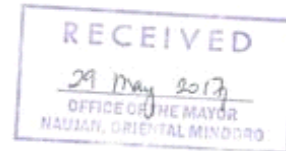




Republic of the Philippines  
**COMMISSION ON AUDIT**  
Regional Office No. IV-B  
Local Government Sector B- Oriental Mindoro Province  
Provincial Capitol Complex, Camilmil, Calapan City

May 2, 2017

**Hon. Mark N. Marcos**  
Municipal Mayor  
Naujan, Oriental Mindoro



Dear Mayor Marcos:

We are pleased to transmit the Annual Audit Report on the results of the audit on the accounts and operations of that Municipality for the Calendar Year ended December 31, 2016, pursuant to Section 43 of Presidential Decree No. 1445 and in line with the Commission's effort towards informing management on how fiscal responsibility has been discharged.

The audit was conducted by the team headed by Ms. Jaylen G. Ylagan and in accordance with Philippine Public Sector Standards on Auditing, and we believe that it provided reasonable bases for the results of the audit.

We expressed a qualified opinion on the financial statements of the Municipal Government of Naujan as shown in the Independent Auditor's Report in Part I of the report.

The significant findings and recommendations that require immediate action are as follows:

1. The reported balance of the Property, Plant and Equipment (PPE) account of P344,717,541.08 could not be established due to incomplete inventory and documentation of the properties; unreconciled difference of P218,168,042.29 between Inventory Report and Accounting records; PPE items totaling P41,693,072.01 were not charged with depreciation; and non-preparation and maintenance of the Report on the Physical Count of Local Road Network (RPCLRN). (Observation No. 5)

We recommended that:

- The Municipal GSO prepare a plan for the conduct of a complete physical inventory including the (a) time frame to complete inventory count and the (b) preparation of the report taking into consideration the present condition and

location of the properties. PAR must be made available for fast tracing of the properties and should be updated as found necessary to establish proper accountability. The GSO should also obtain from the Accounting Office a listing of properties per category of PPE and make use of the property numbers and responsibility centers stated therein as reference in the inventory taking; Thereafter,

- The Municipal Accountant and GSO coordinate and prepare supporting schedules to facilitate the proper reconciliation of the property accounts and establishment of actual existence, ownership and condition of the properties; Moreover,
- The Municipal Accountant to effect proper adjustments in the books for items that necessitate corrections as identified in the verification and reconciliation process, create separate subsidiary ledgers for the unreconciled account balances and observe proper disclosure of the same in the Notes to Financial Statements for fair presentation.

In addition, we recommended that the Municipal Mayor establish an Inventory Committee and the Accountant, General Service Officer and Municipal Engineer prepare the required reports relative road network.

2. The 119 programs/projects/activities funded under the 20% Development Fund totaling ₱65,299,816.36 remained unimplemented at the end of the year due to unfeasible project proposal, unavailability of lot and insufficient fund allocation, thus depriving the constituents of the benefits had the developmental projects been implemented. (Observation No. 30)

We recommended that:

- the Municipal Engineer coordinate, monitor and evaluate the implementation of the PPAs to maximize the utilization of 20% DF;
- the Municipal Budget Officer properly monitor the budget allocation for the PPAs and help the MDC in the re-evaluation of unimplemented prior years' projects; and
- the MPDO submit justification for the appropriation of 20% Development Fund to projects contrary to DBM and DILG JMC No. 2011-1.

We also reiterated the following previous recommendations:

- that the Municipal Development Council with the assistance of the MPDO reassess the necessity of pursuing the unimplemented projects of prior years, otherwise reprogram the same to a more needed developmental projects. The

Council should also properly plan, prioritize all activities to be implemented during the year; and

- that the Council and Budget Officer appropriate sufficient fund for the complete implementation of the identified projects.
3. The Municipality failed to implement the mandatory segregation of solid wastes, proper establishment of Materials Recovery Facility and continuously failed to comply with the basic requirements in the operations of sanitary landfill, contrary to Sections 21, 32 and 42 of Republic Act (RA) No. 9003 and its IRR. In effect, the constituents were exposed to various health hazards. (Observation No. 23)

We recommended that the Municipal's SWM Board through MENRO-Designate monitor and evaluate the implementation of the SWM programs and policies, monitor the strict implementation of segregation of wastes, comply with the requirements in the operations of sanitary landfill, and develop more strategies on how to improve the existing disposal facility to reduce adverse impacts on health and environment. Also, an Environmental Compliance Certificate (ECC) must be secured from the DENR relative to the operation of the dumping site.

We also recommended that the requirements of RA 9003 relative to the installation of Material Recovery Facilities must be observed for the efficient sorting and storing of wastes.

4. The propriety of disbursement of fund from various NGAs totaling ₱6,022,262.10 for the implementation of various projects is doubtful due to lack of the necessary supporting documents to ascertain the validity of claim. (observation No. 18)

We recommended that the Municipal Accountant and Agriculturist submit the lacking documents within five days to support the propriety and validity of the disbursement made to avoid suspension and/or disallowance in audit, and further ensure that future claims be supported with complete documentation as required by Section 4 of P.D. 1445 and COA Circular No. 2012-001 dated June 14, 2012.

5. The lapses on reporting, accounting and utilization of the Disaster Risk Reduction and Management Fund (DRRM) such as (a) non-submission of the required reports under COA Circular No. 2014-002 ; (b) non-implementation of the proposed projects, programs and activities totaling ₱9,361,003.48; and (c) incorrect recording/ classification of relief goods worth ₱2,974,559.75 and financial assistance totaling ₱3,200,000 may affect the fair presentation of accounts, might hamper the timely audit of accounts and non- achievement of desired purpose of the fund. (Observation No. 22)

For non-implementation of disaster-related PPAs, we recommended that the MDRRM Council properly plan, prioritize and evaluate the programs, projects, and

activities to be funded out of the LDRRMF to attain the objective and purpose of the Fund by observing the rules and regulations relative thereto.

We also recommended that the Council reassess the necessity of pursuing the unimplemented projects, otherwise reprogram the same to those PPAs which will help build the disaster resilience of communities and will lessen the impact of deadly and costly natural and man-made hazards/disasters with the goal of promoting sustainable socio-economic growth.

6. Non-adoption of the Automated Teller Machine (ATM) payroll system for the payment of salaries and wages of regular employees and Job Order personnel despite the existence of an ATM Machine within the vicinity of the Municipality resulted to huge amount of cash handled by the Disbursing Officer. (Observation No.16)

We recommended that:

- the HRMO require the employees without ATM cards to submit their application forms to the DBP as a requirement for subsequent issuance of ATM cards to them;
  - the Management consider the option of adopting the automation of payroll system for the payment of salaries and wages of the permanent employees and JO personnel and coordinate with the DBP officials and employees for the processing of the same; and
  - see to it that the cash advance granted shall not exceed the Maximum Cash Accountability authorized under her approved fidelity bond or else apply for an increased fidelity bond.
7. Due to deviation from the approved Program of work and other deficiencies noted by COA Technical Audit Specialist, the inspection of roads in various barangays of Naujan resulted in cost deficiency of ₱652,227.77. (Observation No. 10)

We recommended that the Municipal Mayor require the Municipal Engineer to be updated with the latest DPWH regulation in the computation of project cost, inform the concerned contractor to rectify the deficiency noted by the COA Technical Audit Specialist and demand payment of cost deficiency, if they fail to correct them

The other audit findings together with the recommended courses of action are discussed in detail in Part II of the report. These, along with the prior year's findings not yet or partially acted upon and included in Part III of the report were discussed by the Audit Group with the concerned Management Officials and staff during the exit conference conducted on April 19, 2017

We request that the recommended remedial measures be immediately implemented and we will appreciate being informed of the action/s taken thereon by accomplishing the attached **Agency Action Plan and Status of Implementation (AAPSI)** form and submit the duly accomplished form to the Audit Team within 30 days from receipt hereof.

We acknowledge the support and cooperation that you and your staff extended to the Audit Team, thus facilitating the submission of the report.

Very truly yours,

  
**MARISSA ORCULLO-BAYOT**  
Supervising Auditor

Copy furnished:

- The Regional Director  
Department of Interior and Local Government, Region IV-B
- The Regional Director  
Department of Budget and Management, Region IV-B
- The Regional Director  
Bureau of Local Gov't Finance, Region IV-B
- The Secretary - *for 5-29-17*  
Sangguniang Bayan, Naujan, Oriental Mindoro
- The Director (soft copy)  
National Library of the Philippines
- The Dean (soft copy)  
UP Law Center

[illegible]

**Hon. Mark N. Marcos**  
Municipal Mayor

Note: Status of Implementation may either be (a) Fully Implemented, (b) Ongoing, (c) Not Implemented, (d) Partially Implemented, or (e) Delayed



Republic of the Philippines  
**COMMISSION ON AUDIT**  
Commonwealth Avenue, Quezon City

# **ANNUAL AUDIT REPORT**

on the

**Municipality of Naujan  
Province of Oriental Mindoro**

**For the Year Ended December 31, 2016**

## EXECUTIVE SUMMARY

### Introduction

Naujan, previously called Nauhang by Europeans was established as a town in 1639 by virtue of a Royal Decree promulgated by King Philip II of Spain. The Philippine Commission under Act No. 1280 on January 4, 1905 confirmed it.

For Calendar Year 2016, the Municipality garnered the following awards and accomplishments:

Awarded as

- Best Municipal Disaster Risk Reduction and Management Council by the Regional DRRM Council-MIMAROPA
- Best Municipal SFP Team by Supplementary Feeding Program IV-MIMAROPA
- 2016 Seal of Good Local Governance by the Department of Interior and Local Government

Favorably accomplished the following:

- Construction/rehabilitation/improvement of various roads and buildings
- Implementation of disaster-related preparedness activities and various trainings and simulation exercises on disaster preparedness and responses
- Mainstreaming of Gender and Development (GAD) in the local government units
- Establishment of Violence Against Women and Children Desk in 70 barangays

### Financial Highlights

The appropriations and obligations of the Municipal Government of Naujan, Oriental Mindoro totaling ₱347,731,696 and ₱193,162,365, respectively, are summarized as follows:

|  | Appropriations              | Obligations                 |
|--|-----------------------------|-----------------------------|
| <i>Current and Continuing Appropriations</i> |                             |                             |
| General Fund (GF)                            | ₱ 340,897,569               | ₱ 187,553,270               |
| Special Education Fund (SEF)                 | 6,834,127                   | 5,609,095                   |
| <b>Total</b>                                 | <b><u>₱ 347,731,696</u></b> | <b><u>₱ 193,162,365</u></b> |

The total assets, liabilities, equity, income and expenses for CY 2016 compared with that of the preceding year are as follows:

| CY 2016 | CY 2015 | Increase |
|---------|---------|----------|
|---------|---------|----------|

|             |   |             |   |             |               |
|-------------|---|-------------|---|-------------|---------------|
|             |   |             |   |             | (Decrease)    |
| Assets      | ₱ | 632,316,966 | ₱ | 440,881,240 | ₱ 191,435,726 |
| Liabilities |   | 93,598,899  |   | 83,054,359  | 10,544,540    |
| Equity      |   | 538,718,067 |   | 357,826,881 | 180,891,186   |
| Income      |   | 263,861,060 |   | 219,665,216 | 44,195,844    |
| Expenses    |   | 175,677,751 |   | 146,366,403 | 29,311,348    |

### Scope of Audit

The audit was conducted on test basis on the accounts and operations of the Municipal Government of Naujan for Calendar Year (CY) 2016 with focus on the CY 2016 audit thrusts provided under Unnumbered Memorandum dated July 28, 2016 of the Assistant Commissioner, Local Government Sector. It was aimed at determining whether management presents fairly the financial statements in adherence with the Philippine Public Sector Standards on Accounting, whether prevailing laws, rules and regulations were complied, and whether the funds were utilized in an economical, efficient and effective manner.

The completed projects out of local fund and fund transfers are still for technical evaluation by COA Technical Audit Specialists and the results of evaluation will be communicated thru the issuance of Audit Observation Memorandum.

### Opinion on the Financial Statements

The Auditor rendered a qualified opinion on the fairness of the presentation of the financial statements of the Municipality of Naujan due to the inaccurate and unreliable balance of Property, Plant and Equipment accounts of ₱344.71 million brought by the incomplete physical inventory of all the properties owned by the Municipality, non-provision of depreciation to depreciable property totaling ₱41.69 million and non-preparation and maintenance of the Report on the Physical Count of Local Road Network.

In relation thereto, we recommended that the Municipal GSO prepare plan for the conduct of a complete physical inventory including the (a) time frame to complete the conduct of inventory count and (b) preparation of the report taking into consideration the present condition of the properties; the Municipal Accountant and GSO coordinate with each other and prepare supporting schedules to facilitate the proper reconciliation of the property accounts and establishment of actual existence, ownership and condition of the properties; and the Municipal Accountant effect proper adjustments in the books for items that necessitate corrections as identified in the verification and reconciliation process, create separate subsidiary ledgers for the unreconciled account balances and observe proper disclosure of the same in the Notes to Financial Statements for fair presentation. Moreover, we recommended that the Municipal Mayor establish an Inventory Committee that will conduct the inventory-taking and the preparation of required reports for road network and other infrastructure assets.

### Summary of Significant Observations and Recommendations

The significant audit observations and the corresponding recommendations to address the issues are summarized as follows:

- The 119 programs/projects/activities funded under the 20% Development Fund totaling ₱65,299,816.36 remained unimplemented at the end of the year due to unfeasible project proposal, unavailability of lot and insufficient fund allocation, thus depriving the constituents of the benefits had the developmental projects been implemented.

We recommended that:

- the Municipal Engineer coordinate, monitor and evaluate the implementation of the PPAs to maximize the utilization of 20% DF;
- the Municipal Budget Officer properly monitor the budget allocation for the PPAs and help the MDC in the re-evaluation of unimplemented prior years' projects; and
- the MPDO submit justification for the appropriation of 20% Development Fund to projects contrary to DBM and DILG JMC No. 2011-1.

We also reiterated the following previous recommendations:

- that the Municipal Development Council with the assistance of the MPDO reassesses the necessity of pursuing the unimplemented projects of prior years, otherwise reprogram the same to a more needed developmental projects. The Council should also properly plan, prioritize all activities to be implemented during the year; and
  - that the Council and Budget Officer appropriate sufficient fund for the complete implementation of the identified projects.
- The Municipality failed to implement the mandatory segregation of solid wastes, proper establishment of Materials Recovery Facility and continuously failed to comply with the basic requirements in the operations of sanitary landfill, contrary to Sections 21, 32 and 42 of Republic Act (RA) No. 9003 and its IRR. In effect, the constituents were exposed to various health hazards.

We recommended that the Municipal's SWM Board through MENRO-Designate monitor and evaluate the implementation of the SWM programs and policies, monitor the strict implementation of segregation of wastes, comply with the requirements in the operations of sanitary landfill, and develop more strategies on how to improve the existing disposal facility to reduce adverse impacts on health and environment. Also, an Environmental Compliance Certificate (ECC) must be secured from the DENR relative to the operation of the dumping site.

We also recommended that the requirements of RA 9003 relative to the installation of Material Recovery Facilities must be observed for the efficient sorting and storing of wastes.

- The propriety of disbursement of fund from various NGAs totaling ₱6,022,262.10 for the implementation of various projects is doubtful due to lack of the necessary supporting documents to ascertain the validity of claim.

We recommended that the Municipal Accountant and Agriculturist submit the lacking documents within five days to support the propriety and validity of the disbursement made to avoid suspension and/or disallowance in audit, and further ensure that future claims be supported with complete documentation as required by Section 4 of P.D. 1445 and COA Circular No. 2012-001 dated June 14, 2012.

- The lapses on reporting, accounting and utilization of the Disaster Risk Reduction and Management Fund (DRRM) such as (a) non-submission of the required reports under COA Circular No. 2014-002; (b) non-implementation of the proposed projects, programs and activities totaling ₱9,361,003.48; and (c) incorrect recording/ classification of relief goods worth ₱2,974,559.75 and financial assistance totaling ₱3,200,000 may affect the fair presentation of accounts, might hamper the timely audit of accounts and non- achievement of desired purpose of the fund.

For non-implementation of disaster-related PPAs, we recommended that the MDRRM Council properly plan, prioritize and evaluate the programs, projects, and activities to be funded out of the LDRRMF to attain the objective and purpose of the Fund by observing the rules and regulations relative thereto.

We also recommended that the Council reassess the necessity of pursuing the unimplemented projects, otherwise reprogram the same to those PPAs which will help build the disaster resilience of communities and will lessen the impact of deadly and costly natural and man-made hazards/disasters with the goal of promoting sustainable socio-economic growth.

- Non-adoption of the Automated Teller Machine (ATM) payroll system for the payment of salaries and wages of regular employees and Job Order personnel despite the existence of an ATM Machine within the vicinity of the Municipality resulted to huge amount of cash handled by the Disbursing Officer.

We recommended that:

- the HRMO require the employees without ATM cards to submit their application forms to the DBP as a requirement for subsequent issuance of ATM cards to them;
- the Management consider the option of adopting the automation of payroll system for the payment of salaries and wages of the permanent employees and JO personnel and coordinate with the DBP officials and employees for the processing of the same; and

- see to it that the cash advance granted shall not exceed the Maximum Cash Accountability authorized under her approved fidelity bond or else apply for an increased fidelity bond.
6. Due to deviation from the approved Program of work and other deficiencies noted by COA Technical Audit Specialist, the inspection of roads in various barangays of Naujan resulted to cost deficiency of ₱652,227.77

We recommended that the Municipal Mayor require the Municipal Engineer to be updated with the latest DPWH regulation in the computation of project cost, inform the concerned contractor to rectify the deficiency noted by the COA Technical Audit Specialist and demand payment of cost deficiency, if they fail to correct them.

The other observations and recommendations contained in Part II of the report and those prior year's finding which are not acted and partially acted upon and included in Part III of the report were discussed with the municipal officials and employees concerned during the exit conference conducted on April 19, 2017. Management's views and reactions were considered in the report, where appropriate.

#### **Summary of Total Suspensions, Disallowances and Charges**

The Municipality has unsettled disallowances of ₱747,416.50 as of December 31, 2016.

#### **Status of Implementation of Prior Year's Audit Recommendations**

Monitoring of the implementation of 17 prior years' audit recommendations embodied in the Calendar Year 2015 Annual Audit Report and previous year's Annual Audit Report revealed that three were fully implemented, 12 were partially implemented and two were not implemented by the Municipality.

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REPUBLIC OF THE PHILIPPINES  
**COMMISSION ON AUDIT**  
Commonwealth Avenue, Quezon City

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## INDEPENDENT AUDITOR'S REPORT

**Hon. Mark N. Marcos**

Municipal Mayor

Naujan, Oriental Mindoro

We have audited the accompanying combined financial statements of the Municipality of Naujan, Oriental Mindoro which comprise the Statement of Financial Position as at December 31, 2016 and the Statement of Financial Performance, Statement of Changes in Net Assets/Equity, Comparative Statement of Budget and Actual Amount and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Philippine Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Philippine Public Sector Standards on Auditing. These standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by

management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Basis for Qualified Opinion*

The validity, accuracy and existence of the reported Property, Plant and Equipment (PPE) account balance of ₱344.71 million could not be ascertained due to incomplete physical inventory of all the properties owned by the Municipality, non-provision of depreciation to depreciable property totaling ₱41.69 million and non-preparation and maintenance of the Report on the Physical Count of Local Road Network. Due to the incompleteness of the Municipality's records on PPE, we were unable to satisfy ourselves as to the carrying value of the property by means of other auditing procedures.

*Qualified Opinion*

In our opinion, except for the possible effects of the matter/s described in the Basis for Qualified Opinion paragraph, the combined financial statements present fairly, in all material respects, the financial position of the Municipality of Naujan, Oriental Mindoro as at December 31, 2016, and of their financial performance and cash flows for the year then ended in accordance with state accounting principles generally accepted in the Philippines.

**COMMISSION ON AUDIT**

**By:**

  
**JAYLEN GAYTO-YLAGAN**  
OIC-Audit Team Leader

April 19, 2017

Republic of the Philippines  
Province of Oriental Mindoro

## MUNICIPALITY OF NAUJAN

OFFICE OF THE MUNICIPAL MAYOR  
Naujan 5204, Oriental Mindoro, Philippines





### Statement of Management Responsibility for Financial Statements

The Management of the Municipal Government of Naujan, Oriental Mindoro is responsible for all information and representations contained in the accompanying Statement of Financial Position as of December 31, 2016 and the related Statement of Financial Performance, Statement of Cash Flows, Statement of Comparison of Budget and Actual Amounts, Statement of Changes in Net Asset/Equity and the Notes to Financial Statements for the year then ended. The Financial Statements have been prepared in conformity with Philippine Public Sector Accounting Standards and generally accepted state accounting principles, and reflect amounts that are based on the best estimates and informed judgement of management with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized.

  
CARINA A. CORRO  
Municipal Accountant

  
Atty. MARK N. MARCOS  
Municipal Mayor 

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As of December 31, 2016  
(With Comparative Figures for CY 2015)

|                                       | Note   | 2016                           | 2015                           |
|---------------------------------------|--------|--------------------------------|--------------------------------|
| <b>Assets</b>                         |        |                                |                                |
| <i>Current Assets</i>                 |        |                                |                                |
| Cash and Cash Equivalents             | 3.5, 4 | ₱ 243,677,384.95               | ₱ 194,378,229.62               |
| Investments                           | 5      | 0.00                           | 902,156.95                     |
| Receivables                           | 6      | 14,423,334.65                  | 9,800,097.90                   |
| Inventories                           | 3.6, 7 | 1,001,363.02                   | 829,669.94                     |
| <b>Total Current Assets</b>           |        | <b><u>259,102,082.62</u></b>   | <b><u>205,910,154.41</u></b>   |
| <i>Non-Current Assets</i>             |        |                                |                                |
| Investments                           | 5      | 902,156.95                     | 0.00                           |
| Property, Plant and Equipment         | 3.4, 8 | 372,272,726.57                 | 234,931,085.23                 |
| Biological Assets                     | 10     | 40,000.00                      | 40,000.00                      |
| <b>Total Non-Current Assets</b>       |        | <b><u>373,214,883.52</u></b>   | <b><u>234,971,085.23</u></b>   |
| <b>Total Assets</b>                   |        | <b><u>₱ 632,316,966.14</u></b> | <b><u>₱ 440,881,239.64</u></b> |
| <b>Liabilities</b>                    |        |                                |                                |
| <i>Current Liabilities</i>            |        |                                |                                |
| Financial Liabilities                 | 10     | ₱ 24,998,044.56                | ₱ 15,529,111.97                |
| Inter-Agency Payables                 | 10     | 47,999,836.04                  | 40,648,963.33                  |
| Intra-Agency Payables                 | 10     | 4,183,481.72                   | 3,229,106.64                   |
| Trust Liabilities                     | 10     | 9,423,729.52                   | 19,602,194.16                  |
| Deferred Credits/Unearned Income      | 10     | 6,894,215.47                   | 3,860,235.42                   |
| Other Payables                        | 10     | 99,591.44                      | 184,747.68                     |
| <b>Total Current Liabilities</b>      |        | <b><u>93,598,898.75</u></b>    | <b><u>83,054,359.20</u></b>    |
| <b>Total Liabilities</b>              |        | <b><u>₱ 93,598,898.75</u></b>  | <b><u>₱ 83,054,359.20</u></b>  |
| <b>Net Assets/Equity</b>              |        |                                |                                |
| Government Equity                     |        | <b><u>538,718,067.39</u></b>   | <b><u>357,826,880.44</u></b>   |
| <b>Total Liabilities &amp; Equity</b> |        | <b><u>₱ 632,316,966.14</u></b> | <b><u>₱ 440,881,239.64</u></b> |

(See accompanying Notes to Financial Statements)

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE**  
For the Year Ended December 31, 2016  
(With Comparative Figures for CY 2015)

|   | Note | 2016                          | 2015                          |
|---|------|-------------------------------|-------------------------------|
| <b>Revenue</b>                                  |      |                               |                               |
| Tax Revenue                                     | 11   | ₱ 16,981,684.18               | ₱ 16,200,281.05               |
| Share from Internal Revenue Collections (IRA)   | 11   | 211,269,876.00                | 191,642,201.00                |
| Service and Business Income                     | 12   | 10,470,763.94                 | 9,928,389.31                  |
| Shares, Grants and Donations                    | 14   | 205,408.02                    | 1,026,234.08                  |
| <b>Total Revenue</b>                            |      | <b><u>238,927,732.14</u></b>  | <b><u>218,797,105.44</u></b>  |
| <b>Less: Current Operating Expenses</b>         |      |                               |                               |
| Personnel Services                              | 16   | 82,956,460.28                 | 71,953,854.06                 |
| Maintenance and Other Operating Expenses        | 17   | 71,596,606.86                 | 57,661,338.69                 |
| Non-Cash Expenses                               | 19   | 18,004,035.08                 | 14,264,589.67                 |
| <b>Current Operating Expenses</b>               |      | <b><u>172,557,102.22</u></b>  | <b><u>143,879,782.42</u></b>  |
| <b>Surplus (Deficit) from Current Operation</b> |      | <b>66,370,629.92</b>          | <b>74,917,323.02</b>          |
| <b>Add (Deduct):</b>                            |      |                               |                               |
| Transfers, Assistance, and Subsidy from         | 13   | 24,549,894.04                 | 460,048.00                    |
| Transfers, Assistance, and Subsidy to           | 18   | (3,120,649.13)                | (2,486,620.30)                |
| Miscellaneous Income                            | 15   | 383,433.80                    | 408,062.45                    |
|   |      | <b><u>21,812,678.71</u></b>   | <b><u>(1,618,509.85)</u></b>  |
| <b>Surplus (Deficit) for the period</b>         |      | <b>₱ <u>88,183,308.63</u></b> | <b>₱ <u>73,298,813.17</u></b> |

(See accompanying Notes to Financial Statements)

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY**  
For the Year Ended December 31, 2016  
(With Comparative Figures for CY 2015)

|   | 2016                    | 2015                    |
|---|-------------------------|-------------------------|
| <b>Balance at January 1</b>                                       | <b>₱ 357,826,880.44</b> | <b>₱ 298,007,492.77</b> |
| <i>Add (Deduct):</i>  |                         |                         |
| Prior Period Errors   | 72,716.46               | 9,030,995.82            |
| <b>Restated Balance</b>   | <b>357,899,596.90</b>   | <b>307,038,488.59</b>   |
| <i>Add (Deduct): Changes in Net Assets/Equity during the year</i> |                         |                         |
| Surplus (Deficit) for the period                                  | 88,183,308.63           | 73,298,813.17           |
| Transfer of Public Infrastructure from Registry                   | 92,635,161.86           | 0.00                    |
| Transfer of Public Infrastructure to Registry                     | 0.00                    | (22,510,421.32)         |
| <b>Balance at December 31</b>                                     | <b>₱ 538,718,067.39</b> | <b>₱ 357,826,880.44</b> |

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the Year Ended December 31, 2016  
(With Comparative Figures for CY 2015)

|   | Note  | 2016                           | 2015                           |
|---|-------|--------------------------------|--------------------------------|
| <b>Cash Flows from Operating Activities</b>                                     |       |                                |                                |
| <i>Cash Inflows</i>   |       |                                |                                |
| Collection from taxpayers   | P     | 13,669,460.49                  | P 16,185,911.09                |
| Share from Internal Revenue Allotment   |       | 211,269,876.00                 | 191,642,201.00                 |
| Receipts from business/service income   |       | 9,934,714.54                   | 7,029,705.55                   |
| Interest Income   |       | 1,382,323.75                   | 1,155,727.26                   |
| Dividend Income   |       | 68,983,286.26                  | 0.00                           |
| Other Receipts  |       | 68,811,226.40                  | 51,327,726.31                  |
| <b>Total Cash Inflows</b>   |       | <b><u>374,050,887.44</u></b>   | <b><u>267,341,271.21</u></b>   |
| <i>Cash Outflows</i>  |       |                                |                                |
| Payments to suppliers and creditors   |       | (77,902,997.68)                | (53,447,299.42)                |
| Payments to employees   |       | (78,988,803.49)                | (72,410,040.59)                |
| Other Expenses  |       | (113,560,104.78)               | (40,238,002.11)                |
| <b>Total Cash Outflows</b>  |       | <b><u>(270,451,905.95)</u></b> | <b><u>(166,095,342.12)</u></b> |
| <b>Net Cash Flows from Operating Activities</b>                                 | 19    | <b><u>103,598,981.49</u></b>   | <b><u>101,245,929.09</u></b>   |
| <b>Cash Flows from Investing Activities</b>                                     |       |                                |                                |
| <i>Cash Outflows</i>  |       |                                |                                |
| Purchase/Construction of Property, Plant and Equipment                          |       | (54,299,826.16)                | (59,569,833.93)                |
| <b>Total Cash Outflows</b>  |       | <b><u>(54,299,826.16)</u></b>  | <b><u>(59,569,833.93)</u></b>  |
| <b>Net Cash Flows from Investing Activities</b>                                 |       | <b><u>(54,299,826.16)</u></b>  | <b><u>(59,569,833.93)</u></b>  |
| <b>Total Cash Provided by Operating,<br/>Investing and Financing Activities</b> |       | <b>49,299,155.33</b>           | <b>41,676,095.16</b>           |
| <b>Add: Cash at the Beginning of the year</b>                                   |       | <b><u>194,378,229.62</u></b>   | <b><u>152,702,134.46</u></b>   |
| <b>Cash Balance at the End of the Year</b>                                      | 3.5,4 | <b><u>P 243,677,384.95</u></b> | <b><u>P 194,378,229.62</u></b> |

(See accompanying Notes to Financial Statements)

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**  
For the Year Ended December 31, 2016

|   | <b>Budgeted Amounts</b> |                       | <b>Difference</b>                    |                       | <b>Difference Final</b>              |
|---|-------------------------|-----------------------|--------------------------------------|-----------------------|--------------------------------------|
|   | <b>Original</b>         | <b>Final</b>          | <b>Original and<br/>Final Budget</b> | <b>Actual Amounts</b> | <b>Budget and<br/>Actual Amounts</b> |
| <b>GENERAL FUND (GF)</b>                                |                         |                       |                                      |                       |                                      |
| <b>REVENUE</b>  |                         |                       |                                      |                       |                                      |
| <i>Local Sources</i>                                    |                         |                       |                                      |                       |                                      |
| Tax Revenue   |                         |                       |                                      |                       |                                      |
| Tax Revenue - Property                                  | 4,896,000.00            | 4,896,000.00          | 0.00                                 | 4,023,129.68          | 872,870.32                           |
| Other Local Taxes                                       | 6,270,000.00            | 6,270,000.00          | 0.00                                 | 7,929,589.41          | (1,659,589.41)                       |
| Total Tax Revenue                                       | <b>11,166,000.00</b>    | <b>11,166,000.00</b>  | <b>0.00</b>                          | <b>11,952,719.09</b>  | <b>(786,719.09)</b>                  |
| Non-Tax Revenue   |                         |                       |                                      |                       |                                      |
| Service Income  | 2,955,000.00            | 2,955,000.00          | 0.00                                 | 4,168,923.44          | (1,213,923.44)                       |
| Business Income   | 4,538,000.00            | 4,538,000.00          | 0.00                                 | 6,301,840.50          | (1,763,840.50)                       |
| Other Income and Receipt                                | 1,300,000.00            | 1,300,000.00          | 0.00                                 | 383,433.80            | 916,566.20                           |
| Total Non-Tax Revenue                                   | <b>8,793,000.00</b>     | <b>8,793,000.00</b>   | <b>0.00</b>                          | <b>10,854,197.74</b>  | <b>(2,061,197.74)</b>                |
| <i>External Sources</i>                                 |                         |                       |                                      |                       |                                      |
| Share from the National Internal<br>Revenue Taxes (IRA) | 191,642,201.00          | 211,269,876.00        | (19,627,675.00)                      | 211,269,876.00        | 0.00                                 |
| Other Receipts  |                         |                       |                                      |                       |                                      |
| Grants and Donations                                    | 200,000.00              | 200,000.00            | 0.00                                 | 0.00                  | 200,000.00                           |
| Other Subsidy Income                                    | 0.00                    | 0.00                  | 0.00                                 | 22,066,200.04         | (22,066,200.04)                      |
| Capital /Investment Receipts                            | 0.00                    | 0.00                  | 0.00                                 | 205,408.02            | (205,408.02)                         |
| <b>Total Revenues and Receipts</b>                      | <b>211,801,201.00</b>   | <b>231,428,876.00</b> | <b>(19,627,675.00)</b>               | <b>256,348,400.89</b> | <b>(24,919,524.89)</b>               |
| <b>EXPENDITURES</b>                                     |                         |                       |                                      |                       |                                      |
| <i>Current Appropriations</i>                           |                         |                       |                                      |                       |                                      |
| General Public Services                                 |                         |                       |                                      |                       |                                      |
| Personal Services                                       | 48,534,321.58           | 55,358,879.58         | (6,824,558.00)                       | 49,009,794.73         | 6,349,084.85                         |
| Maintenance and Other Operating Expense                 | 37,005,919.00           | 42,587,473.00         | (5,581,554.00)                       | 33,120,774.58         | 9,466,698.42                         |
| Capital Outlay  | 1,636,929.00            | 7,921,629.00          | (6,284,700.00)                       | 629,993.68            | 7,291,635.32                         |

|   | Budgeted Amounts      |                       | Difference<br>Original and<br>Final Budget | Actual Amounts        | Difference Final<br>Budget and<br>Actual Amounts |
|---|-----------------------|-----------------------|--|-----------------------|--|
|   | Original              | Final                 |  |                       |  |
| Education   |                       |                       |  |                       |  |
| Maintenance and Other Operating Expense           | 0.00                  | 0.00                  | 0.00                                       | 19,337.88             | (19,337.88)                                      |
| Health, Nutrition and Population Control          |                       |                       |  |                       |  |
| Personal Services                                 | 12,792,794.96         | 14,299,603.96         | (1,506,809.00)                             | 12,605,844.89         | 1,693,759.07                                     |
| Maintenance and Other Operating Expense           | 4,680,000.00          | 5,736,000.00          | (1,056,000.00)                             | 4,749,403.31          | 986,596.69                                       |
| Capital Outlay                                    | 220,000.00            | 220,000.00            | 0.00                                       | 38,500.00             | 181,500.00                                       |
| Social Services and Social Welfare                |                       |                       |  |                       |  |
| Personal Services                                 | 2,728,381.64          | 3,054,316.64          | (325,935.00)                               | 2,819,422.47          | 234,894.17                                       |
| Maintenance and Other Operating Expense           | 3,389,000.00          | 4,259,000.00          | (870,000.00)                               | 3,399,545.96          | 859,454.04                                       |
| Capital Outlay                                    | 111,000.00            | 111,000.00            | 0.00                                       | 81,228.00             | 29,772.00  |
| Economic Services                                 |                       |                       |  |                       |  |
| Personal Services                                 | 17,925,904.82         | 20,694,732.82         | (2,768,828.00)                             | 18,521,398.19         | 2,173,334.63                                     |
| Maintenance and Other Operating Expense           | 18,320,661.00         | 22,712,708.00         | (4,392,047.00)                             | 17,073,418.66         | 5,639,289.34                                     |
| Capital Outlay                                    | 6,524,296.00          | 25,360,041.00         | (18,835,745.00)                            | 2,666,071.20          | 22,693,969.80                                    |
| LDRRMF  |                       |                       |  |                       |  |
| Maintenance and Other Operating Expense           | 6,975,060.00          | 7,482,910.00          | (507,850.00)                               | 4,297,362.52          | 3,185,547.48                                     |
| Capital Outlay                                    | 3,450,000.00          | 3,923,534.00          | (473,534.00)                               | 1,471,694.50          | 2,451,839.50                                     |
| 20% Development Fund                              |                       |                       |  |                       |  |
| Capital Outlay                                    | 38,328,440.00         | 43,691,416.00         | (5,362,976.00)                             | 10,424,590.81         | 33,266,825.19                                    |
| Others  |                       |                       |  |                       |  |
| Maintenance and Other Operating Expense           | 581,571.00            | 731,571.00            | (150,000.00)                               | 600,577.48            | 130,993.52                                       |
| Capital Outlay                                    | 0.00                  | 0.00                  | 0.00                                       | 28,090.00             | (28,090.00)                                      |
| <b>Total Current Appropriations</b>               | <b>203,204,279.00</b> | <b>258,144,815.00</b> | <b>(54,940,536.00)</b>                     | <b>161,557,048.86</b> | <b>96,587,766.14</b>                             |
| <i>Continuing Appropriations (Capital Outlay)</i> |                       |                       |  |                       |  |
| General Public Services                           | 11,574,719.24         | 11,574,719.24         | 0.00                                       | 2,810,730.00          | 8,763,989.24                                     |
| Education   | 5,660,000.00          | 5,660,000.00          | 0.00                                       | 5,334,388.54          | 325,611.46                                       |
| Health, Nutrition and Population Control          | 3,426,441.60          | 3,426,441.60          | 0.00                                       | 356,300.00            | 3,070,141.60                                     |
| Social Services and Social Welfare                | 5,521,748.00          | 5,521,748.00          | 0.00                                       | 29,700.00             | 5,492,048.00                                     |
| Economic Services                                 | 21,729,186.59         | 21,729,186.59         | 0.00                                       | 7,613,154.72          | 14,116,031.87                                    |
| Others  | 34,840,658.60         | 34,840,658.60         | 0.00                                       | 9,851,947.79          | 24,988,710.81                                    |
| <b>Total Continuing Appropriations</b>            | <b>82,752,754.03</b>  | <b>82,752,754.03</b>  | <b>0.00</b>                                | <b>25,996,221.05</b>  | <b>56,756,532.98</b>                             |
| <b>Total Appropriations - GF</b>                  | <b>285,957,033.03</b> | <b>340,897,569.03</b> | <b>(54,940,536.00)</b>                     | <b>187,553,269.91</b> | <b>153,344,299.12</b>                            |

**SPECIAL EDUCATION FUND (SEF)**

|   | Budgeted Amounts      |                       | Difference<br>Original and<br>Final Budget | Actual Amounts        | Difference Final<br>Budget and<br>Actual Amounts |
|---|-----------------------|-----------------------|--|-----------------------|--|
|   | Original              | Final                 |  |                       |  |
| <b>REVENUE</b>                                    |                       |                       |  |                       |  |
| Tax Revenue- Special Education Tax                |                       |                       | 0.00                                       | 5,028,965.09          | (5,028,965.09)                                   |
| <b>EXPENDITURES</b>                               |                       |                       |  |                       |  |
| <i>Current Appropriations</i>                     |                       |                       |  |                       |  |
| Maintenance and Other Operating Expenses          | 5,348,857.00          | 5,348,857.00          | 0.00                                       | 4,911,309.47          | 437,547.53                                       |
| Capital Outlay                                    | 1,218,215.00          | 1,218,215.00          | 0.00                                       | 491,399.28            | 726,815.72                                       |
| Total Current Appropriations                      | <b>6,567,072.00</b>   | <b>6,567,072.00</b>   | <b>0.00</b>                                | <b>5,402,708.75</b>   | <b>1,164,363.25</b>                              |
| <i>Continuing Appropriations (Capital Outlay)</i> | <b>267,055.50</b>     | <b>267,055.50</b>     | <b>0.00</b>                                | <b>206,386.00</b>     | <b>60,669.50</b>                                 |
| <b>Total Appropriations - SEF</b>                 | <b>6,834,127.50</b>   | <b>6,834,127.50</b>   | <b>0.00</b>                                | <b>5,609,094.75</b>   | <b>1,225,032.75</b>                              |
| <b>Total Appropriations - GF and SEF</b>          | <b>285,957,033.03</b> | <b>340,897,569.03</b> | <b>(54,940,536.00)</b>                     | <b>187,553,269.91</b> | <b>153,344,299.12</b>                            |

