



**COMMITTEE REPORT NO. 2020-040**

TO: The Honorable Presiding Officer and the Members of the August Body

BY: The Committee on Appropriations, Budget, Finance & Accounts c/o Hon. Ma. Gerrylin Santuyo- Camposagrado

SUBJECT: re: Draft Appropriation Ordinance No. 2020-006- "An Ordinance Enacting The Fiscal Year 2021 Annual Budget Of The Municipality Of Tigbauan, Province Of Iloilo"

**"FINDINGS AND DISCUSSIONS:**

The Committee on Appropriations conducted series of Committee Hearings at the Sangguniang Bayan Session Hall on October 20 and 22, at 9:00 o'clock in the Morning.

Present during the budget hearings are the following: Hon. Mayor Suzette Tenefrancia-Alquisada, Hon. Reynaldo E. Tumabotabo, Representative from the Members of the Committee on Appropriations, namely: Hon. Ma. Gerrylin Santuyo-Camposagrado (Chairman), Hon. Dennis T. Valencia, Hon. Suzette Marie Hilado-Banno, Hon. Norberto T. Turalba, and Hon. Jerry T. Tuares, and Department Managers.

The proposed Annual Budget for 2021 was thoroughly discussed during the marathon budget hearings.

Upon review of pertinent documents, the salient features of the proposed budget for FY 2021 are noted as follows:

The **estimated total amount of Revenue** of the Local Government of Tigbauan for FY 2021 duly certified by the Local Finance Committee is P 201,500,000.00 composed of:

Internal Revenue Allotment C.Y. 2021	P180,100,732.00(89.38%)
Local Sources	11,899,268.00 (5.91%)
Special Account (from the General Fund)	9,500,000.00 (4.71%)

Expenditure Program for FY 2021 by sector is summarized below:

General Public Services	P107,840,500.00(53.52%)
Social Services	44,967,619.60(22.32%)
Economic Services	32,941,880.40(16.35%)
Other Services	6,250,000.00( 3.10%)
Special Account from the General Fund	9,500,000.00 (4.71%)

Distribution of LGU 2021 Budget by functional Activity is summarized as follows:

Frontliner Services	P 41,131,369.60(20.42%)
General Public Services	150,868,630.40(74.87%)
Special Account from General Fund	9,500,000.00(4.71%)

Breakdown of FY 2021 Annual Budget by major expense classification is as follows:

Personal Services	P 73,750,478.00(38.41%)
MOOE	53,516,375.60(27.87%)
Financial Expenses	40,000.00(.02%)
Capital Outlay	19,021,000.00( 9.91%)
Mandatory Obligations	45,672,146.40(23.79%)

**Personal Services**

The total expenditures for Personal Services for the budget year is P73,750,478.00. The following are notable considerations in the personal services budget included in this item:

- Salaries and wages are based on LBC No. 121 dated January 24, 2020 – Re: Implementation of the 1st Tranche of the Modified Salary Schedule for LGU Personnel Pursuant to RA No. 11466;
- Continuous implementation of step increment based on CSC and DBM Joint Circular No. 01, series of 2016 dated January 27, 2016, entitled: "Rules and Regulations on the Grant of Step Increment to Elective based on Length of Service;
- Terminal Leave Benefits of Municipal Officials, employees who will be retiring/separating from office in 2021 per DBM BC No. 2016-2 dated March 29, 2016;
- RATA-based on LBC No. 133 dated May 15, 2013 for the second class municipalities;
- Uniform/clothing allowance of P6,000.00 each; and

6. P395.00/day wages of Job Order Personnel Starting January 1, 2021, consistent with the DOLE Circulars and Issuances.

The Personal Services of Special Account (from the General Fund) maintained in general fund amounting to P7,453,911.00.

**Maintenance and Other Operating Expenses (MOOE)**

The amount allocated for MOOE is P53,516,375.60 or 27.87% of the total budget. It includes provisions for MOOE allocated for development programs, projects and activities of the different offices under executive and legislative services, budget for non-office activities such as sports, bids and awards, judicial/courts, social improvements, peace and order, fire protection and traffic management. Also integrated under the MOOE expenditures are amounts budgeted under 5% Local Disaster Risk Reduction and Management Fund for MOOE and financial aid to 52 barangays at P1,000.00 per barangay as mandated by RA 7160

**Capital Outlay**

Capital Outlay budget for the year 2021 is P19,021,000.00 or 9.91% of the total expenditures, intended for land and land improvement, building and structures, office/IT equipment of the different offices. The amount budgeted under the 20% IRA Development Projects is included under Capital Outlay expenditures since all projects identified refer to infrastructure projects and other programs identified pursuant to DILG-DBM Joint Memorandum Circular No. 2017-1

**Mandatory Obligations**

The Mandatory Obligations with the total amount of P45,672,146.40 are hereby provided in this budget, to wit:

20% Development Fund	P36,020,146.40
5% MDRRM Fund	9,600,000.00
Aid to Barangays	52,000.00

Itemized schedules of programs, projects and activities for CY 2021 and their corresponding financial requirements to the subject Annual Budget were presented and thoroughly deliberated during the budget hearing.

