-3	Administrative Aide III SG-3
ASSESSOR	5.16	Administrative Aide I (Utility Worker I) SG-1	Tax Mapping Aide SG-1	Administrative Aide I SG-1
HEALTH	13.35 to 13.39	Midwife II SG-11	Midwife III SG-11	Midwife II SG-11
GSO	14.27	Administrative Aide III (Utility Worker II) SG-3	Administrative Aide I SG-3	Administrative Aide III SG-3

6. Reiterating that the position of **Assistant City Health Officer** with SG-23/6 at the City Health Office is not within the list of position titles found in DBM LBC No. 137 dated July 13, 2021, the Index of Occupational Services, Position Titles and Salary Grades in the Local Government (IOS-LGU), CY 2021 Edition. Since the subject position does not have legal basis to back up its existence, it is hereby recommended to be downgraded to a position identified under the said IOS and corrections shall be effected without diminution in salary of the concerned personnel. However, subsequent salary increase shall be applied only on the correct classified position;
7. The positions of **Medical Officer IV** with SG-23/3 and **Dentist IV** with SG-23/5 shall be downgraded to conform with the provisions of Item 9.2.1.5 of the Manual on the Position Classification and Compensation Scheme (MPCCS) in LGUs under Circular Letter No. 2007-6 dated February 19, 2007 which is the highest level of Positions below the Assistant Department Head shall be limited to the allocated Salary Grade for component cities which is Salary Grade 22. Since the subject position does not conform to the herein prescribed allowable SG allocation, corrections shall be effected without diminution in salary of the

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concerned personnel. However, subsequent salary increase shall be applied only on the correct classified position, to wit:

ITEM NO.	BUDGET YEAR 2023		SHOULD BE:	
	POSITION, SG/STEP INC.	RATE/ ANNUM	POSITION, SG/STEP INC.	RATE/ ANNUM
13.3	Medical Officer IV 23/3	P 970,128.00	Medical Officer III 21/3	P 970,128.00
13.4	Dentist IV 23/5	P 1,001,688.00	Dentist III 20/5	P 1,001,688.00

8. The correction of the disallowed position of Driver II under the City General Services Office in your 2022 Annual Budget should be as follows:

ITEM NO.	AB 2022		BUDGET YEAR 2023		SHOULD BE:	
	POSITION, SG/STEP INC.	RATE/ ANNUM	POSITION, SG/STEP INC.	RATE/ ANNUM	POSITION, SG/STEP INC.	RATE/ ANNUM
14.21	DRIVER II 4/7	P162,828	DRIVER I 3/7	P158,496	DRIVER I 3/6	P162,828
14.22	DRIVER II 4/4	P159,144	DRIVER I 3/5	P157,308	DRIVER I 3/5	P159,144
14.23	DRIVER II 4/4	P159,144	DRIVER I 3/5	P157,308	DRIVER I 3/5	P159,144

Since the subject position does not conform to the prescribed allowable SG allocation, corrections shall be effected without diminution in salary of the concerned personnel. However, subsequent salary increase shall be applied only on the correct classified position.

9. The creation of the **Office of the Secretary to the Mayor** shall be in accordance with Section 12 of the Civil Service Commission Memorandum Circular No. 12 s. 2022, which states that:

Section 12. *Subject to their financial capability and service requirements, LGUs may design and establish their organizational structure based on the Local Government Organizational Models Guidebooks²³ and/or existing laws.*

The LGUs, composed of several offices pursuant to R.A. No. 7160 and special laws, may establish, through their sanggunian, the following structural units:

a. A Department is the highest structural unit/level headed by an employee with the rank of Department head.

b. A Division is the second highest structural unit/level and may be composed of sections performing dissimilar tasks but

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related functions headed by an employee with the rank of Division Chief.

c. A Section is the lowest structural unit/level which may be composed of positions performing similar tasks headed by an employee with the rank of Section Chief.

The levels of positions created by the LGUs shall depend on their income classification based on DBM-issued guidelines.

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

OFFICE	APPROPRIATION ON THE LEP	TOTAL RATE PER ANNUM PER PERSONNEL SHCHEDULE	OVER APPROPRIATION
MAYOR CASUALS/ CONTRACTUALS	P 84,420,000.00	P 69,193,992.00	P 15,226,008.00

11. Time and again, the **CHRMO** is advised to strictly reconcile the inconsistencies of Salary Rates, Salary Grades and Step Increments of the following positions in accordance with Salary Schedule Annex "A3" of DBM Local Budget Circular No. 143 dated January 3, 2022:

OFFICE	ITEM NO.	POSITION & SG IN THE PLANTILLA	SALARY/SG	
			PLANTILLA	SHOULD BE
ACCOUNTING	7.14	Administrative Aide III SG-3/1 (vacant)	P 159,732.00	P 152,556.00
ENGINEER	9.1	City Engineer SG-25/8	P 1,219,104.00	P 1,219,140.00

The grant of step increments to government personnel shall be pursuant to Civil Service Commission and DBM Joint Circular No. 1, S. 2012 dated September 3, 2012, on the Rules and Regulations on the Grant of Step Increment/s Due to Meritorious Performance and Step Increment due to Length of Service.