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS**  
For the Year Ended December 31, 2016  
(With Comparative figures for cy 2015)

|  | Budgeted Amounts      |                       |                       | 2016                  | 2015                   | 2016                   | 2015                  | 2016                  | 2015                   |
|--|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------|-----------------------|-----------------------|------------------------|
|  | 2016                  | 2015                  | 2016                  | 2015                  | 2016                   | 2015                   | 2016                  | 2015                  | 2015                   |
|  | Original              | Original              | Final                 | Final                 | Difference             | Difference             | Actual                | Actual                | Difference             |
|  |                       |                       |                       |                       | Original and           | Original and           | Amounts               | Amounts               | Final                  |
|  |                       |                       |                       |                       | Final Budget           | Final Budget           |                       |                       | Budget                 |
|  |                       |                       |                       |                       |                        |                        |                       |                       | and                    |
|  |                       |                       |                       |                       |                        |                        |                       |                       | Actual                 |
|  |                       |                       |                       |                       |                        |                        |                       |                       | Amounts                |
|  |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| <b>GENERAL FUND (GF)</b>                             |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| <b>REVENUE</b>                                       |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| <i>Local Sources</i>                                 |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| Tax Revenue  |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| Tax Revenue - Property                               | 4,896,000.00          | 3,211,000.00          | 4,896,000.00          | 3,211,000.00          | 0.00                   | 0.00                   | 4,023,129.68          | 3,902,178.11          | 872,870.32             |
| Other Local Taxes                                    | 6,270,000.00          | 4,910,000.00          | 6,270,000.00          | 4,910,000.00          | 0.00                   | 0.00                   | 7,929,589.41          | 7,420,141.91          | (1,659,589.41)         |
| Total Tax Revenue                                    | <b>11,166,000.00</b>  | <b>8,121,000.00</b>   | <b>11,166,000.00</b>  | <b>8,121,000.00</b>   | <b>0.00</b>            | <b>0.00</b>            | <b>11,952,719.09</b>  | <b>11,322,320.02</b>  | <b>(786,719.09)</b>    |
| Non-Tax Revenue                                      |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| Service Income                                       | 2,955,000.00          | 2,265,000.00          | 2,955,000.00          | 2,265,000.00          | 0.00                   | 0.00                   | 4,168,923.44          | 2,476,138.73          | (1,213,923.44)         |
| Business Income                                      | 4,538,000.00          | 3,883,000.00          | 4,538,000.00          | 3,883,000.00          | 0.00                   | 0.00                   | 6,301,840.50          | 4,131,031.53          | (1,763,840.50)         |
| Other Income and Receipt                             | 1,300,000.00          | 3,300,000.00          | 1,300,000.00          | 3,300,000.00          | 0.00                   | 0.00                   | 383,433.80            | 3,729,281.50          | 916,566.20             |
| Total Non-Tax Revenue                                | <b>8,793,000.00</b>   | <b>9,448,000.00</b>   | <b>8,793,000.00</b>   | <b>9,448,000.00</b>   | <b>0.00</b>            | <b>0.00</b>            | <b>10,854,197.74</b>  | <b>10,336,451.76</b>  | <b>(2,061,197.74)</b>  |
| <i>External Sources</i>                              |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| Share from the National Internal Revenue Taxes (IRA) | 191,642,201.00        | 167,893,410.00        | 211,269,876.00        | 185,704,999.50        | (19,627,675.00)        | (17,811,589.50)        | 211,269,876.00        | 191,642,201.00        | 0.00                   |
| Other Receipts                                       |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| Grants and Donations                                 | 200,000.00            | 200,000.00            | 200,000.00            | 200,000.00            | 0.00                   | 0.00                   | 0.00                  | 750,000.00            | 200,000.00             |
| Other Subsidy Income                                 | 0.00                  | 0.00                  | 0.00                  | 0.00                  | 0.00                   | 0.00                   | 22,066,200.04         | 698,692.08            | (22,066,200.04)        |
| Inter-local Transfer                                 | 0.00                  | 0.00                  | 0.00                  | 34,820,082.58         | 0.00                   | (34,820,082.58)        | 0.00                  | 0.00                  | 0.00                   |
| Capital /Investment Receipts                         | 0.00                  | 0.00                  | 0.00                  | 0.00                  | 0.00                   | 0.00                   | 205,408.02            | 205,408.02            | (205,408.02)           |
| <b>Total Revenues and Receipts</b>                   | <b>211,801,201.00</b> | <b>185,662,410.00</b> | <b>231,428,876.00</b> | <b>238,294,082.08</b> | <b>(19,627,675.00)</b> | <b>(52,631,672.08)</b> | <b>256,348,400.89</b> | <b>214,955,072.88</b> | <b>(24,919,524.89)</b> |
| <b>EXPENDITURES</b>                                  |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| <i>Current Appropriations</i>                        |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| General Public Services                              |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| Personal Services                                    | 48,534,321.58         | 39,188,843.10         | 55,358,879.58         | 41,901,431.10         | (6,824,558.00)         | (2,712,588.00)         | 49,009,794.73         | 40,173,340.17         | 6,349,084.85           |
| MOOE   | 37,005,919.00         | 23,798,140.00         | 42,587,473.00         | 30,729,932.00         | (5,581,554.00)         | (6,931,792.00)         | 33,120,774.58         | 24,512,300.94         | 9,466,698.42           |
| Capital Outlay                                       | 1,636,929.00          | 5,421,460.00          | 7,921,629.00          | 8,166,023.00          | (6,284,700.00)         | (2,744,563.00)         | 629,993.68            | 1,050,187.37          | 7,291,635.32           |
| Education  |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| MOOE   | 0.00                  | 2,317,100.00          | 0.00                  | 2,317,100.00          | 0.00                   | 0.00                   | 19,337.88             | 1,638,929.58          | (19,337.88)            |
| Capital Outlay                                       | 0.00                  | 2,000,000.00          | 0.00                  | 2,000,000.00          | 0.00                   | 0.00                   | 0.00                  | 0.00                  | 0.00                   |
| Health, Nutrition and Population Control             |                       |                       |                       |                       |                        |                        |                       |                       |                        |
| Personal Services                                    | 12,792,794.96         | 11,782,494.00         | 14,299,603.96         | 12,481,321.00         | (1,506,809.00)         | (698,827.00)           | 12,605,844.89         | 11,554,779.22         | 1,693,759.07           |
| MOOE   | 4,680,000.00          | 5,205,645.00          | 5,736,000.00          | 6,275,754.00          | (1,056,000.00)         | (1,070,109.00)         | 4,749,403.31          | 5,269,512.84          | 986,596.69             |
| Capital Outlay                                       | 220,000.00            | 7,250,000.00          | 220,000.00            | 8,215,000.00          | 0.00                   | (965,000.00)           | 38,500.00             | 5,100,000.00          | 181,500.00             |

|   | Budgeted Amounts      |                       |                       |                       | Difference             | Difference             |                       |                       | Difference            | Difference Final          |
|---|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|------------------------|-----------------------|-----------------------|-----------------------|---------------------------|
|   | 2016                  | 2015                  | 2016                  | 2015                  | Original and           | Original and           | Actual                | Actual                | Final Budget          | Final Budget and          |
|   | Original              | Original              | Final                 | Final                 | Final Budget           | Final Budget           | Amounts               | Amounts               | and Actual            | Budget and Actual Amounts |
| Social Services and Social Welfare                |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| Personal Services                                 | 2,728,381.64          | 2,395,308.72          | 3,054,316.64          | 2,580,789.72          | (325,935.00)           | (185,481.00)           | 2,819,422.47          | 2,473,603.96          | 234,894.17            | 107,185.76                |
| MOOE  | 3,389,000.00          | 3,120,000.00          | 4,259,000.00          | 4,195,000.00          | (870,000.00)           | (1,075,000.00)         | 3,399,545.96          | 2,736,662.40          | 859,454.04            | 1,458,337.60              |
| Capital Outlay                                    | 111,000.00            | 125,000.00            | 111,000.00            | 125,000.00            | 0.00                   | 0.00                   | 81,228.00             | 81,318.00             | 29,772.00             | 43,682.00                 |
| Economic Services                                 |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| Personal Services                                 | 17,925,904.82         | 16,462,438.18         | 20,694,732.82         | 19,264,269.18         | (2,768,828.00)         | (2,801,831.00)         | 18,521,398.19         | 17,725,910.71         | 2,173,334.63          | 1,538,358.47              |
| MOOE  | 18,320,661.00         | 17,440,367.00         | 22,712,708.00         | 18,382,122.00         | (4,392,047.00)         | (941,755.00)           | 17,073,418.66         | 14,676,553.12         | 5,639,289.34          | 3,705,568.88              |
| Capital Outlay                                    | 6,524,296.00          | 4,279,000.00          | 25,360,041.00         | 32,808,300.00         | (18,835,745.00)        | (28,529,300.00)        | 2,666,071.20          | 19,087,144.81         | 22,693,969.80         | 13,721,155.19             |
| LDRRMF  |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| MOOE  | 6,975,060.00          | 5,670,436.30          | 7,482,910.00          | 5,994,679.30          | (507,850.00)           | (324,243.00)           | 4,297,362.52          | 3,456,658.34          | 3,185,547.48          | 2,538,020.96              |
| Capital Outlay                                    | 3,450,000.00          | 3,817,684.70          | 3,923,534.00          | 4,384,020.70          | (473,534.00)           | (566,336.00)           | 1,471,694.50          | 298,529.00            | 2,451,839.50          | 4,085,491.70              |
| 20% Development Fund                              |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| MOOE  | 0.00                  | 0.00                  | 0.00                  | 0.00                  | 0.00                   | 0.00                   | 0.00                  | 60,000.00             | 0.00                  | (60,000.00)               |
| Capital Outlay                                    | 38,328,440.00         | 24,328,682.00         | 43,691,416.00         | 28,313,528.00         | (5,362,976.00)         | (3,984,846.00)         | 10,424,590.81         | 13,000,556.20         | 33,266,825.19         | 15,312,971.80             |
| Allocation for Senior Citizens and PWD            |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| MOOE  | 0.00                  | 562,870.00            | 0.00                  | 562,870.00            | 0.00                   | 0.00                   | 0.00                  | 159,565.00            | 0.00                  | 403,305.00                |
| Capital Outlay                                    | 0.00                  | 1,000,000.00          | 0.00                  | 1,000,000.00          | 0.00                   | 0.00                   | 0.00                  | 0.00                  | 0.00                  | 1,000,000.00              |
| Others  |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| MOOE  | 581,571.00            | 4,867,196.00          | 731,571.00            | 4,967,196.00          | (150,000.00)           | (100,000.00)           | 600,577.48            | 3,311,942.18          | 130,993.52            | 1,655,253.82              |
| Capital Outlay                                    | 0.00                  | 30,000.00             | 0.00                  | 30,000.00             | 0.00                   | 0.00                   | 28,090.00             | 29,888.00             | (28,090.00)           | 112.00                    |
| <b>Total Current Appropriations</b>               | <b>203,204,279.00</b> | <b>181,062,665.00</b> | <b>258,144,815.00</b> | <b>234,694,336.00</b> | <b>(54,940,536.00)</b> | <b>(53,631,671.00)</b> | <b>161,557,048.86</b> | <b>166,397,381.84</b> | <b>96,587,766.14</b>  | <b>68,296,954.16</b>      |
| <i>Continuing Appropriations (Capital Outlay)</i> |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| General Public Services                           | 11,574,719.24         | 8,019,950.55          | 11,574,719.24         | 8,019,950.55          | 0.00                   | 0.00                   | 2,810,730.00          | 2,864,806.20          | 8,763,989.24          | 5,155,144.35              |
| Education   | 5,660,000.00          | 3,660,000.00          | 5,660,000.00          | 3,660,000.00          | 0.00                   | 0.00                   | 5,334,388.54          | 0.00                  | 325,611.46            | 3,660,000.00              |
| Health, Nutrition and Population Control          | 3,426,441.60          | 3,656,148.43          | 3,426,441.60          | 3,656,148.43          | 0.00                   | 0.00                   | 356,300.00            | 3,234,403.83          | 3,070,141.60          | 421,744.60                |
| Social Services and Social Welfare                | 5,521,748.00          | 68,603.00             | 5,521,748.00          | 68,603.00             | 0.00                   | 0.00                   | 29,700.00             | 42,155.00             | 5,492,048.00          | 26,448.00                 |
| Economic Services                                 | 21,729,186.59         | 17,823,271.26         | 21,729,186.59         | 17,823,271.26         | 0.00                   | 0.00                   | 7,613,154.72          | 665,583.60            | 14,116,031.87         | 17,157,687.66             |
| Others  | 34,840,658.60         | 24,873,048.36         | 34,840,658.60         | 24,873,048.36         | 0.00                   | 0.00                   | 9,851,947.79          | 13,054,410.26         | 24,988,710.81         | 11,818,638.10             |
| <b>Total Continuing Appropriations</b>            | <b>82,752,754.03</b>  | <b>58,101,021.60</b>  | <b>82,752,754.03</b>  | <b>58,101,021.60</b>  | <b>0.00</b>            | <b>0.00</b>            | <b>25,996,221.05</b>  | <b>19,861,358.89</b>  | <b>56,756,532.98</b>  | <b>38,239,662.71</b>      |
| <b>Total Appropriations - GF</b>                  | <b>285,957,033.03</b> | <b>239,163,686.60</b> | <b>340,897,569.03</b> | <b>292,795,357.60</b> | <b>(54,940,536.00)</b> | <b>(53,631,671.00)</b> | <b>187,553,269.91</b> | <b>186,258,740.73</b> | <b>153,344,299.12</b> | <b>106,536,616.87</b>     |
| <b>SPECIAL EDUCATION FUND (SEF)</b>               |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| <b>REVENUE</b>                                    |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| Tax Revenue- Special Education Tax                | <b>0.00</b>           | <b>4,238,750.00</b>   | <b>0.00</b>           | <b>4,238,750.00</b>   | <b>0.00</b>            | <b>0.00</b>            | <b>5,028,965.09</b>   | <b>4,877,961.03</b>   | <b>(5,028,965.09)</b> | <b>(639,211.03)</b>       |
| <b>EXPENDITURES</b>                               |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| <i>Current Appropriations</i>                     |                       |                       |                       |                       |                        |                        |                       |                       |                       |                           |
| Personal Services                                 | 0.00                  | 26,220.00             | 0.00                  | 26,220.00             | 0.00                   | 0.00                   | 0.00                  | 26,220.00             | 0.00                  | 0.00                      |
| MOOE  | 5,348,857.00          | 2,816,685.00          | 5,348,857.00          | 2,816,685.00          | 0.00                   | 0.00                   | 4,911,309.47          | 2,322,290.82          | 437,547.53            | 494,394.18                |
| Capital Outlay                                    | 1,218,215.00          | 1,890,040.00          | 1,218,215.00          | 1,890,040.00          | 0.00                   | 0.00                   | 491,399.28            | 1,244,509.24          | 726,815.72            | 645,530.76                |
| Total Current Appropriations                      | <b>6,567,072.00</b>   | <b>4,732,945.00</b>   | <b>6,567,072.00</b>   | <b>4,732,945.00</b>   | <b>0.00</b>            | <b>0.00</b>            | <b>5,402,708.75</b>   | <b>3,593,020.06</b>   | <b>1,164,363.25</b>   | <b>1,139,924.94</b>       |
| <i>Continuing Appropriations (Capital Outlay)</i> | <b>267,055.50</b>     | <b>389,130.46</b>     | <b>267,055.50</b>     | <b>389,130.46</b>     | <b>0.00</b>            | <b>0.00</b>            | <b>206,386.00</b>     | <b>137,479.00</b>     | <b>60,669.50</b>      | <b>251,651.46</b>         |
| <b>Total Appropriations - SEF</b>                 | <b>6,834,127.50</b>   | <b>5,122,075.46</b>   | <b>6,834,127.50</b>   | <b>5,122,075.46</b>   | <b>0.00</b>            | <b>0.00</b>            | <b>5,609,094.75</b>   | <b>3,730,499.06</b>   | <b>1,225,032.75</b>   | <b>1,391,576.40</b>       |
| <b>Total Appropriations - GF and SEF</b>          | <b>292,791,160.53</b> | <b>244,285,762.06</b> | <b>347,731,696.53</b> | <b>297,917,433.06</b> | <b>(54,940,536.00)</b> | <b>(53,631,671.00)</b> | <b>193,162,364.66</b> | <b>189,989,239.79</b> | <b>154,569,331.87</b> | <b>107,928,193.27</b>     |

## **Notes to Financial Statements**

### **Note 1 - Profile**

Naujan, previously called Nauhang by Europeans was established as a town in 1639 by virtue of a Royal Decree promulgated by King Philip II of Spain. The Philippine Commission under Act No. 1280 on January 4, 1905 confirmed it.

Like any other LGUs, the Municipal Government of Naujan thrust on programs and projects that will continuously uphold the promotion of municipal-wide or countryside development aimed at uplifting the quality of life of its constituents. These priority projects are divided into sectoral components.

First is the economic sector. This includes agriculture and livelihood projects, tourism, environment related projects, and projects which are related to commerce and industry, thereby increasing family income thru farming and fishing using environment-friendly technologies, as well as empowering the people toward sustainable technical and managerial assistance;

Second are social services. This includes projects, which respond to needs of indigent families as victim of man-made and natural calamities. Provision of livelihood projects for the upliftment of the socio-economic status of the constituents, as well as involvement and concern of the elderly toward development. Provision of financial assistance to needy and deserving entrepreneurs. Ensuring delivery of health services and promote sanitation and nutrition in the grassroots level. Provide facilities for sports and other recreational activities, and involvement of children, youth and the private sector to ensure the sustainability of Sports Development Program;

Third is infrastructure. This includes various projects, which will facilitate the transport of, prime commodities from the barangay to the nearest commercial center, maintenance and safety of heavy equipment and other equipment, and flood control facilities. Also includes construction of school buildings for elementary and secondary, as well as other structures necessary for the good of the community; and

Fourth is Local Administration, which will ensure that the LGU provided effective fiscal management and administration.

### **Note 2 - Basis of Financial Statement Presentation**

The financial statements of the LGU have been prepared in accordance with and comply with the Philippine Public Sector Accounting Standards (PPSAS). The financial statements are presented in pesos, which is the functional and reporting currency of the LGU. The accounting policies have been applied starting the year 2015.

### **Note 3 - Summary of Significant Accounting Policies**

- **Basis of accounting**

The financial statements are prepared on an accrual basis in accordance with the Philippine Public Sector Accounting Standards (PPSAS).

- **Consolidation**

The controlled entities (funds) are all those over which the controlling entity has the power to govern the financial and operating policies. Inter-group transaction, balances and unrealized gains and losses on transactions between entities and funds are eliminated in full. The LGU maintains special accounts under the General Fund for the following economic enterprises it operates:

- Bahay Tuklasan
- Market
- Slaughterhouse
- 20% Local Development Fund
- Operation of Cemetery

- **Revenue recognition**

**Revenue from non-exchange transactions**

*Taxes, fees and fines*

The LGU recognizes revenues from taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, liability is recognized instead of revenue. Other non-exchange revenues are recognized when it is improbable that the future economic benefit or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

*Transfers from other government entities*

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the LGU and can be measured reliably.

The LGU availed of the 5 – year transitional provision for the recognition of Tax Revenue- Real Property and Special Education Tax. For the first year, there will be no change in policy for the recognition of the aforementioned tax revenue.

- **Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the LGU recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation on assets is charged on a straight-line basis over the useful life of the asset.

Depreciation is charged at rates calculated to allocate cost or valuation of the asset less any estimated residual value over its remaining useful life.

- **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

- **Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the LGU.

- **Changes in accounting policies and estimates**

The LGU recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively, if retrospective application is impractical.

The LGU recognizes the effects of changes in accounting estimates prospectively by including in surplus or deficit.

- **Related parties**

The LGU regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the LGU, or vice versa. Members of key management are regarded as related parties and comprise the following:

- Municipal Mayor - Atty. Mark N. Marcos

- Vice-Mayor - Sheryl B. Morales
- Sangguniang - Bayan Members:
  - Hon. Marion Francis D. Marcos
  - Hon. Vilma D. Vargas
  - Hon. Jun S. Bugarin
  - Hon. Dein Z. Arago
  - Hon. Alexandra C. Casubuan
  - Hon. Daniel R. Arteza
  - Hon. Candido J. Melgar Jr.
  - Hon. Neil C. Bermudez
  - Hon. Deogracias U. Dela Paz, ABC President
- Municipal Administrator - Angel M. Navarro
- Municipal Planning and Development Officer - Raquelita M. Umali
- Municipal Civil Registrar - Rhodeliza V. Penarroyo
- Municipal General Services Officer - Neneth P. Gaba
- Municipal Budget Officer - Lilia M. Tamares
- Municipal Accountant - Carina A. Corro
- Municipal Treasurer - Arleen B. Gutierrez
- Municipal Assessor - Virgilio A. Anonuevo
- Municipal Health Officer - Mary Jean I. Manalo
- Municipal Social Welfare and Development Officer - Abstenencia C. De Guzman
- Municipal Engineer - Precy H. Olmos

- **Budget information**

The annual budget is prepared on the modified cash basis, that is, all planned costs and income are presented in a single statement to determine the needs of the LGU. As a result of the adoption of the Modified cash basis for budgeting purposes, there are basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts. Explanatory comments are provided in the notes to the annual financial statements; first, the reasons for overall growth or decline in the budget are stated, followed by details of overspending or under spending on line items.

- **Significant judgments and sources of estimation uncertainty**

*Judgments*

In the process of applying the LGU's accounting policies, management has made judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements.

*Estimates and assumptions*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The LGU based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing

circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the LGU. Such changes are reflected in the assumptions when they occur.

*Useful lives and residual values*

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the LGU;
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes;
- The nature of the processes in which the asset is deployed; and
- Changes in the market in relation to the asset

**Note 4 -Cash and Cash Equivalents**

|   | <b>2016</b>                   | <b>2015</b>                   |
|---|-------------------------------|-------------------------------|
| <b><i>Cash on Hand</i></b>                  |                               |                               |
|   | <b>₱</b>                      | <b>₱</b>                      |
| Cash Local Treasury                         | 100,530.20                    | 968,531.26                    |
| <b><i>Cash in Bank - Local Currency</i></b> |                               |                               |
| Cash in Bank - LC, Current Account          | 75,575,908.36                 | 62,408,751.97                 |
| <b><i>Cash Equivalents</i></b>              |                               |                               |
| Cash in Bank-LCCA-Time Deposits             | 168,000,946.39                | 131,000,946.39                |
| <b>Total Cash and Cash Equivalents</b>      | <b><u>₱243,677,384.95</u></b> | <b><u>₱194,378,229.62</u></b> |

Cash - Local Treasury of the General Fund includes cash collected for the remaining days of the year which will be deposited in January 2017. The Special Education Fund and Trust Fund account has no existing cash on hand account.

Cash in Bank - Local Currency - Current Account of General Fund and Special Education Fund is composed of only one checking account maintained at DBP to be used for payment of operating expenses and other liabilities. Funds for continuing appropriations are restricted for withdrawal until such time that legitimate transaction for such are approved. While the Cash in Bank-Local Currency Current Account of Trust Fund is composed of three (3) accounts. One for Barangay Fund held in trust, one for the LGU's Trust Fund account, and another for Per Family Payment Rate (PFPR). The details of each fund held in trust are as follows:

| <b><i>Trust Fund Details</i></b> | <b><i>Bank</i></b> | <b><i>Bank Balance</i></b> |
|----------------------------------|--------------------|----------------------------|
| LGU Trust                        | DBP                | ₱39,702,681.15             |
| Barangay Trust                   | DBP                | 1,750,459.58               |
| PFPR                             | DBP                |                            |

|              |  |                       |
|--------------|--|-----------------------|
|              |  | 3,944,599.29          |
| <b>TOTAL</b> |  | <b>₱45,397,740.02</b> |

General Fund and Special Education Fund maintain Time Deposits account in DBP amounting to ₱165,000,946.39 and ₱3,000,000.00, respectively. These accounts are renewed monthly, thus making them qualified to be part of Cash Equivalents.

Cash in banks earns interest based on the prevailing bank deposit rates.

#### Note 5 - Investments

|                                  | 2016               | 2015               |
|----------------------------------|--------------------|--------------------|
| <i>Financial Assets – Others</i> |                    |                    |
| Guaranty Deposits                | <u>₱902,156.95</u> | <u>₱902,156.95</u> |

Only the General Fund has Guarantee Deposits Account. The account is composed of back pay certificates and miscellaneous deposits which were previously classified under Other Assets in 2001. Miscellaneous Assets and Deferred Assets which were later transferred to Guaranty Deposits during the reversion of accounts from OGAS to NGAS.

#### Note 6 - Receivables

|                                      | 2016                        | 2015                        |
|--------------------------------------|-----------------------------|-----------------------------|
| <i>Loans and Receivable Accounts</i> |                             |                             |
| Accounts Receivable                  | ₱ 178,263.47                | ₱ 180,524.37                |
| Allowance for Impairment             | 0.00                        | 0.00                        |
| Real Property Tax Receivable         | 3,064,120.72                | 1,715,659.72                |
| Allowance for Impairment             | 0.00                        | 0.00                        |
| Special Education Tax Receivable     | 3,830,094.75                | 2,144,575.70                |
| Allowance for Impairment             | 0.00                        | 0.00                        |
| Loans Receivables-Others             | 3,269.00                    | 56,416.00                   |
| Allowance for Impairment             | 0.00                        | 0.00                        |
| <b>Total</b>                         | <b><u>₱7,075,747.94</u></b> | <b><u>₱4,097,175.79</u></b> |

General Fund has three (3) accounts under its Loans and Receivables Account - the Accounts Receivable, Real Property Tax Receivable and Loans Receivable - Others.

Accounts Receivable represents receivable from ORMECO for the cost of materials used for the construction of a single-phase extension line at Barangay Masaguing amounting to ₱178,263.47. The costs of materials were advanced by the Municipality of Naujan. The advance payment will be returned to the municipal government by offsetting 10% of the distribution charge of the monthly power bill for ABC Hall and MP Leuterio High School until such time that the total amount is fully reimbursed.

Real Property Tax Receivable represents balances of RPT receivable set up at the beginning of the year.

Loans Receivable - Others represents balances of the motorcycle loan given to 1 employee of the

Office of the Municipal Mayor who is doing field works. They are being paid out of monthly salary deduction, for which last instalment will be in February, 2017.

On the other hand, Special Education Fund has only one account under its Loans and Receivable account which is the Special Education Tax Receivable. It is the balance from the amount set up at the beginning of the year.

|  | 2016                        | 2015                        |
|--|-----------------------------|-----------------------------|
| <b><i>Inter-Agency Receivables</i></b> |                             |                             |
| Due from NGAs                          | ₱926,262.61                 | ₱926,262.61                 |
| <i>Allowance for Impairment</i>        | .....0.00                   | .....0.00                   |
| Due from LGUs                          | 633,589.35                  | 971,108.80                  |
| <i>Allowance for Impairment</i>        | .....0.00                   | .....0.00                   |
| <b>Total</b>                           | <b><u>₱1,559,851.96</u></b> | <b><u>₱1,897,371.41</u></b> |

General fund has two (2) Inter-Agency Receivables - Due from National Government Agencies and Due from Local Government Units. Due from NGAs represents balance from IRA for the year 2001. While Due from LGUs includes receivables from barangay for the share in the purchase of dump truck amounting to ₱359,996.06. Likewise, included in this account is receivable from Provincial Treasurer's Office amounting to ₱273,593.29 representing share of the municipality in the RPT collections.

Special Education and Trust Funds have no Inter-Agency Receivable accounts.

|  | 2016                        | 2015                        |
|--|-----------------------------|-----------------------------|
| <b><i>Intra-Agency Receivables</i></b> |                             |                             |
| Due from Other Funds                   | ₱4,788,506.16               | ₱3,560,146.61               |
| <i>Allowance for Impairment</i>        | 0.00                        | 0.00                        |
| <b>Total</b>                           | <b><u>₱4,788,506.16</u></b> | <b><u>₱3,560,146.61</u></b> |

Included in the Due from Other Funds account in the General Fund is the amount of ₱277,777.00 which was transferred to Trust Fund as counterpart fund for the construction of farm to market road at So. Taguan, Brgy. Herrera, and ₱482.00 amount of withholding taxes which was remitted out of GF fund instead of SEF. This account shall be adjusted/closed once and funded project is 100% completed and fund transfer from SEF is received.

On the other hand, Due from Other Funds in Special Education Fund represents December 2016 RPT collection which will be transferred on January 2017. While Due from Other Funds in Trust Fund represents unexpended amount of Quick Response Fund and MOOE of Mitigation Fund of MDRRMF for 2016 which will be transferred on January 2017, and, barangay share on RPT, CTC and sand and gravel fee to be transferred also on January 2017.

The unreconciled amount of ₱605,024.44 in the Intra-agency payables and receivables account is due to the following:

Transactions recorded in Due from Other Funds  
account but not CREDITED to Due to Other Funds  
account

|   |                   |                     |
|---|-------------------|---------------------|
| FMR-So. Taguan, Herrera                           | ₱277,777.00       |                     |
| Brgy. Share on RPT, CTC,                          |                   |                     |
| PCA and Sand & gravel fee                         | <u>508,247.47</u> | ₱786,024.47         |
| Less: Transactions recorded in Due to Other Funds |                   |                     |
| account but DEBITED to Due from Other Funds       |                   |                     |
| account   |                   |                     |
| Search for Miss Oriental                          |                   |                     |
| Mindoro   | ₱ 1,000.00        |                     |
| TESDA Aid to NTC                                  | 180,000.00        |                     |
| SEF-RPT   |                   | <u>(181,000.03)</u> |
|   | <u>.03</u>        |                     |
| Unreconciled amount                               |                   | <u>₱605,024.44</u>  |

LGU counterpart for FMR project in So. Taguan, Herrera amounting to ₱277,777.00 was debited to Due from Other Funds in GF and credited to Due to NGAs in Trust Fund.

Fund transfer for Barangay share on RPT, CTC, PCA, and Sand & Gravel fee amounting to ₱508,247.47 was debited to Due from Other Funds in TF and credited to Due to LGU in GF.

The balance of ₱1,000.00 on Search for Miss Oriental Mindoro Day which was given by the Provincial Government represents the unutilized amount which was initially credited to Due to LGU under Subsidiary Ledger of Financial Assistance-Founding Anniversary, Or. Mindoro, in the TF. The amount of ₱4,000.00 was transferred to GF as additional fund for OrMin expenditure under Due to Other Funds. Only ₱3,000.00 of this amount was utilized, thus leaving a balance of ₱1,000.00.

Upon receipt of cash, TESDA aid to Scholar in NTC amounting to ₱180,000.00, it was directly debited to Due to Other Funds in the GF.

SEF-RPT unreconciled beginning balance of ₱0.03 in GF.

As explained above, the balance amounting to ₱277,777.00 for the construction of FMR in So. Taguan, Herrera shall be adjusted once fully completed. The unutilized balance of the fund for Search for Miss OrMin in the amount of ₱1,000.00 shall be coursed thru the PIO for information on what is going to do with the balance. And all others shall be adjusted.

|                                 | 2016                      | 2015                      |
|---------------------------------|---------------------------|---------------------------|
| <b><i>Other Receivables</i></b> |                           |                           |
| Receivables -                   |                           | ₱                         |
| Disallowances/Charges           | ₱ 852,232.86              | 104,816.36                |
| <i>Allowance for Impairment</i> | <u>0.00</u>               | <u>0.00</u>               |
| Due from NGOs/POs               | 35,500.00                 | 35,500.00                 |
| <i>Allowance for Impairment</i> | <u>0.00</u>               | <u>0.00</u>               |
| Other Receivables               | 111,495.73                | 105,087.73                |
| <i>Allowance for Impairment</i> | <u>0.00</u>               | <u>0.00</u>               |
| <b>Total</b>                    | <b><u>₱999,228.59</u></b> | <b><u>₱245,404.09</u></b> |

The Account Receivables-Disallowances/Charges of the three (3) funds represent amount due from contractors/suppliers resulting from audit disallowances, which have become final and executory. An increase of ₱747,416.50 in the General Fund represents disallowances in the

construction of concrete piles at Barangay Estrella, under Notice of Finality dated July 1, 2016 and COA Order of Execution dated August 11, 2016, whom person liable is the Municipal Engineer. No payment has been made yet since the subject responsible person is still seeking for legal remedy on the mode of payment.

On the other hand, the account Due from NGOs/POs of the General Fund represents loan granted to BADECO with a balance of ₱35,500.00. While Other Receivables account of the same fund represents loans granted to various persons under the Self-Employment Assistance Program and Poverty Reduction Program. Included also in the Other Receivables in the General Fund is the balance of the cash advance amounting to ₱6,408.00 of the HRMO, Ms. Rowena Bugarin, who was made responsible to refund the amount of honoraria given to speaker even with deficient documents to support the claim. Ms. Bugarin requested that she be allowed to piecemeal settlement, and such was granted in a monthly payment of ₱1,000.00.

#### GENERAL FUND

|                                | <i>Current<br/>Receivables</i> | <i>Non-Current<br/>Receivables</i> | <i>Total</i>         |
|--------------------------------|--------------------------------|------------------------------------|----------------------|
| <b>Balance - Jan. 1, 2016</b>  | ₱<br>3,886,418.07              | ₱104,580.36                        | ₱<br>3,990,998.43    |
| Charge for the year            | 13,419,944.44                  | 747,416.50                         | 14,167,360.94        |
| Utilized                       | (12,075,602.63)                | 0.00                               | (12,075,602.63)      |
| Unused amount reversed         | 0.00                           | 0.00                               | 0.00                 |
| <b>Balance - Dec. 31, 2016</b> | <b>₱5,230,759.88</b>           | <b>₱851,996.86</b>                 | <b>₱6,082,756.74</b> |

#### SPECIAL EDUCATION FUND

|                                | <i>Current<br/>Receivables</i> | <i>Non-Current<br/>Receivables</i> | <i>Total</i>         |
|--------------------------------|--------------------------------|------------------------------------|----------------------|
| <b>Balance - Jan. 1, 2016</b>  | ₱<br>2,953,062.01              | ₱107.00                            | ₱<br>2,953,169.01    |
| Charge for the year            | 11,455,384.14                  | 0.00                               | 11,455,384.14        |
| Utilized                       | (9,627,000.84)                 | 0.00                               | (9,627,000.84)       |
| Unused amount reversed         | 0.00                           | 0.00                               | 0.00                 |
| <b>Balance - Dec. 31, 2016</b> | <b>₱4,781,445.31</b>           | <b>₱107.00</b>                     | <b>₱4,781,552.31</b> |

#### TRUST FUND

|                                | <i>Current<br/>Receivables</i> | <i>Non-Current<br/>Receivables</i> | <i>Total</i>        |
|--------------------------------|--------------------------------|------------------------------------|---------------------|
| <b>Balance - Jan. 1, 2016</b>  | ₱2,855,801.46                  | ₱129.00                            | ₱2,855,930.46       |
| Charge for the year            | 0.00                           | 0.00                               | 0.00                |
| Utilized                       | (2,855,801.46)                 | 0.00                               | (2,855,801.46)      |
| Unused amount reversed         | 0.00                           | 0.00                               | 0.00                |
| <b>Balance - Dec. 31, 2016</b> | <b>₱<br/>0.00</b>              | <b>₱129.00</b>                     | <b>₱<br/>129.00</b> |

#### Note 7 - Inventories

|   | 2016                        | 2015                      |
|---|-----------------------------|---------------------------|
| <b><i>Inventory Held for Consumption</i></b>      |                             |                           |
| Accountable Forms, Plates and Stickers            | ₱ 67,767.02                 | ₱ 40,964.74               |
| Drugs and Medicines Inventory                     | 699,817.00                  | 421,699.20                |
| Medical, Dental and Laboratory Supplies Inventory | <u>233,779.00</u>           | <u>367,006.00</u>         |
| <b>Total</b>                                      | <b><u>₱1,001,363.02</u></b> | <b><u>₱829,669.94</u></b> |

Only General Fund has inventories for accountable forms, plates and stickers and drugs and medicines, recorded under inventory account upon purchase, and adjusted once consumed.

No inventory items were pledged as security during the current or prior financial year.

#### **Note 8 - Property, Plant and Equipment**

For **GENERAL FUND**, this account consists of:

|  | <b>Balance<br/>Dec. 31, 2015</b> | <b>Net Addition/<br/>Deduction</b> | <b>Balance<br/>Dec. 31, 2016</b> |
|--|----------------------------------|------------------------------------|----------------------------------|
|  | ₱                                | ₱                                  | ₱                                |
| Land   | 9,731,765.46                     | 0.00                               | 9,731,765.46                     |
| Other Land Improvements                            | 38,384,254.9                     | 1,045,848.00                       | 39,430,102.90                    |
| Power Supply Systems                               | 17,865,895.91                    | 2,875,997.00                       | 20,741,892.91                    |
| Buildings  | 36,097,590.18                    | 3,414,800.11                       | 39,512,390.29                    |
| School Buildings                                   | 14,346,339.22                    | 0.00                               | 14,346,339.22                    |
| Hospitals and Health Centers                       | 6,868,590.43                     | 53,179.00                          | 6,921,769.43                     |
| Markets  | 7,503,474.23                     | 70,861.00                          | 7,574,335.23                     |
| Slaughterhouses                                    | 1,928,171.59                     | 2,996,052.22                       | 4,924,223.81                     |
| Other Structures                                   | 34,573,970.82                    | 8,944,258.79                       | 43,518,229.61                    |
| Office Equipment                                   | 3,417,975.46                     | 725,824.10                         | 4,143,799.56                     |
| Information and Communication Technology Equipment | 12,445,464.73                    | 1,831,287.60                       | 14,276,752.33                    |
| Agricultural and Forestry Equipment                | 1,129,788.50                     | 98,710.00                          | 1,228,498.50                     |
| Communication Equipment                            | 3,140,717.99                     | 645,886.00                         | 3,786,603.99                     |
| Construction and Heavy Equipment                   | 65,131,840.50                    | 22,142,400.00                      | 87,274,240.50                    |
| Disaster Response and Rescue Equipment             | 3,785,680.00                     | 5,492,000.00                       | 9,277,680.00                     |

|  |                               |  |                               |
|--|-------------------------------|--|-------------------------------|
| Military, Police and Security Equipment          | 44,185.00                     | (17,185.00)                            | 27,000.00                     |
| Medical Equipment                                | 720,315.00                    | 761,104.73<br>0.00                     | 1,481,419.73                  |
| Sports Equipment                                 | 79,495.00                     |  | 79,495.00                     |
| Technical and Scientific Equipment               | 4,014,468.01                  | 1,866,553.80                           | 2,147,914.21                  |
| Other Machinery and Equipment                    | 4,061,696.52                  | 1,416,432.00<br>88,176.73              | 5,478,128.52                  |
| Motor Vehicles                                   | 15,884,004.58                 | (1,186,000.00)                         | 15,972,181.31                 |
| Watercrafts                                      | 2,499,676.57                  |  | 3,685,676.57                  |
| Other Transportation Equipment                   | 7,400.00                      | 0.00                                   | 7,400.00                      |
| Furniture and Fixtures                           | 11,355,310.37                 | 1,194,611.00<br>4,190.00               | 12,549,921.37                 |
| Books  | 21,394.00                     |  | 25,584.00                     |
| Construction in Progress - Infrastructure Assets | 17,587,131.21                 | (2,822,874.39)                         | 14,764,256.82                 |
| Road Networks                                    | 0.00                          | 64,263,549.07                          | 64,263,549.07                 |
| Flood Control Systems                            | 0.00                          | 8,219,987.47                           | 8,219,987.47                  |
| Water Supply Systems                             | 0.00                          | 27,581,106.22                          | 27,581,106.22                 |
| Parks, Plazas and Monuments                      | 0.00                          | 359,260.00                             | 359,260.00                    |
| Other Infrastructure Assets                      | 0.00                          | 1,385,143.47<br>1,708,511.00           | 1,385,143.47                  |
| Other PPE  | 4,216,415.44                  |  | 5,924,926.44                  |
| <b>TOTAL at Cost</b>                             | <b>316,843,011.62</b>         | <b>153,798,562.32</b><br>16,850,048.93 | <b>470,641,573.94</b>         |
| <i>Less: Acc. Depreciation</i>                   | <u>90,030,977.55</u>          |  | <u>106,881,026.48</u>         |
| <b>NET AMOUNT</b>                                | <b><u>₱226,812,034.07</u></b> | <b><u>₱136,948,513.39</u></b>          | <b><u>₱363,760,547.46</u></b> |

A portion of the increase/decrease in the amount of Property, Plant and Equipment resulted from adjustment/reclassification of accounts due to actual inventory taking.

Artesian wells, reservoir, pumping stations and conduits amounting to ₱2,695,005.95 represents water system level 2 of So. Kilingon, Brgy. Banuton. Said completed project was transferred from Trust Fund BUB-DILG to General Fund.

Slaughterhouse includes the amount of ₱2,996,052.22 representing cost of construction of new slaughterhouse at Brgy. Andres Ylagan, ₱1,000,000.00 of which came from DILG R-IVB, while the Municipal Government of Naujan provides a counterpart fund of ₱1,996,052.22.

Other Structure includes cost of Community Seed Banking facility amounting to ₱845,250.00 which fund came from the Department of Agriculture R-IVB.

During the conduct of inventory taking, the following were disclosed:

- ₱7,081,186.22 amount of PPE were unserviceable, ₱3,974,284.57 of which was still

kept in individual department's office, while ₱3,106,901.65 was already returned to the General Services Office for disposal'

- Out of the recorded inventory, ₱6,704,048.25 was no longer existing
- ₱10,057,483.61 has no record and was considered as reconciling amount to tally with the recorded PPE in the Financial Statements. This amount was lodged to Unreconciled beginning balance.

Below is the summary of details.

| PPE Account | UNSERVICEABLE                    |                      | NON-EXISTING         | RECONCILING AMOUNT    | TOTAL                 |
|-------------|----------------------------------|----------------------|----------------------|-----------------------|-----------------------|
|             | Still kept in individual offices | Returned to GSO      |                      |                       |                       |
| 221         | ₱282,035.00                      | ₱500,831.00          | ₱522,401.20          | ₱0.00                 | ₱1,305,267.20         |
| 222         | 364,270.00                       | 474,004.40           | 1,747,134.38         | 2,852,736.22          | 5,438,145.00          |
| 223         | 1,553,287.00                     | 1,509,722.00         | 2,553,294.00         | 0.00                  | 5,616,303.00          |
| 227         | 177,036.00                       | 0.00                 | 11,110.00            | 0.00                  | 188,146.00            |
| 229         | 51,854.00                        | 213,997.00           | 446,242.00           | 747,265.99            | 1,459,358.99          |
| 233         | 211,620.00                       | 0.00                 | 0.00                 | 0.00                  | 211,620.00            |
| 234         | 18,000.00                        | 0.00                 | 9,000.00             | 0.00                  | 27,000.00             |
| 235         | 25,000.00                        | 8,500.00             | 0.00                 | 0.00                  | 33,500.00             |
| 236         | 210,373.00                       | 0.00                 | 0.00                 | 1,326,791.21          | 1,537,164.21          |
| 240         | 788,223.00                       | 110,583.25           | 928,092.27           | 105,980.00            | 1,932,878.52          |
| 241         | 0.00                             | 196,700.00           | 0.00                 | 4,346,419.55          | 4,543,119.55          |
| 244         | 218,341.57                       | 0.00                 | 0.00                 | 0.00                  | 218,341.57            |
| 250         | 74,245.00                        | 92,564.00            | 486,774.40           | 678,290.64            | 1,331,874.04          |
| Total       | <b>₱3,974,284.57</b>             | <b>₱3,106,901.65</b> | <b>₱6,704,048.25</b> | <b>₱10,057,483.61</b> | <b>₱23,842,718.08</b> |

A total amount of ₱17,525,943.09 was taken up as asset in the General fund as follows:

|  |                              |
|--|------------------------------|
| Office Equipment                         | ₱                            |
|  | 170,000.00                   |
| IT Equipment & Software                  | 97,090.00                    |
| Communication Equipment                  | 430,130.00                   |
| Construction & Heavy Equipment Vehicle   | 11,271,923.09                |
| Disaster Response & Rescue Equipment     | 5,492,000.00                 |
| Medical, Dental and Laboratory Equipment |                              |
|  | <u>64,800.00</u>             |
| <b>TOTAL</b>                             | <b><u>₱17,525,943.09</u></b> |
|  | <u>9</u>                     |

These assets were transferred and recorded to General Fund, of which fund came from various agencies downloaded in the Trust Fund account. ₱16,846,923.09 came from Disaster Fund in the Trust Fund.

Public Infrastructure in the first year of the implementation of the PPSAS was not recognized. This, year, all Public Infrastructure previously closed to Government Equity was simply restored

and recorded but without yet the necessary reclassification to appropriate account, if there is. No depreciation was charged due to the absence of basis as to the number of years it has to be depreciated.

The Straight-line method of depreciation is used to compute the depreciation of assets based on the revised estimated useful life in computing depreciation for government property, plant and equipment as per COA Circular No. 2003-007 dated December 11, 2003.

The LGU measured the residual value of all items of property, plant and equipment, but does not expect a residual value of these assets, because these will be utilized for their entire economic lives and do not have a significant scrap value. During the current financial year, the LGU reviewed the estimated useful lives and residual values of property, plant and equipment, where appropriate.

