

**EXCERPT FROM THE MINUTES OF THE 36th REGULAR SESSION OF THE 14<sup>TH</sup> SANGGUNIANG PANLALAWIGAN OF THE PROVINCE OF AURORA HELD AT THE SP SESSION HALL, PROVINCIAL CAPITOL, BALER, AURORA ON MAY 26, 2020.**

**PRESENT:**

<b>HON. JESUS V. PALMERO,</b>	Regular Member, 1st District & Temporary Presiding Officer
<b>HON. MARIANO C. TANGSON,</b>	Regular Member, 1 <sup>st</sup> District
<b>HON. ISIDRO P. GALBAN,</b>	Regular Member, 1 <sup>st</sup> District
<b>HON. JENNIFER A. ARAÑA,</b>	Regular Member, 2 <sup>nd</sup> District
<b>HON. EUGENE S. CALUGTONG,</b>	Regular Member, 2 <sup>nd</sup> District
<b>HON. LORDAN B. ROXAS,</b>	Regular Member, 2 <sup>nd</sup> District
<b>HON. NICASIO M. SALAMERA,</b>	Regular Member, 2 <sup>nd</sup> District
<b>HON. RAFAEL M. DE MAYO,</b>	Ex-Officio Member, LnB Pres.
<b>HON. JOVENE MIKE B. ALPUERTO,</b>	Ex-Officio Member, SKF President
<b>HON. ONASIS Q. RONQUILLO,</b>	Ex-Officio Member, PCL Pres.

**ABSENT:**

<b>HON. CHRISTIAN M. NOVERAS,</b>	Vice Governor, (on Leave)
<b>HON. PHILIP BUTCH M. BAUTISTA,</b>	Regular Member, 1 <sup>st</sup> District (on Leave)
<b>HON. MARY JANE B. DONATO,</b>	Ex-Officio Member, IPMR (on Leave)

**RESOLUTION NO. 161**

**A RESOLUTION DECLARING INVALID AND INOPERATIVE IN ITS ENTIRETY APPROPRIATION ORDINANCE NO. 2020-001 OF THE MUNICIPALITY OF DINALUNGAN AUTHORIZING ITS FY 2020 GENERAL FUND ANNUAL BUDGET**

**WHEREAS**, submitted for review by the Sangguniang Panlalawigan was Appropriation Ordinance No. 2020-001 of Dinalungan, Aurora authorizing the FY 2020 General Fund Annual Budget of the said municipality;

**WHEREAS**, evaluation of the submitted budget through the SP Committee on Finance, Budget and Appropriations with the assistance of the Local Finance Committee reveals the following:

1. Amount of Internal Revenue Allotment (IRA)

The effect of the adjusted FY 2020 Internal Revenue Allotment (IRA) shares pursuant to Local Budget Memorandum (LBM) No. 78-A dated December 17, 2019, particularly the decrease in IRA share of the Municipality amounting to PhP 337,687.00 will necessitate the prioritization in the implementation of items appropriations:

<u>Amount of IRA for FY 2020</u>	
FY 2020 Adjusted IRA (Indicative IRA)	116,387,369.00
FY 2020 IRA (Per Estimates of Income)	<u>116,725,056.00</u>
Difference	( 337,687.00)
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2. The Budget Message attached in the Annual budget is *not in proper order*;

3. The amount appropriated for Personal Services shall not exceed 55% of the actual income of the next preceding year pursuant to Section 325 (a) of RA 7160. The municipality has already exceeded its PS limitation, hence, *the creation of the position of Municipal Social Welfare Development Officer, an optional position for municipalities, cannot be allowed.*

Computation of PS Limitation

Actual Regular Income (Next Preceding Year) Php	<u>98,266,502.00</u>
55% thereof	54,046,576.10
Less: Appropriation from PS (FY 2020)	<u>56,852,318.02</u>
Allowable/(Excess)	( 2,805,741.92)
Less: Waived PS Item	
Terminal Leave Pay	500,000.00
Monetization of Leave Credits	<u>1,252,474.00</u>
Still Allowable/(Excess)	PhP ( 1,053,267.92)