12. That the appropriation for Honoraria in the amount of Two Million Pesos (P2,000,000.00) shall be in accordance with DBM Local Budget Circular No. 62 dated July 29, 1996, on the Guidelines on the Grant of Honoraria in the Local Government Units (LGUs); DBM Budget Circular No. 2003-5

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dated September 26, 2003, Prescribing Guidelines on the Grant of Honoraria of Government Personnel FY 2003 and onwards; DBM Budget Circular 2004-5A dated October 7, 2005, on the Guidelines on the Grant of Honoraria to Government Personnel Involved in Government Procurement; Budget Circular No. 2007-1 issued April 23, 2007, on the Guidelines on the Grant of Honoraria to Lecturers, Resource Persons, Coordinators and Facilitators; DBM Budget Circular No. 2007-2 dated October 1, 2007, on the Guidelines of Honoraria Due to Assignment in Government Special Projects;

13. The grant of Longevity Pay in the amount of Two Hundred Thousand Pesos (P200,000.00) 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;
14. The appropriation for Overtime and Night Pay in the amount of Five Million Two Hundred Thousand Pesos (P5,200,000.00) shall be in accordance with the guidelines of CSC-DBM Joint Circular No. 1, series 2015 dated November 25, 2015, on the Policies and Guidelines on Overtime Services and Overtime Pay for Government Employees;
15. That the appropriation for Consultancy Services in the amount of Eight Hundred Seventy Thousand Pesos (P870,000.00) must be governed by the provisions of Republic Act 9184, the Government Procurement Reform Act (GPRA) and its 2016 Revised IRR;
16. The Utilization of the Appropriation for Other Professional Services and Environment/Sanitary Services in the amount of Forty Seven Thousand Eight Hundred Pesos (P47,800.00) and Seventeen Million Eight Hundred Twenty Thousand Pesos (P17,820,000.00) respectively, shall be in accordance with COA Circular No. 2015-009 dated December 1, 2015, the Description of Accounts under the Revised Chart of Accounts for Local Government Units;
17. The appropriation for Confidential Fund in the amount of One Million Pesos (P1,000,000.00) shall be governed by the provisions of COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01 dated January 8, 2015, on the Guidelines on the Entitlement, Release, Use, Reporting and Audit of Confidential and/or Intelligence Funds;

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18. The appropriation for the following account 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:

OBJECT OF EXPENDITURE	ACCOUNT CODE ON LEP	OBJECT OF EXPENDITURE & ACCOUNT CODE AS PER COA CIRCULAR 2015-009
Representation Allowance	5-01-01-020	5-01-02-020
Transportation Allowance	5-01-01-030	5-01-02-030
Clothing Allowance	5-01-01-040	5-01-02-040
Other Financial Charges	5-01-04-990	5-03-01-990
Discretionary Fund	-	Extraordinary & Miscellaneous Expenses 5-02-10-030

19. 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. **However, the Proposed New Appropriations by Object of Expenditures on the LEP is not consistent with the LDRRM plan (Annex E-2);**

20. 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;

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. Barangay Development Projects for P44,000,000.00
2. Land Banking for P10,000,000.00
3. Development and maintenance of tourism facilities for P2,500,000.00

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21. 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 City of Cauayan, Isabela to comply with the herein review findings and/or conditions and notify this body of actions taken thereon.


RESOLVED FURTHERMORE, to inform the City of Cauayan, Isabela that this review action does not authorize any item of appropriation that is 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 and auditing rules and regulations.

RESOLVED FINALLY, to furnish a copy of this Resolution to the **Honorable CAESAR S. DY, JR.,** City Mayor, and to the Sangguniang Panlungsod of the City of Cauayan, Isabela through the **Honorable LEONCIO A. DALIN JR.,** City Vice-Mayor.

Approved and Adopted, May 16, 2023.

I HEREBY CERTIFY the CORRECTNESS
of the foregoing solution:
ATTY. ATTY. S. E. MEER
Secretary to the Sangguniang Panlalawigan

ATTESTED/ APPROVED:


FAUSTINO G. DY III
Pr _____ nor