For **SPECIAL EDUCATION FUND**, this account consists of:

|                                       | <b>Balance</b>              | <b>Net</b>                     | <b>Balance</b>              |
|---------------------------------------|-----------------------------|--------------------------------|-----------------------------|
|                                       | <b>Dec. 31, 2015</b>        | <b>Addition/<br/>Deduction</b> | <b>Dec. 31, 2016</b>        |
| Other Land Improvements               | <b>₱</b>                    | <b>₱</b>                       | <b>₱</b>                    |
|                                       | 39,065.00                   | 0.00                           | 39,065.00                   |
| Power Supply System                   | 15,894.00                   | 0.00                           | 15,894.00                   |
| Buildings                             | 1,202,317.34                | 0.00                           | 1,202,317.34                |
| School Buildings                      | 4,762,547.43                | 353,179.28                     | 5,115,726.71                |
| Other Structures                      | 605,815.60                  | 0.00                           | 605,815.60                  |
| Office Equipment                      | 2,017,833.45                | (110,165.00)                   | 1,907,668.45                |
| Furniture and Fixtures                | 157,089.00                  | 341,583.00                     | 498,672.00                  |
| Information & Communication           | 1,399,010.                  | 296,480.00                     | 1,695,490.00                |
| Technology Equipment                  |                             |                                |                             |
| Communication Equipment               | 29,9743.00                  | 71,690.00                      | 101,433.00                  |
| Medical Equipment                     | 4,500.00                    | 0.00                           | 4,500.00                    |
| Sports Equipment                      | 26,000.00                   | 0.00                           | 26,000.00                   |
| Other Machinery and Equipment         | 104,000.00                  | 20,775.00                      | 124,775.00                  |
| Other Property, Plant and             | 69,700.00                   |                                | 69,700.00                   |
| Equipment                             |                             | 0.00                           |                             |
| <b>TOTAL at Cost</b>                  | <b><u>10,433,514.82</u></b> | <b><u>973,542.28</u></b>       | <b><u>11,407,057.10</u></b> |
| <i>Less: Accumulated Depreciation</i> | <i>2,314,463.66</i>         | <i>580,414.33</i>              | <i>2,894,877.99</i>         |
| <b>NET AMOUNT</b>                     | <b><u>₱8,119,051.16</u></b> | <b><u>₱393,127.95</u></b>      | <b><u>₱8,512,179.11</u></b> |

#### **Note 9 – Biological Assets**

|  | <b>2016</b>       | <b>2015</b>       |
|--|-------------------|-------------------|
| <b><i>Bearer Biological Assets</i></b> |                   |                   |
| Breeding Stocks                        | <u>₱40,000.00</u> | <u>₱40,000.00</u> |

The Breeding Stocks Account of the General Fund was previously recorded as Other Assets.

#### **Note 10 – Liabilities**

|   | <b>2016</b>         | <b>2015</b>         |
|---|---------------------|---------------------|
| <b><i>Financial Liabilities – Current</i></b> |                     |                     |
| Accounts Payable                              | ₱23,034,469.99      | ₱13,722,001.46      |
| Due to Officers and Employees                 | <u>1,963,574.57</u> | <u>1,807,110.51</u> |

**Total****₱24,998,044.56   ₱15,529,111.97**

Accounts Payable of General and Special Education Fund consist of amounts due to suppliers/creditors which payment were not effected on the year 2016, while Trust Fund's Accounts Payable is composed of unclaimed checks to suppliers/contractors which had been outstanding for more than 6 months.

Due to Officers and Employees of General Fund are amounts due to employees for transactions which were not paid in 2016.

|                                     | 2016                         | 2015                         |
|-------------------------------------|------------------------------|------------------------------|
| <b><i>Inter-Agency Payables</i></b> |                              |                              |
|                                     | <b>₱</b>                     | <b>₱</b>                     |
| Due to BIR                          | 1,242,713.81                 | 1,320,405.39                 |
| Due to GSIS                         | 1,479,791.20                 | 1,357,158.29                 |
| Due to Pag-IBIG                     | 289,784.77                   | 280,299.43                   |
| Due to PhilHealth                   | 104,732.03                   | 17,457.03                    |
| Due to NGAs                         | 37,909,418.29                | 31,260,148.83                |
| Due to GOCCs                        | 525,038.80                   | 2,175.15                     |
| Due to LGUs                         | <u>6,448,357.14</u>          | <u>6,411,319.21</u>          |
| <b>Total</b>                        | <b><u>₱47,999,836.04</u></b> | <b><u>₱40,648,963.33</u></b> |

The first four accounts (Due to BIR, GSIS, PAG-IBIG and PHILHEALTH) of all three (3) funds represent the amount deducted from the salaries of officials and employees and to be remitted to the respective government agencies immediately on January 2017.

Due to NGAs of General Fund are funds and balances received from National Agencies allotted for various development projects, while Due to NGAs of Trust Fund are balances of completed transactions as well as receipts from national government agencies including PDAF, BUB projects, DSWD and DA, etc. The details are as follows:

| <i>P r o j e c t</i>  | <i>Amount</i> |
|---|---------------|
| Construction of Flood Control Project-Tabang Creek                              | ₱3,193,814.99 |
| DILG/LGSF SARO# G-11-02197 dated 12/22/11                                       | 375,148.44    |
| DA ORMAES construction of Building of the Organic Trading Post                  | 301,195.52    |
| DA, 50% implementation of FMR, Barangay Herrera                                 | 200.90        |
| DSWD IV-B Supplementary Feeding Program in DCC                                  | 1,775,699.00  |
| Infra-support to Agricultural and Fishery Production                            | 307,847.00    |
| Concreting of Local Access Road, Barangay Inarawan                              | 2,917,470.41  |
| Rapid Community Base Monitoring System (CBMS) for benchmarking & monitoring     | 970,300.00    |
| DILG Region IV-B-1st tranche of 2015 BUB Other Project Fund (Evacuation Center) | 4,406,565.98  |
| DILG Region IV-B-2015 SALIN-TUBIG Fund provision of water system, Banuton       | 304,993.05    |
| DILG Region IV-B-1st tranche of 2015 BUB Other Project Fund (Rescue Equipment)  | 5,000,000.00  |
| DOH Region IV-B-health facility enhancement program                             | 500,000.00    |
| DILG R-IVB FULL TRANCHE 2016 Salintubig project                                 | 12,000,000.00 |
| DSWD IVB-construction of DCC-Santiago   | 1,200,000.00  |
| DOH, Schistosomiasis control & elimination program                              | 250,000.00    |
| MHO(BEMOC)-facility & eqpt. Ambulance   | 28,800.00     |
| NHA-housing materials assist. prog. for Yolanda victims                         | 4,000.00      |
| PhilHealth Capitation   | 119,581.97    |
| PhilHealth –PFPR  | 3,811,509.47  |

|  |                       |
|--|-----------------------|
| TESDA-training cost for 20 as a GPB 2014 scholar for Shielded Metal Arc Welding NCII | 200,000.00            |
| <b>TOTAL</b>   | <b>₱37,667,126.73</b> |

The amount of ₱386,934.37 was remitted to the Bureau of Treasury representing balances of various PDAF and other NGAs projects downloaded to the LGU.

Due to GOCCs of General Fund is composed of employees' loan repayments with DBP, LBP, Banco de Mindoro, and Or. Mindoro Rural Bank of Naujan to be remitted on January 2017.

Due to LGUs of General Fund represents share of Barangay, Provincial and Special Education Tax, while Due to LGUs of Trust Fund are barangay share on RPT/CTC which is deposited in the LGU's account maintained for the Barangays. Both are to be remitted on January 2017.

|                                     | <b>2016</b>          | <b>2015</b>          |
|-------------------------------------|----------------------|----------------------|
| <b><i>Intra-Agency Payables</i></b> |                      |                      |
| Due to Other Funds                  | <u>₱4,183,481.72</u> | <u>₱3,229,106.64</u> |

Due to Other Funds of General Fund represents amount of RPT-SEF collected for the month of December 2016, and balance of Quick Response Fund and MOOE of 2016 Disaster Fund to be transferred on January, 2017. While the amount of ₱482.00 in the SEF is the contra-account in the GF for withholding taxes which was paid by GF, also to be transferred on January 2017.

|   | <b>2016</b>                 | <b>2015</b>                  |
|---|-----------------------------|------------------------------|
| <b><i>Trust Liabilities</i></b>                                 |                             |                              |
| Trust Liabilities – Disaster Risk Reduction and Management Fund | ₱5,490,378.06               | ₱16,278,346.02               |
| Bail Bonds Payable  | 572,497.01                  | 496,977.51                   |
| Guaranty/Security Deposits Payable                              | <u>3,360,854.45</u>         | <u>2,826,870.63</u>          |
| <b>Total</b>  | <b><u>₱9,423,729.52</u></b> | <b><u>₱19,602,194.16</u></b> |

The MDRRMF represents the amount set aside by the LGU to support its disaster risk management activities pursuant to R.A. 10121 otherwise known as the "Philippine Disaster Risk Reduction and Management Act of 2010". The amount available and utilized during the year totaled ₱35,979,243.17 and ₱23,566,284.56, respectively, broken down as follows:

|  | <i>Available</i>           | <i>Amount Utilized</i>     | <i>Balance</i>             |
|--|----------------------------|----------------------------|----------------------------|
| <b><i>Current Year Appropriation</i></b> |                            |                            |                            |
|  | ₱                          | ₱                          | ₱                          |
| Quick Response Fund (QRF)                | 3,421,933.40               | 3,417,350.00               | 4,583.40                   |
| Mitigation Fund (MF)                     |                            |                            |                            |
| MOOE                                     | 3,975,977.00               | 929,911.27                 | 3,046,065.73               |
| Capital Outlay                           | <u>4,008,533.60</u>        | <u>1,471,694.50</u>        | <u>2,536,839.10</u>        |
| <b>Subtotal</b>                          | <b>11,406,444.00</b>       | <b>5,818,955.77</b>        | <b>5,587,488.23</b>        |
| <b><i>Continuing Appropriation</i></b>   |                            |                            |                            |
| Capital Outlay                           | <u><b>8,294,453.15</b></u> | <u><b>3,908,711.70</b></u> | <u><b>4,385,741.45</b></u> |
| <b><i>Special Trust Fund</i></b>         |                            |                            |                            |
| Calendar Year 2012                       | 3,542,334.30               | 3,542,334.30               | 0.00                       |

|                    |                             |                             |                            |
|--------------------|-----------------------------|-----------------------------|----------------------------|
| Calendar Year 2013 | 4,559,802.63                | 2,470,000.00                | 2,089,802.63               |
| Calendar Year 2014 | 5,259,588.79                | 5,259,588.79                | 0.00                       |
| Calendar Year 2015 | 2,916,620.30                | 2,566,694.00                | 349,926.30                 |
| Calendar Year 2016 | <u>3,050,649.13</u>         | <u>0.00</u>                 | <u>3,050,649.13</u>        |
| <b>Total</b>       | <b><u>19,328,995.15</u></b> | <b><u>13,838,617.09</u></b> | <b><u>5,490,378.06</u></b> |
| <b>TOTAL</b>       | <b><u>30</u></b>            | <b><u>6</u></b>             | <b><u>4</u></b>            |

The Municipal Government of Naujan transferred the amount of ₱3,050,649.13 to Trust Liabilities - MDRRMF representing unexpended balance of the Quick Response Fund and MOOE of the Mitigation Fund for the year 2016. The amount is recorded in the Trust Fund book under Trust Liabilities - MDRRMF.

Guarantee/Security/Deposits Payable of all three (3) funds as well as the Bail Bonds Payable of Trust Fund is due to suppliers/creditors that posted bonds and shall be returned in a period of time.

|  | <b>2016</b>                 | <b>2015</b>                 |
|--|-----------------------------|-----------------------------|
| <b><i>Deferred Credits/Unearned Income</i></b> |                             |                             |
| Deferred Real Property Tax                     | ₱3,064,120.72               | ₱1,715,659.72               |
| Deferred Special Education Tax                 | <u>3,830,094.75</u>         | <u>2,144,575.70</u>         |
| <b>Total</b>                                   | <b><u>₱6,894,215.47</u></b> | <b><u>₱3,860,235.42</u></b> |

Deferred Special Education Tax of General Fund and SEF is contra-account of RPT Receivable.

|                              | <b>2016</b>       | <b>2015</b>        |
|------------------------------|-------------------|--------------------|
| <b><i>Other Payables</i></b> |                   |                    |
| Other Payables               | <u>₱99,591.44</u> | <u>₱184,747.68</u> |

Other Payables of General Fund are employees' loan deduction to be remitted to Naujan Development Cooperative on January 2016.

#### **Note 11 -Tax Revenue**

|   | <b>2016</b>    | <b>2015</b>    |
|---|----------------|----------------|
| <b><i>Tax Revenue</i></b>                     |                |                |
| <b>Individual and Corporation</b>             |                |                |
| Community Tax                                 | ₱ 1,362,870.43 | ₱ 1,428,442.59 |
| <b>Property</b>                               |                |                |
| Real Property Tax - Basic                     | 4,315,047.76   | 4,170,850.87   |
| Less: Discount on Real Property Tax - Basic   | (291,918.08)   | (268,672.76)   |
| Special Education Tax                         | 5,393,862.75   | 5,213,799.06   |
| Less: Discount on Special Education Tax       | (364,897.66)   | (335,838.03)   |
| <b>Goods and Services</b>                     |                |                |
| Business Tax                                  | 4,583,601.29   | 4,081,924.93   |
| Tax on Sand, Gravel and Other Quarry Products | 1,724,106.37   | 1,788,140.08   |
| Amusement Tax                                 | 93,146.00      | 0.00           |
| Franchise Tax                                 | 48,250.00      | 23,600.00      |

|   |                             |                               |
|---|-----------------------------|-------------------------------|
| <b>Fines and Penalties</b>                    |                             |                               |
| Tax Revenue-Fines and Penalties-Other         |                             |                               |
| Taxes   | <u>117,615.32</u>           | <u>98,034.31</u>              |
| <b>Total Tax Revenues</b>                     | 16,981,684.18               | 16,200,281.05                 |
| <b>Share from National Taxes</b>              |                             |                               |
|   | <u>211,269,876.0</u>        |                               |
| Share from Internal Revenue Collections (IRA) | <u>0</u>                    | <u>191,642,201.00</u>         |
|   | <b><u>₱228,251,560.</u></b> |                               |
| <b>Total Tax Revenue</b>                      | <b><u>18</u></b>            | <b><u>₱207,842,482.05</u></b> |

**Note 12 – Service and Business Income**

|   | <b>2016</b>                 | <b>2015</b>                 |
|---|-----------------------------|-----------------------------|
| <b>Service Income</b>   |                             |                             |
| Permit Fees   | ₱1,664,060.25               | ₱1,395,464.73               |
| Registration Fees   | 467,716.00                  | 990,509.00                  |
| Registration Plates, Tags and Stickers Fees                                       | 49,100.00                   | 0.00                        |
| Clearance and Certification Fees  | 861,755.00                  | 890,846.00                  |
| Inspection Fees   | 567,306.19                  | 517,828.00                  |
| Verification and Authentication Fees  | 93,920.00                   | 0.00                        |
| Processing Fees   | 67,625.00                   | 0.00                        |
| Occupation Fees   | 245,300.00                  | 0.00                        |
| Fees for Sealing and Licensing of Weights & Measures                              | 0.00                        | 90,165.00                   |
| Other Service Income  | <u>152,141.00</u>           | <u>294,617.82</u>           |
| <b>Total Service Income</b>   | <b><u>₱4,168,923.44</u></b> | <b><u>₱4,179,430.55</u></b> |
| <b>Business Income</b>  |                             |                             |
|   | <b>₱</b>                    | <b>₱</b>                    |
| School Fees   | 10.00                       | 620.00                      |
| Rent Income   | 181,750.00                  | 199,700.00                  |
| Parking Fees  | 251,700.00                  | 241,100.00                  |
| Receipts Income from Operations of Hostels/Dormitories and Other Likes Facilities | 1,062,800.00                | 1,011,100.00                |
| Receipts from Market Operation  | 1,291,596.75                | 1,259,653.50                |
| Receipts from Slaughterhouse Operation  | 1,453,010.00                | 1,054,908.00                |
| Receipts from Cemetery Operation  | 156,200.00                  | 162,520.00                  |
| Garbage Fees  | 253,448.00                  | 263,985.00                  |
| Interest Income   | 1,382,323.75                | 1,155,727.26                |
| Other Services Income   | <u>269,002.00</u>           | <u>399,645.00</u>           |
| <b>Total Service Income</b>   | <b><u>6,301,840.50</u></b>  | <b><u>5,748,958.76</u></b>  |
|   | <b><u>₱10,470,763.9</u></b> |                             |
| <b>Total Service and Business Income</b>  | <b><u>4</u></b>             | <b><u>₱9,928,389.31</u></b> |

**Note 13- Transfers, Assistance and Subsidy**

|                                    | <b>2016</b>          | <b>2015</b>        |
|------------------------------------|----------------------|--------------------|
| <b>Assistance and Subsidy from</b> |                      |                    |
|                                    | <u>₱24,549,894.0</u> |                    |
| Subsidy from National Government   | <u>4</u>             | <u>₱422,458.00</u> |

**Note 14 - Share, Grants and Donation**

|   | <b>2016</b>               | <b>2015</b>                 |
|---|---------------------------|-----------------------------|
| <i>Shares</i>                             |                           |                             |
|   |                           | <b>₱</b>                    |
| Share from PAGCOR                         | ₱122,500.00               | 149,000.00                  |
| Share from PCSO                           | 82,908.02                 | 127,234.08                  |
| <i>Grants and Donations</i>               |                           |                             |
| Grants and Donations in Kind              | <u>0.00</u>               | <u>750,000.00</u>           |
| <b>Total Shares, Grants and Donations</b> | <b><u>₱205,408.02</u></b> | <b><u>₱1,026,234.08</u></b> |

**Note 15 -Miscellaneous Income**

|                             | <b>2016</b>       | <b>2015</b>       |
|-----------------------------|-------------------|-------------------|
| <i>Miscellaneous Income</i> |                   |                   |
|                             | <b>₱</b>          | <b>₱</b>          |
| Miscellaneous Income        | <u>383,433.80</u> | <u>408,062.45</u> |

**Note 16 - Employee Costs**

|   | <b>2016</b>                  | <b>2015</b>                  |
|---|------------------------------|------------------------------|
| <i>Salaries and Wages</i>                   |                              |                              |
|   | ₱47,755,945.9                | ₱42,333,265.0                |
| Salaries and Wages - Regular                | 9                            | 7                            |
| Salaries and Wages - Casual/Contractual     | 0.00                         | 61,464.13                    |
| <i>Other Compensation</i>                   |                              |                              |
| Personnel Economic Relief Allowance (PERA)  | 4,820,926.72                 | 4,536,125.88                 |
| Representation Allowance (RA)               | 2,050,023.90                 | 2,067,347.00                 |
| Transportation Allowance (TA)               | 1,897,261.50                 | 1,890,662.50                 |
| Clothing/Uniform Allowance                  | 963,000.00                   | 955,000.00                   |
| Subsistence Allowance                       | 353,100.00                   | 306,225.00                   |
| Productivity Incentive Allowance            | 0.00                         | 320,000.00                   |
| Honoraria                                   | 101,000.00                   | 112,000.00                   |
| Hazard Pay                                  | 1,612,931.72                 | 1,331,615.98                 |
| Overtime and Night Pay                      | 650,709.72                   | 369,764.94                   |
| Year End Bonus                              | 4,308,648.05                 | 3,583,493.10                 |
| Cash Gift                                   | 1,070,000.00                 | 967,000.00                   |
| Other Bonuses and Allowances                | 3,763,201.00                 | 0.00                         |
| <i>Personnel Benefits Contributions</i>     |                              |                              |
| Life and Retirement Insurance Contributions | 5,727,231.95                 | 5,079,662.25                 |
| PAG-IBIG Contributions                      | 1,051,198.27                 | 937,304.99                   |
| PHILHEALTH Contributions                    | 518,075.29                   | 476,062.50                   |
| Employees Compensation Insurance Premiums   | 237,444.83                   | 220,824.19                   |
| <i>Other Personnel Benefits</i>             |                              |                              |
| Terminal Leave Benefits                     | 4,743,063.34                 | 1,542,886.53                 |
| Other Personnel Benefits                    | <u>1,332,698.00</u>          | <u>4,863,150.00</u>          |
| <b>Total Personal Services</b>              | <b><u>₱82,956,460.28</u></b> | <b><u>₱71,953,718.06</u></b> |

**Note 17 - Maintenance and Other Operating Expenses**

|  | <b>2016</b>   | <b>2015</b>   |
|--|---------------|---------------|
| <b><i>Travelling Expenses</i></b>  |               |               |
|  | ₱1,603,010.4  |               |
| Travelling Expenses - Local  | 1             | ₱1,590,156.85 |
| <b><i>Training and Scholarship Expenses</i></b>                                    |               |               |
| Training Expenses  | 2,043,298.00  | 1,533,736.00  |
| <b><i>Supplies and Material Expenses</i></b>                                       |               |               |
| Office Supplies Expense  | 2,868,561.01  | 2,739,901.32  |
| Accountable Forms Expenses   | 263,490.19    | 245,494.53    |
| Animal/Zoological Supplies Expenses  | 319,516.00    | 289,980.00    |
| Welfare Goods Expenses   | 489,045.00    | 1,981,042.00  |
| Drugs and Medicines Expenses   | 579,657.20    | 1,029,441.30  |
| Medical, Dental and Laboratory Supplies Expenses                                   | 441,403.00    | 241,892.85    |
| Fuel, Oil and Lubrication Expenses   | 6,526,900.58  | 6,010,912.29  |
| Agricultural and Marine Supplies Expenses  | 148,887.00    | 199,839.00    |
| Textbooks and Instructional Materials Expenses                                     | 750,148.00    | 663,605.00    |
| Other Supplies Expenses  | 2,892,434.37  | 3,248,891.07  |
| <b><i>Utility Expenses</i></b>   |               |               |
| Water Expenses   | 429,356.15    | 348,457.80    |
| Electricity Expenses   | 3,592,752.35  | 3,646,010.87  |
| <b><i>Communication Expenses</i></b>   |               |               |
| Postage and Courier Service  | 2,985.12      | 3,995.00      |
| Telephone Expenses   | 929,758.01    | 952,829.66    |
| Internet Subscription Expenses   | 206,934.84    | 146,852.93    |
| Cable, Satellite, Telegraph and Radio Expenses                                     | 14,787.23     | 13,218.00     |
| <b><i>Awards/Rewards and Prizes</i></b>  |               |               |
| Prizes   | 1,232,666.00  | 566,250.00    |
| <b><i>Survey, Research, Exploration and Development Expenses</i></b>               |               |               |
| Survey Expenses  | 147,000.00    | 0.00          |
| <b><i>Confidential, Intelligence, Extraordinary and Miscellaneous Expenses</i></b> |               |               |
| Extraordinary Miscellaneous Expenses   | 71,571.00     | 57,196.00     |
| <b><i>Professional Services</i></b>  |               |               |
| Auditing Services  | 58,156.38     | 88,311.80     |
| Consultancy Services   | 60,000.00     | 0.00          |
| Other Professional Services  | 537,400.00    | 640,800.00    |
| <b><i>General Services</i></b>   |               |               |
| Environment/Sanitary Services  | 2,642,485.27  | 2,522,577.29  |
| Janitorial Services  | 1,102,466.28  | 805,305.74    |
| Security Services  | 840,356.91    | 701,673.88    |
| Other General Services   | 10,243,105.03 | 9,141,249.97  |
| <b><i>Repairs and Maintenance</i></b>  |               |               |
| Repairs and Maintenance - Infrastructure Assets                                    | 634,306.75    | 714,787.50    |
| Repairs and Maintenance - Building and Other Structures                            | 6,853,348.85  | 1,684,238.05  |
| Repairs and Maintenance - Machineries Equipment                                    | 3,000,859.99  | 3,029,081.89  |

|   |                              |                              |
|---|------------------------------|------------------------------|
| Repairs and Maintenance - Transportation Equipment            | 701,702.22                   | 781,845.69                   |
| Repairs and Maintenance - Furniture and Fixtures              | 199,086.50                   | 109,523.00                   |
| Repairs and Maintenance - Other Property, Plant and Equipment | 1,300.00                     | 2,658.00                     |
| <b><i>Taxes, Insurance Premiums and Other Fees</i></b>        |                              |                              |
| Taxes, Duties and Licenses                                    | 81,576.34                    | 19,749.04                    |
| Fidelity Bond Premiums  | 47,847.25                    | 29,541.00                    |
| Insurance Expenses  | 637,238.40                   | 636,539.32                   |
| <b><i>Other Maintenance and Operating Expenses</i></b>        |                              |                              |
| Advertising Expenses  | 206,400.00                   | 508,550.00                   |
| Printing and Publication Expenses                             | 405,657.00                   | 431,294.00                   |
| Representation Expenses                                       | 0.00                         | 1,324,026.00                 |
| Transportation and Delivery Expenses                          | 0.00                         | 0.00                         |
| Rent Expenses   | 1,309,570.00                 | 1,296,266.00                 |
| Membership Dues and Contributions to Organizations            | 95,600.00                    | 32,300.00                    |
| Subscriptions Expenses  | 200.00                       | 800.00                       |
| Donations   | 9,636,127.88                 | 5,795,628.22                 |
| Other Maintenance and Operating Expenses                      | <u>6,747,654.35</u>          | <u>1,854,889.83</u>          |
|   | <b><u>P71,596,606.86</u></b> | <b><u>P57,661,338.62</u></b> |
| <b>Total Maintenance and Operating Expenses</b>               | <b><u>86</u></b>             | <b><u>9</u></b>              |

#### **Note 18-Financial Assistance/Subsidy**

|   | <b>2016</b>                 | <b>2015</b>                 |
|---|-----------------------------|-----------------------------|
| <b><i>Financial Assistance/Subsidy to</i></b>                   |                             |                             |
|   | <b>P</b>                    |                             |
| Subsidy to Other Local Government Units                         | 70,000.00                   | P2,486,620.30               |
| <b><i>Transfers to</i></b>                                      |                             |                             |
| Transfers of Unspent Current Year DRRM Funds to the Trust Funds | <u>3,050,649.13</u>         | <u>0.00</u>                 |
| <b>Total Transfers, Assistance and Subsidy to</b>               | <b><u>P3,120,649.13</u></b> | <b><u>P2,486,620.30</u></b> |

#### **Note 19-Non-Cash Expenses**

|  | <b>2016</b>                  | <b>2015</b>                  |
|--|------------------------------|------------------------------|
| <b><i>Depreciation</i></b>                         |                              |                              |
|  | <b>P</b>                     |                              |
| Depreciation - Land Improvements                   | 2,436,997.29                 | P2,383,443.58                |
| Depreciation - Infrastructure Assets               | 1,529,826.33                 | 1,373,656.91                 |
| Depreciation - Buildings and Structures            | 2,673,090.22                 | 2,552,510.22                 |
| Depreciation - Machinery Equipment                 | 8,861,039.45                 | 5,952,140.57                 |
| Depreciation - Transportation Equipment            | 1,288,402.54                 | 1,043,831.62                 |
| Depreciation - Furniture, Fixtures and Books       | 682,459.12                   | 617,217.91                   |
| Depreciation - Other Property, Plant and Equipment | <u>532,220.13</u>            | <u>341,788.86</u>            |
|  | <b><u>P18,004,035.08</u></b> | <b><u>P14,264,589.67</u></b> |
| <b>Total</b>                                       | <b><u>8</u></b>              | <b><u>14,264,589.67</u></b>  |

#### **Note 20- Reconciliation of Net Cash flows from Operating Activities to Surplus (Deficit)**

|                   | <b>2016</b>    | <b>2015</b>    |
|-------------------|----------------|----------------|
| Surplus (Deficit) | P88,183,308.63 | P73,298,813.17 |

|   |                               |                               |
|---|-------------------------------|-------------------------------|
| Adjustments to reconcile surplus (deficit) to net cash flows from operating activities: |                               |                               |
| Depreciation  | 18,004,035.08                 | 14,264,589.67                 |
| Increase (Decrease) in payables   | 400,530.58                    | 20,653,517.59                 |
| Decrease (Increase) in receivables  | (821,147.50)                  | (450,666.53)                  |
| Decrease (Increase) in current assets   | <u>(2,167,745.30)</u>         | <u>(6,520,324.81)</u>         |
| Total   | <u>₱15,415,672.86</u>         | <u>₱27,947,115.92</u>         |
| <b>Net Cash Flows from Operating Activities</b>   | <b><u>₱103,598,981.49</u></b> | <b><u>₱101,245,929.09</u></b> |

**Municipality of Naujan, Oriental Mindoro**

**Reconciliation between actual amounts on a comparable basis as**

**presented in this statement and in the Statement of Financial Performance**

**For the year ended December 31, 2016**

**(With Comparative Figures for cy 2015)**

|                            | Income                |                       | Personnel Services   |                      | Maintenance and Other Operating Expenses |                      | Fin'l Exp. |                 |
|----------------------------|-----------------------|-----------------------|----------------------|----------------------|--|----------------------|------------|-----------------|
| Actual                     | 256,348,400.89        | 214,327,206.86        | 82,956,460.28        | 71,927,634.06        | 63,260,420.39                            | 55,822,124.40        |            | 41,748,000.00   |
| as expenses                |                       |                       |                      |                      |  |                      |            |                 |
| ation, Retirement          |                       |                       |                      |                      |  |                      |            |                 |
|                            |                       |                       |                      |                      |  |                      |            | (40,000,000.00) |
| nd wages/salaries/expenses |                       |                       |                      |                      |  |                      |            |                 |
| nder MOOE                  |                       |                       |                      |                      | 929,516.00                               |                      |            | (92,000,000.00) |
| nder CO                    |                       |                       |                      |                      |  |                      |            |                 |
| utlay appropriation        |                       |                       |                      |                      |  |                      |            |                 |
|                            |                       |                       |                      |                      | (28,980.00)                              |                      |            | 28,980.00       |
| t delivered/billed)        |                       |                       |                      |                      |  | (520,666.53)         |            |                 |
| <b>rmance – GF</b>         | <b>256,348,400.89</b> | <b>214,327,206.86</b> | <b>82,956,460.28</b> | <b>71,927,634.06</b> | <b>64,160,956.39</b>                     | <b>55,301,457.87</b> |            | -               |
| Actual                     | 5,028,965.09          | 4,877,961.03          |                      | 26,220.00            | 4,911,309.47                             | 2,322,290.82         |            | 69,000,000.00   |
| as expenses                |                       |                       |                      |                      |  |                      |            |                 |
| utlay appropriation        |                       |                       |                      |                      | 40,647.00                                |                      |            | (40,000,000.00) |
|                            |                       |                       |                      |                      |  |                      |            | (13,000,000.00) |
| t delivered/billed)        |                       |                       |                      |                      |  |                      |            | (51,000,000.00) |
| <b>rmance – SEF</b>        | <b>5,028,965.09</b>   | <b>4,877,961.03</b>   |                      | <b>26,220.00</b>     | <b>4,951,956.47</b>                      | <b>2,322,290.82</b>  |            |                 |

## **OBSERVATIONS AND RECOMMENDATIONS**

- **Favorable Observation**

- We acknowledge the following favorable observations noted in the audit of accounts and operations of the Municipality of Naujan for Calendar Year (CY) 2016:

- For Calendar Year (CY) 2016, the Internal Revenue Allotment (IRA) totaling ₱211,269,876.00 received by the Municipality of Naujan from the Department of Budget and Management (DBM) was accurately recorded in the books of accounts and reported in the financial statements. From the total IRA received, the amount of ₱43,691,416.00 was appropriated to different developmental projects under the 20% Development Fund and the remaining 80% was appropriated for the current operating expenses.
- During the year, the Municipal Accountant and Bids and Awards Committee (BAC) Chairman complied with the submission of accounts and accounting reports and with copies of Invitations to Bid and contract documents.
- The repaired Multipurpose hall at previously constructed Naujan Sports and Cultural Center in Brgy. Santiago was established as MDRRM Operation Center in CY 2015. Then, the MDRRM Office was created and manned by the LDRRM Officer III and three other positions for administration and training, research and planning and operations and warning. The following disaster activities and programs are accomplished.
  - Development and implementation of comprehensive local disaster preparedness policies, plans and systems to address local impacts of climate change.
  - Strengthening the partnership among all key players and stakeholders and providing the community with the necessary skills to cope with the negative impacts of disaster
  - For CY 2016, the MDRRMO through the help of different public and private sectors implemented various activities, trainings and simulation exercises on disaster preparedness and response for rescuers, volunteers, barangay officials, municipal employees, school coordinators, students and other partner organizations as follows:
    - Water Search and Rescue Training (WASAR) for rescuers ;
    - National Simultaneous Earthquake Drill;
    - Information Education Campaign (IEC) on different hazards with earthquake drill for various schools;
    - Standard First Aid and Basic Life Support (BLS) for school coordinators of Naujan East District;

- National Disaster Consciousness Month Celebration;
  - Fire Olympics;
  - Coastal Clean-up Drive programs for various barangays; and
  - Trimming of trees
- The MDRRMO monitor the receipt and issuance of the relief goods for distribution and stockpiling of basic emergency supplies. They also maintain inventory of existing early warning devices and various disaster response and rescue equipment.
- The Municipality has allocated ₱17,997,060.00 for GAD and GAD-related PPAs or equivalent to 8.50% of its total budget for CY 2016. This amount was attributed to the budget of each department as indicated in the Municipality's Annual GAD Plan and Budget. The implementation of GAD and GAD-related PPAs was within the approved GAD Plan and Budget and reported in the GAD Accomplishment Report as at year-end. Moreover, the 70 barangays established the Violence Against Women (VAW) and Children desk with desk officers and GAD code was created.
- Likewise, we commend the outstanding performance of the Municipality of Naujan in garnering several awards for CY 2016 for the best practices in different sectors:
  - **Best Municipal Disaster Risk Reduction and Management Council** was given by the Regional DRRM Council MIMAROPA in recognition to the exemplary contribution in promoting and implementing significant Disaster Risk Reduction and Management-Climate Change Adaptation Programs and Innovations to Build Community Resiliency.
  - **2016 Seal of Good Local Governance** is given by the DILG symbolizing the municipality's journey towards good local governance upholding the standards of transparency, integrity and service delivery.
  - **SFP Best Practice Award** was given by the DSWD Field Office (FO) -MIMAROPA for the initiative and promoting and educating in the local government on the Supplementary Feeding Program by developing Advocacy and IEC materials being distributed to all our stakeholders in the municipality.
  - **Best in Monitoring and Evaluation and Best Municipal SFP Team** is given by the DSWD FO-MIMAROPA for Supplementary Feeding Program implementation in the province of Oriental Mindoro for the 5<sup>th</sup> Cycle Implementation (SY 2015-2016).
  - **Most LGU GAD Responsive Award** is given by PSWDO for the unrelenting efforts on mainstreaming Gender and Development in its policies, programs, projects and activities and for its unparalleled commitment towards a transformative leadership and accountable gender-responsive governance.
  - **Masagana Award** is given by the Oriental Mindoro Blood Council for the valuable

contribution to the success of the Provincial Blood Program (PBP) as partner LGU for having a massed most number of blood units in a single mass blood donation activity with a total of 205 donors.

- **Kabalikat Award** is given by the Oriental Mindoro Blood Council in grateful recognition of its valuable contribution to the PBP as partner LGU for its active participation and sponsorship of mass blood donation activities. This noble effort reflects the admirable dedication and commitment of the people behind the organization with the aim of saving precious lives of our fellowmen through altruistic donation.
- **Masigasig Award** is given in grateful recognition to the valuable contribution in the success of the PBP as partner LGU with most number of mobile donation activity with a total of four (4) MDS sponsored.
- **3<sup>rd</sup> Place CY 2016 Outstanding LGU** is given by the Provincial Nutrition Committee in recognition and appreciation for invaluable support and contribution to the successful implementation of nutrition program in the Province of Oriental Mindoro.

3. Further, we commend the prompt action of the officials concerned and their employees in implementing the audit recommendations contained in the Audit Observation Memoranda, as follows:

- The SB Member/PCL President concerned has refunded the Transportation Allowance given to him for the period October to February 2017 since a government vehicle was already issued to him. The refund amounting to ₱33,750.00 was covered by OR No. 8676741 dated April 18, 2017.
- The Municipal Accountant analyzed the transactions and entries made to Due to and Due from Other Funds accounts and properly disclosed the same in the Revised Notes to Financial Statements.
- The Public Information Officer submitted the Project Design and justification for the necessity in procuring the digital camera worth ₱130,000.00

- **Financial and Compliance Audit**

4. In the audit of accounts and operations of the Municipal Government of Naujan for CY

2016, the following observations were noted with the recommended courses of actions:

*Inaccurate Property, Plant and Equipment account balance*

- **The reported balance of the Property, Plant and Equipment (PPE) account of ₱344,717,541.08 could not be established due to difference of ₱218,168,042.29 between Inventory Report and Accounting records brought by incomplete inventory and documentation of the properties; PPE items totaling ₱41,693,072.01 were not being charged with depreciation; and non-preparation and maintenance of the Report on the Physical Count of Local Road Network (RPCLRN).**

*Incomplete Physical Inventory and Property Records*

5.1 Section 491 of Government Accounting and Auditing Manual (GAAM), Volume I provides, among others, that all discrepancies between physical and book inventories must be investigated and cleared immediately. If necessary, written explanations shall be required from persons responsible.

5.2 Section C.3, Chapter V of the Manual on Property Custodianship provides that after the physical inventory taking, the Inventory Committee shall reconcile the results of the account with the property and accounting records. The inventory listing of the equipment shall be checked with the property cards maintained by the Property Officer (GSO) as against the equipment ledger cards maintained by the Accounting Office and the total thereof shall be compared with those in the General Ledger.

5.3 In compliance with the previous years' audit recommendations to address the (a) non-maintenance of property cards and (b) non-conduct of physical inventory of Municipal Properties by the GSO, the GSO prepared/updated property cards, inventory of properties was undertaken, and RPCPPE was prepared for the properties counted.

5.4 However, verification of records revealed that the RPCPPE prepared by the GSO for the year pertained to CY 2016 acquisitions alone which amounted to ₱7,894,580.00 except for the inventory of vehicular equipment which totaled ₱36,783,712.54. In addition to the balance of RPCPPE from the previous year's audit of ₱81,871,206.25, total properties subjected to inventory were ₱126,549,498.79 as of December 31, 2016 (*Annex E*).

5.5 The Audit Team noted that the General Services Office was able to identify the existence of properties totaling ₱126,549,498.79, however, the prepared report fail to identify whether the counted properties except for vehicular equipment such as (1) Motor Vehicles, (2) Construction & Heavy Equipment, and (3) Disaster Response & Rescue Equipment totaling ₱81,389,374.76 (*Annex F*) are serviceable/functional or are unserviceable and for disposal, though previous audit recommendation demanded inclusion of such details. It was also noted that the inventory of real property accounts such as "Land" and "Building", and other properties of the Municipality recorded at ₱172,949,080.60 was not conducted, despite previous findings of the same, hence no RPCPPE was prepared as indicated in **TABLE 1 - Reconciliation of Property & Accounting Records**.

5.6 The GSO staff commented that their inability to perform a complete inventory was due to insufficiency or unavailability of records as to the whereabouts and conditions of the properties. He also mentioned that the records pertaining to the “Land” account currently reported at ₱9,731,765.46 are being kept by the Office of the Municipal Assessor (MAssO).

5.7 Review of report obtained from MAssO showed that the Municipal Government of Naujan currently owned fifty-six (56) parcels of land with land area of 613,289 sq. m. and assessed value totaling ₱21,661,333.40 (*Annex G*). Upon reconciliation with accounting records, only six parcels were determined at a recorded book value of ₱2,656,714.06 as shown in **TABLE 1**.

*Reconciliation of Inventory Report vs. Property Ledgers*

5.8 Reconciliation between Accounting Records and General Services Office reports regarding the properties currently owned by the Municipality, and analysis of PPE accounts with cost reported at ₱344,717,541.08 as of December 31, 2016 (excluding Public Infrastructure Assets of ₱101,809,046.23 and “Construction in Progress” account of ₱14,764,256.82) disclosed an unreconciled difference of ₱218,168,042.29. Details of the reconciliation are as follows:

| <b>TABLE 1- Reconciliation of Accounting and Property Records</b> |  |                                   |                                      |  |
|---|--|-----------------------------------|--------------------------------------|--|
| <b>Property Account Title</b>                                     | <b>General Ledger<br/>-Accounting-</b> | <b>Inventory Report<br/>-GSO-</b> | <b>Difference<br/>Under / (Over)</b> | <b>Remarks</b>                           |
| Land  | ₱ 9,731,765.46                         | ₱ 2,656,714.06                    | ₱ (7,075,051.40)                     | Records from MAssO identified per ledger |
| Other Land Improvements   | 39,469,167.90                          | 0.00                              | (39,469,167.90)                      | No RPCPPE                                |
| Buildings   | 40,714,707.63                          | 0.00                              | (40,714,707.63)                      | No RPCPPE                                |
| School Buildings  | 19,462,065.93                          | 0.00                              | (19,462,065.93)                      | No RPCPPE                                |
| Hospitals and Health Center                                       | 6,921,769.43                           | 0.00                              | (6,921,769.43)                       | No RPCPPE                                |
| Markets   | 7,574,335.23                           | 0.00                              | (7,574,335.23)                       | No RPCPPE                                |
| Slaughterhouses   | 4,924,223.81                           | 0.00                              | (4,924,223.81)                       | No RPCPPE                                |
| Other Structures  | 44,124,045.21                          | 0.00                              | (44,124,045.21)                      | No RPCPPE                                |
| Office Equipment  | 6,051,468.01                           | 2,896,047.07                      | (3,155,420.94)                       |  |
| Information and Communication Technology Equipment                | 15,972,242.33                          | 9,846,461.72                      | (6,125,780.61)                       |  |
| Agricultural and Forestry Equipment                               | 1,228,498.50                           | 135,380.00                        | (1,093,118.50)                       |  |
| Communication Equipment   | 3,888,036.99                           | 1,337,047.00                      | (2,550,989.99)                       |  |
| Construction and Heavy Equipment                                  | 87,274,240.50                          | 72,253,665.50                     | (15,020,575.00)                      |  |
| Disaster Response and Rescue Equipment                            | 9,277,680.00                           | 9,200,507.85                      | (77,172.15)                          | No RPCPPE                                |
| Military, Police and Security Equipment                           | 27,000.00                              | 0.00                              | (27,000.00)                          | No RPCPPE                                |
| Medical Equipment   | 1,485,919.73                           | 612,307.00                        | (873,612.73)                         |  |
| Sports Equipment  | 105,495.00                             | 26,000.00                         | (79,495.00)                          |  |
| Technical and Scientific Equipment                                | 2,147,914.21                           | 111,300.00                        | (2,036,614.21)                       |  |

|  |                         |                         |                          |  |
|--|-------------------------|-------------------------|--------------------------|--|
| Other Machineries and Equipment              | 5,602,903.52            | 3,192,251.25            | (2,410,652.27)           |  |
| Motor Vehicles                               | 15,972,181.31           | 8,365,351.91            | (7,606,829.40)           |  |
| Watercrafts                                  | 3,685,676.57            | 1,631,300.00            | (2,054,376.57)           |  |
| Other Transportation Equipment               | 7,400.00                | 7,400.00                | 0.00                     |  |
| Furniture and Fixtures                       | 13,048,593.37           | 5,672,419.35            | (7,376,174.02)           |  |
| Books  | 25,584.00               | 18,503.00               | (7,081.00)               |  |
| Other Property, Plant and Equipment          | 5,994,626.44            | 2,164,279.20            | (3,830,347.24)           |  |
| <i>Various unidentified items per RPCPPE</i> | 0.00                    | 6,422,563.88            | 6,422,563.88             |  |
| <b>TOTAL PPE at Cost</b>                     | <b>₱ 344,717,541.08</b> | <b>₱ 126,549,498.79</b> | <b>₱(218,168,042.29)</b> |  |

5.9 Due to (1) efforts of the GSO to identify additional properties in the course of physical count and (2) adjustments, reclassifications, and entries for unrecorded properties by the Accounting Office, the unreconciled difference between accounting and property records of ₱234,083,663.86 was reduced by ₱15,915,621.57.

