



OFFICE OF THE PROVINCIAL TREASURER

CY 2016

ANNUAL REPORT OF ACCOMPLISHMENTS

The Office of the Provincial Treasurer is concerned with the implementation of policies, rules and regulations in local government finance that would promote the financial stability and growth of the province and its municipalities and develop their potentials for accelerating national development. It exercises technical supervision and such other functions provided by law over all municipal treasury offices and hospital cashiers.

In line with the above mandate, we at the Provincial Treasurer's Office including the 34 Municipal Treasury Offices of Isabela have undertaken effective tax collection strategies to improve the financial status of the Province.

1. ON REVENUE GENERATION PROGRAM

1.1 Collections: (of the Provincial Government of Isabela including the 34 municipalities) January to December 31, 2016

	ANNUAL TARGET*	ACTUAL COLLECTIONS	COLLECTION EFFICIENCY
REAL PROPERTY TAX	P 460,732,484.00	P 227,857,129.00	49.46 %
Current	274,518,128.35	166,768,743.00	60.75 %
Delinquencies	186,214,355.65	61,088,386.00	32.81 %
BUSINESS TAXES	222,703,693.00	193,267,003.36	86.78 %
Province	28,283,830.00	25,628,802.44	90.61 %
Municipalities	194,419,863.00	167,638,200.92	86.22 %
FEES & CHARGES	256,754,868.00	388,102,889.37	151.16 %
Province	123,356,951.00	225,089,831.30	182.47 %
Municipalities	133,397,917.00	163,013,058.07	122.20 %
RECEIPTS FROM ECONOMIC ENTERPRISES	155,231,197.00	171,978,565.05	110.79 %
Province	-0-	-0-	-0-
Municipalities	<u>155,231,197.00</u>	<u>171,978,565.05</u>	<u>110.79 %</u>
GRAND TOTAL	<u>P1,095,422,242.00</u>	<u>P 981,205,586.78</u>	<u>89.57 %</u>

*set by BLGF

1.2 We monitored and evaluated progress of collection on Provincial Tax Impositions as well as other locally and externally sourced revenues, to finance the operations as well as the various programs and projects of the provincial government, to wit:

	BUDGET ESTIMATES CY 2016	ACTUAL COLLECTIONS
REAL PROPERTY TAX:		
Real Property Tax-Current Year	P 25,000,000.00	P 29,735,678.12
Real Property Tax-Prior Year	2,000,000.00	9,361,862.13
Real Property Tax-Penalties	5,000,000.00	4,303,060.91
SEF	50,000,000.00	59,432,702.34
TAX ON BUSINESS:		
Amusement Tax	200,000.00	46,710.00
Printing & Publication Tax	5,000.00	15,100.00
Other Business Tax (Stickers)	0.00	527,000.00
Franchise Tax	5,000,000.00	1,582,391.12
Annual Fixed Tax on Delivery Vans	5,000,000.00	4,258,100.00
Tax on Sand & Gravel & Quarry	25,000,000.00	10,358,397.88
OTHER TAXES:		
Professional Tax	150,000.00	290,000.50
Transfer Tax	9,000,000.00	6,197,696.41
Fines & Penalties Local Taxes	1,000,000.00	1,677,858.88
TOTAL TAX REVENUE	<u>137,355,000.00</u>	<u>P 127,786,458.29</u>
NON-TAX REVENUE:		
REGULATORY FEES:		
Governor's Permit Fees	1,500,000.00	764,940.00
Other Regulatory Fees	0.00	650,590.00
ECC/CNC/INSPECTION FEE	0.00	320.00
SERVICE USER CHARGES:		
Certification Fees	1,500,000.00	635,407.50
Hospital Fees	350,000,000.00	257,030,709.62
Entrance Fee (Boating)	0.00	223,031.01
Rentals	4,000,000.00	1,765,989.00
Sales	5,000,000.00	5,678,322.00
OTHER INCOME/RECEIPTS:		
Interests on Deposits	10,000,000.00	10,020,793.20
Collection on Loan Assistance	0.00	31,824,873.56
Miscellaneous Income	38,000,000.00	2,410,091.11
SEF- Non Tax	0.00	441,705.11
TOTAL NON-TAX REVENUE	<u>P 410,000,000.00</u>	<u>P 311,446,772.11</u>
TOTAL LOCAL SOURCES	<u>P 497,355,000.00</u>	<u>P 439,233,230.40</u>
OTHER NON-INCOME RECEIPTS:		
Refund Of CA	0.00	P 5,359,460.38
Bidding Fee	0.00	1,825,500.00
SHARE NATIONAL COLLECTIONS:		
INTERNAL REVENUE ALLOTMENT	P 2,212,878,397.00	2,212,878,397.00
IRA Differential	0.00	0.00
SHARE FROM LOTTO	5,000,000.00	0.00
SHARE FROM NATIONAL WEALTH	15,000,000.00	3,574,454.13
TOBACCO EXCISE TAX	0.00	44,548,964.00
EXTRA-ORDINARY RECEIPTS:		
National Aids	0.00	0.00
INTERLOCAL FUND TRANSFER:		
From Other Fund	0.00	38,566,701.58