**Special Account**

A total amount of P9.5 M or 4.71% of the total Budget allocation is for the operations of market and slaughterhouse. The budget for this Special Account shall be taken from the revenues that will be estimated to be collected therefrom.

The Special Account is continually established to separate the exercise of the corporate functions of the local government. This is to see to it that corporate powers of the municipality to engage in economic activity such as the operation of the market and slaughterhouse are properly monitored and their potentials for income be accordingly maximized.

For the Calendar Year 2021, this administration will continue to adopt fiscal philosophies to attain the necessary targets:

1. All year round tax information campaign, sending of notices of assessment, warrant of levy and employment of other tax collection strategies;
2. New and revised assessment of real properties as mandated by the Provincial Government shall be the basis of valuation of assets which will result to higher revenues;
3. Enhanced Business Permits and Licensing Office Operation of One Stop-Shop for ease of doing business in the Municipality of Tigbauan;
4. Implementation of Information Systems Strategic Plan for the efficient and prompt delivery of frontline services;
5. Updating and review of Municipal Ordinances will be undertaking to reflect the new issuances of the Department of Interior and Local Government, Department of Environment and Natural Resources, Department of Agriculture, Bureau of Fisheries and Aquatic Resources and other government agencies;
6. Transparency and Accountability in the utilization of funds will be the guiding principles in order to continue the practice of good governance.

This Proposed Annual Budget 2021 was crafted in consultation with the different stakeholders of the municipality, the department managers, members of the local special bodies, specifically the municipal development council, civil society organizations and other stakeholders consistent with the policy of participatory governance. In this year's Budget CY 2021 several plans, programs, projects and activities which paved way for the better delivery of goods and services to the public and also to ensure a consistent service-oriented, transparent and accountable local government.

**RECOMMENDATIONS:**


*In view of the foregoing discussion, the Committee respectfully recommends to pass an “AN ORDINANCE AUTHORIZING THE FISCAL YEAR 2021 ANNUAL BUDGET AMOUNTING TO ONE HUNDRED NINETY TWO MILLION PESOS (P192,000,000.00) GENERAL FUND AND NINE MILLION FIVE HUNDRED THOUSAND PESOS (P9,500,000.00) SPECIAL ACCOUNT FUND FOR THE OPERATION OF MARKET AND SLAUGHTERHOUSE, OF THE MUNICIPALITY OF TIGBAUAN, PROVINCE OF ILOILO.*

*The Committee further recommends the adoption and approval of this Committee Report.”*

*Respectfully submitted:*

**October 28, 2020, Tigbauan, Iloilo, Philippines**

  
**HON. MA. GERRYLIN SANTUYO-CAMPOSAGRADO**  
Chairperson

  
**HON. DENNIS T. VALENCIA**  
Vice Chairman

  
**HON. SUZETTE MARIE HILADO-BANNO**  
Member

  
**HON. JERRY T. TUARES**  
Member

  
**HON. NORBERTO T. TURALBA**  
Member

**ATTESTED:**  
  
**MARLENE TAYO-NAVA**  
S.B. Secretary

**HON. VIRGILIO T. TERUEL, LAWYER**  
Municipal Vice Mayor

Sangguniang Bayan Members:

Hon. Dennis T. Valencia	Hon. Suzette Marie Hilado-Banno, M.D.	Hon. Ma. Gerrylin Santuyo-Camposagrado, <i>LAWYER, MPA</i>
Hon. Neri T. Camiña	Hon. Reynaldo E. Tumabotabo	Hon. Norberto T. Turalba
Hon. Marlon R. Teruñez	Hon. Julius T. Ledesma, O.D.	Hon. Jerry T. Tuares, <i>Civil Engineer, (LnB-Pres.)</i>
		Hon. Dyossa Marie T. Teruñez, <i>SKMF President</i>

*“Public office is a public trust. Public Officials must at all times be accountable to the people.”*