- Furthermore, additions for identified unrecorded properties and reclassifications totaling ₱2,471,396.58 (*Annex H*) have been made in the property ledgers, but no adjustments for the previously recorded amounts were effected in the accounting records.
- It was also noted that the “Unreconciled Beginning Balances totaling ₱58,189,219.11” on procured property in 2007 and below and unidentified properties before the implementation of the electronic National Government Accounting System (e-NGAS), remained not identified or analyzed due to unavailability of documents and records relative to the accounts (*Annex I*).

5.12 Non-undertaking of complete physical inventory of all known and existing Municipal properties rendered verification and confirmation of the actual existence, ownership and condition of the properties unworkable and resulted in inaccurate balance of PPE account amounting to ₱344,717,541.08, which represents majority of the total assets of the Municipality.

#### *Non-provision of Depreciation*

5.13 Additionally, analysis of the Lapsing Schedule revealed that various PPE items totaling ₱41,693,072.01 (*Annex J*) were not being charged with depreciation and that the carrying amount of the subjected properties were overstated by a sum of ₱37,520,631.81. Verification of subsidiary ledgers (SL) further revealed that the composition of the amount and other data:

- Acquisitions and constructions dated from 1986 to 2000;
- Various undated capitalizations of repairs and maintenance with zero (0) estimated useful lives;
- “Other SL” items dated 2007 with zero (0) estimated useful lives; and

- Unreconciled beginning balances from records before the implementation of the e-NGAS

Difficulty in tracing information relative to the properties composing the above figures hindered the application of proper depreciation, which resulted, to the overstatement of the PPE and Government Equity accounts.

#### 5.14 We recommended that:

- **The Municipal GSO prepare a plan for the conduct of a complete physical inventory including the (a) time frame to complete inventory count and the (b) preparation of the report taking into consideration the present condition and location of the properties. PAR must be made available for fast tracing of the properties and should be updated as found necessary to establish proper accountability. The GSO should also obtain from the Accounting Office a listing of properties per category of PPE and make use of the property numbers and responsibility centers stated therein as reference in the inventory taking; Thereafter,**
- **The Municipal Accountant and GSO coordinate and prepare supporting schedules to facilitate the proper reconciliation of the property accounts and establishment of actual existence, ownership and condition of the properties; Moreover,**
- **The Municipal Accountant effect proper adjustments in the books for items that necessitate corrections as identified in the verification and reconciliation process, create separate subsidiary ledgers for the unreconciled account balances, compute the depreciation once the estimated life was made available to them and observe proper disclosure of the same in the Notes to Financial Statements for fair presentation.**

#### *Management comment*

5.15 In response to the AOM issued, the Management is exerting efforts to come up with complete Report of Physical Count of Property, Plant and Equipment. Disclosure in the Revised Notes to Financial Statements is made regarding the details of the unserviceable and non-existing PPE as well as the amount of unreconciled accounts including the reason why depreciation was not charged to Infrastructure projects due to the absence of basis as to number of years the projects has to be depreciated.

*Non-preparation and maintenance of the Report on the Physical Count of Local Road Network (RPCLRN)*

5.16 COA Circular No. 2015-008 dated November 23, 2015 provides for the accounting

and reporting guidelines on the local roads asset management system for LGUs. Section VII of the circular states the duties and responsibilities of the Local Officials as follows:

- ***Local Accountant***

- Prepare the Journal Voucher (JV) to record the beginning balance of the local road network and its component in the general ledger and the Local Road Network Leger Card (Annex D), respectively;
- Support the JV with the Registry of Public Infrastructures for Roads, working paper on the distribution of costs for the road component, and working paper on the determination of the depreciated replacement cost for road components with no available cost per registry;
- Keep and maintain subsidiary records for roads and road components for every road network; and
- Prepare a lapsing schedule for the computation of the depreciation for each component at the end of the year.

- ***General Service Officer***

- Maintain a Local Road Inventory and Road Map;
- Keep a complete Local Road Network Property Card for all roads and its component (Annex E).

- ***Local Engineer***

Provide the Local Accountant and the General Services Officer with the complete description and cost segregation of road components for road projects.

- ***Local Chief Executive***

Enjoin the department heads' with the requirements of the circular.

5.17 Verification of the Post-Closing Trial Balance as of December 31, 2016 revealed that the Accounting Office have transferred from the "Government Equity" account the Public Infrastructure Assets of the Municipality costing ₱101,809,046.23 (*Annex K*) to their respective "Property, Plant & Equipment" accounts in compliance with the provisions of COA Circular No. 2015-008 dated November 23, 2015. The following property accounts were established because of the reclassification:

| <b>TABLE II - Public Infrastructure Assets</b> |   |
|--|---|
| <b><i>Property Account</i></b>                 | <b><i>Balance as of<br/>December 31,<br/>2016</i></b> |
|  |   |

|                             |                             |
|-----------------------------|-----------------------------|
| Road Network Systems        | ₱<br>64,263,549.07          |
| Flood Control Systems       | 8,219,987.47                |
| Water Supply Systems        | 27,581,106.22               |
| Parks, Plazas and Monuments | 359,260.00                  |
| Other Infrastructure Assets | 1,385,143.47                |
| <b>TOTAL</b>                | <b>₱<br/>101,809,046.23</b> |

5.18 The balances pertain to recorded Public Infrastructure projects in the Registry of Public Infrastructures dated from 2007 onwards and of the total amount, ₱19,218,991.48 were funded out of the General Fund Proper whereas ₱82,590,054.75 were from completed Developmental Projects (*Annex K*). Though the Infrastructure assets were established, no depreciation had been applied to these properties. However, the Municipal Accountant disclosed in the Notes to Financial Statements that their inability to apply depreciation was due to the absence of basis as to the number of years the properties have to be depreciated .

5.19 Furthermore, the “Road Network Systems” account of ₱64,263,549.07 were reported at a lump sum amount without cost segregation as to its components such as (a) road lot, (b) road pavement, (c) drainage and slope protection structures, (d) and other miscellaneous structures due to absence of valuation report by the Engineering Office which should have indicated the fair value and cost segregation of the Road Network.

5.20 On the other hand, no RPCLRN was prepared by the Municipality. The report should have been rendered by an established Inventory Committee based from the results of a physical inventory and valuation of all known Road Network System within the Municipality’s vicinity. For the year under audit, the Municipal Government of Naujan failed to create an Inventory Committee to facilitate proper management and accounting of the LGU’s Local Road Network System.

5.21 The RPCLRN should then be supported by a Report on Local Road Network (RLRN) and Road Map to be maintained by the GSO, which should also be reconciled with the Registry of Public Infrastructures. Verification revealed that no RLRN and Road Map were maintained by the GSO to support validity of the reported “Road Network Systems” account.

5.22 Non-conduct of physical inventory and valuation of the LGU’s Road Network, non-preparation of RPCLRN, and non-maintenance of RLRN and Road Map casted doubt on the existence, validity and accuracy of the recorded “Road Network Systems”.

**5.23 We recommended that the:**

- **Municipal Mayor establish an Inventory Committee as part of the Municipality’s Local Roads Asset Management System, members of which includes, but are not limited to:**

- The Municipal GSO for property custodianship and reporting of the Local Road Network System;
  - The Municipal Engineer for technical assistance in the cost valuation and segregation of the Road Network and its components; and
  - Municipal Accountant for proper accounting of the Local Roads in line with the provisions of COA Circular No. 2015-008 dated November 23, 2015.
- Municipal Engineer prepare a schedule of the Local Roads indicating therein the cost of each Road Network Component such as (a) road lot, (b) road pavement, (c) drainage and slope protection structures, (d) and other miscellaneous structures to be submitted to the GSO and Accounting Office. Moreover, subsequent road projects of the Municipality should clearly indicate the separate cost of each road component for easy reference.

The Engineering Office is also vested to determine the life of the Local Roads taking into consideration the (1) design, (2) type of users, and (3) volume of users of the roads. Such detail should also be included in the schedule of Local Roads to serve basis for the depreciation of the Road Components to be applied by the Accounting Office.

- GSO prepare and maintain RLRN and Road Map to account for the Local Roads. These records should be reconciled with the Registry of Public Infrastructures maintained by the Accounting Office.
- Municipal Accountant prepare separate Subsidiary Ledgers for the determined cost of the Road Network Components, and thereafter provide for the depreciation of each Road Component based from the records to be prepared by the Engineering Office to establish proper valuation of the Road Network.

#### *Management comment*

5.24 In the letter-reply, the Management assured the Team that coordination with the Offices of the Municipal Engineer and Municipal Accountant is being done relative to the Report on the Physical Count of Local Road Network (RPCLRN). The Office of the Municipal Accountant shall provide the Office of the Municipal Engineer with the available records of projects pertaining to road developments to aid the Municipal Engineer and GSO in identifying complete description and cost segregation of road components to come up with an effective local road network record.

**6. The inaction of management to dispose the unserviceable heavy equipment totaling ₱6,843,014.00 due to incomplete documentation of the properties, non-preparation of the Inventory and Inspection Report of Unserviceable Property (IIRUP) exposed the properties to further deterioration and reduction of its scrap value.**

6.1 Section 79 of Presidential Decree (P.D.) No. 1445 provides that government property

that has become unserviceable for any cause, or is no longer needed, shall, upon application of the officer accountable, shall be inspected by the head of the agency or his duly authorized representative in the presence of the auditor concerned, and, if found valueless or unserviceable, it may be destroyed in their presence. If found to be valuable, it may be sold at public auction to the highest bidder under the supervision of the proper committee on award or similar body in the presence of the auditor or duly authorized representative of the Commission on Audit.

6.2 This is a reiteration of Previous Years' Audit Observation because the ". Creation of the Inventory Committee was not made until January 2017, hence no action was taken during CY 2016 to address disposal of the unserviceable properties of the Municipality.

6.3 Verification of reports and records from the Engineering Office and GSO (*Annex F*) and ocular inspection revealed that the following Motor Vehicles and Heavy Equipment considered unserviceable and beyond economic repair were found situated in the open space motor pool of the Municipality and exposed to further deterioration.

| <b>TABLE III - Unserviceable Motor Vehicles and Heavy Equipment</b> |                  |                  |                         |                         |
|---|------------------|------------------|-------------------------|-------------------------|
| <i>Type of Vehicle</i>  | <i>Make</i>      | <i>Plate No.</i> | <i>Acquisition Date</i> | <i>Acquisition Cost</i> |
| Loader 50B  |                  | <i>None</i>      |                         |                         |
| Isuzu Elf   | Isuzu            | PTA-347          | 1990                    | ₱ 278,264.00            |
| Isuzu Elf   | Isuzu            | WTZ-889          | 12/24/99                | 370,000.00              |
| Ten-Wheeler Dump Truck  | Daewoo<br>1996   | WCJ-478          | 12/24/01                | 500,000.00              |
| Ten-Wheeler Dump Truck  |                  | VCS-856          | 12/24/01                | 550,000.00              |
| Delica Van  |                  | RAU-771          | 04/10/04                | 250,000.00              |
| Delica Van  | Kobelco<br>Isuzu | RAU-470          | 04/10/04                | 250,000.00              |
| Backhoe #2  |                  | <i>None</i>      | 08/29/06                | 1,197,750.00            |
| Isuzu Forward Dump Truck  |                  | SJA-719          | 04/09/08                | 754,000.00              |
| Isuzu Forward Dump Truck  | Isuzu            | SJJ-144          | 11/04/08                | 746,000.00              |
| Mini Backhoe  | Komatsu          | <i>None</i>      | 03/19/09                | 497,000.00              |
| Mini Backhoe PC30   | Komatsu          | <i>None</i>      | 06/23/10                | 750,000.00              |
| PC-20 Kubota  | Kubota           | <i>None</i>      | 06/15/11                | 700,000.00              |
| <b>TOTAL</b>  |                  |                  |                         | <b>₱ 6,843,014.00</b>   |

6.4 Non-maintenance of complete records and documentation by the Property and Accounting Offices contributed to the non-preparation of the prescribed IIRUP and consequently the disposal of the unserviceable properties.

6.5 We recommended that the Inventory Committee, in the course of a complete physical inventory of properties, account all determined unserviceable properties including the previously mentioned Heavy Equipment to facilitate preparation of Inventory and Inspection Report of Unserviceable Property and other required supporting documentations for disposal. Thereafter, the Committee determine the salvage value of the properties based on property ledgers maintained by the Accounting

**Office, appraise the disposal value of the unserviceable properties through technical assessment by the Engineering Office, and request the disposal of the same pursuant to COA rules and regulations to prevent further deterioration and to realize income from the sale thereof.**

*Management comment*

6.6 The Management had created Municipal Appraisal Committee composed of the Municipal GSO, Municipal Engineer and Administrative Assistant, which are now preparing the preliminary documents to facilitate the preparation of Inventory and Inspection Report of Unserviceable Property.

**7. Official Service Vehicles of the Municipality were not marked with “FOR OFFICIAL USE ONLY” in violation of COA Circular No.75-6.**

7.1 Section 361, Chapter 4 (Use, Repair and Maintenance of Government Vehicles), Title 6, Book III, and Volume I of the GAAM lay down the rules on the use of government vehicles and fuel consumption.

7.2 Likewise, item 2 of Section V of COA Circular No. 75-6 dated November 7, 1975, states that “All motor vehicles owned by the National Government, its agencies and instrumentalities, and all local government units xxx should be plainly marked, “For Official Use Only”, under which should be written the corresponding name of the bureau, office, corporation, provincial, city, municipality, or other local government unit operating or using the same. The mark should appear on each side of the motor vehicle. When there is no sufficient space on each side, the same should appear at the back and on the front just below the windshield of the motor vehicles.

7.3 Moreover, Manual on Audit for Fuel Consumption of Government Motor Vehicles by virtue of COA Circular 77-61 dated September 26, 1977 also provides for the proper marking of “FOR OFFICIAL USE ONLY (3 inches)” signage to all vehicles owned by the Government.

7.4 Verification of records and ocular inspection revealed that twenty-one (21) service vehicles of the Municipality issued to Officials and Employees were not marked with “FOR OFFICIAL USE ONLY” (*Annex F-Motor Vehicles*).

7.5 Non-marking of the vehicles defeats the purpose of transparency. Moreover, use of the Government vehicles should be properly controlled and regulated to avoid possible abuse and misuse of the same.

**7.6 We recommended that the GSO mark the service vehicles with “FOR OFFICIAL USE ONLY” pursuant to the requirements of the regulations to avoid possible use of government vehicles other than their official functions.**

*Management comment*

7.7 In reply to the AOM, the Management disclosed that proper coordination with concerned offices was made and procurement documents for needed supplies were being prepared. Although they commented that, the said service vehicles already bear the official logo of Naujan.

*Cost Deficiencies on inspected and evaluated projects by COA Technical Audit Specialist*

• **The Contract amounts for the Construction of Motor pool Extension and Slaughter House of ₱1,397,877.31 and ₱2,996,052.22, respectively, were found above the COA estimates by a total of ₱125,132.79 due to misapplication of Indirect Cost and VAT. Moreover, inspection of projects showed that one unit of Circuit Breaker 15A amounting ₱3,810.00 was not installed in the Motor pool Extension while a total cost deficiency of ₱87,624.60 was noted in the Construction of Slaughter House.**

8.1 Department of Public Works and Highways (DPWH) Department Order (DO) No. 22 dated February 18, 2015 provides the guidelines in the preparation of the ABC.

8.2 Technical Evaluation and Inspection Reports for the Construction of Motor pool Extension and Construction of Slaughterhouse projects dated August 25, 2016 and August 10, 2016, respectively, showed that the ABCs of the said projects were above the COA cost estimate due to misapplication of Indirect cost and Value-Added Tax (VAT) as per DPWH DO No. 22 dated February 18, 2015.

*Construction of Motor pool Extension, ₱1,397,877.31*

8.3 On July 14, 2015, the Municipality of Naujan entered into a contract with Althaea Enterprises for the Construction of Motor pool Extension at Barangay Santiago, Naujan, Oriental Mindoro for a total contract price of ₱1,397,877.31. COA cost estimate for the contract amounted to ₱1,314,089.48, thus, contract is higher by ₱83,787.82. The difference was attributable to the misapplication of Indirect Cost and VAT (*Annex M*).

8.4 Moreover, inspection of Construction of Motor pool Extension project on June 21, 2016 revealed that one (1) unit Circuit Breaker 15A, which was included under Item 1100 – Electrical Works, was not installed or missing. Thus, an additional cost deficiency of ₱3,810.00 equivalent to the cost of the missing unit.

8.5 The Municipal Engineer mentioned that the one unit circuit breaker was not found during the inspection because the same was removed for replacement but it was now already installed as per attached picture in her letter-reply.

*Construction of Slaughterhouse, ₱2,996,052.22*

8.6 The Municipal Government and 876 Construction & Supply executed a contract on November 25, 2015 for the Construction of Slaughterhouse in Barangay San Andres for ₱2,996,052.22. The contract cost was found above the COA cost estimate of ₱2,954,707.25

by as much as ₱41,344.97 also due to misapplication of Indirect Cost and VAT (*Annex N*).

8.7 Further, the COA TAS noted a cost disparity/deficiency of ₱87,624.60 in the inspection of Construction of Slaughterhouse project on June 21, 2016, equivalent to the cost of Embankment under Item II of the Program of Works for the Contract, due to the provision of embankment materials by the Municipal Government and the use of municipal loader for the said work item which should have been shouldered by the contractor, 876 Construction & Supply. The use of municipal loader and provision of embankment materials were shown in the issued Suspension Order with the reason, “*embankment materials were not available due to mechanical malfunction of municipal loader*”.

8.8 Such suspension also affected the contract duration of the project of 235 days or from November 26, 2015 to July 18, 2016. The number of days from the issuance of an invalid Suspension Order effective May 5, 2016 up to the issuance of the Resume Order effective June 17, 2016 was 43 calendar days considered to be the delay of the project and should be the subject of liquidated damages in accordance with Section 8.1 of Annex "E" of the IRR or RA 9184. Accordingly, using the same Suspension Order as basis, the Statement of Work Accomplishment (SWA) dated March 9, 2016 which showed a 100% accomplishment for Embankment or 420cu. m. at the item contract cost of ₱87,624.60 would be impossible to accomplish. Hence, by deducting the said amount from the submitted SWA of March 9, 2016 would result to an accomplishment of ₱1,172,019.75 instead of ₱1,259,644.35 or 39.12% only instead of 42%.

**8.9 We recommended that Management require the concerned contractor to refund the cost deficiency of ₱87,624.60 in the Construction of Slaughter House and the excess of contract amount above the COA estimates by a total of ₱125,132.79 due to misapplication of Indirect Cost and VAT.**

*Management comment*

8.10 In her letter-reply, the Municipal Engineer commented that the variance between the contract cost and COA estimate which is attributable to misapplication of Indirect cost and VAT since she was not informed/advised of DPWH DO No. 22. She also mentioned that the cost deficiency of ₱87,624.60 was the municipal's counterpart for the additional embankment to mitigate the effect of flood in the area near the slaughterhouse.

*Auditor's Rejoinder*

8.11 The Municipal Engineer must update herself in the latest/applicable rulings relative to the computation and preparation of POW. With regards to the cost deficiency, in the performance of detailed engineering activities, site investigation and preparation of quantity and cost estimates were included. If these two activities were efficiently performed, the Municipal Engineer can determine if the site is flood prone area and consequently in the preparation of POW, the appropriate costs for embankment will be reflected. The Team believes that the cost deficiency ₱87,624.60 be refunded to the Municipal government.

- **Liquidated damages totaling ₱161,720.00 was incurred by the suppliers due to 85 days and 4 days of delay in the supply and delivery of two (2) units of brand new Multi-purpose Vehicle and Backhoe with Dozer Blade, respectively.**

9.1 Section 3.1 under Annex “D” of the 2009 Implementing Rules and Regulations (IRR) of the Republic Act (RA) 9184 provides, “When the supplier fails to satisfactorily deliver goods under the contract within the specified delivery schedule, inclusive of duly granted time extensions, if any, the supplier shall be liable for damages for the delay and shall pay the procuring entity liquidated damages, not by way of penalty, an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for delivery for every day of delay until such goods are finally delivered and accepted by the procuring entity concerned.”

*Supply and Delivery of two (2) units Multi-purpose Vehicle, Brand New, ₱1,592,000.00*

9.2 The Municipality purchased two units brand new Mitsubishi L300 from SFM Sales Corporation with address at Km. 85.5 Maharlika Highway, San Ignacio, San Pablo City thru Purchase Order (PO) dated July 27, 2015 amounting to ₱1,592,000.00. The PO indicated that the delivery period should be within ten (10) days upon receipt of PO or until August 6, 2015.

9.3 The Liquidated Damage of ₱135,320.00 shown in COA TAS Inspection Report dated September 5, 2016 was due to delay of 85 days before the receipt of delivery on October 30, 2015 on Delivery Receipt (DR) Nos. 15385 and 15386. The Liquidated Damage (LD) was computed as follows:

$$\begin{aligned} \text{LD} &= 0.001 \times \text{₱1,592,000.00} = \text{₱1,592.00/day} \\ &= \text{₱1,592.00} \times 85 \text{ days} \\ &= \underline{\underline{\text{₱135,320.00}}} \end{aligned}$$

*Supply and Delivery of one (1) unit Brand New Backhoe with Dozer Blade, ₱6,600,000.00*

9.4 The Municipality procured One (1) unit Brand New Backhoe with Dozer Blade from RDAK Transport Equipment, Incorporated in MJ Cuenca, Cebu City for ₱6,600,000.00 thru PO dated April 14, 2015. The said PO sent to the supplier thru fax on the same date indicates that delivery period should be within five (5) days upon receipt of PO or until April 19, 2015. The concerned officials received the heavy equipment on April 23, 2015 under Delivery Receipt No. 0025.

9.5 The COA TAS Inspection Report dated August 2, 2016 showed liquidated damage of ₱26,400.00 due to delay of four (4) days by RDAK Transport Equipment, Incorporated. The damage was computed as follows:

$$\begin{aligned} \text{LD} &= 0.001 \times \text{₱6,600,000.00} = \text{₱6,600.00/day} \\ &= \text{₱6,600.00} \times 4 \text{ days} \end{aligned}$$

= **₱26,400.00**

9.6 Upon further verification of the documents submitted by Management, the Team considers the delivery date as reflected in the NTP. Hence, no liquidating damages will be imposed. However, since the KOMATSU brand, heavy equipment is imported from Japan, Consular Invoice/Proforma invoice of the foreign supplier and Import Commodity Clearance (ICC) should be submitted to the Office of the Auditor as required in Section 9.1.3.1 of COA Circular No. 2012-001 dated June 14, 2012.

**9.7 We recommended that Management require SFM Sales Corporation and to refund the amount of ₱135,320.00 and since the KOMATSU brand heavy equipment is imported from Japan, Consular Invoice/Proforma invoice of the foreign supplier and Import Commodity Clearance (ICC) should be submitted to the Office of the Auditor as required in Section 9.1.3.1 of COA Circular No. 2012-001 dated June 14, 2012 .**

*Management comment*

9.8 The Municipal Engineer mentioned that as per DR Nos. 15385 and 15386, the two units service vehicle were delivered on time as indicated in the PO dated July 27, 2015. Hence, no liquidating damages were to be imposed. Moreover, she disclosed that the delivery date of 5 days as reflected in the PO was a pro-forma PO. She justified that in the Notice to Proceed (NTP), it indicates that the machinery should be delivered within 30 days upon receipt of NTP. Thus, the delivery made on April 23, 2015 should not be subjected to liquidate damages.

*Auditor's Rejoinder*

9.9 The Team reevaluated the documents and found out that there is no date indicated in the DRs attached to the reply. However, the date of actual delivery was reflected in the copy of DRs submitted to the Office of the Auditor, thus, the amount of liquidating damages amounting to ₱135,320.00 for the delay incurred must be demanded from the SFM Sales Corporation.

**• Due to deviation from the approved Program of Works and other deficiencies noted by the COA Technical Audit Specialist (TAS), the inspection of roads in various barangays of Naujan resulted in cost deficiency of ₱652,227.77**

*Supply and Delivery of Materials to be used in the Concreting of Roads of Various Barangays, ₱2,024,652.50*

10.1 The Municipality entered into a Contract with Althaea Enterprises thru PO dated May 11, 2015 for the "Supply and Delivery of Materials to be used in the Concreting of Roads of Various Barangays in Naujan" in the amount of ₱2,024,652.50. The procurement was intended for the concreting of roads in ten (10) barangays of the Municipality.

10.2 Inspection of roads conducted on June 21-22, 2016 in seven (7) out of ten (10)

barangays of Naujan revealed that actual reported accomplishment differed from the COA verified accomplishment by a total of ₱298,383.80 as stated in COA TAS Inspection Report dated September 6, 2016. Details are as follows:

| Item Description  | Per Contract/PO | Quantity Per Inspection | Difference  | Deficiency in Pesos (materials & labor) as per Program of Work |
|---|-----------------|-------------------------|-------------|--|
| <ul style="list-style-type: none"> <li><b>Balumbon, Melgar A</b></li> </ul>                   |                 |                         |             |  |
| • Item 311 – Portland Cement Concrete Pavement  | 400 sq. m.      | 360.5 sq. m.            | 39.5 sq. m. | ₱23,308.16   |
| • Item I – Road Shoulder  | 20 cu. m.       | none                    | 20 cu. m.   | 9,620.00   |
| • Item SPL-I – Fabrication/ Installation of Billboard   | 2 units         | none                    | 2 units     | 3,713.00   |
| Sub-total   |                 |                         |             | <b>36,641.16</b>   |
| <ul style="list-style-type: none"> <li><b>Bingkong Gitna, Melgar B</b></li> </ul>             |                 |                         |             |  |
| • Item 311 – Portland Cement Concrete Pavement  | 400 sq. m.      | 202 sq. m.              | 198 sq. m.  | 116,835.84   |
| • Item I – Road Shoulder  | 20 cu. m.       | none                    | 20 cu. m.   | 9,620.00   |
| • Item SPL-I – Fabrication/ Installation of Billboard   | 2 units         | none                    | 2 units     | 3,713.00   |
| Sub-total   |                 |                         |             | <b>130,168.84</b>  |
| <ul style="list-style-type: none"> <li><b>Tabang Loob, Santiago</b></li> </ul>                |                 |                         |             |  |
| • Item I – Road Shoulder  | 20 cu. m.       | none                    | 20 cu. m.   | 9,620.00   |
| • Item SPL-I – Fabrication/ Installation of Billboard   | 2 units         | none                    | 2 units     | 3,713.00   |
| Sub-total   |                 |                         |             | <b>13,333.00</b>   |
| <ul style="list-style-type: none"> <li><b>Sitio 6, Kalinisan</b></li> </ul>                   |                 |                         |             |  |
| • Item I – Road Shoulder  | 20 cu. m.       | none                    | 20 cu. m.   | 9,620.00   |
| • Item SPL-I – Fabrication/ Installation of Billboard   | 2 units         | none                    | 2 units     | 3,713.00   |
| Sub-total   |                 |                         |             | <b>13,333.00</b>   |
| <ul style="list-style-type: none"> <li><b>So. Bahay, Antipolo</b></li> </ul>                  |                 |                         |             |  |
| • Item I – Road Shoulder  | 20 cu. m.       | none                    | 20 cu. m.   | 9,620.00   |
| • Item SPL-I – Fabrication/ Installation of Billboard   | 2 units         | none                    | 2 units     | 3,713.00   |
| Sub-total   |                 |                         |             | <b>13,333.00</b>   |
| <ul style="list-style-type: none"> <li><b>So. 3, Sta. Cruz</b></li> </ul>                     |                 |                         |             |  |
| • Item I – Road Shoulder  | 20 cu. m.       | none                    | 20 cu. m.   | 9,620.00   |
| • Item SPL-I – Fabrication/ Installation of Billboard   | 2 units         | none                    | 2 units     | 3,713.00   |
| Sub-total   |                 |                         |             | <b>13,333.00</b>   |
| <ul style="list-style-type: none"> <li><b>So. Duongan &amp; Pitugo, San Jose I</b></li> </ul> |                 |                         |             |  |
| • Item 311 – Portland Cement Concrete Pavement  | 400 sq. m.      | 290 sq. m.              | 110 sq. m.  | 64,908.80  |
| • Item I – Road Shoulder  | 20 cu. m.       | none                    | 20 cu. m.   | 9,620.00   |
| • Item SPL-I – Fabrication/   | 2 units         | none                    | 2 units     |  |

|                           |  |  |  |                    |
|---------------------------|--|--|--|--------------------|
| Installation of Billboard |  |  |  | 3,713.00           |
| Sub-total                 |  |  |  | <b>78,241.80</b>   |
| <b>Grand Total</b>        |  |  |  | <b>₱298,383.80</b> |

- The TAS also observed minor cracks on the concrete roads, and actual Concrete Road measurements were mostly did not tally with the measurements indicated in the approved POWs.
- **We recommended that the Municipal Mayor require the contractor to rectify the noted deficiencies or refund the total cost deficiency.**

*Management comment*

10.5 The Municipal Engineer in her letter-reply made the following comments in the cost deficiencies incurred for the supply and delivery of materials to be used in the concreting of roads in various barangays of Naujan:

- Balumbon, Melgar A– She justified for (₱13,333.00) only wherein she cited that materials were delivered, however, it were utilized for subgrade preparation since the project site was not prepared for concreting. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Bingkong Gitna, Melgar B (₱130,168.84)– During COA visit, the project is still ongoing. This was suspended for the reason that said line was used by Mindoro Geothermal Power Corp. re: transport of machineries and other equipment and materials. Due to suspension, it was ongoing during inspection. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Tabang Loob, Santiago (₱13,333.00)– The road shoulder completed was washed out due to flood occurrence .The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Sitio 6, Kalinisan (₱13,333.00)– Materials were delivered; however, it were utilized for subgrade preparation since the project site was not prepared for concreting. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Sitio Bahay, Antipolo (₱13,333.00) - Materials were delivered; however, it were utilized for subgrade preparation since the project site was not prepared for concreting. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Sitio 3, Sta. Cruz (₱13,333.00)- Materials were delivered; however, it were utilized for subgrade preparation since the project site was not prepared for concreting. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.

- Sitio Duongan and Pitugo, San Jose(₱78,241.80) – During COA visitation, portion of the project located at Pitugo was not visited, it covers 140 sq meters, which was completed. Materials were delivered; however, it was utilized for subgrade preparation since the project site was not prepared for concreting. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.

*Supply and Delivery of Materials to be used in the Concreting of Roads of Various Barangays, ₱2,866,745.62*

10.6 The Municipality entered into a Contract with Althaea Enterprises thru PO dated July 28, 2015 for the “Supply and Delivery of Materials to be used in the Concreting of Roads of Various Barangays in Naujan” in the amount of ₱2,866,745.62. The procurement was intended for the concreting of roads in 14 barangays of the Municipality.

10.7 Inspection of roads conducted on June 21-22, 2016 in the 14 barangays revealed that actual reported accomplishment differed from the COA verified accomplishment by a total of ₱198,257.00 as stated in COA TAS Inspection Report dated November 3, 2016. Details of disparity are shown in ***Annex O***.

10.8 Moreover, minor cracks or hairline cracks that were about to develop were noted in the following barangays, which need to be monitored by the Municipality:

| Barangay        | Station/Location    |
|-----------------|---------------------|
| Sta. Isabel     | sta. 17-20          |
| Pagkakaisa      | sta. 70 & 75        |
| San Agustin     | sta. 00 to sta. 5.0 |
| Pinagsabangan 2 | sta. 13 & 17        |
| Piñahan         | sta. 15             |

**10.9 We recommended that the Municipal Mayor require the contractor to rectify the noted deficiencies or refund the total cost deficiency.**

*Management comment*

10.10 The Municipal Engineer in her letter-reply made the following comments in the cost deficiencies incurred for the supply and delivery of materials to be used in the concreting of roads in various barangays of Naujan:

- Barangay Bancuro– The Municipal Engineer justified for cost deficiency of ₱42,837.00 only. Deficiency according to her was due to uneven thickness, varies from 7.5 to 6 inches re: concrete flooring and uneven subgrade preparation. Materials were delivered; however, it was utilized for subgrade preparation since the project site was not prepared for concreting. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.

- Barangay Sta. Isabel (₱8,541.00) – Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay Bayani (₱13,351.00)- Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay Adrialuna (₱13,351.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay Malinao (₱13,351.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay San Carlos (₱13,351.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay Pagkakaisa (₱13,351.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay San Agustin (₱13,351.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay Pinagsabangan II (₱13,351.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay Poblacion II– not inspected due to impassable road
- Barangay Piñahan (₱13,351.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Sitio Centro II, Barangay Bagong Buhay (₱13,351.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay Buhangin (₱13,351.00)- Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.

- Barangay Laguna (₱13,351.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.

*Supply and Delivery of Materials to be used in the Concreting of Roads of Various Barangays, ₱4,994,869.83*

10.11 The Municipality entered into a Contract with Althaea Enterprises thru PO dated October 14, 2015 for the “Supply and Delivery of Materials to be used in the Concreting of Roads of Various Barangays in Naujan” in the amount of ₱4,994,869.83. The procurement was intended for the concreting of roads in 42 barangays of the Municipality.

10.12 Inspection of roads conducted on June 21-22, 2016 revealed that actual reported accomplishment differed from the COA verified accomplishment by a total of ₱53,332.00 (*Annex P*) as shown in COA TAS Inspection Report dated November 3, 2016. Also, materials given to Barangay Nag-Iba I was allegedly damaged by Typhoon Nona. However, no report was submitted yet by the LDRRMO.

**10.13 We recommended that the Municipal Mayor require the contractor to rectify the noted deficiencies or refund the total cost deficiency.**

*Management comment*

10.14 The Municipal Engineer in her letter-reply made the following comments in the cost deficiencies incurred for the supply and delivery of materials to be used in the concreting of roads in various barangays of Naujan:

- Barangay Nag-iba II (₱13,333.00)- Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay Nag-iba I– Materials damaged by typhoon Nona (see attached written reports from Punong Barangay and pictures)
- Barangay Sampaguita – No justification by the Municipal Engineer
- Barangay Del Pilar (₱13,333.00)- Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.
- Barangay Evangelista (₱13,333.00) - Completed, however, shoulder was washed by flood due to heavy rains. The Billboard was installed; however, it was damaged/destroyed due to occurrence of typhoon Nona.

*Concreting of Road at Sitio Talon, Brgy. Motoderazo, ₱496,671.84*

10.15 On January 12, 2015, the Municipality of Naujan entered into a contract with Althaea Enterprises for the Concreting of Road at Sitio Talon, Brgy. Motoderazo for a total contract price of ₱496,671.84. The project was reported completed on March 9, 2015, and inspected and certified completed by the Municipality on March 17, 2015.

10.16 The COA TAS Technical Evaluation and Inspection Reports both dated November 17, 2016 stated that on the inspection conducted on September 14, 2016, the COA TAS noted that the Work Item SPL-II – Road Shoulder (Compacted) was not provided/accomplished resulting in cost deficiency of ₱20,988.72 equivalent to the amount indicated in the Contract for that pay item.

**10.17 We recommended that the Municipal Mayor require the contractor to rectify the noted deficiencies or refund the total cost deficiency.**

*Management comment*

10.18 The Municipal Engineer justified for the cost deficiency of ₱20,988.72 for concreting of road at Sitio Talon, Barangay Motoderazo. She mentioned that the work item SPL-II-road shoulder (compacted) was completed; however, shoulder was washed by flood due to heavy rains/typhoons.

*Concreting of Road at Sitio West and North, Brgy. Evangelista, ₱497,706.32*

10.19 On November 19, 2014, the Municipality of Naujan entered into a contract with REMM V Builders and Enterprises for the Concreting of Road at Sitio West and North, Brgy. Evangelista for a total contract price of ₱497,706.32. The project was reported completed on December 29, 2014, and inspected and certified completed by the Municipality on January 14, 2015.

10.20 The COA TAS Technical Evaluation and Inspection Reports both dated November 18, 2016 stated that on the inspection conducted on September 14, 2016, the COA TAS noted that the Work Item SPL-II – Road Shoulder (Compacted) was not provided/accomplished resulting in cost deficiency of ₱18,749.88 equivalent to the amount indicated in the Contract for that pay item.

**10.21 We recommended that the Municipal Mayor require the contractor to rectify the noted deficiencies or refund the total cost deficiency.**

*Management comment*

10.22 The Municipal Engineer justified for the cost deficiency of ₱18,749.88 for concreting of road at Sitio West and North, Barangay Evangelista. She mentioned that the work item SPL-II-road shoulder (compacted) was completed; however, shoulder was washed by flood due to heavy rains/typhoons.

*Renovation of Naujan East RHU, Barangay Santiago, ₱498,024.85*

10.23 The Municipality of Naujan entered into a contract with Las Minas de Oro Construction for ₱498,024.85 on May 27, 2014 for the Renovation of Naujan East RHU in Barangay Santiago. The project was reported completed on August 26, 2014, inspected, and certified completed by the Municipality on August 27, 2014.

10.24 In the inspection conducted on September 14, 2016, the COA TAS found the project to be 91% completed only and noted the following deficiencies:

| Item Description   | Per Contract/PO | Quantity Per Inspection | Not Put in Places | Deficiency in Pesos |
|--|-----------------|-------------------------|-------------------|---------------------|
| • Item 506 – (Concrete Masonry) Masonry works for CHB #4 | 525 pcs.        | none                    | 525 pcs.          | ₱ 8,089.20          |
| • Item 506 – (Concrete Masonry) Portland Cement          | 74 bags         | 24 bags                 | 50 bags           | 22,684.00           |
| • Item 506 – (Concrete Masonry) 10mm x 6m RSB            | 116 pcs         | 86 pcs                  | 30 pcs            | 8,731.20            |
| • Item 506 – (Concrete Masonry) Mixed sand and gravel    | 12 cu. m.       | 8 cu. m.                | 4 cu. m.          | 2,602.24            |
| • Item 506 – (Concrete Masonry) Sand                     | 12 cu. m.       | 8 cu. m.                | 4 cu. m.          | 2,396.80            |
| <b>Total</b>   |                 |                         |                   | <b>₱44,503.44</b>   |

10.25 **We recommended that the Municipal Mayor require the contractor to rectify the noted deficiencies or refund the total cost deficiency.**

*Management comment*

10.26 The Municipal Engineer justified for the cost deficiency of ₱44,503.44 for the renovation of Naujan East RHU, Barangay Santiago. She cited that Item No. 506-Concrete masonry was completed since said masonry works cover provision of concrete division walls, CR, TB Dots, provision of wash/sink areas/concrete ramps/stairs and septic tanks covering an area of 61 square meters (as per attached pictures). Portion of concrete division walls have been demolished/renovated to conform with the design of the DPWH project (Phase II).

*Concreting of Road at Sitio Tondo, Barangay San Luis, ₱498,176.85*

10.27 On January 12, 2015, the Municipality of Naujan entered into a contract with Althaea Enterprises for the Concreting of Road at Sitio Tondo, Barangay San Luis for a total contract price of ₱498,176.85. The project was reported completed on February 18, 2015, and inspected and certified completed by the Municipality on March 2, 2015.

10.28 The COA TAS Technical Evaluation and Inspection Reports both dated November

18, 2016 showed that in the inspection conducted on September 14, 2016, the following were not provided/accomplished resulting in cost deficiency of ₱18,012.93.

| <b>Per Final SWA</b>          | <b>Per Inspection</b> | <b>Difference</b>                           |
|-------------------------------|-----------------------|---|
| B. Road Shoulder, 16.5 cu. m. | No shoulder           | ₱12,170.73<br>(16.50 cu.m. x ₱737.62/cu.m.) |
| C. Billboard/Signage, 3 units | No tarpaulin          | 5,842.20<br>(3 x ₱1,947.40/unit)            |
| <b>Total</b>                  |                       | <b>₱18,012.93</b>                           |

10.29 **We recommended that the Municipal Mayor require the contractor to rectify the noted deficiencies or refund the total cost deficiency.**

*Management comment*

10.30 In her letter-reply, the Municipal Engineer justified for the cost deficiency of ₱18,012.93. She mentioned that the shoulder was completed; however, washed out by floods due to heavy rains and the billboard was installed, however, it was damaged/destroyed due to occurrence of typhoon Nona. In general, she cited that time elapsed on the period of project completion as to the time of inspection covered more or less one to two years the most as per record and this has an effect on items on the POW that is temporary (tarpaulin/billboard), and due to sun and rain exposure, it can be easily damaged, aside from the presence of several typhoons in the last two years. The same with the compacted road shoulders that can easily be washed out by flood due to intermittent and heavy rains and typhoons as well, considering that most of the areas are low laying and flood prone while others are near either coast and lakes.

*Auditor's Rejoinder*

10.31 The Team cannot evaluate the justification submitted by the Municipal Engineer so we will forward their reply to the noted deficiencies to the COA TAS that inspected and evaluated those projects.

- **Purchase Order totaling ₱5,492,000.00 for the procurement of two units each of rescue vehicle and rescue ambulance was approved despite insufficient appropriation as indicated in the Certificate of Availability of Funds. Moreover, delay by the supplier in the delivery of the motor vehicles in the Municipality was incurred but no liquidating damages were imposed.**

11.1 Section 86 of the P.D. No. 1445 includes that no contract involving the expenditure of public funds by any government agency shall be entered into or authorized unless the proper accounting official of the agency concerned shall have certified to the officer entering into the obligation that funds have been duly appropriated for the purpose and that the amount necessary to cover the proposed contract for the current fiscal year is available for expenditure on account thereof, subject to verification by the auditor concerned. Xxx.

11.2 Likewise, Section 4(6) of the same Decree requires that claims against government

funds shall be supported with complete documentation.

11.3 Moreover, Section 53 of the Revised IRR of RA 9184 defines Negotiated Procurement as a method of procurement of goods, infrastructure projects and consulting services, whereby the procuring entity directly negotiates a contract with technically, legally, and financially capable supplier, contractor or consultant xxx.

11.4 Furthermore, item 3 of Annex D of the same IRR also includes that when the supplier fails to satisfactorily deliver goods under the contract within the specified delivery schedule, inclusive of duly granted time extensions, if any, the supplier shall be liable for damages for the delay and shall pay the procuring entity liquidated damages, not by way of penalty, an amount equal to one-tenth (1/10) of one percent (1%) of the cost of the delayed goods scheduled for delivery for every day of delay until such goods are finally delivered and accepted by the procuring entity concerned.

11.5 Audit of the paid DVs under Trust Fund for CY 2016 revealed that the Municipality procured two units each of rescue vehicle (pick-up type) and rescue ambulance costing ₱1,237,500.00 and ₱1,508,500.00 per unit, respectively, totaling ₱5,492,000.00 from Mantrade Development Corporation.