Grant and Donation	0.00	0.00
LOANS AND BORROWINGS:		
Receipts from Borrowings*	0.00	<u>1,081,795,162.92</u>
TOTAL EXTERNAL SOURCES	<u>3,314,673,559.92</u>	<u>3,390,356,640.01</u>
TOTAL - - - - - P	<u>3,862,028,559.92</u>	<u>P 3,829,589,870.41</u>

*continuous releases from DBP

The collection of Delivery Van Taxes under the Local Government and Provincial Revenue Codes is strictly enforced and for this, we have maintained checkpoints in Cordon, Roxas, San Pablo, and here in the City of Ilagan, in front of the Provincial Capitol, to ensure that all entry and exit points of the province are properly posted with collectors. We also mobilized our field collectors to go directly to our taxpayers in their business locations to collect the taxes and related fees due to the Provincial Government of Isabela.

We monitored the collections on Sand and Gravel Taxes and Fees including the extraction activities of Sand and Gravel Permittees in coordination with the Environment and Natural Resources Office Task Force.

We have done reassignment of collectors and cashiers to address various concerns as well as to avoid familiarity with taxpayers.

We harmonized our efforts with our co-Finance officers toward a more systematic and orderly performance of our duties as well as with other revenue-generating offices, to increase collections.

We maintained records on collections of premiums of the Isabela Provincial Healthcare including disbursements therefrom as per duly processed and approved claims.

We maintained records on releases of BRO Programs of the Provincial Government of Isabela to qualified beneficiaries. Collections on repayment of loan assistance are likewise monitored in coordination with the BRO-FAP Office and the Municipal Treasury Offices.

2. SUPERVISION OVER LOCAL TREASURY OFFICES

We conducted supervisory visits; revenue performance evaluation; as well as transfers of office, cash and accounts of municipal treasury offices of the province. This is to see to it that they strictly comply with existing laws, rules and regulations pertaining to treasury operations.

For CY 2016, we conducted revenue performance evaluation in the municipalities of Cabagan, Cordon, Delfin Albano, Dinapigue, Divilacan, Echague,

Jones, Luna, Maconacon, Mallig, Naguilian, Quirino, Ramon, Roxas, San Agustin, San Isidro, San Guillermo, San Manuel, San Mariano, San Mateo and Tumauni. Some of these were conducted jointly with the Team from the Bureau of Local Government Finance and some during the scheduled *BRO Farmers' Congress cum Medical Mission*.

Included activities during field visits, among others, are: dialogue with the Local Chief Executives; technical assistance on the preparation, encoding and uploading of the electronic Statement of Receipts and Expenditures (eSRE); monitoring of collections and submission of prescribed reports; follow-up on the implementation of rules and regulations on treasury matters; and timely remittances of trust and statutory obligations; as well as “parenting” the treasury operations in the barangays thru the Barangay Treasurers.

Technical assistance provided during our visitation/inspection of local treasury offices include:

- 1) Preparation of Office Plans and Programs and Unit Performance Evaluation Sheet
- 2) Reporting requirements:
 - a) Electronic Statement of Receipts and Expenditures
 - b) Collection Reports :
 - i. Form 60
 - ii. Monthly, Quarterly and Annual Report of Collections on Real Property Tax by Property Classification (BLGF Form 2)
 - iii. Monthly, Quarterly and Annual Report of Collections on Business Tax, Fees and Charges and Receipts from Economic Enterprises (BLGF Form 4)
 - iv. Remittances of Provincial and Barangay Share on Real Property Tax
 - c) Monitoring Reports:
 - i. Monitoring Report on Remittances of Real Property Tax Barangay Share
 - ii. Monitoring Report of Remittances of Trust & Statutory Obligations
 - iii. Web-based Report on Environment and Natural Resources Data Management Tool
 - iv. Post Borrowing Report-Statement of Indebtedness, Payments & Balances

Findings and recommendations during the revenue evaluation were discussed in an exit conference with the concerned Treasurer together with their staff.

