



Office of the Sangguniang Panlalawigan

EXCERPT FROM THE MINUTES OF THE 121st REGULAR SESSION OF THE 11th SANGGUNIANG PANLALAWIGAN OF ISABELA HELD AT PROVINCIAL CAPITOL, ILAGAN CITY, ISABELA ON MARCH 04, 2025.

PRESENT:

FAUSTINO G. DY III	Vice Governor & Presiding Officer
DELFINITO EMMANUEL L. ALBANO	Member (1st District) & Floor Leader
EMMANUEL JOSELITO B. AÑES	Member (1st District)
ED CHRISTIAN S. GO	Member (2nd District)
EDGAR R. CAPUCHINO	Member (2nd District)
MARY GRACE D. ARREOLA	Member (3rd District)
RAMON JUAN N. REYES, JR.	Member (3rd District)
CLIFFORD R. RASPADO	Member (4th District)
VICTOR G. DY	Member (4th District)
MANUEL FAUSTINO U. DY	Member (5th District)
EDWARD S. ISIDRO	Member (5th District)
MARCO PAOLO A. MERIS	Member (6th District)
AMADOR A. GAFFUD, JR.	Member (6th District)
ANTONIO S. HUI	Member, PCL Federation President
CATHERINE JOY L. LEGASPI	Member, SK Federation President

O.B.:

MARIA KATRINA JESSICA G. DY	Member, LnB Federation President
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RESOLUTION NO. 2025-08-04

Series of 2025

A RESOLUTION DECLARING APPROPRIATION ORDINANCE NO. 2024-314 (2025 ANNUAL BUDGET) IN THE TOTAL AMOUNT OF ONE HUNDRED NINETY EIGHT MILLION TWO HUNDRED ELEVEN THOUSAND NINE HUNDRED THIRTY PESOS (P198,211,930.00) OF THE MUNICIPALITY OF SAN MANUEL, ISABELA INOPERATIVE IN PART SUBJECT TO CONDITIONS

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

WHEREAS, Appropriation Ordinance No. 2024-314, An ordinance enacting the Annual Budget of the Municipality of San Manuel, Isabela for Calendar Year 2025 in the total amount of **ONE HUNDRED NINETY EIGHT MILLION TWO HUNDRED ELEVEN THOUSAND NINE HUNDRED THIRTY PESOS (P198,211,930.00)** covering the various expenditures for the operation of the Local Government of San Manuel, Isabela for Fiscal Year 2025, and appropriating the necessary funds for the purpose 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 except for the following items of appropriation:

Nagkaisa para sa Isabela



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 the review disclosed an excess in PS limitation amounting to Fourteen Million Five Hundred Thirty Thousand Six Hundred Eighty Three Pesos & 76/100 (P14,530,683.76), computed as follows:

Total Income from Regular Sources (NPY)	P161,232,044.59
Allowable PS Level (45% PS Limitation)	P 72,554,420.07
PS Cost:	
Amount Appropriated	P102,310,841.58
Terminal Pay	P (5,386,629.85)
Monetization of Leave Credits	P (400,000.00)
Increase in salaries pursuant to the implementation of authorized salary adjustment using Annex "A-5" of the 1st tranche	P (9,439,107.90)
Adjusted PS Cost	P 87,085,103.83
Excess Over PS Limitation	<u>P(14,530,683.76)</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. 2024-314 (2025 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:

1. The implementation of the first tranche of the modified salary schedule of the Municipality of San Manuel shall be in accordance with the guidelines, rules, and regulations provided under EO No. 64, s. 2024 and DBM LBC No. 160 dated August 12, 2024;
2. 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;
3. The grant of step increments to government personnel shall be pursuant to CSC 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;

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4. The DBM Local Budget Memorandum No. 90, additional instruction No. 4 of LBP Form No. 3 states that only funded vacant positions shall be included in the plantilla, unfunded positions shall be removed/deleted from the plantilla.