11.6 However, scrutiny of the supporting documents disclosed the following:

- The procurement was covered by Purchase Request (PR) Nos. 11-2015-992 and 993 dated November 16, 2015 amounting to ₱2,477,780.00 and ₱3,019,780.00 totaling ₱5,497,560.00 and unnumbered Purchase Order (P.O.) dated March 15, 2016 amounting to ₱5,492,000.00. It was supported with two Certificates of Availability of Fund (CAF) by the Municipal Accountant, (1) CAF dated November 3, 2015 for ₱4,950,000.00 and (2) CAF dated May 30, 2016 for ₱550,000.00.

It can be gleaned that no sufficient fund was available as of the date the P.O. was signed by the Municipal Mayor and the supplier. The transaction was paid under Check No. 49742728 dated June 1, 2016. Analysis of the Memorandum of Agreement (MOA) by and between the Department of Interior and Local Government (DILG) and the Municipality of Naujan executed on July 2, 2015 disclosed that out of the ₱17.5M allocation for Bottom-Up Budgeting, ₱5.5M was allotted for the procurement of rescue vehicles. However, no supporting documents relative to the release of the fund by the DILG and received by the Municipality were attached.

- The delivery period indicated in the P.O. was within five days upon receipt of the P.O. by the supplier. The same P.O. provides certification that Mr. Michael M. Lopez, fleet account executive/representative of the Mantrade Development Corporation received the P.O. on March 15, 2016 and held himself build by the stipulations of the contract. Although the minutes of the pre-procurement and pre-bid conferences held on January 11 and 25, 2016 disclosed that, the vehicles are expected to be delivered within 30 days upon the receipt of the P.O.

- Two units of Nissan Rescue Ambulance were delivered on April 30, 2016 as evidenced by Delivery Receipts and Vehicle Sales Invoice Nos. VI002613 and VI002614, while the two units Nissan Navarra (rescue vehicle) were delivered on May 5, 2016 as evidenced by Delivery Receipts and Vehicle Sales Invoice Nos. VI002621 and VI002622. It can be observed that actual delivery of the vehicles to the Municipality was way beyond the expected delivery period indicated in the P.O.
- The IARs were both unnumbered and undated as to the inspection and acceptance by the Inspection Committee and no date was indicated in the PARs as to the issuance by the GSO and subsequent receipt by the MDRMO as end-user.
- Analysis of the procurement process showed that the first bidding took place on December 21, 2015 for which the only one bidder was declared ineligible resulting to failure of bidding as evidenced by BAC Resolution No. 2015-099A. The second failure of bidding was declared on February 9, 2016, same date indicated in the pre-procurement and pre-bid conferences as date of bid opening, thru BAC Resolution No. 2016-006 and as a result, the acquisition was resorted to Negotiated Procurement as indicated in the notice posted in PhilGEPS on February 16, 2016. It was observed that no pre-procurement and pre-bid conferences were conducted before the first bidding on December 21, 2015 and at the same time; no posting in the newspaper of general circulation took place before the first bidding but only before the second public bidding.
- Verification of the BIR Certificate of Registration revealed that the line of business/industry of Mantrade Development Corporation were (1) 5020-maintenance and repair of motor vehicles and 5030-sale of motor vehicle parts and accessories. Although its Statement of Single Largest Completed Contract (SLCC) similar to the contract to be bid indicates that it has entered into several contracts relative to supply and delivery of various motor vehicles to different private companies and national government agencies.
- No copy of brochures/manuals was provided by the supplier.

11.7 The above observations clearly signify the failure of the members of the BAC and other municipal officials to properly implement and evaluate the procurement process that casted doubt on the propriety of the transaction made.

11.8 **We recommended that the:**

- **Municipal Accountant explain why the funds available as indicated in the CAF was insufficient to cover the total amount of the acquired motor vehicles during the time of the award of the P.O. and even after its delivery;**
- **BAC Chairman and the members of the BAC explain the noted observations in the procurement process relative to the acquisition of the motor vehicles funded out of BUB;**

- **Municipal Accountant compute for the liquidated damages incurred for the delay in the delivery of goods and make a formal demand against the supplier for the payment of the amount computed;**
- **BAC Secretariat and Municipal Accountant submit the lacking supporting documents for the proper audit; and**
- **Municipal officials and employees particularly the members of the Inspection Committee, GSO and end-user representative properly accomplished the IAR and PAR by indicating the control numbers and dates for the efficient and effective evaluation of the documents and transactions.**

*Management comment*

11.9 In response to the AOM issued, the Management cited the DILG Memo Circular No. 2015-45 dated April 23, 2015 stating that fund releases to Implementing Partners for the procurement of equipment/goods costing above ₱500,000.00 shall be made in two tranches – 1<sup>st</sup> tranche-90% of the Subproject allocation upon MOA signing and 2<sup>nd</sup> tranche-10% of the Subproject allocation or the awarded contract cost less the first tranche xxx. The lacking documents such as the photocopy of the minutes of pre-bid conference dated December 9, 2015, photocopy of posting in the newspaper dated December 12, 2015, and brochure/manuals of the service vehicles were submitted as attachment to the letter-reply. They assured the Audit Team that the liquidating damages amounting to ₱15,392.00 for the delay in the delivery will be deducted from the retention money of Mantrade Development Corporation. They also committed that the proper procurement process and documentations will be always adhered into by the BAC and the proper accomplishment of IAR and PAR as to control numbers will be complied by the GSO.

*Auditor's Rejoinder*

11.10 The Team firmly believes that in case of procurement, Section 86 of the P.D. No. 1445 will prevail stating that no contract agreement must be entered into by the LGU unless there is an available fund certified by proper accounting official.

- **Appropriations for two development projects totaling ₱2,987,440.00 were not in accordance with DILG and DBM JMC No. 2011-1, thereby defeating the purpose for which the fund was made available.**

12.1 Section 3 of DILG and DBM JMC No. 2011-1 dated April 13, 2011 provides the priority programs and projects that may be funded out of the 20% development fund, which in part includes:

3.1.8 *Purchase and development of land for the relocation of informal settlers and relocation of victims of calamities;*

3.3.2 *Construction or rehabilitation of sanitary landfills, material recovery facilities, Xxx*

12.2 Review of the SAAOB disclosed that the Municipality appropriated a total of ₱2,987,440.00 for the following projects, which are contrary to the above-cited provision thereby defeating the purpose for which the fund was made available:

| Year            | Programs/Projects/Activities                   | Appropriations      |
|-----------------|--|---------------------|
| 2014 & below    | Land for slaughterhouse                        | 2,000,000.00        |
| 2016 (SB No. 1) | Land for the rehabilitation of public cemetery | 987,440.00          |
| <b>Total</b>    |  | <b>2,987,440.00</b> |

**12.3 We recommended that the MPDO submit justification for the appropriation of 20% Development Fund to projects contrary to DBM and DILG JMC No. 2011-1.**

*Management comment*

12.4 In response to the AOM issued, the Management cited that there is still unavailable lot for the proposed cemetery and they strongly believe that there is a need for the reversion of previous balances for other infrastructure projects as per corrective actions being suggested by the Audit Team.

*Cash Advances*

• **Liquidation of cash advances totaling ₱787,400.00 and ₱263,803.00 for special purpose activities and travelling expenses, respectively, beyond prescribed period due to delayed submission of documents by the concerned officials/employees and implementing offices. Moreover, refund of cash advances totaling ₱21,310.00 for cancelled trips were not made promptly by the Accountable Officers (AOs) upon termination of their intended travels.**

13.1 Section 1 of COA Circular No. 2012-004 dated November 28, 2012 stipulates that cash advances as a rule, must be liquidated within the prescribed periods depending upon the nature and purpose of the cash advance and among those are cash advances for operating expenses such as special purpose and time bound activities which should be liquidated within twenty (20) days from accomplishment of the purpose.

13.2 Section 5.1.3 of COA Circular No. 97-002 dated February 10, 1997 prescribes that cash advance for travel shall be liquidated by the official or employee concerned strictly within thirty (30) days after his return to his official station as provided for in Executive Order No. 248 and COA Circular No. 96-004.

13.3 Section 3.1.2.3 of COA Circular No. 96-004 dated April 19, 1996 provides that where a trip is cancelled, the amount paid in advance shall be refunded in full. In cases where

the trip is cut short or terminated in advance of the itinerary, the excess payment shall likewise be refunded. These refunds shall be made immediately upon cancellation or termination of the trip. It shall be the primary duty of agency heads to enforce promptly the refund.

13.4 Moreover, Section 8 of CSC Resolution No. 04-0676 dated June 17, 2004 states that:

*Failure of the Accountable Officer to render an account in full within the periods prescribed and after formal demand shall constitute the administrative offense of Gross Neglect of Duty punishable by dismissal from service for the first offense. Full liquidation/settlement/payment of the subject cash advance outside the given periods shall constitute the offense of Simple Neglect of Duty punishable by suspension from the service for one (1) month and one (1) day to six (6) months for the first offense, and dismissal from service for the second offense.*

This is a reiteration of previous year's Audit Observation.

#### *Special Purpose Cash Advance*

13.5 On March 7, 2016, cash advance amounting to ₱787,400.00 was drawn in the name of Ms. Emilie C. Masuba, Cash Disbursing Officer (DO), under check no. 51305798 to defray for expenses during the "Training and Development Program 2016" at Baguio City scheduled on March 9 to 12, 2016 with an estimated 192 participants.

13.6 Implementing Offices per Project Design were the (1) Office of the Municipal Mayor, (2) Office of the Municipal Administrator, and (3) Office of the Human Resource Management Officer.

13.7 First partial liquidation amounting to ₱777,992.00 for the project was made by Ms. Masuba on July 20, 2016, 110 days after project completion, which was way beyond the reglementary period of twenty (20) days from the accomplishment of such activity. The delay incurred in liquidating the cash advance (CA) was due to late processing of documents and receipts relative project implementation by the Offices concerned. Breakdown of the liquidation and computation of the balance follows:

#### **CASH ADVANCE**

Check No. 51305798

**₱787,400.00**

#### **Less: LIQUIDATION**

##### ***Actual Expenses***

|                         |                   |
|-------------------------|-------------------|
| Travelling Allowances   | 101,272.71        |
| Transportation Expenses | 196,080.00        |
| Hotel Accommodation     | <u>404,272.50</u> |
| Total Actual Expenses   | <u>701,625.21</u> |

***Refund by Ms. Masuba***

|  |                          |
|--|--------------------------|
| OR No. 7220630                                 | 76,366.79                |
| <b>Total Liquidation</b> (as of July 20, 2016) | <b><u>777,992.00</u></b> |

|                                      |                          |
|--------------------------------------|--------------------------|
| <b>BALANCE</b> (as of July 20, 2016) | <b><u>₱ 9,408.00</u></b> |
|--------------------------------------|--------------------------|

13.8 Ms. Rowena P. Bugarin, Human Resource Management Officer (HRMO), project manager, failed to settle the cash advance of ₱9,408.00. On a letter dated July 19, 2016, she authorized the Municipal Treasurer to deduct from her salary the amount of ₱500.00 each every 15<sup>th</sup> and 30<sup>th</sup> of the following months until full settlement of her accountability.

13.9 The Municipal Accountant closed the remaining balance of “Advances to Special Disbursing Officer” account amounting ₱9,408.00 to “Other Receivables” account to reflect the arrangement by the HRMO for her piecemeal settlement of the balance.

13.10 As of December 31, 2016 settlements by the HRMO amounted to ₱2,500.00 leaving a balance of ₱6,408.00 as “Other Receivables”, which the Municipal Accountant did not made pertinent disclosure thereto in the Notes to Financial Statements.

#### *Cash Advances for Local Travel*

13.11 Verification of Liquidation Reports for local travels disclosed that CAs granted to officials and employees totaling ₱263,803.00 (**Annex R**) were liquidated beyond the thirty (30) days prescribed period. The mentioned amount was lower than CY 2015’s balance of ₱379,773.00 per Annual Audit Report.

Summary of the said CAs is shown below:

| <b><i>Responsibility Center</i></b>                                       | <b><i>Amount</i></b> |
|---|----------------------|
| Office of the Municipal Social Welfare & Development Officer (MSWDO)      | ₱ 52,648.00          |
| Office of the Municipal Assessor (MAssO)                                  | 40,358.00            |
| Office of the Sangguniang Bayan (SBO)                                     | 42,085.00            |
| Office of the Municipal Civil Registrar (MCR)                             | 37,739.00            |
| Office of the Municipal Disaster Risk & Reduction Officer (MDRRMO)        | 17,725.00            |
| Office of the Municipal Agriculturist (MAgO)                              | 16,049.00            |
| Office of the Municipal Human Resource Management Officer (HRMO)          | 15,850.00            |
| Office of the Municipal Treasurer (MTO)                                   | 13,950.00            |
| Office of the Municipal Environmental & Natural Resources Officer (MENRO) | 9,715.00             |

|   |                     |
|---|---------------------|
| Slaughter House   | 9,330.00            |
| Office of the Municipal Planning & Development Officer (MPDO) | 8,354.00            |
| <b>TOTAL</b>  | <b>₱ 263,803.00</b> |

#### *Refund for Cancelled Travels*

13.12 It was also noted that refunds for cancelled trips totaling ₱21,310.00 were not covered by Liquidation Reports and no valid justifications for not pursuing the travel were made and submitted by the AOs. Much more, no immediate refund was made by the AOs to settle their CAs despite cancellation of said travels.

13.13 The following two Municipal Officials with cancelled trips for which they failed to make immediate refunds follows:

| <i>Accountable Officer</i> | <i>Designation/ Position</i> | <i>Purpose of Travel</i>   | <i>Settlement Date</i> | <i>No. of Days Outstanding Beyond Required Liquidation Date</i> | <i>Amount Refunded</i> |
|----------------------------|------------------------------|--|------------------------|---|------------------------|
| Virgilio Añonuevo          | Municipal Assessor           | to attend PHLATRA 83rd Annual National Convention and Seminar Workshop; 02/22-27/16; SMX Convention Center, Pasay City | 03/03/16               | 10  | ₱13,950.00             |
| Rhodeliza Peñarroyo        | Municipal Civil Registrar    | to attend Training on Revised IRR of RA 9255; 05/15-18/16; Sikatuna Beach Hotel, San Jose, Occ. Mdo.                   | 06/13/16               | 29  | 7,360.00               |
| <b>TOTAL</b>               |                              |  |                        |   | <b>₱21,310.00</b>      |

13.14 Failure of the accountable officers to liquidate their cash advances on time or as soon as the purpose had been served and completed resulted in the material balances of cash advances which overstated the “Due from Officers and Employees” account and understated the related expense accounts for a given period.

13.15 Moreover, failure to refund immediately the cash advances for cancelled travels increased the risk of misappropriation of funds by the officials and employees concerned with unliquidated cash advances.

13.16 **We recommended and Management agreed that the:**

- **Individual Accountable Officers granted with cash advances(a) strictly observe diligence in the liquidation of their respective cash advances within**

the prescribed period, (b) return the excess cash advances, if any, simultaneously with the liquidation report, and (c) in case of cancelled travel, immediately and fully refund the cash advance and submit valid justification for not pursuing the proposed travel;

- Accountable Officers with cash advances ensure that the required supporting documents for the project/activity of different offices are immediately submitted to the Municipal Accountant;
  - The Municipal Accountant and Treasurer closely monitor the liquidation of cash advances and issue demand letters to concerned officials and employees with cash advances that remained unsettled for more than thirty (30) days; and
  - The Municipal Treasurer withhold the salaries due to Officials and Employees concerned with overdue unliquidated cash advances and those with previously issued demand letter to prevent misappropriation of public funds, overstatement of Due from Officers and Employees account and understatement of affected expense accounts for a given period.
- **Granting of additional cash advance to Municipal Officials despite pending/unliquidated cash advances.**

14.1 Section 89 of P.D. No. 1445 provides that no additional cash advance shall be allowed to any official or employee unless the previous cash advance given to him is first settled or a proper accounting thereof is made.

14.2 Audit of cash advances revealed that additional cash advances were granted to four (4) Municipal Officials despite non-liquidation/non-settlement of previously granted cash advance (*Annex S*).

14.3 Granting of additional cash advance to Officials and Employees with outstanding CAs did not only violate the abovementioned provisions of P.D. No. 1445 but also imposed a risk that the amount additionally granted may be use for purposes other than specified in the granted cash advance.

14.4 **We recommended that the Municipal Accountant monitor the liquidation of cash advances within the reglementary period as prescribed by law and that the Municipal Mayor, Accountant and Treasurer prohibit drawing of additional cash advance by the Municipal Officials and Employees when no full liquidation/settlement for previously granted cash advance was rendered by the AO.**

*Management comment*

14.5 In her response, the Municipal Accountant cited that she has already assigned accounting staff to monitor cash advances drawn by municipal officials and employees.

- **Payments totaling ₱644,295.48 for mobile subscriptions, internet subscriptions and various reimbursements for travelling expenses were made out of cash advances for Petty Operating Expenses/Maintenance and Other Operating Expenses (MOOE).**

15.1 Section 4.3 of COA Circular No. 97-002 dated February 10, 1997 prescribes that cash advance for petty operating expenses (1) shall be sufficient for the recurring expenses of the agency for one month and (2) shall not be used for payment or regular expenses, such as rentals, subscriptions, light and water and the like.

15.2 Verification of Reports of Cash Disbursements for CY 2016 revealed that payments for monthly mobile and internet subscriptions amounting to ₱192,250.00 and ₱20,459.61, respectively, were charged from the cash advance for petty operating expenses/MOOE of ₱100,000.00 made by the Cash Disbursing Officer. Moreover, reimbursements for various travelling expenses of Officials and Employees were also made from the same cash advance, which totaled ₱431,585.87 during the year.

15.3 Monthly breakdown of the aforementioned expenses paid out of CA for petty operating expenses/MOOE follows:

| <i>Month</i> | <i>Mobile</i>       | <i>Internet</i>    | <i>TEV</i>          | <i>Total</i>       |
|--------------|---------------------|--------------------|---------------------|--------------------|
|              | ₱                   | ₱                  |                     | ₱                  |
| Jan          | 21,395.50           | 1,000.00           | ₱ 0.00              | 22,395.50          |
| Feb          | 69,516.50           | 1,926.61           | 45,726.87           | 117,169.98         |
| Mar          | 39,917.00           | 1,999.00           | 26,223.50           | 68,139.50          |
| Apr          | 5,535.00            | 999.00             | 10,607.00           | 17,141.00          |
| May          | 4,745.00            | 1,648.00           | 6,560.50            | 12,953.50          |
| Jun          | 1,874.00            | 999.00             | 13,519.29           | 16,392.29          |
| Jul          | 9,389.00            | 1,000.00           | 113,520.71          | 123,909.71         |
| Aug          | 7,008.00            | 1,999.00           | 30,000.00           | 39,007.00          |
| Sep          | 3,500.00            | 3,632.00           | 62,131.00           | 69,263.00          |
| Oct          | 5,763.00            | 0.00               | 7,960.00            | 13,723.00          |
| Nov          | 8,071.00            | 2,259.00           | 27,142.00           | 37,472.00          |
| Dec          | 15,536.00           | 2,998.00           | 88,195.00           | 106,729.00         |
| <b>TOTAL</b> | <b>₱ 192,250.00</b> | <b>₱ 20,459.61</b> | <b>₱ 431,585.87</b> | <b>₱644,295.48</b> |

15.4 Payment of regular expenses such as subscriptions out of cash advances for petty operating expenses is prohibited per COA Circular No. 97-002. Likewise, reimbursement of travelling expenses of officials and employees should not be made as part of the cash advance for petty operating expenses but instead be individually paid by check.

15.5 We recommended that the Municipal Accountant establish guidelines and or policies for the establishment of Petty Cash Fund with the following characteristics (a) which shall be maintained under the imprest system, (b) will be used to defray petty operating expenses consisting of small payments for MOOE which cannot be paid conveniently by check or are required to be paid immediately and (c) subject for replenishment in an applicable period.

### *Management comment*

15.6 During the exit conference, the Municipal Accountant commented that before, there was an agreement that expenditures below ₱2,000.00 shall be paid out of the operating expenses drawn by the Disbursing Officer. However, she assured the Team that this practice would be stopped upon the receipt of AOM for compliance.

### *Non-adoption of ATM payroll system*

- **Non-adoption of the Automated Teller Machine (ATM) payroll system for the payment of salaries and wages of regular employees and Job Order personnel despite the existence of an ATM Machine within the vicinity of the Municipality resulted to huge amount of cash handled by the Disbursing Officer.**

16.1 Section 124 of P.D. 1445 dated June 11, 1978 states that “it shall be the direct responsibility of the agency head to install, implement, and monitor a sound system of internal control”.

16.2 Likewise, Section 32, Title 2 of GAAM, Volume III provides that “internal control comprises the plan of organization and all the methods and measures adopted within an agency to ensure that resources are used consistent with laws, regulations and policies; resources are safeguard against loss, wastage and misuse; financial and non-financial information are reliable, accurate and timely; and operations are economical, efficient and effective”.

16.3 For CY 2016, the Municipality has 205 filled-up plantilla positions comprising of 11 elective officials, 164 permanent, 23 temporary and seven co-terminus employees. In addition, the Management hired 223 JO personnel, 3 contractual and two employees under Memorandum of Agreement. Verification shows that salaries/wages, allowances and other benefits of all the employees including those with plantilla positions were not made thru ATM payroll ever since.

16.4 Audit of the CAs and liquidation reports (LRs) revealed that the DO made the following cash advances for salaries and wages of the permanent and JO employees and for other purposes such as payment of overtime services, RATA, bonuses, cash prizes, various labor payrolls and other special projects for CY 2016:

| Month    | Salaries      | Wages        | Other Purposes | Total CAs     |
|----------|---------------|--------------|----------------|---------------|
| January  | ₱2,188,150.06 | ₱489,621.69  | ₱2,283,530.50  | ₱4,961,302.25 |
| February | 2,222,902.97  | 1,102,768.75 | 1,017,238.56   | 4,342,910.28  |
| March    | 2,186,431.54  | 1,100,116.71 | 1,656,254.25   | 4,942,802.50  |
| April    | 2,228,260.74  | 1,071,326.00 | 742,328.89     | 4,041,915.63  |

|              |                       |                       |                       |                       |
|--------------|-----------------------|-----------------------|-----------------------|-----------------------|
| May          | 2,242,998.02          | 934,417.73            | 1,053,835.62          | 4,231,251.37          |
| June         | 3,283,277.88          | 1,367,495.23          | 4,691,790.51          | 9,342,563.62          |
| July         | 2,013,812.42          | 1,125,190.99          | 1,331,648.68          | 4,470,652.09          |
| August       | 2,492,316.03          | 1,169,814.66          | 1,054,840.83          | 4,716,971.52          |
| September    | 2,514,674.24          | 1,164,481.48          | 1,625,648.15          | 5,304,803.87          |
| October      | 2,488,459.31          | 1,237,506.63          | 1,218,575.00          | 4,944,540.94          |
| November     | 2,375,874.28          | 1,028,315.23          | 5,898,459.04          | 9,302,648.55          |
| December     | 2,319,005.44          | 1,330,933.81          | 3,232,500.34          | 6,882,439.59          |
| <b>TOTAL</b> | <b>₱28,556,162.93</b> | <b>₱13,121,988.91</b> | <b>₱25,806,650.37</b> | <b>₱67,484,802.21</b> |

16.5 However, scrutiny of her fidelity bond shows that her approved amount of bond was ₱1,500,000.00 with corresponding maximum cash accountability for only ₱5,000,000.00 which clearly shows that there were several instances that total CAs granted to her exceeded her maximum cash accountability.

16.6 Further verification revealed that there was a proposal for the payment of salaries and benefits of those employees with plantilla positions thru ATM system in the latter part of CY 2016. It was also noted that most of the employees were issued with ATM Cards by Development Bank of the Philippines (DBP), however, it did not materialize because some of the employees fail to submit their duly accomplished forms to the DBP which is a pre-requisite to the issuance of ATM cards. Moreover, no proposal was made relative to the payment of the wages of the JO personnel. The installation of the Automated Teller Machine in the Municipal Hall took place in November 2016.

16.7 Non-adoption of the ATM payroll system for the payment of salaries and wages of the employees with plantilla positions and JO personnel resulted to the following disadvantages:

- Huge amount of cash handled by the DO which exposes the same to risk of possible loss or misuse .
- There is a loss of man-hours of employees assigned outside the Municipal Hall from leaving their station to Municipal Treasurer's Office to get their salaries and wages.
- Wastage of time for the DO in distributing money considering that the time of arrival of the 205 plantilla employees and 228 JO personnel in receiving their money are different and sometimes may take few days to pick up their salaries and wages.
- The DO was not covered by sufficient bond as prescribed in Section 305 of RA 7160 which requires that every officer of the local government unit whose duties permit or

require the possession or custody of local funds shall be properly bonded.

16.8 The noted observations justify the need to install internal control over the handling of funds particularly the payment of salaries and wages in order to protect the government funds and minimize operating costs. Adoption of automated payroll system for the payment of salaries and wages for both employees occupying plantilla positions and JO personnel may be considered by the Municipality to promote good governance and to safeguard the cash against possible loss or misuse.

16.9 **We recommended that:**

- **the HRMO require the employees without ATM cards to submit their application forms to the DBP as a requirement for subsequent issuance of ATM Cards to them;**
- **the Management consider the option of adopting the automation of payroll system for the payment of wages of JO personnel and coordinate with the DBP officials and employees for the processing of the same; and**
- **see to it that the cash advance granted shall not exceed the Maximum Cash Accountability authorized under her approved fidelity bond or else apply for an increased fidelity bond.**

*Management comment*

16.10 In response to the AOM issued, the Management commented that the DBP had just installed the payroll system and the LGU is expediting the process to have all employees complied with the requirements needed and implement the ATM payroll system in May 2017. Meanwhile, the application of ATM payroll system for JO personnel is on process.

*Revenue*

- **Continuous laxity in the administration of Municipal Public Market and non-enforcement of relevant rules and regulations resulted in continuous incurrence of losses, uncollected market stall rental fees totaling ₱171,775.00 and deprived the Municipality of additional revenue out of market operations.**

17.1 Section 18 of RA No. 7160 provides, “Local government units shall have the power and authority to establish an organization that shall be responsible for the efficient and effective implementation of their development program objectives and priorities; to create their own sources of revenues and to levy taxes, fees, and charges which shall accrue exclusively for their use and disposition and which shall be retained by them; xxx”.

17.2 Likewise, Section 6A of the Municipal Ordinance No. 36 series of 2004 also known as the Municipal Revenue Code of the Municipality of Naujan provides the rules and regulations regarding the imposition of fees, time and manner of payment including the

surcharge for late or non-payment of fees, adjudication of stalls, administrative provisions and penalty. Some of the provisions are also stipulated in the Contract of Lease of stall entered into by the lessee/stallholder and by the lessor, the Municipality.

17.3 Review of the market operations of Naujan Municipal Public Market and ocular inspection of the site also revealed that despite the previous years' audit recommendations, the following deficiencies were still observed:

- The market sections are still not clearly identified and the stalls are not properly numbered. In the case of the pharmacy and cell phone accessories store occupying the grains section, the Market Administrator defended that they cannot do anything with it and treated the same as special case. It was still observed that those occupying the fruits and vegetable sections are consuming beyond the leased space for displaying their products which are mostly grocery items despite several meetings with the concerned stall holders were conducted.
- The areas to be occupied by the lessees of the stalls are still not properly designated. Most of them are occupying space more than what is duly leased, but are not billed for the required rate for such extra space because the proposal for additional rental payments is not yet approved.
- There contracts of lessees who failed to pay for three consecutive months and other delinquent lessees are still not cancelled. However, the collection of fees with the corresponding surcharges is now being implemented in some stallholders.
- Some stalls where found to be sub-leased to other parties but no action was taken yet by the Management.
- Notice of vacancy was not posted in the vacant stalls.

17.4 Verification of the existing market records revealed that as of December 31, 2016, there are 148 stalls in the Public market of which seven are vacant and 25 are delinquent in the payment of market stall rental fees. It was also noted that the accumulated uncollected market stall fees amounted to ₱171,775.00. The list of stall owners with unpaid market stall rental fees is shown in ***Annex T***. However, as per record of the Market Administrator, a total of ₱75,000 by only ten stallholders are delinquent in payment of stall fees.

17.5 Further verification also showed that the records maintained by the Office of the Market Administrator for the accounts of individual stallholders did not provide data necessary for the monitoring and collection purposes of the amount billed or to be collected and the outstanding balances for the period, thus the amount due cannot be easily established.

17.6 Analysis of the financial statements disclosed that the accumulated uncollected market stall rental fees for the current and previous years were not taken up in the books of accounts of the Municipality due to the failure of the Market Administrator and the Treasury Department to report to the Accounting Office the amount deemed realizable in CY 2016.

17.7 Moreover, the Statements of Financial Performance revealed that the Municipal Public Market incurred losses for the past six years, as follows:

| <u>Calendar Year</u> | <u>Amount</u> |
|----------------------|---------------|
| 2016                 | ₱524,522.39   |
| 2015                 | 180,736.40    |
| 2014                 | 712,292.22    |
| 2013                 | 136,003.75    |
| 2012                 | 110,096.70    |
| 2011                 | 394,035.32    |

17.8 The continuous failure of the Management to strictly enforce the pertinent market rules and regulations hinders the attainment of the objectives of the creation of public market which is to raise revenue of the LGU through delivery of quality goods and services to the general public and to finance the cost of improvement and other expenses related to market operations.

17.9 **We recommended that:**

- **the Market Administrator and other officials and employees concerned devise a system or strategy for the effective management of market operations to avoid incurrence of losses and encourage the lessees/stallholders to occupy only their leased spaces, display products according to the section where their leased stalls belong, and pay their rental fees on due dates required by the regulations and agreed in the perfected Contract of Lease;**
- **the Market Administrator and Municipal Treasurer coordinate with each other, update and reconcile their records to determine the accurate amount of uncollected market stall fees and report to the Municipal Accountant the accumulated uncollected amounts for the proper taking up of the uncollected market stall fees that are deemed realizable to reflect the accurate amount of receivable in the financial statements; and**
- **the Management enforce the collection of rental fees and corresponding surcharges from the delinquent stallholders.**

*Management comment*

17.10 In response to the AOM issued, the Market Supervisor mentioned that for the last quarter of CY 2016, signboards were installed in almost all buildings in the entire compound of public market to identify the sections. However, the same was hardly hit and destroyed by typhoon Nina. They are in the process of replacing names and stall numbers in the different

sections of Public Market. In the case of Pharmacy, Cell phone Accessories etc. along grains section, it will be declared as Special Section to be included in the Naujan Public Market Development Plan (NPMDP).

17.11 In the case of stallholders in the Fruits and Vegetable Section that are consuming beyond the leased space for displaying products, which are mostly grocery items, several meetings were conducted and some stalls were partly regulated and some are status quo. The same will be included in the NPMDP to formally have access for the additional collection for extra space. In addition, efforts were continuously to replace the damaged signboards.

17.12 Likewise, the Management of the Naujan Public Market according to him is now in the process of updating records of the rental thru index card and computer data for easy access and verification.

*Auditor's Rejoinder*

17.13 The Team is still evaluating the uncollected market stall fees since the Market Supervisor is still reconciling their records with the record of the Municipal Treasurer's Office about the actual payments of the stallholders.

*Incomplete documentation -Fund Transfers from National Government Agencies*

- **The propriety of disbursement of fund from various NGAs totaling ₱6,022,262.10 for the implementation of various projects is doubtful due to lack of the necessary supporting documents to ascertain the validity of claim.**

18.1 Section 4(6) of P.D. No. 1445 requires that claims against government funds shall be supported with complete documentation. Moreover, Item 3.1.2 of COA Circular No. 2012-001 dated June 14, 2012 or the Revised Documentary Requirements for Common Government Transactions provides the necessary supporting documents relative to the implementation and liquidation of funds transferred to the implementing agency.

18.2 Audit of DVs pertaining to various programs, projects and activities implemented by the Municipality during CY 2016 revealed that necessary documents required were not attached to the DV, thus, the propriety of the disbursement made could not be further ascertained. Details were presented in the table at the next page.

| Source of Fund | Project                  | DV No.           | Check No. | Date     | Gross Amount  | Remarks   |
|----------------|--------------------------|------------------|-----------|----------|---------------|---|
| DA             | Large Ruminant Dispersal | 401-06 05-000 95 | 49742725  | 05/20/16 | ₱1,430,800.00 | Based on project proposal, beneficiaries must be members of cooperative sector/Farmer's association and |

|      |   |                  |          |          |              |   |
|------|---|------------------|----------|----------|--------------|---|
|      |   |                  |          |          |              | beneficiaries are required to attend 1 day training. The following documents were not attached in the disbursement: PO/Contract agreement; ID/proof of membership in the organization; Attendance to training |
| DA   | Const'n of Seed Bank Storage Facility               | 401-23 05-000 99 | 49742731 | 06/02/16 | 845,250.00   | No suspension order attached  |
| DA   | Mushroom Production & Marketing                     | various          | various  | various  | 233,797.50   | Attached MOA is unsigned by contracting parties   |
| DILG | Const'n of Flood Control Proj. in Tabang Creek      | 401-04 08-001 45 | 49742769 | 08/05/16 | 636,185.01   | No MOA  |
| DILG | Concreting of Local Access Road (15% mobilization)  | 401-28 09-001 83 | 49742805 | 10/06/16 | 582,529.59   | No MOA  |
| DILG | Community based monitoring system                   | various          | various  | various  | 1,729,700.00 | No MOA  |
| BFAR | Provision of Motorized Banca for Lakeside Barangays | 401-13 10-001 89 | 49742816 | 11/02/16 | 564,000.00   | Based on project proposal beneficiaries must register the banca received and must be members of fisher folk organization. The following documents were not attached in the disbursement: ID/proof of          |

|              |  |  |  |  |                      |  |
|--------------|--|--|--|--|----------------------|--|
|              |  |  |  |  |                      | membership in the organization;<br>Registration of banca; MOA w/ beneficiaries |
| <b>Total</b> |  |  |  |  | <b>₱6,022,262.10</b> |  |

18.3 Non-submission of the required supporting documents hindered the Audit Team in the verification as to the validity of the receipts and utilizations of the funds from various national government agencies.

**18.4 We recommended that the Municipal Accountant and Agriculturist submit the lacking documents within five days to support the propriety and validity of the disbursement made to avoid suspension and/or disallowance in audit, and further ensure that future claims be supported with complete documentation as required by Section 4 of P.D. 1445 and COA Circular No. 2012-001 dated June 14, 2012.**

*Management comment*

18.5 In response to the AOM issued, the Municipal Accountant assured the Team that the lacking documents will be submitted and about the various unsigned MOA attached to the different fund transfers, she commented that in their previously concluded LLEDAC, no transaction should be processed unless the Office of the Municipal Accountant was furnished with signed MOA. Some of the lacking documents were attached in her letter-reply and for further evaluation by the Team.

- **The disbursement of fund from BFAR totaling ₱300,000.00 for the purchase of tilapia and bangus fingerlings lacked the necessary supporting documents in violation of Section 4(6) of PD 1445.**

19.1 Section 4(6) of P.D. No. 1445 requires that claims against government funds shall be supported with complete documentation. Moreover, Item 3.1.2 of COA Circular No. 2012-001 dated June 14, 2012 or the Revised Documentary Requirements for Common Government Transactions provides the necessary supporting documents relative to the implementation and liquidation of funds transferred to the implementing agency.

19.2 For CY 2016, the Municipality procured 150,000 pieces of tilapia and 300,000 pieces of bangus fingerlings amounting ₱300,000.00 out of the ₱382,140.00 balance of the fund transferred from BFAR. Details of the transaction are as follows:

| Check No. | Date     | DV No.                 | Payee             | Gross Amount | Tax        | Retention fee | Net Amount  |
|-----------|----------|------------------------|-------------------|--------------|------------|---------------|-------------|
| 49742687  | 03/16/16 | 401-2<br>302-0<br>0034 | Alden Enterprises | ₱300,000.00  | ₱12,000.00 | ₱30,000.00    | ₱258,000.00 |

19.3 Audit of DVs pertaining to the procured tilapia and bangus fingerlings revealed that the following necessary documents were not attached to the DV, thus, the propriety of the

disbursement made could not be further ascertained:

- Necessary supporting documents depending on the nature of expense:
  - Proof of acknowledgement of the recipients for the 294,500 pieces of fingerlings
  - Memorandum of agreement between the LGU and the project's beneficiaries
  - Pictures of project implementation

19.4 Review of the Project Proposal disclosed that the implementation strategy of the LGU includes:

- Identification of qualified beneficiaries; and
- MOA signing between recipients and LGU to be facilitated by the Department of Agriculture and the LGU

19.5 It was also noted that the enlisted beneficiaries in the Project Proposal were the 56 barangays of Naujan, however, the list only present the number of recipients per barangay and no actual names of the recipients were indicated, thus casting doubts on the certainty of the qualified beneficiaries.

19.6 Moreover, scrutiny of the supporting documents showed that out of the 450,000 pieces procured fingerlings, only 155,500 pieces has proof of acknowledgement, which includes recipients from Barangay Estrella, Poblacion 2 and Sta. Cruz. These barangays were not included in the 56 barangays with enlisted beneficiaries in the Project Proposal.

**19.7 We recommended that the Municipal Accountant and Agriculturist submit the lacking documents within five days to support the propriety and validity of the disbursement made and avoid suspension and/or disallowance in audit, and further ensure that future claims be supported with complete documentation as required by Section 4 of P.D. 1445 and COA Circular No. 2012-001 dated June 14, 2012.**

**We also recommended that the Municipal Agriculturist provide justification why the recipients from the barangays of Estrella, Poblacion and Sta. Cruz were given the fingerlings despite its non-inclusion in the list of barangays indicated in the Project Proposal.**

**Moreover, account for the 294,500 pieces of fingerlings to determine whether it was not yet distributed and should be taken up as inventory or if the same was distributed, provide for the proof of acknowledgement from the recipients/beneficiaries.**

*Management comment*

19.8 In response to the AOM issued, the Municipal Agriculturist justified that constituents from the barangays of Estrella, Poblacion I and Sta. Cruz were given fingerlings instead of the constituents of barangays of Antipolo, Kalinisan, Nag-iba I and San Antonio because during the time when the fingerlings were available, the fishponds in their barangays were

not yet ready and severely damaged by flashfloods due to typhoon Nona. The discrepancy in the number of fingerlings from the proposal of procurement of 294,500 as against the actual purchase of 155,500 was due to the deficiency in the supply of fingerlings and the sudden increase in the price of the cost of fingerlings.

Lacking documents such as the pictures during fingerlings disposal and the list of beneficiaries indicating the names of recipients, barangays, pieces of fingerlings received and the signature of recipients were submitted as attachment to her reply. The MOA between the LGU and the beneficiaries was dispensed with according to her because according to BFAR, there is no MOA signing with individual beneficiary because the project is intangible and the terms and conditions were already discussed during the Capability Building seminar and orientation.

#### *Auditor's Rejoinder*

19.9 The Team believes that there should be MOA or Memorandum of Undertaking (MOU) by and between the LGU and the beneficiaries to provide for written agreement between them.

#### *Donations without legal basis*

- **The rice assistance granted to PNP, BFP and BJMP totaling ₱77,800.00 without legal basis and not completely documented violated Section 2 and 4(6) of P.D. No. 1445 and Section 168 of GAAM Volume I, thus transaction could be deemed irregular.**

20.1 Section 2 of P.D. No. 1445 stipulates that it is the declared policy of the State that all resources of the government shall be managed, expended or utilized in accordance with law and regulations and safeguarded against loss or wastage through illegal or improper disposition, with a view of ensuring efficiency, economy and effectiveness in the operations of government. The responsibility to take care that such policy is faithfully adhered to rests with the chief or head of the government agency concerned.

20.2 Likewise, section 4(6) of the same Decree requires that claims against government funds shall be supported with complete documentation.

20.3 Moreover, Section 168 of GAAM, Volume I provides the basic requirements applicable to all classes of disbursements. –

*xxx. . c. Documents to establish validity of claim. Submission of documents and other evidences to establish the validity and correctness of the claim for payment.*

*d. Conformity of the expenditure to existing laws and regulations.*

20.4 Furthermore, item 3.1 of COA Circular No. 2012-003 dated October 29, 2012 defines irregular expenditure as follows:

*The term irregular expenditures signifies an expenditure incurred without adhering to established rules, regulations, procedural guidelines, policies, principles or practices that have gained recognition in laws. Irregular expenditures are incurred if funds are disbursed without conforming to prescribed usages and rules of discipline. There is no observance of an established pattern, course, mode of action, behavior, or conduct in the incurrence of an irregular expenditure. A transaction conducted in a manner that deviates or departs from, or which does not comply with standards set is deemed irregular. A transaction, which fails to follow or violates appropriate rules of procedure is, likewise, irregular.*

20.5 Scrutiny of the paid DVs revealed that for CY 2016, the Municipality paid LMB Agri Feeds Supply for the procured rice for assistance to Philippine National Police (PNP), Bureau of Fire Protection (BFP) and Bureau of Jail Management and Penology (BJMP) assigned to this Municipality, totaling ₱77,800.00, details are as follows:

| <b>Date</b>  | <b>Check No.</b> | <b>Payee</b>          | <b>Particulars</b>                   | <b>Gross Amount</b> | <b>Net Amount</b> |
|--------------|------------------|-----------------------|--------------------------------------|---------------------|-------------------|
| 02/11/16     | 51305702         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 8,000.00            | 7,920.00          |
| 03/14/16     | 51305822         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 7,600.00            | 7,524.00          |
| 03/18/16     | 51305863         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 7,600.00            | 7,524.00          |
| 05/03/16     | 51306181         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 7,600.00            | 7,524.00          |
| 05/18/16     | 51306207         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 7,600.00            | 7,524.00          |
| 06/23/16     | 54189383         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 7,600.00            | 7,524.00          |
| 08/19/16     | 54189711         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 7,800.00            | 7,722.00          |
| 08/24/16     | 54189738         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 8,000.00            | 7,920.00          |
| 10/06/16     | 54190019         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 8,000.00            | 7,920.00          |
| 12/19/16     | 54190482         | LMB Agri Feeds Supply | Rice assistance to PNP, BFP and BJMP | 8,000.00            | 7,920.00          |
| <b>Total</b> |                  |                       |                                      | <b>₱77,800.00</b>   | <b>₱77,022.00</b> |

20.6 It was also noted that the disbursement vouchers were not supported with acknowledgement by the respective national government agencies as to the monthly receipt of rice from the Municipality. However, only letter requests with the following purposes as indicated in the letter for the months of December 2015 up to September 2016, from PNP, BFP and BJMP were attached to the DVs:

- PNP - two sacks of rice for the consumption of PNP personnel of the Municipality
- BFP – one sack of rice for daily consumption of personnel and fire volunteer members

- BJMP – consumption of inmates and personnel of the jail

20.7 The grant of rice assistance without legal basis to establish the validity, correctness and conformity to existing laws and regulations may be deemed irregular.