We assisted the Municipal Treasurers in the conduct of Tax Information and Education Campaign particularly on real property taxes, as follows:

- a) Conducted Information Drive on the schedule of payment of Real Property Tax, which is before March 31, to avail of the 10% discount.
- b) We sent Notice of Payment of the 1% Basic Real Property Tax & additional 1% SEF for CY 2016 and Notice of Delinquency in the Payment of Real Property Tax to all Municipal Treasurers of Isabela and all Provincial and City Treasurers nationwide; the Honorable Secretary of Finance, Manila; the Executive Director of BLGF Manila; the Regional Director of BLGF Tuguegarao City; the Hon. Provincial Governor and the Hon. Sangguniang Panlalawigan of Isabela.
- c) We tapped radio and print media outlets including cable networks within the province for the airing/publication of the announcement on the deadline for the payment of real property taxes.
- d) Tarpaulins and streamers were also posted in strategic places along the national highway and other conspicuous places up to the barangays in the whole province on the campaign for payment of tax.



**REMINDER
TO ALL PROPERTY TAXPAYERS**



PLEASE PAY YOUR REAL PROPERTY TAXES FOR CALENDAR YEAR 2016 ON OR BEFORE MARCH 31, 2016 TO AVAIL OF THE TEN PERCENT (10%) DISCOUNT.

PLEASE SEE YOUR MUNICIPAL TREASURER AT ONCE.

THANK YOU!

MARIA THERESA ARANETA-FLORES
Provincial Treasurer



MAHALAGANG PABATID



SA LAHAT NG NAGMAMAY-ARI NG LUPA, BAHAY AT IBA PANG ARI-ARIANG DI NATITINAG, MAGBAYAD NA PO KAYO NG INYONG AMILYAR (REAL PROPERTY TAXES) PARA SA TAONG 2016 SIMULA NGAYON HANGGANG IKA-31 NG MARSO 2016 UPANG MAGKAROON NG SAMPUNG PORSIENTONG DISKUENTO (10%).

MAKIPAG-UGNAYAN LANG SA OPISINA NG TESORERO (MUNICIPAL TREASURER'S OFFICE) NG INYONG BAYAN.

MARAMING SALAMAT PO!

MARIA THERESA ARANETA-FLORES
Provincial Treasurer

- e) Pursuant to the provisions of Sec. 254 of R.A. 7160, Notice of Delinquencies (NODs) prepared and certified by the Municipal Treasurers were duly noted and signed by the Provincial Treasurer before they were sent out to real property owners to give more strength to said Notices.
- f) The Certified Lists of Delinquencies submitted by the Municipal Treasurers were posted in the Bulletin Board at the entrance of the Office.
- g) The certified list of delinquent taxpayers who failed to pay after the notices were served, were referred to the Provincial Legal Office for the issuance of final demand letters.
- h) We conducted dialogue with the treasury and assessment departments of LGU San Mariano together with the BLSG Regional Office Team, to address the request of Green Futures Innovations, Inc. for the exemption from Real Property Tax.
- i) We also sought the assistance of Barangay Treasurers in the distribution of Tax Bills/Notices of Delinquencies in their respective Barangays.

Likewise, regular monitoring and consultative meetings were conducted with our provincial and district Hospital Cashiers to ensure prompt remittance of collections.

As member of the Provincial Appraisal Committee, we conducted ocular inspections and assessment of Market Value of lands in the municipalities of Sta. Maria and Tumauni, jointly with the other members of the said Committee.

3. FINANCIAL ACCOUNTABILITY AND DISCIPLINE

1. In conformity with existing regulations, all accountable personnel of the Provincial Capitol, as well as those of the LGUs are duly bonded. We increased the Fidelity bonds of our accountable personnel in compliance with the bonding requirements prescribed by the Bureau of Treasury.
2. We provided accurate, efficient and effective cashiering and disbursement of funds to include up to date payment of salaries, wages and other obligations.
3. We monitored the actual and prompt remittance of trust and statutory obligations by the Province as well as the Municipal Treasurers.
4. All statutory obligations including loan repayments for GSIS, BIR, PHILHEALTH, and HDMF/PAG-IBIG in the total amount of **P304,120,780.80** from January to December, 2016 were all remitted within the prescribed period.