We noted that the position of **Municipal Administrator** with **SG-24** and Item No. 13.1 was unfunded as shown in the Personnel Schedule. Item 4.2.3 of DBM Local Budget Circular No. 163 dated February 27, 2025, states that:

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

5. The appropriation for SQL allowance and hazard pay under the Municipal Social Welfare & Development Office in the amount of P2,333.33 and P3,839.51 respectively, shall be in accordance with RA 9433 and DBM-DSWD JC No. 1, s. 2018, the Rules and Regulations on the Grant of Compensation-Related Magna Carta Benefits to Public Social Workers (PSWs);
6. The appropriation for Donations shall be solely spent for public purposes pursuant to Sections 305 (b), 335 and 351 of the LGC;
7. Tangible items which meet the definition and recognition criteria of Property, Plant, and Equipment but below the Fifty Thousand Pesos (P50,000.00) capitalization threshold shall be accounted as semi-expendable property pursuant to COA Circular No. 2022-04 and COA Circular No. 2024-006, dated May 31, 2022 and March 14, 2024, respectively;
8. That the account codes used by the Municipality shall be in accordance with COA Circular No. 2015-009 dated December 1, 2015, Prescribing the Revised Chart of Accounts for LGUs. Further, the appropriations provided for "Other Maintenance and Operating Expenses" shall only be used to record expenses not falling under any of the specific maintenance and other operating expense accounts;
9. The utilization of 5% Local Disaster Risk Reduction and Management Fund (LDRRMF) and the special trust fund from the unused/unexpended balance in prior year's LDRRMF shall be in accordance with the approved LDRRM Plan and NDRRMC-DBM-DILG Joint Memorandum Circular No. 2013-1 dated March 25, 2013 as reviewed by the Office of the Civil Defense (OCD) pursuant to RA No. 10121. A copy of the OCD-reviewed LDRRMF shall be provided to this Office;

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10. That the appropriation for the 20% Development Fund shall be subject to the pertinent provisions of DBM-DOF-DILG Joint Memorandum Circular No. 1, s. 2020 dated November 4, 2020;

That the following appropriation under the 20% Development Fund shall be specifically identified or broken-down into specific project component in accordance with DILG-NEDA-DBM and DOF JMC No. 1 Series of 2016:

1. Financial Assistance for the Development projects of 19 barangays for P5,700,000.00

A copy of which shall be provided to this office.

11. The utilization of the appropriation for the ***Implementation of Population Census and Community-Based Monitoring System for P500,000.00*** shall be subject to the provisions of DBM-DOF-DILG Joint Memorandum Circular No. 1 dated April 27, 2023;

12. That all procurement activities must be governed by the provisions of Republic Act No. 9184, the Government Procurement Reform Act (GPRA) and its 2016 revised Implementing Rules and Regulations. Further, the acquisition of Motor Vehicles shall be subject to the provisions of Administrative Order No. 14 dated December 10, 2018 and Budget Circular (BC) No. 2022-1 dated February 11, 2022;

13. That the provisions for programs and projects shall be consistent with the approved Annual Investment Program (AIP) of the Municipality prepared in accordance with DILG-NEDA-DBM-DOF JMC No. 1, s. 2016 dated November 18, 2016.

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

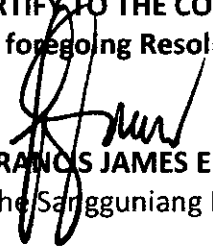
RESOLVED FURTHERMORE, to furnish the Municipality of San Manuel, Isabela that this review action does not authorize any item of appropriation that is/are specifically prohibited by or inconsistent with the provisions of law and that compliance with all the existing laws, rules and regulations shall be 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.

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Approved and Adopted, March 04, 2025.

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


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

ATTESTED/ APPROVED:


FAUSTINO G. DY III
Vice Governor & Presiding Officer