20.8 **We recommended that the concerned Municipal officials and employees:**

- **Provide documents that may establish the basis of giving rice assistance to PNP, BFP and BJMP, as well as the proof of acknowledgement that the said assistance was received by the concerned agencies, otherwise such transaction will be disallowed in audit and the amount of ₱77,800.00 will be refunded; and**
- **Ensure compliance with the applicable laws, rules and regulations in the disbursement of public funds to avoid further disallowance in audit.**

*Management comment*

20.9 In her response to the AOM issued, the Municipal Accountant disclosed that their basis for giving rice assistance to national agencies is item 45 of the Municipal Appropriation Ordinance No. 1, series of 2016 which pertains to Donations/Interagency Assistance. She also committed that the practice of giving rice to them shall be discontinued, as it is deemed not in consonance with any legal basis. Likewise, acknowledgement for the receipt of rice was provided as attachment to the letter-reply of the Management.

*Moriones Festival*

- **Disbursements totaling ₱243,087.00 for expenses incurred in connection with the Moriones Festival can be considered irregular expenses under COA Circular No. 2012-003.**

21.1 One of the fundamental principles in the Local Fiscal Administration as prescribed under Section 305(b) of RA 7160 is that local government funds and monies shall be spent solely for public purposes. Moreover, Section 335 of the same Act provides the prohibitions against expenditures for religious or private purposes. It explicitly states that no public money or property shall be appropriated or applied for religious or private purposes.

21.2 Section 3 of COA Circular No. 2012-003 dated October 29, 2012 defines “Irregular Expenditures” as those in expenses incurred without adhering to established rules, regulations, procedural guidelines, policies, principles or practices that have recognition in laws. Irregular expenditures are incurred if funds are disbursed without conforming to prescribed usages and rules of discipline. Xxx.

21.3 Moreover, Section 4.6 of P.D. No. 1445 provides that claims against Government shall be supported with complete documentation.

21.4 Audit of transactions for CY 2016 revealed that the Municipality through the Municipal Tourism Office implemented Moriones Festival with a theme “Our Town, Your Tour”. Project design of the activity disclosed a total budgeted cost of ₱253,431.00 and target date of implementation was from March 21 to March 27, 2016. However, Purchase Request dated March 16, 2016 showed that there were proposal for the procurement of water and meals and snacks for March 19-20, 2016.

21.5 Scrutiny of the project design disclosed the following concept of the operation:

- A new adventure of Morionan sa Naujan at their best clad in colorful costumes accessorized with beads and heavy metals in silver and gold armed with an iron-shield and sword, on board a “Paragos” drawn by a carabao instead of the biblical Roman chariot drawn by horses, will amazingly and surprisingly remind Naujenos of true Lenten Season.
- This weeklong religious festivity commemorates the search for Longinus, the blind Roman centurion who pierced the side of the crucified Christ on Cavalry who’s Blood miraculously healed the blind centurion converting him to Christianity. In addition, it is a re-enactment of true passion and crucifixion of Christ with its climax, the beheading of Longinus on Easter Sunday, March 27, 2016 at Liwasang Bonifacio, Naujan.
- The use of local “paragos” seemed and appropriate blending of the native way with the medieval tradition that form part of Roman Catholic Faith.Xxx.

21.6 Verification also showed that the funding for the project was sourced out from the Tourism Development Program under Morionan sa Naujan and Go HEARTS Saya amounting to ₱241,931.00 and ₱11,500.00, respectively. Of the total amount, the actual expenses incurred by the Municipality during Moriones Festival totaled ₱243,087.00 as shown below:

| Check No. | Date       | Gross Amount | Net Amount  | Payee               | Particulars   |
|-----------|------------|--------------|-------------|---------------------|---|
| 51305827  | 03/16/2016 | ₱205,000.00  | ₱205,000.00 | E. Masuba           | CA for cash prizes/incentive for Morionan sa Naujan                                 |
| 51306149  | 05/06/2016 | 12,036.00    | 11,434.20   | Ram’s Grill & Rest. | Meals and snacks during Morionan sa Naujan  |
| 54189304  | 06/07/2016 | 22,000.00    | 21,120.00   | Japrintz Shop       | Other supplies and tarpaulin used in Morionan sa Naujan                             |
| 54189374  | 06/21/2016 | 4,051.00     | 3,888.96    | LRK Ent.            | Materials used in fabrication of 1 unit chariot for Morionan and carabao body paint |

|                 |                    |                    |  |
|-----------------|--------------------|--------------------|--|
| <b>Subtotal</b> | <b>₱243,087.00</b> | <b>₱241,443.16</b> |  |
|-----------------|--------------------|--------------------|--|

21.7 It was also observed that the paid DVs lacked the supporting documents such as (a) layout for tarpaulin, (b) plan/drawing for the fabricated chariot, (c) list of the winners as certified by the judges and (d) photos/documentation of actual events.

21.8 The disbursements that totaled ₱243,087.00 were construed not for public purpose but rather for religious drives for which were deemed irregular/illegal as provided for by RA 7160 and COA Circular No. 2012-003 dated October 29, 2012.

21.9 **We recommended that:**

- **the Municipality discontinue the practice of providing appropriation and disbursing public funds for religious or private purposes and ensure that the Moriones festival is being undertaken to attract tourist and for tourism purposes; and**
- **the Municipal Accountant and Treasurer scrutinize the payment of the claims and see to it that it was supported with necessary supporting documents before payment was made.**

*Management comment*

21.10 In the response to AOM, the Management commented that the Moriones Festival was implemented primarily to attract tourists, balikbayans, and visitors to come home and visit Naujan. The influx of visitors, balikbayans and tourists surely added income to small business as it showcase local products that boost income of the local government as well. The LGU according to them, considers Moriones Festival as part of tourism activity to boost the local economy, rather than religious one and with the staging of the Moriones, the LGU marked a record of almost 7,000 more or less local tourists who witnessed the activity. Moriones Festival, in its colorful costumes and accessories, served its purpose, and in addition, had imparted bits of knowledge and information about culture and history which Tourism Unit also want to achieve. The lacking documents were submitted as attachment to the letter-reply.

*Local Disaster Risk Reduction and Management*

- **The lapses on reporting, accounting and utilization of the Disaster Risk Reduction and Management Fund (DRRM) such as (a) non-submission of the required reports under COA Circular No. 2014-002 ; (b) non-implementation of the proposed projects, programs and activities totaling ₱9,361,003.48 ; and (c) incorrect recording/classification of relief goods worth ₱2,974,559.75 and financial assistance totaling ₱3,200,000, may affect the fair presentation of accounts, hamper the timely audit of accounts and non- achievement of desired purpose of the fund.**

*Delay in the submission of the required Report on Sources and Utilization of LDRRMF*

22.1 Item 5.1.5 of COA Circular No. 2012-002 dated September 12, 2012 states that “A Report on Sources and Utilization of DRRMF using the format in Annex B shall be prepared and certified correct by the Local Accountant. The Local Disaster Risk Reduction and Management Officer (LDRRMO) shall submit the report on or before the 15th day after the end of each month through the LDRRMC and Local Development Council (LDC) to the COA auditor of the LGU”.

22.2 Likewise, Item 1a of Section V of COA Circular No. 2014-002 dated April 15, 2014 provides that “ The national and local government agencies with DRRMF allocation from the GAA and/or cash donations received from local and/or foreign sources shall prepare and submit to NDRRMC through the Office of the Civil Defense (OC), on the 5th day following the end f each month, the Report on the Receipt and Utilization of the DRRMF sourced from GAA (Annex H) and Report on the Receipt and Utilization of Cash Donations (Annex I). The reports shall be furnished the respective COA Auditor”.

22.3 Verification of submitted reports showed that the Report on Sources and Utilization of LDRRMF was not submitted on the 15th day of the following month but as follows:

| <b>Report Submitted</b>   | <b>Period Covered</b>        | <b>Date of Submission</b> |
|---|------------------------------|---------------------------|
| Report of Utilization of Disaster Risk Reduction and Management Fund        | January to March 2016        | April 20, 2016            |
|   | April 2016                   | May 10, 2016              |
|   | May 2016                     | June 17, 2016             |
|   | June 2016                    | July 22, 2016             |
|   | July 2016                    | Aug. 19, 2016             |
|   | August 2016                  | Sept. 14, 2016            |
|   | August 2016 (revised report) | Oct. 19, 2016             |
|   | September 2016               | Oct. 19, 2016             |
|   | October 2016                 | Nov. 24, 2016             |
|   | November 2016                | N/A                       |
|   | December 2016                | N/A                       |
| Annual Report of Utilization of Disaster Risk Reduction and Management Fund | CY 2016                      | Feb. 2, 2017              |

22.4 It was also noted that on December 24, 2015, the Municipality received ₱500,000.00 from the City Government of Davao for the victims of Typhoon Nona. However, the Report on the Receipt and Utilization of such Cash Donations utilized in 2016 was not prepared and submitted to the Office of the Auditor.

22.5 Delay in the submission of the Monthly Report on Sources and Utilization of LDRRMF required by COA Circular No. 2012-002 and non-submission of Report on the

Receipt and Utilization of Cash Donations and other reports prescribed by COA Circular No. 2014-002 hindered the timely review and evaluation of the charges against the LDRRMF from the current and continuing appropriation, unspent DRRMF from the previous years and cash donations.

**22.6 We recommended that the MDRRMO prepare and submit the monthly Report on the Sources and Utilization of LDRRMF, Report on the Receipt and Utilization of Cash Donations and other reports using the formats provided and as prescribed in COA Circular Nos. 2012-002 and 2014-002 to the Office of the Auditor for the timely review and evaluation of the same to attain the transparency of and accountability in the use of LDRRMF.**

*Management comment*

22.7 During the exit conference, the MDRRMO assure the Team that the required report will be prepared timely and in accordance with prescribed forms. With regards to the cash donation from Davao City, they admitted that the utilization was not on the format provided in COA Circular No. 2014-002.

*Non-implementation of proposed LDRRM projects and activities totaling ₱9,361,003.48*

22.8 Section 4.4 of COA Circular No. 2012-002 provides that all unexpended/unobligated balance of the LDRRMF for CO shall be made continuing in the General Fund books until the projects funded therefore are completed and any savings shall be available for use in the disaster risk reduction and management activities as provided in the LDRRMFIP.

22.9 Likewise, Section 5.1.15 of the same Circular requires that LDRRMFIP shall be reviewed and updated annually to include the activities to be funded from the unexpended QRF and DRRMF-MOOE of the previous years' which were transferred to the Special Trust Fund.

22.10 Analysis of the Report on the Sources and Utilization of LDDRMF for the year 2016 revealed the following utilizations and balances:

|                                    |                  |                 |                |
|------------------------------------|------------------|-----------------|----------------|
| • Current Year's Appropriation:    | <u>Available</u> | <u>Utilized</u> | <u>Balance</u> |
| Quick Response Fund (QRF)          | ₱3,421,933.40    | ₱3,417,350.00   | ₱4,583.40      |
| Mitigation Fund (MF)               | 3,960,977.00     | 929,911.27      | 3,031,065.73   |
| MOOE                               | 4,023,533.60     | 1,471,694.50    | 2,551,839.10   |
| Capital Outlay                     |                  |                 |                |
| • Continuing Year's Appropriation: |                  |                 |                |
| Capital Outlay                     | 8,294,453.15     | 3,908,711.70    | 4,385,741.45   |
| • Special Trust Fund               |                  |                 |                |
| CYs 2011-2015                      | 15,778,346.02    | 13,342,603.09   | 2,435,742.93   |
| Donations                          | 500,000.00       | 496,014.00      | 3,986.00       |

|       |                |                |                |
|-------|----------------|----------------|----------------|
| Total | ₱35,979,243.17 | ₱23,566,284.56 | ₱12,412,958.61 |
|-------|----------------|----------------|----------------|

22.11 Review of the LDRRMFIPs for General and Special Trust Funds and Supplemental Budget Nos. 1, 2 and 3 and 2 showed that some of the proposed PPAs to be funded out of LDRRMF were not implemented during the year as follows:

| <b>Proposed PPAs</b>  | <b>Total Cost</b>    |
|---|----------------------|
| <b>I.A. Current Year's Appropriations (CO):</b>                             |                      |
| • RCPC installation   | ₱                    |
| • Rechanneling of river   | 128,305.50           |
| • Installation of rain gauges and water level gauges in different barangays | 900,000.00           |
| • Acquisition of various disaster response and rescue equipment:            | 500,000.00           |
| -rescue boat and disaster equipment   | 550,000.00           |
| <b>B. Supplemental No. 1</b>  |                      |
| 5. Purchase and installation of community siren                             | 129,544.00           |
| <b>C. Supplemental No. 2</b>  |                      |
| 6. Installation of RCPC at Brgy. San Andres                                 | 115,000.00           |
| <b>D. Supplemental No. 3</b>  |                      |
| 7. Installation of box culvert with riprapping on head wall and wing wall   | 132,989.60           |
| 8. Purchase of digital rain gauges  | 96,000.00            |
| Subtotal  | <u>₱2,551,839.10</u> |
| <b>II. Continuing Appropriations (CO):</b>                                  |                      |
| <b>A. CY 2011-2015 (reprogrammed thru MDRRMC Res.#5 s. 2016)</b>            | <b>₱720,000.00</b>   |
| 1. Procurement of 12 units heavy duty chainsaw                              | 270,000.00           |
| 2. Procurement of 30 units handheld radio                                   | 399,871.20           |
| 3. Procurement of one unit vault cutter                                     | 700,000.00           |
| 4. Procurement of one unit jackhammer                                       | 10,000.00            |
| 5. Procurement of one set amplifier   |                      |
| <b>B. CY 2012-2015</b>  | <b>₱1,513,570.25</b> |
| 6. Construction of MDRRMO warehouse and powerhouse                          | 8,800.00             |
| 7. Procurement of handheld radio  | 40,000.00            |
| 8. Installation of solar panel  | 100,000.00           |
| 9. Installation of early warning system (EWS) and signages                  | 300,000.00           |
| 10. Purchase of handheld radio  | 73,500.00            |
| 11. Acquisition of fiber glass banca  | 100,000.00           |
| 12. Acquisition of fabricated trailer                                       | <u>150,000.00</u>    |
| 13. Acquisition of submersible water pump                                   | <u>₱4,385,741.45</u> |
| Subtotal  |                      |
| • Special Trust Fund:   |                      |
| • MDRRMF 2013   |                      |

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Response, Reconstruction and Rehabilitation</li> <li>• Implementation of CBMS Round 2</li> <li>• Insurance premium for rescuers and evacuation center</li> <li>• Purchase of handheld radio and radio base</li> </ul> | ₱1,088,832.63<br>470,970.00<br>230,000.00<br>300,000.00 |
| <ul style="list-style-type: none"> <li>• MDRRMF 2015</li> <li>• Purchase of satellite phone and repeater base antenna</li> <li>• CBMS validation</li> </ul>  | 233,620.30<br><u>100,000.00</u><br>₱2,423,422.93        |
| Subtotal   |   |
| <b>Grand total</b>   | <b>₱9,361,003.48</b>                                    |

22.12 Interview with the MDRRMO disclosed that some of these PPAs were not implemented during the year because of the (1) delay in the preparation of the Program of Works by the Municipal Engineering Office, (2) no report from the DOST relative to the identification of location for the installation of rain gauges and water level gauges, (3) no newly-identified needed disaster response and rescue equipment, and (4) non-prioritization by the Management.

22.13 It was also noted that various PPAs such as risk assessment and hazards identification per barangays, tree planting, linis-ilog, linis-kanal, declogging of canal, establishment and maintenance of nursery and accreditation of disaster volunteers and evacuation centers were not undertaken because of (1) lack of time to pursue the activities, (2) the MDRRMO will have a joint effort in the establishment of nursery with MAgO and MENRO and (3) there are issues with the accreditation of volunteers and evacuation centers.

22.14 Failure to implement the programs, projects, and activities defeats the purpose of LDRRM, which is to build the disaster resilience of communities and to institutionalize arrangements and measures for reducing disaster risks and enhancing disaster preparedness and response capabilities at all levels.

**22.15 We recommended that the MDRRM Council properly plan, prioritize and evaluate the programs, projects, and activities to be funded out of the LDRRMF to attain the objective and purpose of the Fund by observing the rules and regulations relative thereto.**

**We also recommended that the Council reassess the necessity of pursuing the unimplemented projects, otherwise reprogram the same to those PPAs, which will help build the disaster resilience of communities and will lessen the impact of deadly and costly natural and man-made hazards/disasters with the goal of promoting sustainable socio-economic growth.**

22.16 In response to the AOM issued, the Management commented that relative to the DRRM-related PPAs which remained unimplemented, the MDRRMC has conducted series of meetings which discussed among others the reprogramming of some projects which were found least priority so that funds of which will be used to more responsive and significant DRRM programs. The MDRRMO likewise ensure that the implementation of PPAs not yet completed shall be pursued and prioritized.

*Erroneous classification of relief goods, medicines and G.I. sheets procured out of the LDRRM Fund for stockpiling and relief and recovery operations amounting to ₱2,974,559.75*

22.17 COA Circular No. 2014-002 provides the accounting and reporting guidelines on the receipt and utilization of NDRRMF, cash and in-kind aids/donations from local and foreign sources, and funds allocated from the agency regular budget for DRRM. It includes the procedures in the proper taking up in the books of the supplies, materials, equipment and relief goods procured out of the fund. The provisions for the duties and responsibilities of the concerned offices were also indicated in this Circular.

22.18 Likewise, COA Circular No. 2015-009 dated December 1, 2015, which prescribes the Revised Chart of Accounts for Local Government Units (LGUs), defines Welfare Goods for Distribution (1-04-02-020) as the account to be used to record the cost of goods for distribution to people affected by calamities/disasters/ground conflicts such as canned goods, blankets, mats, kitchen utensils, flashlights and other similar items. It also states that the account is to be credited for issuance to end-users, transfers or write-down.

22.19 Moreover, Section 5.2.1 of COA Circular No. 2012-002 states that the DRRM funds from the NG and from other LGUs shall be treated as special trust liability account named “Trust Liability-DRRM” (438) in the Trust Fund books of the receiving LGUs. Xxx. Illustrative accounting entries are shown in Annex C of this Circular.

22.20 Audit of the CY 2016 accounts and transactions revealed that the Municipality procured 200 cavans of rice amounting to ₱260,000.00 from the National Food Authority (NFA), various relief goods such as noodles and sardines totaling ₱229,045.00 from La Ultra General Merchandise and drugs/medicines/medical supplies in the amount of ₱51,220.75 from AQ Pharma Trading out of the 2016 current year’s appropriations and Supplemental Budget No. 2, intended for stockpiling and for the relief and recovery operations for the victims of Typhoon Nina. It was also observed that the said purchases was taken up as debit to the following expense accounts instead of Welfare Goods for Distribution:

| Expense Account                          | Amount             |
|--|--------------------|
| Other Supplies and Materials Expenses    | ₱322,915.75        |
| Other Maintenance and Operating Expenses | 217,350.00         |
| <b>Total</b>                             | <b>₱540,265.75</b> |

22.21 Further verification disclosed that the cash donation of ₱500,000.00 from the City Government of Davao on December 24, 2015 which was taken up as Trust Liability-DRRM was utilized for the purchase of galvanized iron (G.I.) sheets amounting to ₱446,614.00 as material assistance for the different schools which are being affected by Typhoon Nona and for the rental of bulldozer for the rechanelling of the portion of Panggalaan river in the amount of ₱49,400.00. It was also noted that ₱2,000,000.00 of the unexpended balance of LDRRMF 2015 by virtue of MDRRMC Resolution No. 02 series of 2016 and SB Resolution

No. 2016-086 dated February 15, 2016 was utilized as Emergency Shelter Assistance and used to purchase G.I. sheets from Althaea Enterprises totaling ₱1,987,680.00 to be given to those families affected by the devastation of Typhoon Nona.

22.22 However, the above transactions were recorded as direct debits to Trust Liability-DRRM in the Trust Fund books of accounts without recognition of assets and expenses incurred which are not in accordance with the illustrative accounting entries in the Annex C of COA Circular No. 2012-002.

22.23 The recording of the procurement of relief goods to expense accounts instead of Welfare Goods for Distribution resulted in the overstatement of the expense and understatement of inventory accounts by the amount corresponding to the inventory of relief goods still on hand as of year end and consequently overstated the balance of Other MOOE and Other Supplies Expenses.

**22.24 We recommended that the Municipal Accountant comply with the accounting and reporting guidelines on the receipt and utilization of LDRRMF to present fairly the expense and inventory accounts in the Financial Statements. We also recommended that the GSO through the help of the MDRRMO conduct the required inventory of items and prepare corresponding reports to ascertain the balances of the relief goods that remained on hand as of year-end to reflect the correct amount of inventory.**

**Moreover, in the preparation of the Annual Budget, the OIC-Municipal Budget Officer correctly classify into Welfare Goods for Distribution the appropriation for the purchase of relief goods and other supplies for stockpiling and relief and recovery operations.**

***Cash assistance for the victims of Typhoon Nina totaling ₱3,200,000.00 was incorrectly debited as Other MOOE instead of Donations account and was not supported with MDRRMC or Local Sanggunian Resolution.***

22.25 Section 4.3 of COA Circular No. 2012-002 states that thirty percent (30%) of the amount appropriated shall be allocated to the Quick Response Fund (QRF) or stand-by fund for relief and recovery projects and activities.

22.26 Likewise, Section 6.3 of NDRRMC, DBM and DILG Joint Memorandum Circular No. 2013-1 dated March 25, 2013 provides that the release and use of the 30% QRF shall be supported by a resolution of the local sanggunian declaring the LGU under the state of calamity or a Presidential declaration of state of calamity upon recommendation of the NDRRMC.

22.27 Moreover, Sections 1 and 2 of Rule 12 of IRR of RA 10121 indicates the provisions pertaining to the declaration and lifting of the state of calamity by the President through the recommendation of the National Council and based on the criteria set by them, and may also be issued by the local sanggunian, upon the recommendation of the LDRRMC, based on the results of the damage assessment and needs analysis.

22.28 Section 4(6) of P.D. No. 1445 requires that claims against government funds shall be supported with complete documentation and COA Circular No. 2015-009 defines Donations as the account used to record the amount of aids/assistance to other levels of government/individuals/institutions.

22.29 Analysis of the Report on Sources and Utilization of LDRRMF for the year 2016 revealed that ₱3,200,000.00 under the QRF of the current year's appropriation and Supplemental Budget No. 1 was utilized for the payment of financial assistance for house restoration of the victims of Typhoon Nina.

22.30 Scrutiny of the Obligation Request Nos. 200-2016-12-004993-4994 dated December 29, 2016 showed that the amount was charged to Other MOOE account (969) and subsequently, the Municipal Accounting Office recorded the transaction as debit to Other MOOE of ₱3,200,000.00 and credit to Accounts Payable by the same amount.

22.31 The failure to record the financial assistance as Donations overstated the balance of Other MOOE and consequently understated the balance of Donations account.

22.32 However, it was also noted that no resolution from the SB supported with MDRRMC resolution declaring the Municipality of Naujan under the state of calamity, was attached when the transaction was being obligated.

**22.33 We recommended that the OIC-Municipal Budget Officer correctly classify into Donations account the appropriation for the payment of cash assistance to the victims of the typhoon and subsequently, the Municipal Accountant record the cost of the expenses incurred in their appropriate expense accounts to avoid misclassification of accounts.**

**We also recommended that the MDRRMC through the MDRRMO see to it that the disbursements out of Quick Response Fund was supported with the resolution declaring the Municipality under the state of calamity and other required supporting documents to avoid suspension and/or disallowance in audit.**

*Management comment*

22.34 In her letter-reply, the Municipal Accountant commented that since the LGU is using e-NGAS computer system, the account Welfare Goods for Distribution is not included in the chart of account installed in the system and being neglected in the conversion of accounts being made to conform to the PPSAS. She assured the team that careful analysis of transactions shall be made to classify the accounts to avoid misclassification and all accounts subject for conversion shall be made to reflect all changes and to present fairly the expense and inventory accounts in the Financial Statement. Moreover, SB Resolution No. 2016-368 declaring the Municipality under the state of calamity and other supporting documents to support the propriety of cash assistance was submitted to the Office of the Auditor for compliance.

### *Environmental Compliance*

- **The Municipality failed to implement the mandatory segregation of solid wastes, proper establishment of Materials Recovery Facility and continuously failed to comply with the basic requirements in the operations of sanitary landfill, contrary to Sections 21, 32 and 42 of Republic Act (RA) No. 9003 and its IRR. In effect, the constituents were exposed to various health hazards.**

23.1 Section 21 of RA No. 9003 dated January 26, 2001 or the Ecological Solid Waste Management Act of 2000 prescribes the mandatory segregation of solid wastes wherein the LGUs shall evaluate alternative roles for the public and private sectors in providing collection services, type of collection system, or combination of systems, that best meet their needs: Provided, that segregation of wastes shall primarily be conducted at the source, to include household, institutional, industrial, commercial and agricultural sources.

23.2 Likewise, Sections 32 of the same Act prescribes that there shall be established a Materials Recovery Facility (MRF) in every barangay or cluster of barangays. The facility shall be established in a barangay-owned or leased or any suitable open space to be determined by the barangay through its Sanggunian. For this purpose, the barangay or cluster of barangays shall allocate a certain parcel of land for the MRF. The MRF shall receive mixed waste for final sorting, segregation, composting, and recycling. The resulting residual wastes shall be transferred to a long term storage or disposal facility or sanitary landfill.

23.3 Moreover, Section 42 of the Act and Section 1 of Rule XIV of its IRR illustrate the minimum considerations for operating sanitary landfills.

23.4 Furthermore, DILG Memorandum Circular No. 2009-168 dated October 27, 2009 includes that all Local Chief Executives are directed to strictly comply with the mandate of the above-cited Act, especially on the establishment of solid waste and materials recovery facilities.

23.5 Ocular inspection of the 5.8 hectare dumping site situated in Barangay Buhangin revealed the following observations despite of the previous years' recommendations:

- There are still no disposal site records for weights and volume of solid wastes accepted, personnel training and excavations. In addition, there has been no daily logbook or file of the calamities, injury and property damage, accidents, explosions, receipt or rejection of non-permitted wastes, flooding and other unusual occurrences.

Although, there is a logbook for trips and fuel consumption but the same was filled up starting March 8, 2017 only. The logbook indicates the vehicles hauling their garbage in the dumping site.

- The site is still not covered with a fence preventing the illegal entries, trespassing and large animal entries. It still permits unauthorized access from the waste pickers or

scavengers.

- There is a jetmatic pump installed which provides water for hand washing and for watering of plants, however, the toilet is still not operational.
- There is still no safe and adequate drinking water supply available. The assigned personnel in duty were responsible for bringing their own supply of drinking water.
- There is still no available lighting for the whole site. The electric posts are just being repaired and the budget for electric wirings is only provided in CY 2017 budget.
- The assigned staff in the dumping site most often is not wearing and/or using safety personal protective equipment.
- The Management procured one unit of backhoe to be used in the excavation of soil in the dumping site; however, sometimes it was borrowed by some barangays in their various projects.

23.6 Interview with the Designated Municipal Environment and Natural Services Officer (MENRO) disclosed that the Municipality failed to secure Environmental Compliance Certificate (ECC) since the start of the operations of the dumpsite as required by Section 38 of the Act pursuant to P.D. No. 1586 dated June 11, 1978.

23.7 It was also noted that despite the issuance of the municipal ordinance on waste segregation and the policy that only residual wastes will be collected by the garbage truck, there were still mixed wastes being observed and eventually collected by the garbage collectors especially in the barangays of Poblacion I, II and III. This is due to the loose control in the imposition of penalties and sanctions for those violators of the ordinance particularly the stall owners, tiangge vendors and residents of the barangays.

23.8 Verification also showed that the Municipality has one MRF constructed in the dumping site, however, the MRF was not designed to receive, sort, process and store compostable and recyclable materials. The MENRO-Designate mentioned that through the help of the Municipal Engineering Department, a layout for the design of the MRFs of the barangays was made and being distributed to the respective barangays. They also encourage them to provide appropriation in their budget for the establishment of MRF.

23.9 Failure to implement mandatory segregation of wastes and noncompliance in the basic requirements of sanitary landfill exposes the constituents to various health hazards and the environment to further deterioration.

23.10 Had the Municipality establish MRFs as prescribed by the Act , it will be a contributory tool for the proper segregation of wastes at source and will help to the attainment of the goals of the SWM programs.

23.11 **We recommended that the Municipal's SWM Board through**

**MENRO-Designate monitor and evaluate the implementation of the SWM programs and policies, monitor the strict implementation of segregation of wastes, comply with the requirements in the operations of sanitary landfill and develop more strategies on how to improve the existing disposal facility to reduce adverse impacts on health and environment. In addition, an ECC must be secured from the DENR relative to the operation of the dumping site.**

**We also recommended that the requirements of RA 9003 relative to the installation of Material Recovery Facilities must be observed for the efficient sorting and storing of wastes.**

*Management comment*

23.12 In his response to the AOM issued, the MENRO Designate cited that the Municipality is currently implementing “No Segregation, No Collection Policy”, however, some residents do not observe proper solid waste segregation at source. With regards to the Municipal MRF located in the dumping site, the same will be upgraded to comply with the requirements set under RA 9003. He also assured the Team that the SWM Board will convene to evaluate the implementation of the SWM programs and policies of the Municipality.

**• Appropriation for the acquisition of land for sanitary landfill amounting to ₱2,000,000.00 remained unutilized as of year-end.**

24.1 Section 3.3.2 of DILG\_DBM JMC No. 2011-1 dated April 13, 2011 includes the construction or rehabilitation of sanitary landfills, material recovery facilities and purchase of garbage trucks and related equipment as one of those priority programs and projects where the 20% IRA may be utilized.

24.2 Likewise, Sections 40 and 41 of RA 9003 provides the criteria for siting and establishment of sanitary landfill.

24.3 Review of the SAAOB as of December 31, 2016 showed that the appropriation for the purchase of land for sanitary landfill amounting to ₱2,000,000.00 remained unutilized as of year-end. The fund was included in the additional appropriations under Municipal Engineering’s Office which was authorized under Supplemental Budget No. 01 series of 2016 on June 7, 2016.

24.4 Interview with the Designated MENRO revealed that the fund is intended for the purchase and establishment of sanitary landfill. It was not yet implemented because there is no suitable land that can be purchased. The SWM Board is considering to purchase the land adjacent to the present disposal site, however, no feedback from the owner was received. When the land becomes available, a request to the Mines and Geoscience Bureau will be made relative to site inspection. Meanwhile, the present disposal site in Barangay Buhangin is still being used.

24.5 Failure to implement the project hinders the selection and development of disposal sites for efficient disposal of wastes.

24.6 **We recommended that the concerned Municipal government officials and employees optimally utilized the fund by trying their best to locate for suitable land as dumpsite and observe the criteria for sanitary landfill as required by Section 40 of RA 9003.**

*Management comment*

24.7 In his letter-reply, the MENRO-Designate cited that the Municipality is exerting all its effort to acquire land suitable and ideal for the sanitary landfill that is also compliant to the provisions of RA 9003 and cleared by the Mines and Geoscience Bureau.

*Hiring of Consultants*

- **Payment of consultancy services to a legal consultant totaling ₱60,000.00 was not subjected to the withholding of appropriate income tax and the contract was not concurred by the Solicitor General and the COA Chairman in compliance with COA Circular No. 98-002 dated June 9, 1998.**

25.1 COA Circular No. 98-002 dated June 9, 1998 states that public funds shall not be utilized for payment of the services of a private legal counsel or law firm to represent government agencies and instrumentalities in court to render legal services for them. In the event that such legal services cannot be avoided or is justified under extraordinary or exceptional circumstances for government agencies and instrumentalities, the written conformity and acquiescence of the Solicitor General and the written concurrence of the Commission on Audit shall first be secured.

25.2 Section 3 of Revenue Regulations (RR) No. 30-2003 provides the amendments to RR No. 2-98 as follows:

Section 2.57.1. Income payments subject to creditable withholding tax and rates prescribed thereon.-xxx xxx

- Professional fees, talent fees, tec., for services rendered by individuals.- on the gross professional, promotional and talent fees or any other forms of remuneration for the services of the following individuals – Fifteen percent (15%), if gross income for the current year exceeds ₱720,000.00; and Ten percent (10%), if otherwise;
- Those individually engaged in the practice of professions or callings; lawyers; certified public accountants; doctors of medicine; architects; civil, electrical, chemical, mechanical, structural, industrial, mining, sanitary, metallurgical and geodetic engineers; marine surveyor; doctors of veterinary science; dentist; professional appraisers; connoisseurs of tobacco; actuaries; interior decorators, designers and all other profession requiring government licensure examinations and/or regulated by the Professional Regulations Commission, Supreme Court,

- etc.
- Xxx
- Xxx
- Xxx
- Xxx
- Management and technical consultants xxx

25.3 Audit of disbursements pertaining to the payment of consultancy services totaling ₱60,000.00 revealed that such payment was for a legal consultant was not subjected to appropriate income tax.

25.4 Review of contract disclosed that the legal consultant is hired for the period of October to December 2016 with monthly consultancy fee of ₱20,000.00. The contract of service was signed by the Municipal Mayor, legal consultant and two witnesses. It was also stated therein that the legal consultant is expected to perform the following functions:

- Render legal advice on matters concerning governance and fiscal administration
- Provide legal assistance and support the LCE in carrying out the delivery of basic services and provisions of adequate facilities as provided for under Sec.17 of the LGC
- Develop plans and strategies and upon approval thereof by the LCE, as the case may be, implement the same, particularly those which have to do with programs and projects related to legal services
- When required by LCE draft contracts, bond, leases and other instruments, involving any interest of the LGU and provide comments and recommendations on any instrument already drawn
- Render opinion in writing on any question of law when requested to do so by the LCE or Sanggunian
- Recommend measures, as the case may be, on all other matters related to upholding the rule of law
- Perform such other functions as may be required by the LCE and as agreed upon by the consultant

25.5 Based on the above activities of the hired consultant, legal services are rendered, thus the hiring of private lawyer as consultant must conform to COA Circular No. 98-002.

25.6 It was also noted that a one-page accomplishment report was attached to the disbursement without specifying the actual duties and responsibilities.

**25.7 We recommended that the Municipal Accountant and Treasurer withhold appropriate taxes on the consultancy fee as provided in R.R. No. 30-2003. We also recommend that the management submit justification for the hiring of private lawyer as Consultant and require the consultant to submit terminal/accomplishment report duly supported by relevant documents.**

### *Management comment*

25.8 In the letter-reply, the Municipal Mayor disclosed the several reasons/advantages why he has hired legal consultant rather than appoint legal counsel with his desire to alleviate the flight of his constituents. He also mentioned that the lawyer-consultant's services were already terminated as of February 2017. As regards to the withholding of taxes, he assured the Team that all government money payments including wages of JO personnel are now being deducted with taxes in consonance with BIR .

### *Utilization of Special Education Fund*

- **Information Technology (IT) Equipment of the Naujan DepED District Offices intended for administrative operations were paid out of Special Education Fund due to continuous authorization of the Local School Board of the same in its Annual Budget.**

26.1 Section 272, Chapter 7 of RA No. 7160 or the Local Government Code of 1991 provides that the proceeds from the additional one percent (1%) tax on real property accruing to the Special Education Fund shall be automatically released to the Local School Boards and shall be allocated for the operation and maintenance of public schools, construction and repair of school buildings, facilities and equipment, educational research, purchase of books and periodicals, and sports development as determined and approved by the Local School Board.

26.2 DECS (now DepEd), DBM and DILG Joint Circular No. 01 s. 1998 dated April 14, 1998 states the following prioritization of expenses chargeable to SEF:

- Operation and Maintenance of public schools, including organization of extension, non-formal, remedial and summer classes, as well as payment of existing allowances of teachers granted by local government units chargeable against SEF as of December 31, 1997, provided that any additional allowance that may be granted to teachers by LGUs shall be charged to the general fund of LGUs, subject to existing budgeting rules and regulations;
- Construction and repair of school buildings, facilities and equipment including the acquisition, titling and improvement of school sites;
- Educational Research
- Acquisition/procurement of books, instructional materials, periodicals, and equipment including information technology resources; and
- Expenses of school sports activities at the national, regional division, district municipal and barangay levels as well as for other DepEd related activities including co-curricular activities.

26.3 Moreover, Local Budget Circular No. 23 dated Sept. 10, 1985 provides that the MOOE allowable for the School Board itself shall include only (1) supplies and materials and (2) travelling expenses (reimbursable), for allowed conferences/meetings of School Board.

26.4 Audit of the DVs and Year-End Financial Statements disclosed that on May 10, 2016 the Municipality paid for the following IT Equipment thru check no. 49742922 for the operations of the District Offices:

| <b><i>Naujan West District</i></b>     |                     |
|--|---------------------|
| 1 set Desktop Computer                 | ₱ 29,900.00         |
| 1 unit All-in-One Printer, Canon MP237 | 4,900.00            |
| 1 unit Laptop Computer, Asus           | 40,900.00           |
| 1 unit External Drive 1TB              | 3,990.00            |
| <b>Subtotal</b>                        | <b>79,690.00</b>    |
| <b><i>Naujan South District</i></b>    |                     |
| 1 set Desktop Computer                 | 29,900.00           |
| 1 unit All-in-One Printer, Canon MP237 | 4,900.00            |
| 1 unit Laptop Computer, Asus           | 40,900.00           |
| 1 unit Printer 3-in-1, Canon MP237     | 9,800.00            |
| <b>Subtotal</b>                        | <b>85,500.00</b>    |
| <b>TOTAL</b>                           | <b>₱ 165,190.00</b> |

26.5 The procurement of the equipment was contrary to the Local Budget Circular No. 23 dated Sept. 10, 1985 wherein it is clearly stated no capital outlay for the School Board be allowed in any case, only MOOE which should only be limited to (1) supplies and materials and (2) travelling expenses (reimbursable), for allowed conferences/meetings of School Board.

26.6 The continuous approval of the Municipal School Board to utilize the SEF in payment of various non-related expenses depleted the funds for the maintenance and operation of Public Schools.

**26.7 We recommended that the Municipal School Board limit the utilization of the Special Education Fund to programs and projects required in the DECS, DBM and DILG Joint Circular No. 01 s. 1998 in order to maximize the benefits that the Public School students could derived therefrom.**

*Management comment*

26.8 During the exit conference, the Municipal Accountant commented that with the issuance of DepEd, DBM, DILG Joint Circular No. 1 dated January 19, 2017 prescribing the revised guidelines on the use of SEF, proper charging of allowable expenses shall be implemented.

*Incomplete documentation – Drugs*

• **Claims for the procured drugs and medicines totaling ₱1,821,397.00 were not supported with certification from the requisitioning officer/Municipal Health Officer that the products being procured fall within and conform with the latest edition of Philippine National Drug Formulary Manual, in violation of the Department of Health Administrative Order No. 163, thus there was no assurance that the procured drugs and medicines are essential, of good quality, safe, effective and will satisfy the priority health care needs of the constituents.**

27.1 Executive Order (EO) No. 49 dated January 21, 1993 (entitled “Directing the Mandatory Use of the Philippine National Drug Formulary (PNDF), Volume I as the Basis for Procurement of Drug Products by the Government”) strengthened the advocacy of the Generics Act by ensuring that only essential drugs identified in their generic names will be procured by all government institutions.

27.2 Department of Health (DOH) Administrative Order No. 163, s.2002 (entitled “Implementing Guidelines and Procedures in the Procurement and Requisition of Drugs and Medicines by the Department of Health pursuant to EO No. 49”) provides the procedural bases that ensure requisition of essential drugs by the Government sector and the decision system for the inclusion and deletion of drugs in the PNDP. It was likewise stated in said guidelines that “Every Requisition and Issue Slips (RIS) and Purchase Request (PR) including purchases in times of emergency and authorized under the General Appropriation Act, shall be accompanied by a Certification from the requisitioning or by the duly authorized officer that the products being requisitioned and procured fall within and conform with the latest edition of the PNDP Manual.”

27.3 Audit of the CY 2016 accounts and transactions revealed that the Municipality procured drugs and medicines totaling ₱1,821,397.00 from AQ Pharma Trading and Ormin Pharmaceutical Distribution. Scrutiny of the disbursement vouchers disclosed that the claims were not supported with a certification that the products being requisitioned and procured fall within and conform to the latest edition of the PNDP Manual.

27.4 The failure of the concerned Municipal officials and employees to attach certification that the products being requisitioned and procured fall within and conform with the latest edition of the PNDP Manual does not conform with Executive Order No. 49 and DOH Administrative Order No.163 and provides no assurance that the procured drugs and medicines are essential, safe, of good quality, effective and will satisfy the priority health care needs of the constituents.

27.5 **We recommended and the Municipal Health Officer agreed to verify and**

**submit certification that the procured drugs and medicines still on stock in the Rural Health Units fall within and conform to the latest edition of the PNDF Manual. We also recommend that the concerned Municipal Health officials see to it that in the subsequent purchases, the purchase request be supported with the certification as required by the regulation. In case the medicines are not included in the PNDF Manual, prepare a written request with justification and secure approval from the Director, National Center for Pharmaceutical Access and Management.**

*Non-submission of reports*

- **The monthly Statement of Appropriations, Allotments, Obligations and Balances, Report of Physical Count of Inventories and Monthly Monitoring Report of the awarded infrastructure projects, programs and activities were not submitted to the Office of the Auditor by different offices which precluded the timely validation and evaluation of the same.**

28.1 Section 70 of MNGAS, Volume I for LGUs provides that the original copy of the monthly pre-closing trial balance for each fund shall be submitted to the Commission on Audit not later than the twentieth day after the end of the month. It shall be supported by the SAAOB, for both current and continuing appropriations.

28.2 Likewise, Section 124 of MNGAS, Volume I provides that the local chief executive shall require periodic physical inventory of supplies or property. Physical count of inventory items by type shall be conducted semestraly and reported in the Report of the Physical Count of Inventories (RPCI). This shall be submitted to the Auditor concerned not later than July 31 and January 31 of each year for the first and second semester, respectively.

28.3 Moreover, paragraphs 3.1 and 3.2 of the same Circular provide that the Head of Agency shall inform its SA and ATL within ten (10) days after the award of the infrastructure project or before the start of the program/activity that the appropriate project signboards and/or public notices are already posted, and the SA and ATL shall validate the same. Based on the data sourced from the monthly monitoring report prepared by the agency and verified by the Technical Audit Specialist of this Commission, the Project Status (in Annex A of the Circular) should be maintained as current as possible and updated.

28.4 Furthermore, Section 122 of P.D. No. 1445 includes that whenever deemed necessary in the exigencies of the service, the Commission may under regulations issued by it require agency heads, chief accountants, budget officers, cashiers, disbursing officers, administrative or personnel officers, and other responsible officials of the various agencies to submit trial balances, physical inventory reports, current plantilla of personnel, and such other reports as may be necessary for the exercise of its functions. It also prescribes that failure on the part of the officials concerned to submit the documents and reports shall automatically cause the suspension of payment of their salaries until they shall have complied with the requirements of the Commission.