5. We monitored the utilization of SEF. With an annual appropriation of P50,000,000.00, the total obligated expenditures as of December, 2016, are as follows:

	ANNUAL APPROPRIATION	TOTAL EXPENDITURES	TOTAL BALANCE
a)Salaries & wages of PSB Teachers	P 5,908,000.00	P 5,880,000.00	P 28,000.00
b)Cash Gift of PSB Teachers	700,000.00	700,000.00	0.00
c)Sports Development:			
Public Institutions	11,000,000.00	10,613,100.00	386,900.00
Private Institutions	1,000,000.00	250,000.00	750,000.00
d)Conduct of Trainings:			
Scholarship for Teachers (Graduate Program) for Public Institutions	500,000.00	253,500.00	246,500.00
Scholarship for Teachers (Graduate Program) for Private Institutions	500,000.00	199,754.43	300,245.57
e)Production of Instructional Materials	1,000,000.00	999,680.00	320.00
f)Construction, Repair & Rehabilitation of School Buildings	28,352,000.00	28,319,044.08	32,955.92
g)Miscellaneous	1,040,000.00	599,327.27	440,672.73
TOTAL	<u>P 50,000,000.00</u>	<u>P 47,814,405.77</u>	<u>P 2,185,594.23</u>

6. We submitted regular monthly reports to the Provincial Accounting Office relative to collections, disbursements, checks issued and other financial data.

7. The following prescribed reports were also submitted within the specified period to the BLGF Regional and Central Offices:

- a) Annual Report CY 2015
- b) BLGF Form 1 - Web-based Quarterly Electronic Statement of Receipts and Expenditures eSRE
- c) BLGF Form 2-b - Consolidated Monthly/Quarterly Report of Collections on Real Property Tax by Property Classification (RACIMS)
- d) BLGF Form No. 4 - Consolidated Monthly/Quarterly Report of Collections on Business Tax, Fees and Charges and Receipts from Economic Enterprise
- e) Plans and Programs for CY 2016
- f) Joint Action Plan with the Provincial Assessor on Revenue Generation Program CY 2016
- g) Office Performance Commitment Review (OPCR)
- h) Monthly Monitoring Report on Remittances of Trust and Statutory Obligations
- i) Report of LGU Fund Deposits for CY 2016
- j) Report of LGU Shares from National Wealth for CYs 2014 & 2015 – uploaded in the Environment & Natural Resources Data Management Tool of the eSRE Websystem
- k) Statement of Indebtedness, Payments and Balance

4. CAPABILITY BUILDING

To further enhance the technical capability and expertise of our staff, we have participated and/or sent treasury personnel as per approved travel orders, to the following:

1. 83rd PHALTRA National Convention and Seminar Workshop, Philippine International Convention Center, Pasay City, February 23-26, 2016
2. 20th Annual Convention of Philippine League of Local Budget Officers (PHILBO), Inc, Grand Convention Center of Cebu, Archbishop Reyes Avenue, Lahug, Cebu City, March 1-4, 2016
3. 1st Quarter Regional Conference & Seminar of all Provincial, City, and Municipal Treasurer and Assessor and their Assistants, eSRE Focal Persons and Technical Staff of Assessment Service, Ivory Hotel and Convention Center, Tuguegarao City, April 6-8, 2016
4. 10th Luzon Geographical Conference, Philippine Association of Local Government Accountants (PHALGA), Inc., Fontana Leisure Park, Clark, Pampanga, March 16-18, 2016
5. Comprehensive Updates on the Implementation of RA 9184, Bohol Tropics Hotel, Tagbilaran City, Bohol, April 20-23, 2016
6. Meeting and Writeshop on Redirecting and Strengthening Policies Governing the BRO Programs, Baguio City, May 20-21, 2016
7. 11th National Convention and Seminar on Real Property Appraisal and Assessment of the Philippine Association of Assessing Officers (PAAO), Inc., Aziza Paradise Hotel, Puerto Princesa City, Palawan, June 20-24, 2016
8. Rescheduled Special Conference of all Provincial/City Treasurers and Assessors and League Presidents, BLGF Conference Hall, BLGF, Tuguegarao City, July 27, 2016
9. 9th National Conference-Seminar of the Philippine Association of Municipal Assessors (PAMAS), Inc., Vigan City, Ilocos Sur, August 2-5, 2016
10. Information Dissemination/Update on Withholding Tax, Bureau of Internal Revenue, Naguilian, August 9, 2016
11. Seminar-Workshop on Updating the Provincial Revenue Code, Development Academy of the Philippines, Pasig City, August 23-26, 2016
12. PHILBO FY 2016 Area Convention-Seminar, September 7-9, 2016
13. Municipal Treasurers' Association of the Philippines (MUNTAP) National Convention-Seminar, City Estate Tower Hotel, Ermita, Manila, September 20-23, 2016
14. REGATA 02 3rd Quarter CY 2016 Seminar Workshop of Provincial, City and Municipal Treasurers and Assessors and their Assistants, Zen Hotel, Santiago City, October 4-6, 2016
15. Cluster Training for the Roll-out of the LGU Integrated Financial Tools (LIFT) to the Cities & Provinces, Bayview Park Hotel, Manila, November 7-10, 2016
16. Roll-out of the Environment and Natural Resources Data Management Tool (ENRDMT), Amancio Hotel, Cordon, Isabela, November 16-17, 2016