4. The appropriation for loan amortization reflected in the Statement of Indebtedness does not tally with the amount allocated for the purpose under 20% Development Fund as shown in the table below:

20% Development Fund	Statement of Indebtedness	Difference
Php 2,350,000.00	Php 2,291,371.69	Php 58,628.31

5. Appropriation from Confidential Fund shall not be more than 30% of the total amount of the Peace and Order Plan of the Municipality. The approved AIP does not contain the Peace and Order Plan (POP) which is among the required annexes of the latter as per LBR Form No. 1A. Hence, the amount of Php 100,000.00 for Confidential Fund cannot be allowed as there is no basis for the computation of the amount to be appropriated;

6. Details of the Personal Schedule of Municipal Agriculturist attached in the Annual Budget and in the Appropriation Ordinance do not tally:

FY 2020 Gen. Fund Annual Budget				Approp. Ordinance No.2020-001			
Item No.	Position Title	Name of Incumbent	SG/IC	Item No.	Position Title	Name of Incumbent	SG/IC
70	Livestock Inspector	VACANT	8/1	70	VACANT	Leonardo Valentino	8/5

Further, appropriation for salaries of the subject plantilla item in the Appropriation Ordinance does not correspond to its salary grade.

Item No.	Position Title	SG/IC	Appropriation	Per LBC 115	Difference
70	Livestock Inspector	8/5	Php 146,544.00	Php 152,052.00	Php 5,508.00

7. There are discrepancies in the amount of total appropriation reflected in the LBP Form No. 2 in the officers/departments listed below:

Office	LBP Form No. 2	As recomputed	Discrepancy
Municipal Agriculturist	Php 2,366,013.68	Php 2,585,490.68	Php 219,477.00
Municipal Health Officer	Php 5,699,676.64	Php 7,667,196.64	Php 1,976,520.00

8. The following defects were found in the Statement of Statutory and Contractual Obligations and Budgetary Requirements (LBP Form No. 6):

a. Retirement and Life Insurance Premiums has no corresponding amount. While the total appropriations for such is Php 3,742,512.48;

b. Employees Compensation Insurance Premiums is Php 128,341.68 and not Php 3,742,512.48;

c. Philhealth Contribution is Php 463,512.76 and not Php 454,332.60;

d. The Total amount of LBPF No. 6 as per the Annual Budget is Php 45,114,663.00. As per recomputation, it should be Php 45,123,843.16;

9. The Object of Expenditures were not properly grouped according to the account classification, title and code as prescribed under Commission on Audit Circular No. 2015-009 dated December 01, 2015 (Revised Chart of Accounts for LGUs);

10. The appropriation from DIWAS as per LBPF No. 2 is Php 805,000.00 while in BESF is Php 965,000.00; and

11. That despite the previous year's review of the Sangguniang Panlalawigan, the municipality still has not yet complied in providing sufficient details of the PPAs under the Special Purpose Appropriation;

**NOW THEREFORE**, on motion of Hon. Jennifer A. Araña unanimously seconded;

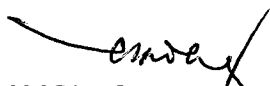
**BE IT RESOLVED**, as it is hereby resolved to declare invalid and inoperative in its entirety Appropriation Ordinance No. 2020-001 of Dinalungan, Aurora authorizing its FY 2020 General Fund Annual Budget;

**RESOLVED FURTHER**, that the Annual Budget be revised to effect all the necessary corrections/adjustments, and to comply with the budgetary requirements set forth by law and other pertinent rules and regulations and be authorized through enactment of another Appropriation Ordinance;

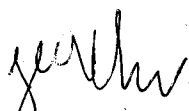
**RESOLVED FURTHERMORE**, to furnish copy of this resolution to the Office of the Municipal Mayor and the Sangguniang Bayan of the Municipality of Dinalungan, Aurora for information and reference;

**APPROVED UNANIMOUSLY.**

**I HEREBY CERTIFY** to the correctness of the foregoing resolution.

  
**MARIA OLIVIA D. MAZA**  
Secretary to the Sanggunian

**ATTESTED:**

  
**JESUS V. PALMERO**  
Regular Member, 1st District  
Temporary Presiding Officer