28.5 Records of this Office show that for CY 2016, the concerned officials and employees, due to lack of awareness, failed to submit the following reports:

| Name of Report   | Period  | Person Responsible           |
|--|---|------------------------------|
| Statement of Appropriations, Allotments, Obligations and Balances                                | January-December 2016                                       | OIC-Municipal Budget Officer |
| Report on the Physical Count of Inventories  | For the semesters ended June 30, 2016 and December 31, 2016 | General Services Officer     |
| Monthly Monitoring Report of the awarded infrastructure projects, programs and activities (PPAs) | January-December 2016                                       | Municipal Engineer and MPDO  |

28.6 It was noted that the Municipal Accountant submitted the monthly trial balances together with the Statement of Financial Position (Balance Sheet), Statement of Financial Performance (Income Statement), Statement of Cash Flows (quarterly) and other supporting schedules; however, the same was not supported with SAAOB for current and continuing appropriations. Any changes in the current budget with approved ordinances must be reflected in the SAAOB and the submitted SAAOB must be supported with the certified copy of respective approved appropriation ordinances from the Secretary of the Sangguniang Bayan.

28.7 Further verification revealed that the Municipal Engineer submitted the Consolidated Quarterly Reports on Government PPAs for CY 2016 on May 26 (1<sup>st</sup> quarter), July 11 (2<sup>nd</sup> quarter), November 2 (3<sup>rd</sup> quarter) and on February 2, 2017 (4<sup>th</sup> quarter), respectively, but no Monthly Monitoring Report of the Awarded Infra Projects and other PPAs have been submitted.

28.8 The continuous failure to submit the required reports in the period prescribed by the regulations precluded the Auditor in the immediate audit/verification of the same. Moreover, the management was deprived of the opportunity to be informed of possible irregularities/deficiencies, if any, and to correct/adjust the same at the earliest time possible.

**28.9 We recommended and the concerned officials and employees agreed to prepare the required reports in the proper formats and submit the same to the Office of the Auditor in the period as prescribed by the different rules and regulations for audit and validation purposes.**

#### *Local Council for the Protection of Children*

- **Programs, projects and activities which advocates on child protection programs were not implemented due to non-provision in the Annual Budget of the required allocation of 1% of IRA for strengthening and implementation of programs for children's welfare, and further violates the mandate of RA 9344.**

29.1 Section 15 of RA No. 9344, known as the "Juvenile Justice and Welfare Act of

2006” mandates that Local Councils for the Protection of Children (LCPC) shall be established in all levels of local government, and where they have already been established, they shall be strengthened within one (1) year from the effectivity of this Act. Membership in the LCPC shall be chosen from among the responsible members of the community, including a representative from the youth sector, as well as representatives from government and private agencies concerned with the welfare of children.

29.2 The local council shall serve as the primary agency to coordinate with and assist the LGU concerned for the adoption of a comprehensive plan on delinquency prevention, and to oversee its proper implementation.

29.3 One percent (1%) of the internal revenue allotment of barangays, municipalities and cities shall be allocated for the strengthening and implementation of the programs of the LCPC; provided that the disbursement of the fund shall be made by the LGU concerned.

29.4 Moreover, Section 16 of RA 9344 stipulates that all LGUs shall appoint a duly licensed social worker as its local social welfare and development officer tasked to assist children in conflict with the law.

29.5 Likewise, Section 2 of DILG Memorandum Circular No. 2012-120 dated July 4, 2012 provides the funding of PPAs out of the LCPC fund.

29.6 Review of CY 2016 Annual Budget disclosed that there is no appropriation for programs, projects and activities, which advocates on child protection programs equivalent to 1% of IRA as mandated under RA 9344.

29.7 Verification also revealed that the Municipality enacted Municipal Ordinance No. 57 series of 2008, known as Municipal Children’s Welfare Code. Amendments made on certain provisions of the Code under Municipal Ordinance No. 98 enacted on December 16, 2016 includes the following:

- Creation/establishment and the components of the Children in Need of Special Protection Unit
- Creation of the Municipal and Barangay Councils for the Protection of Children (MCPC & BCPC) as well as the formulation of their duties and responsibilities.
- Funding for LCPCs

29.8 Although there is provision for the creation of children in need of special protection unit stipulated in Municipal Ordinance No. 98, no unit is yet established as of the conduct of CY 2016 audit due to lack of manpower that will perform the duties. However, inquiry with MSWDO disclosed that there were interventions made for child related issues and cases under their child and youth welfare program.

29.9 It was also noted that Municipal Executive Order No. 17-004 dated January 27, 2017 was also issued to reorganize the MCPC as well as to establish their functions.

29.10 Non-provision in the Annual Budget of the required allocation of 1% of IRA not only hinders the strengthening and implementation of PPAs for children's welfare but also violates the mandate of RA 9344.

29.11 **We recommended that the Management allocate the required 1% of their IRA and likewise abide to the rules and regulations about the formulation of budget and utilization of the 1% LCPC fund.**

**We also recommended that the Municipal Council for the Protection of Children perform their duties and responsibilities as provided in the Municipal Ordinance No. 98 to implement the PPAs and strengthen the programs that will promote the children's welfare which includes the establishment of Special protection unit for the children in need that will address child-related issues and concerns.**

*Management comment*

29.12 In response to the AOM issued, the Management admitted that the Municipal government failed to provide in Annual Budget the required allocation of 1% of IRA for LCPC. According to them there are projects intended for children such as *a) Maternal Health Care, b) Nutrition, c) Purchase and installation of children's playground and d) Advocacy on children's rights and protection.* However, in 2018 Annual Budget, 1% allocation for LCPC has been provided thus, PPAs for LCPC will be implemented on 2018.

- **Value for Money Audit**

*20% Development Fund*

- **The 119 programs/projects/activities funded under the 20% Development Fund totaling ₱65,299,816.36 remained unimplemented at the end of the year due to unfeasible project proposal, unavailability of lot and insufficient fund allocation, thus depriving the constituents of the benefits had the developmental projects been implemented and the objective to optimally utilized the fund to achieve desirable socio-economic development and environmental outcome was not met.**

30.1 Section 287 of the RA No. 7160 requires each local government unit to appropriate in its annual budget no less than twenty percent (20%) of its annual internal revenue allotment for development projects. Moreover, Section 476(4) of the RA No. 7160 obliges the Municipal Planning and Development Coordinator to monitor and evaluate the implementation of the different development programs, projects, and activities in the local government unit concerned in accordance with the approved development plan.

30.2 In addition, DILG and DBM Joint Memorandum Circular (JMC) No. 2011-1 dated April 13, 2011 sets the guidelines on the appropriation and utilization of the 20 percent (20%) of the Annual Internal Revenue Allotment (IRA) for development projects. Item 5 of the said JMC provides that it is the responsibility of the Municipal Mayor to ensure that the 20% of the IRA is optimally utilized to help achieve desirable socio-economic development

and environmental outcomes.

30.3 Verification shows that in CY 2016, the Municipal Government appropriated the amount of ₱38,328,440.00 for 20% Development Fund in compliance with the guidelines previously cited. However, out of the total appropriation of ₱43,691,416.00, including supplemental and realignments during CY 2016, only ₱10,432,640.81 was obligated, thus leaving a balance of ₱33,258,775.19 or 76.12% of the appropriations remained unutilized. For continuing appropriations of ₱45,592,495.05, only ₱13,551,453.85 was spent, hence, the balance of ₱32,041,041.20 or 70.28% of the appropriations remained unused.

30.4 Review of the Status of Appropriation, Allotment, Obligations and Balances (SAAOB) disclosed that as of December 31, 2016, almost 119 programs/projects/activities totaling ₱65,299,816.39 remained unimplemented. Details of the PPAs with unutilized appropriations were shown in *Annex Q*.

30.5 It was also noted that there is laxity in the monitoring of PPAs. Continuing projects were not properly traced and identified, as to the year where it originated. All projects were just transferred to continuing appropriations. Moreover, savings from implemented projects especially those from CY 2014 and below, remained in the unappropriated balance of the 20% Development Fund instead of being reprogrammed to more useful projects, which could have benefited their constituents.

- Although analysis revealed that the Municipality has implemented many of its programmed projects under the 20% development fund during CY 2016 and obligated a total of ₱23,984,094.66, the local officials did not optimally utilize the fund in the period intended contrary to DILG and DBM JMC No. 2011-1 dated April 13, 2011, thus, depriving the constituents of the immediate use of facilities and benefits that could be derived had the projects been implemented.

30.7 **We recommended that:**

- **the Municipal Budget Officer properly monitor the budget allocation for the PPAs and help the Municipal Development Council (MDC) in the re-evaluation of unimplemented prior years' projects;**
  - **the MDC with the assistance of the MPDO reassess the necessity of pursuing the unimplemented projects of prior years, otherwise reprogram the same to a more needed developmental projects. The Council should also properly plan and prioritize all activities to be implemented during the year; and**
  - **that the MDC and Budget Officer appropriate sufficient fund for the complete implementation of the identified projects.**
- 
- **Various equipment from the Bureau of Soils and Water Management for the implementation of the program "Establishment of Composting Facility for**

**Biodegradable Wastes” such as shredder, rotary composter and compost tea brewer remained non-operational due to lack of training for the operator/s and no available raw materials.**

31.1 In support to RA No. 10068 otherwise known as “Organic Act of 2010”, Memorandum of Agreement was entered into by and between Bureau of Soils and Water Management (BSWM), Department of Agriculture Regional Field Office IV-B (DA-RFO) and Local Government of Naujan. The MOA provides the objectives, obligations of the parties and special provisions agreed by all parties.

31.2 Item nos. 5-7 of the obligations of the BSWM indicates that the agency shall provide technical support and assistance in the establishment of Composting Facility for Biodegradable Wastes (CFBW) and in coordination with the DA-RFO, it shall also monitor and document the status of the project as well as the production data and overall sustainability of the CFBW and evaluate the implementation and performance of the CFBW.

31.3 Likewise, LGU shall establish and operate the facility in accordance with the technical protocol of the project, provide a place to house the CFBW as their counterpart for the project and submit to BSWM and DA-RFO for inspection, evaluation and monitoring of the status of the project as well as the production data and overall sustainability of the CFBW.

31.4 On September 15, 2016, the LGU through the MENRO-Designate received various equipment such as one unit each of shredder, rotary composter and compost tea brewer from the BSWM in compliance with the provisions of the MOA. However, ocular inspection revealed that the facility was not yet operational since the receipt of the equipment. It was also noted that the shredder was placed in the MRF of the dumping site while the rotary composter and compost tea brewer were placed inside the bunkhouse.

31.5 Interview with the MENRO-Designate disclosed that the facility was not yet operating because of the following reasons:

- There is no available electricity because the electric posts after its destruction during the typhoon was just repaired lately and the electrical wirings are for installation;
- The appropriation for the housing of the equipment was only provided in the CY 2017 budget.
- The shredder, although, can be manually operated, required voluminous biodegradable wastes in addition with the parts of kakawati which were planted in the area to produce shredded waste to be used by the rotary composter, because the composter required minimum of one ton of shredded waste to produce organic fertilizer. To address the issue of non-availability of the raw materials, a proposal for separate collection of biodegradable wastes will be conducted.
- The compost tea brewer can produce insecticide, however, no training yet was

provided by the BSWM for the operation of the equipment. No feedback yet was given by the BSWM for verbal request of the MENRO-Designate for the provision of training for them. They are still waiting for the return of the representative of the BSWM for inspection, although, no status report of the project was submitted to the BSWM and DA-RFO for inspection, evaluation and monitoring purposes.

31.6 Failure to implement the provisions of the MOA hindered the attainment of the objectives of the establishment of composting facility which is to support RA 10068 which advocates the utilization of organic fertilizers as one of the methods to minimize groundwater pollution, restore soil fertility, reduce the vulnerability of marginal farmers on the high cost of chemical fertilizers, and promote gradual adoption of Organic Agriculture nationwide.

31.7 **We recommended that:**

- **the MENRO-Designate coordinate and prepare written request for the training of the operator/s for the technical operation of the composting facility with the BSWM;**
- **the Management adhere to the provisions cited in the Memorandum of Agreement particularly the performance of the obligations of the LGU for the continuous operation of the facility; and**
- **the SWM Board through the MENRO-Designate prepare an ordinance that will support the proposal for separate collection of biodegradable wastes and implement the same to provide available raw materials that will be used in the operations of the composting facility.**

*Management comment*

31.8 In his reply, the MENRO-Designate assured the Team that the Municipal Government of Naujan is doing all its best to improve and adhere to the implementation of the SWM programs in accordance with the provisions of RA 9003 and it is IRR.

**Compliance with Tax Laws**

32. The Municipality of Naujan complied with the provisions of the Bureau of Internal Revenue (BIR) Regulation No. 2-98, dated April 17, 1998, as amended, and various issuances of the BIR, particularly on the withholding/deduction and remittance of the required taxes from the claims of various suppliers/contractors and other claimants including those from compensation of municipal officials and employees.

**Unsettled Suspensions, Disallowances and Charges**

33. The Municipality has unsettled disallowance of ₱747,416.50 as of December 31, 2016,

**Status of Implementation of Prior Years' Unimplemented Audit  
Recommendations  
As of December 31, 2016**

Out of the 17 prior years' audit recommendations embodied in the 2015 and previous years' Annual Audit Reports, three were fully implemented, twelve were partially implemented and two were not implemented by the Municipality. Details are presented below:

| <b>Audit Observations</b>  | <b>Audit Recommendations</b>  | <b>Ref.</b>                   | <b>Management Action</b>   | <b>Status of Implementation</b>                                | <b>Reasons for Partial or Non-Implementation</b>  |
|--|---|-------------------------------|--|--|---|
| The incomplete physical inventory and documentation of the properties resulted in the undetermined differences amounting to ₱234,083,663.86 between Inventory Report and accounting records of Property, Plant and equipment (PPE) account balances. | <p>We recommended that the Municipal GSO prepare plan for the conduct of a complete physical inventory including the (a) time frame to complete the conduct of inventory count and (b) preparation of the report taking into consideration the present condition of the properties. Thereafter, the Municipal Accountant and GSO coordinate with each other and prepare supporting schedules to facilitate the proper reconciliation of the property accounts and establishment of actual existence, ownership and condition of the properties.</p> <p>We also recommended that the Municipal Accountant exert efforts to identify details and verify the unreconciled beginning balances amounting to ₱58,189,219.11, effect proper adjustments in the books for items that necessitate corrections as identified in the</p> | 2015<br>AAR<br>pages<br>30-33 | The GSO identifies the additional properties in the course of physical count and the Accounting Office adjust, reclassify and prepare entries for unrecorded properties. | Partially Implemented.<br>Reiterated in Part II of the Report. | Inability to perform a complete inventory due to insufficiency of records as whereabouts and conditions of properties. RCPPE preparation did not include details as to present condition of properties count whether serviceable and functional unserviceable and for disposal. |

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|   | verification and reconciliation process, create separate subsidiary ledgers for the unreconciled and not identified properties and observe proper disclosure of the same in the Notes to Financial Statements for fair presentation.  |                               |   |  |   |
| Non-provision of depreciation for properties totaling ₱41,693,072.01 due to difficulty in tracing information relative to the properties.   | We recommended that the Municipal Accountant, upon reconciliation of records with the GSO and identification of details of the properties, prepare pertinent adjustments to record the fully depreciated properties at salvage value and provide for disclosure of the same in the Notes to Financial Statements.   | 2015<br>AAR<br>page<br>33     | The management is still in the process of reconciling PPE and establishing unrecorded assets, disposable /unserviceable and missing assets as well. | Partially Implemented.<br>Reiterated in Part II of the Report. | Various PPE items were still not being charged with depreciation due to difficulty in tracing information relative to the properties.                 |
| Forty-six (46) parcels of land were not supported with actual possession of Transfer Certificate of Title (TCT) due to inability of the Municipality to secure necessary documents to effect transfer of legal ownership over the properties. | <p>We recommended that:</p> <ul style="list-style-type: none"> <li>• The Municipal Assessor account for the additional twelve (12) land titles in custody of the Municipal Treasurer which were not included in the Municipal assessor's records;</li> <li>• The Municipal Assessor, General Services Officer, and Treasurer coordinate and exert efforts in obtaining documents necessary for titling the parcels of land accounted in the name</li> </ul> | 2015<br>AAR<br>pages<br>34-35 | The Municipal Assessor updated its records and reports by including the 12 land titles in the custody of the Municipal Treasurer.                   | Partially Implemented.   | Insufficient documents support the claim of ownership. There was still appropriation forth by Municipality process titling subjected parcels of land. |

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| <p>Unserviceable motor vehicles and heavy equipments remained undisposed and exposed to further deterioration due to incomplete documentation of the disposable properties, non-preparation of the Inventory and Inspection Report of Unserviceable Property (IIRUP) and non-submission of the report to the Office of the Auditor.</p> | <p>of the Municipality; and the</p> <ul style="list-style-type: none"> <li>• Municipal Budget Officer annually appropriate funds on a per parcel basis to ensure that the Municipality's budget can accommodate the survey and titling of each land in the name of the Municipality to preserve legal rights over the real properties and to avoid exposure to third party claims.</li> </ul> <p>We recommended that the:</p> <ul style="list-style-type: none"> <li>• Municipal GSO inspect and account the unserviceable motor vehicles and heavy equipment located in the open space motor pool to facilitate preparation of Inventory and Inspection Report of Unserviceable Property;</li> <li>• Municipal Accountant determine the book/salvage value of the properties to be included in the request for disposal of the unserviceable properties; and the</li> </ul> | <p>2015<br/>AAR<br/>pages<br/>35-36</p> | <p>No action was taken by the Management during CY 2016 relative to the disposal of unserviceable properties.</p> | <p>Not Implemented. Reiterated in Part II of the Report.</p> | <p>Non-preparation of the prescribed IIRUP which is requirement for disposal of unserviceable properties due to non-maintenance of complete records and documentation by the GSO and Accounting Offices.</p> |
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| <p>The delayed submission of documents by the concerned officials/employees and implementing offices resulted in the liquidation of cash advances totaling ₱1,460,651.00 for travelling expenses and special purpose beyond prescribed period..</p> | <ul style="list-style-type: none"> <li>• Municipal Mayor create a Committee on Appraisal to appraise the unserviceable properties and request the disposal of the same pursuant to COA rules and regulations to prevent further deterioration and to realize income from the sale thereof.</li> </ul> <p>We recommended that the:</p> <ul style="list-style-type: none"> <li>• individual Accountable Officers granted with cash advances strictly observe diligence in the liquidation of their respective cash advances (a) within the prescribed period and (b) return the excess cash advances simultaneously with the liquidation report, if any;</li> <li>• Accountable Officers with cash advances ensure that the required supporting documents for the project/activity of different offices are immediately submitted to the Accountant;</li> <li>• Municipal Accountant and Treasurer closely monitor the liquidation of cash advances and issue demand letter to concerned officials and employees with cash</li> </ul> | <p>2015<br/>AAR<br/>pages<br/>37-39</p> | <p>Decrease in the balance of unliquidated cash advances especially for travels due to prompt liquidation of AOs and most officials and employees.</p> | <p>Partially Implemented. Reiterated in Part II of the Report.</p> | <p>Continuous delay the liquidation CAs due to processing documents a receipts relative project implementation the concern Offices, officials and employees.</p> |
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|   | <p>advances that remained unsettled for more than 30 days; and the</p> <ul style="list-style-type: none"> <li>• Municipal Mayor, Accountant and Treasurer enforce immediate and full liquidation/refund of overdue unliquidated cash advances with previously issued demand letter to prevent misappropriation of public funds, overstatement of Due from Officers and Employees account and understatement of affected expense accounts for a given period.</li> </ul> |                      |   |   |  |
| Payment totaling ₱1,834,300.00 for mobile subscriptions, internet subscriptions and various reimbursements for travelling expenses were made out of cash advances for Petty Operating Expenses. | We recommended that the Disbursing Officer refrain from allowing the cash advance for petty operating expenses be used for payment of regular expenses and reimbursement of travelling expenses.  | 2015 AAR page 40     | No action was taken by the Management.  | Not Implemented. Reiterated in Part II of the Report.       |  |
| Continuous incurrence of loses in the operation of Municipal Public Market due to laxity in its administration.   | We recommended that the Market Administrator and other officials and employees concerned devise a system or strategy for the effective management of market operations particularly in encouraging the lessees/stallholders to occupy only their leased spaces, display products  | 2015 AAR pages 40-42 | The Market Administrator exerted effort to issue demand letters to those delinquent stallholders and conducted meetings with them to discuss the current situation of the market. | Partially Implemented. Reiterated in Part II of the Report. | The Offices of Municipal Treasurer and Market Administrator still reconcile their records payment of stallholders, hence no receivable was taken up by |

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|   | <p>according to the section where their leased stalls belong, and pay their rental fees in a timely manner as required by the regulations and agreed in the perfected Contract of Lease.</p> <p>We also recommended that the Market Administrator and Municipal Treasurer coordinate with each other and enforce the collection of fees and corresponding surcharges from the delinquent stallholders.</p> <p>Likewise, the Market Administrator through the help of the Municipal Treasurer update the records of the payments by individual stallholders to determine their outstanding balances for monitoring and collection purposes and afterwards, report to the Municipal Accountant the accumulated uncollected amounts for the proper taking up of the uncollected market stall fees that are deemed realizable to reflect the accurate amount of receivable in the financial statements.</p> |                               |   |                   | Accounting Office |
| Unutilized balances of fund transfers under the Due to Other NGAs account in the Trust Fund for more than two years totaling ₱567,194.44 remained unremitted to the | We recommended that the Municipal Accountant prepare the disbursement voucher for the return of the unutilized balances of fund transfers under the Due to Other NGAs account amounting to  | 2015<br>AAR<br>pages<br>42-44 | The Municipal Accountant and Treasurer remitted the unutilized balance of the fund transfers under the following details: <ul style="list-style-type: none"> <li>• Ck#49742717</li> </ul> | Fully Implemented |                   |

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| Bureau of Treasury.   | <p>₱567,194.44 and the Municipal Treasurer remit the fund to the Bureau of Treasury.</p>  |                      | <p>dtd 5/3/16-PhilRice -₱260.07</p> <ul style="list-style-type: none"> <li>• Ck#49742735 dtd 6/6/16-Bureau of Treasury-₱386,934.37</li> <li>• Ck#49742734 dtd 6/6/16-General Fund-₱180,000.00 (for implementation)</li> </ul> |   |  |
| <p>The relief goods procured out of the Local Disaster Risk Reduction and Management Fund (LDRRMF) for stockpiling and for relief and recovery operations amounting to ₱2,679,512.00 was taken up in the books as Welfare Goods Expenses, Other Supplies and Materials Expense and Other MOE instead of Welfare Goods for Distribution, thus resulting in the overstatement of expense and understatement of inventory accounts by an amount equivalent to the inventory still on hand at year end.</p> | <p>We recommended that the Municipal Accountant comply with the accounting and reporting guidelines on the receipt and utilization of LDRRMF to present fairly the expense and inventory accounts in the Financial Statements. Moreover, the designated MDRRMO ensure that issuances of relief goods and other relief operations are properly documented, and the GSO through the help of the designated MDRRMO conduct the required inventory of items and prepare corresponding reports to ascertain the balances of the relief goods that remained on hand as of year-end to reflect the correct amount of inventory.</p> <p>We also recommended that the officials and employees concerned in the Accounting and Treasury</p> | 2015 AAR pages 44-46 | <p>The MDRRMO monitor the issuances of the relief goods and see to it that the same was properly accounted as to the records of the receipt by the beneficiaries.</p>   | Partially Implemented. Reiterated in Part II of the Report. |  |

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|   | <p>department scrutinize the claims and see to it that the required supporting documents were attached before payments are made.</p>  |   |   |  |   |
| <p>The eight proposed LDRRM projects totaling ₱4,233,957.45 funded out of the 70% Mitigation Fund-Capital Outlay remained unimplemented due to non-prioritization of projects by the Municipal Disaster Risk Reduction Management Council (MDRRMC) and non-inclusion of priority projects in the Municipality's Investment Plan for Disaster.</p> | <p>We recommended that the MDRRM Council with the assistance of the Designated MDRRMO prioritize the projects to be funded out of the Fund and ensure their inclusion in the LDRRMFIP in compliance to the provisions of COA Circular No. 2012-002.</p> <p>We also recommended that the MDRRM Council closely monitor the undertaking of the proposed programs, projects and activities funded out of the LDRRMF to achieve the purpose of RA No. 10121 which is to institutionalize measures for reducing disaster risks including the projected climate risk and enhancing disaster preparedness and response capabilities at all levels.</p> | <p>2015<br/>AAR<br/>pages<br/>46-48</p> | <p>The MDRRMO exerted effort to monitor the implementation of the PPAs, however, there are reasons which are beyond their control.</p>  | <p>Partially Implemented.<br/>Reiterated in Part II of the Report.</p> |   |
| <p>The Municipal's ten-year Solid Waste Management (SWM) Plan was still conditionally approved by the National Solid Waste Management Commission due to incomplete documentary and other requirements prescribed by Section 17 of</p>   | <p>We recommend that the Municipal's SWM Board revisit the SWM Plan and revise it by incorporating all the requirements prescribed in Section 17 of RA No. 9003 and also consider the other requirements of the NSWMC, and submit the same to the NSWMC for final approval.</p>   | <p>2015<br/>AAR<br/>pages<br/>48-49</p> | <p>The Municipal government was able to submit the SWM Plan before the deadline set by the NSWMC. The Commission has passed Resolution No. 542, series of 2016 on April 26, 2016 approving the 10-Year SWM Plan</p> | <p>Partially Implemented</p>   | <p>The MSWM failed to convene work on additional requirements. The MENRO is making a draft of some the required details</p> |

|  |  |                               |   |  |  |
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| Republic Act (RA) No. 9003.  | We also recommend that the Municipal's SWM Board convene regularly to monitor and review the targets and strategies to ensure efficient management of the Municipality's SWM program.  |                               | subject to the submission of additional required information.   |  |  |
| Non-conduct of training on the collection, handling and transportation of wastes by the Municipal Health Officer to the Solid Waste Management staff and inadequate observance to the minimum requirement for the collection, transportation and handling of solid wastes due to insufficiency of funds. | <p>We recommended that the Municipal's SWM Board in coordination with the Municipal Health Officer and other agencies concerned make a schedule for the necessary training for the SWM staff to ensure that the solid wastes are handled properly to minimize the risk of hazards to the SWM personnel and the public as well.</p> <p>We also recommended that the Municipal's SWM Board seek for additional fund which will be used in the implementation of the proper collection, transportation and handling of solid wastes required by the provisions of the IRR of RA No. 9003.</p> | 2015<br>AAR<br>pages<br>49-51 | The training on proper handling of solid wastes for SWM staff was conducted by the MHO and MENRO on March 31, 2016.                 | Fully Implemented  |  |
| Non-compliance with the basic requirements of RA No. 9003 in the operation of Municipal's Sanitary Landfill Category I in Barangay Buhangin due to insufficient funds to finance the   | We reiterated our recommendation that the Municipal's SWM Board monitor and evaluate the implementation of the SWM program and see to it that the requirements for the operations of the sanitary landfill was   | 2015<br>AAR<br>pages<br>51-53 | The Municipality has procured one unit of backhoe with dozer blade which helped them in the excavation of soil in the dumping site. | Partially Implemented.<br>Reiterated in Part II of the Report. | The operation of the Municipal Sanitary Landfill in Barangay Buhangin still failed to comply with the basic requirements of RA No. 9003 due to insufficiency of funds. |

|  |   |                      |   |   |   |
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| activities of SWM.   | observed to ensure its continuous operation.  |                      |   |   | of funds.   |
| The 19 projects under the 20% Development Fund totaling ₱20,623,292.43 remained unimplemented at the end of the year due to unfeasible project proposal, unavailability of lot and insufficient fund allocation. | <p>We recommended that the Municipal Development Council with the assistance of the OIC-Municipal Planning and Development Officer reassess the necessity of pursuing the unimplemented projects of prior years, otherwise reprogram the same to a more needed developmental projects. The Council should also properly plan and prioritize all activities to be implemented during the year.</p> <p>We also reiterated that the Municipal Development Council and Budget Officer appropriate sufficient fund for the complete implementation of the identified projects.</p> | 2015 AAR pages 53-54 | The Municipal Development Council agreed on realignment of some projects.                       | Partially Implemented<br>Reiterated in Part II of the Report. | Some of projects were not implemented due to the Municipal unavailability of lot, unfeasibility of the projects in proposed location and insufficient fund allocation. Also, there is laxity in the monitoring of PPAs and continuing projects were not properly traced and identified. |
| Payment of honoraria totaling ₱133,871.20 to the Bids and Awards Committee (BAC) and Technical Working Group (TWG) members were not subjected to the withholding of appropriate income tax.                      | We recommended the Municipal Accountant and Treasurer to withhold taxes on the honoraria paid to BAC and TWG members in compliance with existing BIR Revenue Regulations.   | 2015 AAR pages 54-56 | The payment of honoraria of BAC and TWG was subjected to withholding of appropriate income tax. | Fully Implemented   |   |
| The Monthly Monitoring Report of the awarded infrastructure projects, programs and activities (PPAs) and List of all   | We recommended that the Municipal Mayor require the Engineering Office to prepare the monthly monitoring report of the awarded infrastructure   | 2015 AAR pages 56-57 | The Quarterly Reports on Government Projects/Programs/Activities for CY 2016 were               | Partially Implemented<br>Reiterated in Part II of the Report. |   |

|  |   |                               |  |                       |   |
|--|---|-------------------------------|--|-----------------------|---|
| On-going Government PPAs and those that are to be implemented during the year by the Engineering Office was not submitted to the Office of the Auditor due to lack of awareness in the submission of the reports.  | projects and PPAs and list of all on-going government PPAs and those that are to be implemented during the year in accordance to the prescribed format and submit the same to the Office of the Auditor in the period as required by the regulations for audit and validation purposes.   |                               | submitted on the following dates: <ul style="list-style-type: none"> <li>• First quarter-May 26, 2016</li> <li>• Second quarter-July 11, 2016</li> <li>• Third quarter-Nov. 2, 2016</li> <li>• Fourth quarter-Feb. 2, 2017</li> </ul>  |                       |   |
| Trust receipts of ₱600,000.00 in the Trust Fund book without specific list of projects placed in time deposit with Development Bank of the Philippines (DBP) is contrary to Section 21 of COA Circular 92-382 which provides that only idle funds in the General Fund may be deposited under time deposit. | We recommended that the Municipal Treasurer return the time deposit of ₱600,000.00 to the current account of the Trust Fund book. Furthermore, we suggested that the Municipal Accountant analyze the composition of the ₱600,000.00 time deposit out of Trust Fund, then advise the Municipal Mayor on the status and composition of the funds and if the projects where the funds are entrusted can no longer be implemented due to non-availability of documents, return the funds to the source agency or to the Bureau of National Treasury. | 2014<br>AAR<br>pages<br>25-26 | The time deposit of ₱600,000.00 was returned to the current account of the Trust Fund book. The Municipal Accountant also analyzed the balances of payable accounts in the Trust Fund book for proper reclassification. The same are also being verified to determine whether the unutilized balances are still needed or the projects for which the funds were intended were already completed. | Partially Implemented | Incomplete information voluminous transactions in Accounting Department hindered Municipal Accountant complete verification outstanding payables in Trust Fund. |

Note 21

Municipality of Naujan, Oriental Mindoro

Reconciliation between actual amounts on a comparable basis as

presented in this statement and in the Statement of Financial Performance

For the year ended December 31, 2016

(With Comparative Figures for cy 2015)

|  | Income         |                | Personnel Services |               | Maintenance and Other Operating Expenses |               | Fin'l Exp. | Capital Outlay  |
|--|----------------|----------------|--------------------|---------------|--|---------------|------------|-----------------|
| General Fund   |                |                |                    |               |  |               |            |                 |
| Comparison Statement of Budget and Actual                        | 256,348,400.89 | 214,327,206.86 | 82,956,460.28      | 71,927,634.06 | 63,260,420.39                            | 55,822,124.40 |            | 41,336,389.24   |
| Budgetary items not considered as expenses                       |                |                |                    |               |  |               |            |                 |
| Debt Service (Loan Amortization, Retirement of Debt Instruments) |                |                |                    |               |  |               |            |                 |
| Capital Expenditures   |                |                |                    |               |  |               |            | (40,435,853.24) |
| Unadjusted error in budgetted wages/salaries/expenses            |                |                |                    |               |  |               |            |                 |
| Interest Expenses budgeted under MOOE                            |                |                |                    |               | 929,516.00                               |               |            | (929,516.00)    |
| Interest Expenses budgeted under CO                              |                |                |                    |               |  |               |            |                 |
| MOOE charged to Capital outlay appropriation                     |                |                |                    |               |  |               |            |                 |
| CO charged to MOOE   |                |                |                    |               | (28,980.00)                              |               |            | 28,980.00       |
| Commitments (Obligated but not delivered/billed)                 |                |                |                    |               |  | (520,666.53)  |            |                 |
| Per Statement of Financial Performance – GF                      | 256,348,400.89 | 214,327,206.86 | 82,956,460.28      | 71,927,634.06 | 64,160,956.39                            | 55,301,457.87 |            | -               |
| Special Education Fund   |                |                |                    |               |  |               |            |                 |
| Comparison Statement of Budget and Actual                        | 5,028,965.09   | 4,877,961.03   |                    | 26,220.00     | 4,911,309.47                             | 2,322,290.82  |            | 697,785.28      |
| Basis Differences:   |                |                |                    |               |  |               |            |                 |
| Budgetary items not considered as expenses                       |                |                |                    |               |  |               |            |                 |
| MOOE charged to Capital outlay appropriation                     |                |                |                    |               | 40,647.00                                |               |            | (40,647.00)     |
| PS Charged to MOOE   |                |                |                    |               |  |               |            |                 |
| Capital Expenditures   |                |                |                    |               |  |               |            | (138,399.19)    |
| Commitments (Obligated but not delivered/billed)                 |                |                |                    |               |  |               |            | (518,739.09)    |
| Per Statement of Financial Performance – SEF                     | 5,028,965.09   | 4,877,961.03   |                    | 26,220.00     | 4,951,956.47                             | 2,322,290.82  |            | -               |

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (By Fund)**  
As of December 31, 2016

|   | TOTAL                 | GF                    | SEF                 | TF                   |
|---|-----------------------|-----------------------|---------------------|----------------------|
| <b>ASSETS</b>                                     |                       |                       |                     |                      |
| <b>CURRENT ASSETS</b>                             |                       |                       |                     |                      |
| <i>Cash and Cash Equivalents</i>                  |                       |                       |                     |                      |
| Cash on Hand                                      |                       |                       |                     |                      |
| Cash Local Treasury                               | ₱ 100,530.20          | ₱ 100,530.20          | ₱ 0.00              | ₱ 0.00               |
| Cash in Bank-Local Currency                       |                       |                       |                     |                      |
| Cash in Bank-Local Currency, Current Account      | 75,575,908.36         | 28,861,509.05         | 1,316,659.29        | 45,397,740.02        |
| Investments in Time Deposits (90 days)            |                       |                       |                     |                      |
| Cash in Bank-Local Currency, Time Deposits        | 168,000,946.39        | 165,000,946.39        | 3,000,000.00        | 0.00                 |
| <b>Total Cash and Cash Equivalents</b>            | <b>243,677,384.95</b> | <b>193,962,985.64</b> | <b>4,316,659.29</b> | <b>45,397,740.02</b> |
| <i>Receivables</i>                                |                       |                       |                     |                      |
| Loans and Receivable Accounts                     |                       |                       |                     |                      |
| Accounts Receivable                               | 178,263.47            | 178,263.47            | 0.00                | 0.00                 |
| Real Property Tax Receivable                      | 3,064,120.72          | 3,064,120.72          | 0.00                | 0.00                 |
| Special Education Tax Receivable                  | 3,830,094.75          | 0.00                  | 3,830,094.75        | 0.00                 |
| Loans Receivable-Others                           | 3,269.00              | 3,269.00              | 0.00                | 0.00                 |
| Inter-Agency Receivables                          |                       |                       |                     |                      |
| Due from National Government Agencies             | 926,262.61            | 926,262.61            | 0.00                | 0.00                 |
| Due from Local Government Units                   | 633,589.35            | 633,589.35            | 0.00                | 0.00                 |
| Intra-Agency Receivables                          |                       |                       |                     |                      |
| Due from Other Funds                              | 4,788,506.16          | 278,259.00            | 951,350.56          | 3,558,896.60         |
| Other Receivables                                 |                       |                       |                     |                      |
| Receivables-Disallowances/Charges                 | 852,232.86            | 851,996.86            | 107.00              | 129.00               |
| Due from NGOs/POs                                 | 35,500.00             | 35,500.00             | 0.00                | 0.00                 |
| Other Receivables                                 | 111,495.73            | 111,495.73            | 0.00                | 0.00                 |
| <b>Total Receivables</b>                          | <b>14,423,334.65</b>  | <b>6,082,756.74</b>   | <b>4,781,552.31</b> | <b>3,559,025.60</b>  |
| <i>Inventories</i>                                |                       |                       |                     |                      |
| Inventory Held for Consumption                    |                       |                       |                     |                      |
| Accountable Forms, Plates and Stickers            | 67,767.02             | 67,767.02             | 0.00                | 0.00                 |
| Drugs and Medicines Inventory                     | 699,817.00            | 699,817.00            | 0.00                | 0.00                 |
| Medical, Dental and Laboratory Supplies Inventory | 233,779.00            | 233,779.00            | 0.00                | 0.00                 |
| <b>Total Inventories</b>                          | <b>1,001,363.02</b>   | <b>1,001,363.02</b>   | <b>0.00</b>         | <b>0.00</b>          |

|   | <b>TOTAL</b>          | <b>GF</b>             | <b>SEF</b>          | <b>TF</b>            |
|---|-----------------------|-----------------------|---------------------|----------------------|
| <b>Total Current Assets</b>                             | <b>259,102,082.62</b> | <b>201,047,105.40</b> | <b>9,098,211.60</b> | <b>48,956,765.62</b> |
| <b>NON-CURRENT ASSETS</b>                               |                       |                       |                     |                      |
| <i>Investment</i>                                       |                       |                       |                     |                      |
| Financial Assets-Others                                 |                       |                       |                     |                      |
| Guaranty Deposits                                       | 902,156.95            | 902,156.95            | 0.00                | 0.00                 |
| <b>Total Property, Plant and Equipment</b>              | <b>902,156.95</b>     | <b>902,156.95</b>     | <b>0.00</b>         | <b>0.00</b>          |
| <i>Property, Plant and Equipment</i>                    |                       |                       |                     |                      |
| Land  |                       |                       |                     |                      |
| Land  | 9,731,765.46          | 9,731,765.46          | 0.00                | 0.00                 |
| Land Improvements                                       |                       |                       |                     |                      |
| Other Land Improvements                                 | 39,469,167.90         | 39,430,102.90         | 39,065.00           | 0.00                 |
| Accumulated Depreciation-Other Land Improvements        | (23,094,462.46)       | (23,073,368.58)       | (21,093.88)         | 0.00                 |
| Infrastructure Assets                                   |                       |                       |                     |                      |
| Road Networks   | 64,263,549.07         | 64,263,549.07         | 0.00                | 0.00                 |
| Flood Control Systems                                   | 8,219,987.47          | 8,219,987.47          | 0.00                | 0.00                 |
| Water Supply Systems                                    | 27,581,106.22         | 27,581,106.22         | 0.00                | 0.00                 |
| Power Supply Systems                                    | 20,757,786.91         | 20,741,892.91         | 15,894.00           | 0.00                 |
| Accumulated Depreciation-Power Supply Systems           | (8,813,533.35)        | (8,809,659.35)        | (3,874.00)          | 0.00                 |
| Parks, Plazas and Monuments                             | 359,260.00            | 359,260.00            | 0.00                | 0.00                 |
| Other Infrastructure Assets                             | 1,385,143.47          | 1,385,143.47          | 0.00                | 0.00                 |
| Buildings and Other Structures                          |                       |                       |                     |                      |
| Buildings   | 40,714,707.63         | 39,512,390.29         | 1,202,317.34        | 0.00                 |
| Accumulated Depreciation - Buildings                    | (5,428,179.21)        | (5,163,552.96)        | (264,626.25)        | 0.00                 |
| School Buildings  | 19,462,065.93         | 14,346,339.22         | 5,115,726.71        | 0.00                 |
| Accumulated Depreciation - School Buildings             | (3,926,165.62)        | (3,123,025.94)        | (803,139.68)        | 0.00                 |
| Hospitals and Health Centers                            | 6,921,769.43          | 6,921,769.43          | 0.00                | 0.00                 |
| Accumulated Depreciation - Hospitals and Health Centers | (743,891.30)          | (743,891.30)          | 0.00                | 0.00                 |
| Markets   | 7,574,335.23          | 7,574,335.23          | 0.00                | 0.00                 |
| Accumulated Depreciation - Markets                      | (943,453.49)          | (943,453.49)          | 0.00                | 0.00                 |
| Slaughterhouses   | 4,924,223.81          | 4,924,223.81          | 0.00                | 0.00                 |
| Accumulated Depreciation - Slaughterhouses              | (587,238.80)          | (587,238.80)          | 0.00                | 0.00                 |
| Other Structures  | 44,124,045.21         | 43,518,229.61         | 605,815.60          | 0.00                 |
| Accumulated Depreciation - Other Structures             | (9,353,459.78)        | (9,133,517.39)        | (219,942.39)        | 0.00                 |
| Machinery and Equipment                                 |                       |                       |                     |                      |
| Office Equipment  | 6,051,468.01          | 4,143,799.56          | 1,907,668.45        | 0.00                 |
| Accumulated Depreciation - Office Equipment             | (2,682,338.70)        | (2,457,536.54)        | (224,802.16)        | 0.00                 |
| Information and Communication Technology Equipment      | 15,972,242.33         | 14,276,752.33         | 1,695,490.00        | 0.00                 |