17. 71st Annual National Convention of the Philippine Institute of Certified Public Accountants (PICPA), Davao City, November 23-26, 2016
18. Regional Annual Conference and Seminar Workshop of Provincial, City and Municipal Treasurers and Assessors, Assistants and Technical Staff in Treasury & Assessment Service, Zen Hotel, Santiago City, December 5-7, 2016
19. Consultation Workshop on Governance Reform Targets, Atrium Hotel, Pasay City, December 7-9, 2016

5. INTER-AGENCY COORDINATION

1. Dialogued/Coordinated with LCE, Legislative Body and other agencies on matters pertaining to public finance
2. Harmonized planning with related agencies in line with Joint Memorandum Circular No. 1
3. NLSPCI Joint Stockholders and Board Meetings
4. Participated in Women's Month Celebration
5. Attended BLGF Special Conferences
6. Attended REGATA II, and MUNTAP Isabela Board Meetings
7. Attended Meetings of Provincial School Board
8. Attended meetings of PDRRMC
9. Meetings with the Governor, Vice Governor, Provincial Administrator and Department Heads
10. Budget Deliberations with the Local Finance Committee, Department Heads, Hon. Governor and Sangguniang Panlalawigan Members headed by the Vice Governor
11. Participated in various activities for Bambanti Festival 2016; attended meetings for Bambanti Festival 2017
12. Participated in various activities for Isabela Day 2016 Celebration
13. Participated in Brigada Eskwela 2016
14. Attended Conferences on State of Local Governance Report
15. Attended Consultation Workshop for the Provincial Road National Development Plan (PRNDP)
16. Attended Meetings with officers of various financial institutions like DBP and LBP
17. Attended Meetings with PHILHEALTH officers
18. Attended Meetings on PRDP

6. INTERNAL ADMINISTRATION

1. Reviewed appointment papers and indorsed for approval to the Bureau of Local Government Finance the proposed appointments of concerned Municipal Treasurers and Assistant Municipal Treasurers.
2. Indorsed for designation/renewals of designation of OIC Municipal Treasurers of Angadanan, Delfin Albano, Dinapigue, Jones, Palanan, San Agustin and Sto. Tomas, pending approval of their appointments by the BLGF.

3. Maintained a sufficient stock level of Accountable Forms to be used by PTO, City and Municipal Treasury Offices, Isabela HealthCare, Hospital Cashiers and other government agencies.
4. Prepared Monthly Statement of Accountable Forms Issued and submitted to the COA within the prescribed period.
5. Evaluated Individual Performance Commitment Review (IPCR) of PTO personnel
6. Reviewed and approved Plans and Programs of Municipal Treasurers including Joint Action Plans of Municipal Assessors & Treasurers
7. Assisted BLGF Regional Office Team in the conduct of Validation FY 2015.
8. Administrative and financial reports for the Performance Standards of Municipal Treasurers and Assistant Municipal Treasurers.
9. Disseminated to Municipal Treasurers and others concerned all received Circulars and other Issuances relative to treasury operations.
10. Consultative meetings are regularly being done with our municipal treasurers, assessors and hospital cashiers, as well as with the PTO personnel

7. AWARD RECEIVED

Our intensified tax information and collection activities resulted to a marked increase in our collections including the 34 municipalities. Hence, we received from the Bureau of Local Government Finance a Plaque of Recognition, **for Outstanding Performance** as the **Regional “Top Local Revenue Earner for CY 2015”** under **Provincial Category** with highest Gross Collections in terms of absolute amount from local revenue sources involving Real Property Tax, Business Tax, Fees and Charges and Receipts from Economic Enterprises which represents 22.40% of the total revenue collections region wide. This was received during the BLGF/REGATA 02 Regional Annual Planning Conference-Seminar of Provincial/City and Municipal Treasurers and Assessors of Region 02, held at Zen Hotel, Santiago City, last December 5, 2016.



As we are entrusted the sensitive task of safeguarding and generating funds, we always strive to build a culture of competence and excellence and uphold professionalism in our work. We continue to reinvent ourselves to meet our client's expectations and to make transactions as far as practicable easier. This is in line with our desire to deliver effective, timely and quality services within the tenets of good governance, transparency and accountability to our taxpayers and our fellow Isabeleños.

Thank you very much!

SUBMITTED BY:

MARIA THERESA ARANETA-FLORES
Provincial Treasurer