|  | <b>TOTAL</b>          | <b>GF</b>             | <b>SEF</b>          | <b>TF</b>   |
|--|-----------------------|-----------------------|---------------------|-------------|
| Accumulated Depreciation - Information and Communication Tec   | (10,929,883.89)       | (9,867,189.65)        | (1,062,694.24)      | 0.00        |
| Agricultural and Forestry Equipment                            | 1,228,498.50          | 1,228,498.50          | 0.00                | 0.00        |
| Accumulated Depreciation - Agricultural and Forestry Equipmen  | (677,617.78)          | (677,617.78)          | 0.00                | 0.00        |
| Communication Equipment  | 3,888,036.99          | 3,786,603.99          | 101,433.00          | 0.00        |
| Accumulated Depreciation - Communication Equipment             | (1,426,683.92)        | (1,409,953.67)        | (16,730.25)         | 0.00        |
| Construction and Heavy Equipment                               | 87,274,240.50         | 87,274,240.50         | 0.00                | 0.00        |
| Accumulated Depreciation - Construction and Heavy Equipment    | (20,508,753.05)       | (20,508,753.05)       | 0.00                | 0.00        |
| Disaster Response and Rescue Equipment                         | 9,277,680.00          | 9,277,680.00          | 0.00                | 0.00        |
| Accumulated Depreciation - Disaster Response and Rescue Equip  | (1,833,352.59)        | (1,833,352.59)        | 0.00                | 0.00        |
| Military, Police and Security Equipment                        | 27,000.00             | 27,000.00             | 0.00                | 0.00        |
| Accumulated Depreciation-Military, Police and Security Equipme | (24,322.50)           | (24,322.50)           | 0.00                | 0.00        |
| Medical Equipment  | 1,485,919.73          | 1,481,419.73          | 4,500.00            | 0.00        |
| Accumulated Depreciation - Medical Equipment                   | (630,186.04)          | (626,136.04)          | (4,050.00)          | 0.00        |
| Sports Equipment   | 105,495.00            | 79,495.00             | 26,000.00           | 0.00        |
| Accumulated Depreciation - Sports Equipment                    | (39,062.75)           | (33,212.75)           | (5,850.00)          | 0.00        |
| Technical and Scientific Equipment                             | 2,147,914.21          | 2,147,914.21          | 0.00                | 0.00        |
| Accumulated Depreciation-Technical and Scientific Equipment    | (1,188,111.20)        | (1,188,111.20)        | 0.00                | 0.00        |
| Other Machinery and Equipment                                  | 5,602,903.52          | 5,478,128.52          | 124,775.00          | 0.00        |
| Accumulated Depreciation - Other Machinery and Equipment       | (3,032,304.75)        | (2,956,441.50)        | (75,863.25)         | 0.00        |
| Transportation Equipment                                       |                       |                       |                     |             |
| Motor Vehicles   | 15,972,181.31         | 15,972,181.31         | 0.00                | 0.00        |
| Accumulated Depreciation - Motor Vehicles                      | (5,371,100.22)        | (5,371,100.22)        | 0.00                | 0.00        |
| Watercrafts  | 3,685,676.57          | 3,685,676.57          | 0.00                | 0.00        |
| Accumulated Depreciation - Watercrafts                         | (1,115,225.52)        | (1,115,225.52)        | 0.00                | 0.00        |
| Other Transportation Equipment                                 | 7,400.00              | 7,400.00              | 0.00                | 0.00        |
| Accumulated Depreciation - Other Transportation Equipment      | (6,660.00)            | (6,660.00)            | 0.00                | 0.00        |
| Furniture, Fixtures and Books                                  |                       |                       |                     |             |
| Furniture and Fixtures   | 13,048,593.37         | 12,549,921.37         | 498,672.00          | 0.00        |
| Accumulated Depreciation - Furniture and Fixtures              | (5,303,740.03)        | (5,173,601.14)        | (130,138.89)        | 0.00        |
| Books  | 25,584.00             | 25,584.00             | 0.00                | 0.00        |
| Accumulated Depreciation - Books                               | (11,740.65)           | (11,740.65)           | 0.00                | 0.00        |
| Construction in Progress                                       |                       |                       |                     |             |
| Construction in Progress - Infrastructure Assets               | 14,764,256.82         | 14,764,256.82         | 0.00                | 0.00        |
| Other Property, Plant and Equipment                            |                       |                       |                     |             |
| Other Property, Plant and Equipment                            | 5,994,626.44          | 5,924,926.44          | 69,700.00           | 0.00        |
| Accumulated Depreciation - Other Property, Plant and Equipmen  | (2,104,436.87)        | (2,042,363.87)        | (62,073.00)         | 0.00        |
| <b>Total Property, Plant and Equipment</b>                     | <b>372,272,726.57</b> | <b>363,760,547.46</b> | <b>8,512,179.11</b> | <b>0.00</b> |

|   | TOTAL                 | GF                    | SEF                  | TF                   |
|---|-----------------------|-----------------------|----------------------|----------------------|
| <b><i>Biological Assets</i></b>                                 |                       |                       |                      |                      |
| Bearer Biological Assets  |                       |                       |                      |                      |
| Breeding Stocks   | 40,000.00             | 40,000.00             | 0.00                 | 0.00                 |
| <b>Total Property, Plant and Equipment</b>                      | <b>40,000.00</b>      | <b>40,000.00</b>      | <b>0.00</b>          | <b>0.00</b>          |
| <b>Total Non-Current Assets</b>                                 | <b>373,214,883.52</b> | <b>364,702,704.41</b> | <b>8,512,179.11</b>  | <b>0.00</b>          |
| <b>TOTAL ASSETS</b>   | <b>632,316,966.14</b> | <b>565,749,809.81</b> | <b>17,610,390.71</b> | <b>48,956,765.62</b> |
| <b>LIABILITIES</b>  |                       |                       |                      |                      |
| <b>CURRENT LIABILITIES</b>                                      |                       |                       |                      |                      |
| <b><i>Financial Liabilities</i></b>                             |                       |                       |                      |                      |
| Payables  |                       |                       |                      |                      |
| Accounts Payable  | 23,034,469.99         | 21,571,355.79         | 1,424,280.32         | 38,833.88            |
| Due to Officers and Employees                                   | 1,963,574.57          | 1,963,574.57          | 0.00                 | 0.00                 |
| <b>Total Payables</b>   | <b>24,998,044.56</b>  | <b>23,534,930.36</b>  | <b>1,424,280.32</b>  | <b>38,833.88</b>     |
| <b><i>Inter-Agency Payables</i></b>                             |                       |                       |                      |                      |
| Inter-Agency Payables   |                       |                       |                      |                      |
| Due to BIR  | 1,242,713.81          | 1,073,687.25          | 78,021.59            | 91,004.97            |
| Due to GSIS   | 1,479,791.20          | 1,479,791.20          | 0.00                 | 0.00                 |
| Due to Pag-IBIG   | 289,784.77            | 289,784.77            | 0.00                 | 0.00                 |
| Due to PhilHealth   | 104,732.03            | 104,732.03            | 0.00                 | 0.00                 |
| Due to NGAs   | 37,909,418.29         | 242,291.56            | 0.00                 | 37,667,126.73        |
| Due to GOCCs  | 525,038.80            | 525,038.80            | 0.00                 | 0.00                 |
| Due to LGUs   | 6,448,357.14          | 2,585,779.64          | 0.00                 | 3,862,577.50         |
| <b>Total Inter-Agency Payables</b>                              | <b>47,999,836.04</b>  | <b>6,301,105.25</b>   | <b>78,021.59</b>     | <b>41,620,709.20</b> |
| <b><i>Intra-Agency Payables</i></b>                             |                       |                       |                      |                      |
| Intra-Agency Payables   |                       |                       |                      |                      |
| Due to Other Funds  | 4,183,481.72          | 4,182,999.72          | 482.00               | 0.00                 |
| <b>Total Intra-Agency Payables</b>                              | <b>4,183,481.72</b>   | <b>4,182,999.72</b>   | <b>482.00</b>        | <b>0.00</b>          |
| <b><i>Trust Liabilities</i></b>                                 |                       |                       |                      |                      |
| Trust Liabilities   |                       |                       |                      |                      |
| Trust Liabilities - Disaster Risk Reduction and Management Fund | 5,490,378.06          | 0.00                  | 0.00                 | 5,490,378.06         |
| Bail Bonds Payable  | 572,497.01            | 0.00                  | 0.00                 | 572,497.01           |
| Guaranty/Security Deposits Payable                              | 3,360,854.45          | 2,046,466.48          | 80,040.50            | 1,234,347.47         |
| <b>Total Trust Liabilities</b>                                  | <b>9,423,729.52</b>   | <b>2,046,466.48</b>   | <b>80,040.50</b>     | <b>7,297,222.54</b>  |
| <b><i>Deferred Credits/Unearned Income</i></b>                  |                       |                       |                      |                      |
| Deferred Credits  |                       |                       |                      |                      |
| Deferred Real Property Tax                                      | 3,064,120.72          | 3,064,120.72          | 0.00                 | 0.00                 |

|  | <b>TOTAL</b>            | <b>GF</b>               | <b>SEF</b>             | <b>TF</b>              |
|--|-------------------------|-------------------------|------------------------|------------------------|
| Deferred Special Education Tax                 | 3,830,094.75            | 0.00                    | 3,830,094.75           | 0.00                   |
| <b>Total Deferred Credits</b>                  | <b>6,894,215.47</b>     | <b>3,064,120.72</b>     | <b>3,830,094.75</b>    | <b>0.00</b>            |
| <i>Other Payables</i>                          |                         |                         |                        |                        |
| Other Payables                                 | 99,591.44               | 99,591.44               | 0.00                   | 0.00                   |
| <b>Total Other Payables</b>                    | <b>99,591.44</b>        | <b>99,591.44</b>        | <b>0.00</b>            | <b>0.00</b>            |
| <b>Total Current Liabilities</b>               | <b>93,598,898.75</b>    | <b>39,229,213.97</b>    | <b>5,412,919.16</b>    | <b>48,956,765.62</b>   |
| <b>TOTAL LIABILITES</b>                        | <b>93,598,898.75</b>    | <b>39,229,213.97</b>    | <b>5,412,919.16</b>    | <b>48,956,765.62</b>   |
| <b>NET ASSETS/EQUITY</b>                       |                         |                         |                        |                        |
| <b>GOVERNMENT EQUITY</b>                       |                         |                         |                        |                        |
| <i>Government Equity</i>                       |                         |                         |                        |                        |
| Government Equity                              | 538,718,067.39          | 526,520,595.84          | 12,197,471.55          | 0.00                   |
| Prior Period Adjustment                        | 0.00                    | 0.00                    | 0.00                   | 0.00                   |
| <i>Intermediate Accounts</i>                   |                         |                         |                        |                        |
| Income and Expense Summary                     | 0.00                    | 0.00                    | 0.00                   | 0.00                   |
| <b>Total Government Equity</b>                 | <b>538,718,067.39</b>   | <b>526,520,595.84</b>   | <b>12,197,471.55</b>   | <b>0.00</b>            |
| <b>TOTAL LIABILITIES AND NET ASSETS/EQUITY</b> | <b>₱ 632,316,966.14</b> | <b>₱ 565,749,809.81</b> | <b>₱ 17,610,390.71</b> | <b>₱ 48,956,765.62</b> |

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE (By Fund)**  
For the Year Ended December 31, 2016

|  | TOTAL                 | GF                    | SEF                 | TF          |
|--|-----------------------|-----------------------|---------------------|-------------|
| <b>REVENUE</b>   |                       |                       |                     |             |
| <b>TAX REVENUE</b>   |                       |                       |                     |             |
| <i><b>Tax Revenue - Individual and Corporation</b></i>           |                       |                       |                     |             |
| Community Tax  | ₱ 1,362,870.43        | ₱ 1,362,870.43        | ₱ 0.00              | ₱ 0.00      |
| <i><b>Tax Revenue - Property</b></i>                             |                       |                       |                     |             |
| Real Property Tax- Basic   | 4,315,047.76          | 4,315,047.76          | 0.00                | 0.00        |
| Discount on Real Property Tax- Basic                             | (291,918.08)          | (291,918.08)          | 0.00                | 0.00        |
| Special Education Tax  | 5,393,862.75          | 0.00                  | 5,393,862.75        | 0.00        |
| Discount on Special Education Tax                                | (364,897.66)          | 0.00                  | (364,897.66)        | 0.00        |
| <i><b>Tax Revenue - Goods and Services</b></i>                   |                       |                       |                     |             |
| Business Tax   | 4,583,601.29          | 4,583,601.29          | 0.00                | 0.00        |
| Tax on Sand, Gravel and Other Quarry Products                    | 1,724,106.37          | 1,724,106.37          | 0.00                | 0.00        |
| Amusement Tax  | 93,146.00             | 93,146.00             | 0.00                | 0.00        |
| Franchise Tax  | 48,250.00             | 48,250.00             | 0.00                | 0.00        |
| <i><b>Tax Revenue - Fines and Penalties</b></i>                  |                       |                       |                     |             |
| Tax Revenue-Fines and Penalties-Other Taxes                      | 117,615.32            | 117,615.32            | 0.00                | 0.00        |
| <b>Total Tax Revenue</b>   | <b>16,981,684.18</b>  | <b>11,952,719.09</b>  | <b>5,028,965.09</b> | <b>0.00</b> |
| <b>SHARE FROM INTERNAL REVENUE COLLECTIONS (IRA)</b>             |                       |                       |                     |             |
| <b>Share from Internal Revenue Collections (IRA)</b>             | <b>211,269,876.00</b> | <b>211,269,876.00</b> | <b>0.00</b>         | <b>0.00</b> |
| <b>SERVICE AND BUSINESS INCOME</b>                               |                       |                       |                     |             |
| <i><b>Service Income</b></i>                                     |                       |                       |                     |             |
| Permit Fees  | 1,664,060.25          | 1,664,060.25          | 0.00                | 0.00        |
| Registration Fees  | 467,716.00            | 467,716.00            | 0.00                | 0.00        |
| Registration Plates, Tags and Stickers Fees                      | 49,100.00             | 49,100.00             | 0.00                | 0.00        |
| Clearance and Certification Fees                                 | 861,755.00            | 861,755.00            | 0.00                | 0.00        |
| Inspection Fees  | 567,306.19            | 567,306.19            | 0.00                | 0.00        |
| Verification and Authentication Fees                             | 93,920.00             | 93,920.00             | 0.00                | 0.00        |
| Processing Fees  | 67,625.00             | 67,625.00             | 0.00                | 0.00        |
| Occupation Fees  | 245,300.00            | 245,300.00            | 0.00                | 0.00        |
| Other Service Income   | 152,141.00            | 152,141.00            | 0.00                | 0.00        |
| <b>Total Service Income</b>                                      | <b>4,168,923.44</b>   | <b>4,168,923.44</b>   | <b>0.00</b>         | <b>0.00</b> |
| <i><b>Business Income</b></i>                                    |                       |                       |                     |             |
| School Fees  | 10.00                 | 10.00                 | 0.00                | 0.00        |
| Rent Income  | 181,750.00            | 181,750.00            | 0.00                | 0.00        |
| Parking Fees   | 251,700.00            | 251,700.00            | 0.00                | 0.00        |
| Receipts Income from Operations of Hostels/Dormitories and Other | 1,062,800.00          | 1,062,800.00          | 0.00                | 0.00        |

|   | <b>TOTAL</b>          | <b>GF</b>             | <b>SEF</b>          | <b>TF</b>   |
|---|-----------------------|-----------------------|---------------------|-------------|
| Receipts from Market Operation                  | 1,291,596.75          | 1,291,596.75          | 0.00                | 0.00        |
| Receipts from Slaughterhouse Operation          | 1,453,010.00          | 1,453,010.00          | 0.00                | 0.00        |
| Receipts from Cemetery Operation                | 156,200.00            | 156,200.00            | 0.00                | 0.00        |
| Garbage Fees                                    | 253,448.00            | 253,448.00            | 0.00                | 0.00        |
| Interest Income                                 | 1,382,323.75          | 1,382,323.75          | 0.00                | 0.00        |
| Other Services Income                           | 269,002.00            | 269,002.00            | 0.00                | 0.00        |
| <b>Total Business Income</b>                    | <b>6,301,840.50</b>   | <b>6,301,840.50</b>   | <b>0.00</b>         | <b>0.00</b> |
| <b>SHARES, GRANTS AND DONATIONS</b>             |                       |                       |                     |             |
| <i>Shares</i>                                   |                       |                       |                     |             |
| Share from PAGCOR                               | 122,500.00            | 122,500.00            | 0.00                | 0.00        |
| Share from PCSO                                 | 82,908.02             | 82,908.02             | 0.00                | 0.00        |
| <b>Total Shares, Grants and Donations</b>       | <b>205,408.02</b>     | <b>205,408.02</b>     | <b>0.00</b>         | <b>0.00</b> |
| <b>TOTAL REVENUE</b>                            | <b>238,927,732.14</b> | <b>233,898,767.05</b> | <b>5,028,965.09</b> | <b>0.00</b> |
| <b>Less: CURRENT OPERATING EXPENSES</b>         |                       |                       |                     |             |
| <b>PERSONAL SERVICES</b>                        |                       |                       |                     |             |
| <i>Salaries and Wages</i>                       |                       |                       |                     |             |
| Salaries and Wages - Regular                    | 47,755,945.99         | 47,755,945.99         | 0.00                | 0.00        |
| <i>Other Compensation</i>                       |                       |                       |                     |             |
| Personal Economic Relief Allowance (PERA)       | 4,820,926.72          | 4,820,926.72          | 0.00                | 0.00        |
| Representation Allowance (RA)                   | 2,050,023.90          | 2,050,023.90          | 0.00                | 0.00        |
| Transportation Allowance (TA)                   | 1,897,261.50          | 1,897,261.50          | 0.00                | 0.00        |
| Clothing/Uniform Allowance                      | 963,000.00            | 963,000.00            | 0.00                | 0.00        |
| Subsistence Allowance                           | 353,100.00            | 353,100.00            | 0.00                | 0.00        |
| Honoraria                                       | 101,000.00            | 101,000.00            | 0.00                | 0.00        |
| Hazard Pay                                      | 1,612,931.72          | 1,612,931.72          | 0.00                | 0.00        |
| Overtime and Night Pay                          | 650,709.72            | 650,709.72            | 0.00                | 0.00        |
| Year End Bonus                                  | 4,308,648.05          | 4,308,648.05          | 0.00                | 0.00        |
| Cash Gift                                       | 1,070,000.00          | 1,070,000.00          | 0.00                | 0.00        |
| Other Bonuses and Allowances                    | 3,763,201.00          | 3,763,201.00          | 0.00                | 0.00        |
| <i>Personnel Benefit Contributions</i>          |                       |                       |                     |             |
| Retirement and Life Insurance Premiums          | 5,727,231.95          | 5,727,231.95          | 0.00                | 0.00        |
| Pag-IBIG Contributions                          | 1,051,198.27          | 1,051,198.27          | 0.00                | 0.00        |
| PhilHealth Contributions                        | 518,075.29            | 518,075.29            | 0.00                | 0.00        |
| Employees Compensation Insurance Premiums       | 237,444.83            | 237,444.83            | 0.00                | 0.00        |
| <i>Other Personnel Benefits</i>                 |                       |                       |                     |             |
| Terminal Leave Benefits                         | 4,743,063.34          | 4,743,063.34          | 0.00                | 0.00        |
| Other Personnel Benefits                        | 1,332,698.00          | 1,332,698.00          | 0.00                | 0.00        |
| <b>Total Personal Services</b>                  | <b>82,956,460.28</b>  | <b>82,956,460.28</b>  | <b>0.00</b>         | <b>0.00</b> |
| <b>MAINTENANCE AND OTHER OPERATING EXPENSES</b> |                       |                       |                     |             |
| <i>Traveling Expenses</i>                       |                       |                       |                     |             |
| Traveling Expenses - Local                      | 1,603,010.41          | 1,603,010.41          | 0.00                | 0.00        |

|  | <b>TOTAL</b>  | <b>GF</b>     | <b>SEF</b>   | <b>TF</b> |
|--|---------------|---------------|--------------|-----------|
| <b><i>Training and Scholarship Expenses</i></b>                                    |               |               |              |           |
| Training Expenses  | 2,043,298.00  | 1,997,998.00  | 45,300.00    | 0.00      |
| <b><i>Supplies and Materials Expenses</i></b>                                      |               |               |              |           |
| Office Supplies Expenses   | 2,868,561.01  | 2,651,185.01  | 217,376.00   | 0.00      |
| Accountable Forms Expenses   | 263,490.19    | 263,490.19    | 0.00         | 0.00      |
| Animal/Zoological Supplies Expenses  | 319,516.00    | 319,516.00    | 0.00         | 0.00      |
| Welfare Goods Expenses   | 489,045.00    | 489,045.00    | 0.00         | 0.00      |
| Drugs and Medicines Expenses   | 579,657.20    | 579,657.20    | 0.00         | 0.00      |
| Medical, Dental and Laboratory Supplies Expenses                                   | 441,403.00    | 441,403.00    | 0.00         | 0.00      |
| Fuel, Oil and Lubrication Expenses   | 6,526,900.58  | 6,526,900.58  | 0.00         | 0.00      |
| Agricultural and Marine Supplies Expenses  | 148,887.00    | 148,887.00    | 0.00         | 0.00      |
| Textbooks and Instructional Materials Expenses                                     | 750,148.00    | 679,921.00    | 70,227.00    | 0.00      |
| Other Supplies Expenses  | 2,892,434.37  | 2,000,921.02  | 891,513.35   | 0.00      |
| <b><i>Utility Expenses</i></b>   |               |               |              |           |
| Water Expenses   | 429,356.15    | 429,356.15    | 0.00         | 0.00      |
| Electricity Expenses   | 3,592,752.35  | 3,592,752.35  | 0.00         | 0.00      |
| <b><i>Communication Expenses</i></b>   |               |               |              | 0.00      |
| Postage and Courier Service  | 2,985.12      | 2,985.12      | 0.00         | 0.00      |
| Telephone Expenses   | 929,758.01    | 929,758.01    | 0.00         | 0.00      |
| Internet Subscription Expenses   | 206,934.84    | 206,934.84    | 0.00         | 0.00      |
| Cable, Satellite, Telegraph and Radio Expenses                                     | 14,787.23     | 14,787.23     | 0.00         | 0.00      |
| <b><i>Awards/Rewards and Prizes</i></b>  |               |               |              |           |
| Prizes   | 1,232,666.00  | 1,232,666.00  | 0.00         | 0.00      |
| <b><i>Survey, Research, Exploration and Development Expenses</i></b>               |               |               |              |           |
| Survey Expenses  | 147,000.00    | 147,000.00    | 0.00         | 0.00      |
| <b><i>Confidential, Intelligence, Extraordinary and Miscellaneous Expenses</i></b> |               |               |              |           |
| Extraordinary Miscellaneous Expenses   | 71,571.00     | 71,571.00     | 0.00         | 0.00      |
| <b><i>Professional Services</i></b>  |               |               |              |           |
| Auditing Services  | 58,156.38     | 58,156.38     | 0.00         | 0.00      |
| Consultancy Services   | 60,000.00     | 60,000.00     | 0.00         | 0.00      |
| Other Professional Services  | 537,400.00    | 487,400.00    | 50,000.00    | 0.00      |
| <b><i>General Services</i></b>   |               |               |              |           |
| Environment/Sanitary Services  | 2,642,485.27  | 2,642,485.27  | 0.00         | 0.00      |
| Janitorial Services  | 1,102,466.28  | 1,102,466.28  | 0.00         | 0.00      |
| Security Services  | 840,356.91    | 840,356.91    | 0.00         | 0.00      |
| Other General Services   | 10,243,105.03 | 10,243,105.03 | 0.00         | 0.00      |
| <b><i>Repairs and Maintenance</i></b>  |               |               |              |           |
| Repairs and Maintenance - Infrastructure Assets                                    | 634,306.75    | 634,306.75    | 0.00         | 0.00      |
| Repairs and Maintenance - Building and Other Structures                            | 6,853,348.85  | 3,297,908.73  | 3,555,440.12 | 0.00      |
| Repairs and Maintenance - Machineries Equipment                                    | 3,000,859.99  | 2,991,559.99  | 9,300.00     | 0.00      |
| Repairs and Maintenance - Transportation Equipment                                 | 701,702.22    | 701,702.22    | 0.00         | 0.00      |

|   | <b>TOTAL</b>          | <b>GF</b>             | <b>SEF</b>          | <b>TF</b>             |
|---|-----------------------|-----------------------|---------------------|-----------------------|
| Repairs and Maintenance - Furniture and Fixtures              | 199,086.50            | 199,086.50            | 0.00                | 0.00                  |
| Repairs and Maintenance - Other Property, Plant and Equipment | 1,300.00              | 1,300.00              | 0.00                | 0.00                  |
| <b><i>Taxes, Insurance Premiums and Other Fees</i></b>        |                       |                       |                     |                       |
| Taxes, Duties and Licenses                                    | 81,576.34             | 81,576.34             | 0.00                | 0.00                  |
| Fidelity Bond Premiums  | 47,847.25             | 47,847.25             | 0.00                | 0.00                  |
| Insurance Expenses  | 637,238.40            | 637,238.40            | 0.00                | 0.00                  |
| <b><i>Other Maintenance and Operating Expenses</i></b>        |                       |                       |                     |                       |
| Advertising Expenses  | 206,400.00            | 206,400.00            | 0.00                | 0.00                  |
| Printing and Publication Expenses                             | 405,657.00            | 405,657.00            | 0.00                | 0.00                  |
| Rent Expenses   | 1,309,570.00          | 1,196,770.00          | 112,800.00          | 0.00                  |
| Membership Dues and Contributions to Organizations            | 95,600.00             | 95,600.00             | 0.00                | 0.00                  |
| Subscriptions Expenses  | 200.00                | 200.00                | 0.00                | 0.00                  |
| Donations   | 9,636,127.88          | 7,201,833.88          | 0.00                | 2,434,294.00          |
| Other Maintenance and Operating Expenses                      | 6,747,654.35          | 6,698,254.35          | 0.00                | 49,400.00             |
| <b>Total Maintenance and Operating Expenses</b>               | <b>71,596,606.86</b>  | <b>64,160,956.39</b>  | <b>4,951,956.47</b> | <b>2,483,694.00</b>   |
| <b>NON-CASH EXPENSES</b>                                      |                       |                       |                     |                       |
| <b><i>Depreciation</i></b>                                    |                       |                       |                     |                       |
| Depreciation - Land Improvements                              | 2,436,997.29          | 2,431,723.77          | 5,273.52            | 0.00                  |
| Depreciation - Infrastructure Assets                          | 1,529,826.33          | 1,529,111.13          | 715.20              | 0.00                  |
| Depreciation - Buildings and Structures                       | 2,673,090.22          | 2,342,032.41          | 331,057.81          | 0.00                  |
| Depreciation - Machinery Equipment                            | 8,861,039.45          | 8,666,352.41          | 194,687.04          | 0.00                  |
| Depreciation - Transportation Equipment                       | 1,288,402.54          | 1,288,402.54          | 0.00                | 0.00                  |
| Depreciation - Furniture, Fixtures and Books                  | 682,459.12            | 633,778.36            | 48,680.76           | 0.00                  |
| Depreciation - Other Property, Plant and Equipment            | 532,220.13            | 532,220.13            | 0.00                | 0.00                  |
| <b>Total Non-Cash Expenses</b>                                | <b>18,004,035.08</b>  | <b>17,423,620.75</b>  | <b>580,414.33</b>   | <b>0.00</b>           |
| <b>TOTAL CURRENT OPERATING EXPENSES</b>                       | <b>172,557,102.22</b> | <b>164,541,037.42</b> | <b>5,532,370.80</b> | <b>2,483,694.00</b>   |
| <b>SURPLUS (DEFICIT) FROM CURRENT OPERATIONS</b>              | <b>66,370,629.92</b>  | <b>69,357,729.63</b>  | <b>(503,405.71)</b> | <b>(2,483,694.00)</b> |
| <b>ADD (DEDUCT):</b>  |                       |                       |                     |                       |
| <b>TRANSFERS, ASSISTANCE AND SUBSIDY</b>                      |                       |                       |                     |                       |
| <b><i>Assistance and Subsidy from</i></b>                     |                       |                       |                     |                       |
| Subsidy from National Government                              | 22,066,200.04         | 22,066,200.04         | 0.00                | 0.00                  |
| <b><i>Transfers from</i></b>                                  |                       |                       |                     |                       |
| Transfers from General Fund of Unspent DRRMF                  | 2,483,694.00          | 0.00                  | 0.00                | 2,483,694.00          |

|   | TOTAL                  | GF                     | SEF                   | TF                  |
|---|------------------------|------------------------|-----------------------|---------------------|
| <i>Financial Assistance/Subsidy to</i>                          |                        |                        |                       |                     |
| Subsidy to Other Local Government Units                         | (70,000.00)            | (70,000.00)            | 0.00                  | 0.00                |
| <i>Transfers to</i>   |                        |                        |                       |                     |
| Transfers of Unspent Current Year DRRM Funds to the Trust Funds | (3,050,649.13)         | (3,050,649.13)         | 0.00                  | 0.00                |
| <b>MISCELLANEOUS INCOME</b>                                     |                        |                        |                       |                     |
| Miscellaneous Income  | 383,433.80             | 383,433.80             | 0.00                  | 0.00                |
| <b>Total Non-Operating Income/Losses</b>                        | <b>21,812,678.71</b>   | <b>19,328,984.71</b>   | <b>0.00</b>           | <b>2,483,694.00</b> |
| <b>SURPLUS (DEFICIT) FOR THE PERIOD</b>                         | <b>₱ 88,183,308.63</b> | <b>₱ 88,686,714.34</b> | <b>₱ (503,405.71)</b> | <b>₱ 0.00</b>       |

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY (By Fund)**  
For the Year Ended December 31, 2016

|   | TOTAL                   | GF                      | SEF                    | TF                      |
|---|-------------------------|-------------------------|------------------------|-------------------------|
| <b>Balance at January 1</b>                                       | <b>₱ 357,826,880.44</b> | <b>₱ 345,126,003.18</b> | <b>₱ 12,700,877.26</b> | <b>₱ 0.00</b>           |
| <i>Add (Deduct):</i>  |                         |                         |                        |                         |
| Prior Period Errors   | 72,716.46               | 72,716.46               | 0.00                   | 0.00                    |
| <b>Restated Balance</b>   | <b>357,899,596.90</b>   | <b>345,198,719.64</b>   | <b>12,700,877.26</b>   | <b>0.00</b>             |
| <i>Add (Deduct): Changes in Net Assets/Equity during the year</i> |                         |                         |                        |                         |
| Surplus (Deficit) for the period                                  | 88,183,308.63           | 88,686,714.34           | (503,405.71)           | 0.00                    |
| Transfer of PPE from Trust Fund                                   | (7,445,687.93)          |                         | 0.00                   | (7,445,687.93)          |
| Transfer of Public Infrastructure from Registry                   | 92,635,161.86           | 92,635,161.86           | 0.00                   | 0.00                    |
| <b>Balance at December 31</b>                                     | <b>₱ 531,272,379.46</b> | <b>₱ 526,520,595.84</b> | <b>₱ 12,197,471.55</b> | <b>₱ (7,445,687.93)</b> |

Province of Oriental Mindoro  
**MUNICIPALITY OF NAUJAN**  
**CONSOLIDATED STATEMENT OF CASH FLOWS (By Fund)**  
For the Year Ended December 31, 2016

|  | <b>TOTAL</b>            | <b>GF</b>               | <b>SEF</b>            | <b>TF</b>              |
|--|-------------------------|-------------------------|-----------------------|------------------------|
| <b>Cash Flows from Operating Activities</b>        |                         |                         |                       |                        |
| <i>Cash Inflows</i>                                |                         |                         |                       |                        |
| Collection from taxpayers                          | ₱ 13,669,460.49         | ₱ 11,952,719.09         | ₱ 1,716,741.40        | ₱ 0.00                 |
| Share from Internal Revenue Allotment              | 211,269,876.00          | 211,269,876.00          | 0.00                  | 0.00                   |
| Receipts from business/service income              | 9,934,714.54            | 9,934,714.54            | 0.00                  | 0.00                   |
| Interest Income                                    | 1,382,323.75            | 1,382,323.75            | 0.00                  | 0.00                   |
| Dividend Income                                    | 68,983,286.26           | 68,983,286.26           | 0.00                  | 0.00                   |
| Other Receipts                                     | 68,811,226.40           | 0.00                    | 3,182,484.07          | 65,628,742.33          |
| <b>Total Cash Inflows</b>                          | <b>374,050,887.44</b>   | <b>303,522,919.64</b>   | <b>4,899,225.47</b>   | <b>65,628,742.33</b>   |
| <i>Cash Outflows</i>                               |                         |                         |                       |                        |
| Payments to suppliers and creditors                | (77,902,997.68)         | (47,285,005.50)         | (3,493,571.54)        | (27,124,420.64)        |
| Payments to employees                              | (78,988,803.49)         | (78,988,803.49)         | 0.00                  | 0.00                   |
| Other Expenses                                     | (113,560,104.78)        | (69,488,665.82)         | (869,236.29)          | (43,202,202.67)        |
| <b>Total Cash Outflows</b>                         | <b>(270,451,905.95)</b> | <b>(195,762,474.81)</b> | <b>(4,362,807.83)</b> | <b>(70,326,623.31)</b> |
| <b>Net Cash Flows from Operating Activities</b>    | <b>103,598,981.49</b>   | <b>107,760,444.83</b>   | <b>536,417.64</b>     | <b>(4,697,880.98)</b>  |
| <b>Cash Flows from Investing Activities</b>        |                         |                         |                       |                        |
| <i>Cash Outflows</i>                               |                         |                         |                       |                        |
| Purchase/Construction of Property, Plant and Eq'pt | (54,299,826.16)         | (53,424,036.07)         | (875,790.09)          | 0.00                   |
| <b>Total Cash Outflows</b>                         | <b>(54,299,826.16)</b>  | <b>(53,424,036.07)</b>  | <b>(875,790.09)</b>   | <b>0.00</b>            |
| <b>Net Cash Flows from Investing Activities</b>    | <b>(54,299,826.16)</b>  | <b>(53,424,036.07)</b>  | <b>(875,790.09)</b>   | <b>0.00</b>            |
| <b>Total Cash Provided by Operating,</b>           | <b>49,299,155.33</b>    | <b>54,336,408.76</b>    | <b>(339,372.45)</b>   | <b>(4,697,880.98)</b>  |
| <b>Add: Cash at the Beginning of the year</b>      | <b>194,378,229.62</b>   | <b>139,626,576.88</b>   | <b>4,656,031.74</b>   | <b>50,095,621.00</b>   |
| <b>Cash Balance at the End of the Year</b>         | <b>₱ 243,677,384.95</b> | <b>₱ 193,962,985.64</b> | <b>₱ 4,316,659.29</b> | <b>₱ 45,397,740.02</b> |

Municipality of Naujan  
**REPORT ON PYHSICAL COUNT OF PROPERTY, PLANT & EQUIPMENT**  
 CY 2016

| ACCOUNT      |  | RPCPPE BALANCE       |                      |                       | REMARKS                                  |
|--------------|--|----------------------|----------------------|-----------------------|--|
| Account Code | Account Title                                      | RPCPPE 2015          | RPCPPE 2016          | Total as of 12/31/16  |  |
| 1-07-01-010  | Land   | 2,656,714.06         | 0.00                 | 2,656,714.06          | Records from MAssO identified per ledger |
| 1-07-02-990  | Other Land Improvements                            | 0.00                 | 0.00                 | 0.00                  | No RPCPPE                                |
| 1-07-04-010  | Buildings  | 0.00                 | 0.00                 | 0.00                  | No RPCPPE                                |
| 1-07-04-020  | School Buildings                                   | 0.00                 | 0.00                 | 0.00                  | No RPCPPE                                |
| 1-07-04-030  | Hospitals and Health Centers                       | 0.00                 | 0.00                 | 0.00                  | No RPCPPE                                |
| 1-07-04-040  | Markets  | 0.00                 | 0.00                 | 0.00                  | No RPCPPE                                |
| 1-07-04-050  | Slaughterhouses                                    | 0.00                 | 0.00                 | 0.00                  | No RPCPPE                                |
| 1-07-04-990  | Other Structures                                   | 0.00                 | 0.00                 | 0.00                  | No RPCPPE                                |
| 1-07-05-020  | Office Equipment                                   | 2,395,847.07         | 500,200.00           | 2,896,047.07          |  |
| 1-07-05-030  | Information and Communication Technology Equipment | 8,633,721.72         | 1,212,740.00         | 9,846,461.72          |  |
| 1-07-05-040  | Agricultural and Forestry Equipment                | 45,980.00            | 89,400.00            | 135,380.00            |  |
| 1-07-05-070  | Communication Equipment                            | 868,746.00           | 468,301.00           | 1,337,047.00          |  |
| 1-07-05-080  | Construction and Heavy Equipment                   | 50,667,265.50        | 21,586,400.00        | 72,253,665.50         |  |
| 1-07-05-090  | Disaster Response and Rescue Equipment             | 0.00                 | 9,200,507.85         | 9,200,507.85          |  |
| 1-07-05-100  | Military, Police and Security Equipment            | 0.00                 | 0.00                 | 0.00                  | No RPCPPE                                |
| 1-07-05-110  | Medical Equipment                                  | 547,507.00           | 64,800.00            | 612,307.00            |  |
| 1-07-05-130  | Sports Equipment                                   | 26,000.00            | 0.00                 | 26,000.00             |  |
| 1-07-05-140  | Technical and Scientific Equipment                 | 0.00                 | 111,300.00           | 111,300.00            |  |
| 1-07-05-990  | Other Machinery and Equipment                      | 2,314,451.25         | 877,800.00           | 3,192,251.25          |  |
| 1-07-06-010  | Motor Vehicles                                     | 2,368,547.22         | 5,996,804.69         | 8,365,351.91          |  |
| 1-07-06-040  | Watercrafts  | 89,800.00            | 1,541,500.00         | 1,631,300.00          |  |
| 1-07-06-990  | Other Transportation Equipment                     | 7,400.00             | 0.00                 | 7,400.00              |  |
| 1-07-07-010  | Furniture and Fixtures                             | 3,232,548.35         | 2,439,871.00         | 5,672,419.35          |  |
| 1-07-07-020  | Books  | 11,435.00            | 7,068.00             | 18,503.00             |  |
| 1-07-99-990  | Other Property, Plant and Equipment                | 1,582,679.20         | 581,600.00           | 2,164,279.20          |  |
|              | <i>Various unidentified items per RPCPPE</i>       | 6,422,563.88         | 0.00                 | 6,422,563.88          |  |
|              | <b>TOTAL</b>                                       | <b>81,871,206.25</b> | <b>44,678,292.54</b> | <b>126,549,498.79</b> |  |

Municipality of Naujan  
**INVENTORY OF VEHICULAR EQUIPMENT**  
 CY 2016

|    | Type of Vehicle  | Make       | Plate No. | Acquisition Date | Acquisition Cost    | Office    | Accountable Officer   | Status/Condition/<br>Worthiness<br>(Good/Fair/Repairable<br>/Unserviceable) |
|----|--|------------|-----------|------------------|---------------------|-----------|-----------------------|---|
|    | <b>MOTOR VEHICLE</b>                                       |            |           |                  |                     |           |                       |   |
| 1  | Yamaha Motorcycle  | Yamaha 125 | SK-7484   | 12/24/06         | 74,500.00           | MO        | Aloysius Pesigan      | Serviceable   |
| 2  | Suzuki Motorcycle  | Shogun     | SK-7486   | 02/23/07         | 59,220.00           | MHO       | Adrian Gatong         | Serviceable   |
| 3  | Suzuki Motorcycle  | Shogun     | SK-7487   | 02/23/07         | 59,220.00           | MO        | Jan Kelly Reyes       | Serviceable   |
| 4  | Suzuki Motorcycle  | Shogun     | SK-7488   | 02/23/07         | 59,220.00           | MEO       | Wilson Catly          | Serviceable   |
| 5  | Isuzu Crosswind  | Wagon      | SJA-686   | 10/09/08         | 898,167.86          | VM        | Hon. Sheryl Morales   | Serviceable   |
| 6  | Mitsubishi Ambulance                                       | Van        | SJX-934   | 09/01/09         | 0.00                | MHO       | Dra. Mary Jean Manalo | Serviceable   |
| 7  | Toyota Fortuner  | Wagon      | SJT-241   | 08/04/10         | 1,421,700.00        | MO        | Atty. Mark Marcos     | Serviceable   |
| 8  | Toyota Hi-Ace  | Van        | SKR-448   | 02/07/11         | 1,281,700.00        | MO        | Atty. Mark Marcos     | Serviceable   |
| 9  | Yamaha Motorcycle  | STX 125    | SK-7518   | 07/19/11         | 73,060.00           | MEO       | Abraham Panaligan     | Serviceable   |
| 10 | Honda Motorcycle   | RS 125     | SK-7520   | 10/26/11         | 65,000.00           | MO        | Mario Martinez        | Serviceable   |
| 11 | Honda Motorcycle   | RS 125     | SK-7521   | 10/26/11         | 65,000.00           | MEO       | Belmar Guerrero       | Serviceable   |
| 12 | Honda Motorcycle   | RS 125     | SK-7522   | 10/26/11         | 65,000.00           | GSO       | Rex Sulit             | Serviceable   |
| 13 | Yamaha Motorcycle  | YBR 125    | SK-7539   | 09/03/12         | 74,000.00           | MPDO      | Eduardo Genteroy      | Serviceable   |
| 14 | Honda Motorcycle   | MC 125     | SK-7540   | 10/10/12         | 64,000.00           | MADO      | Dondon Abeleda        | Serviceable   |
| 15 | Nissan Urvan Ambulance                                     | Van        | LE-6308   | 10/03/14         | 1,219,000.00        | MHO       | Hector Salalila       | Serviceable   |
| 16 | Mitsubishi Ambulance                                       | Van        | NE-2243   | 09/14/15         | 1,000,000.00        | Minisipyo | Nestor Serrano        | Serviceable   |
| 17 | Honda Motorcycle   | XR-150     | None      | 10/12/15         | 89,319.37           | SWMP      | Melvin Bacay          | Serviceable   |
| 18 | Kawasaki Motorcycle  | KLX-150    | None      | 10/12/15         | 114,500.00          | MEO       | Edwin Magsino         | Serviceable   |
| 19 | Mitsubishi L300 Van  | Van        | NJ-8358   | 10/25/15         | 796,000.00          | MO        | Atty. Mark Marcos     | Serviceable   |
| 20 | Mitsubishi L300 Van  | Van        | NJ-8359   | 10/25/15         | 796,000.00          | MO        | Atty. Mark Marcos     | Serviceable   |
| 21 | Honda Motorcycle   | XR-150     | None      | 07/15/16         | 90,744.68           | Zoning    | Gregorio Janda        | Serviceable   |
|    | <b>Subtotal - Motor Vehicle</b>                            |            |           |                  | <b>8,365,351.91</b> |           |                       |   |
|    | <b>DISASTER RESPONSE &amp; RESCUE EQUIPMENT</b>            |            |           |                  |                     |           |                       |   |
| 1  | Utility Vehicle Rescue Truck                               | Truck      | SKR-715   | 11/15/12         | 1,750,000.00        | MDRRMO    | Joery Geroleo         | Serviceable   |
| 2  | Utility Vehicle Mobile Kitchen                             | Mobile bus | SKR-716   | 11/15/12         | 1,865,000.00        | MDRRMO    | Joery Geroleo         | Serviceable   |
| 3  | Honda Motorcycle   | XR 125     | SA-10569  | 12/02/14         | 93,507.85           | MDRRMO    | Joery Geroleo         | Serviceable   |
| 4  | Nissan Urvan Ambulance                                     | Van        | None      | 04/28/16         | 1,508,500.00        | MDRRMO    | Joery Geroleo         | Serviceable   |
| 5  | Nissan Urvan Ambulance                                     | Van        | None      | 04/28/16         | 1,508,500.00        | MDRRMO    | Joery Geroleo         | Serviceable   |
| 6  | Nissan Navarra Pick-up                                     | Pick-up    | None      | 04/28/16         | 1,237,500.00        | MDRRMO    | Joery Geroleo         | Serviceable   |
| 7  | Nissan Navarra Pick-up                                     | Pick-up    | None      | 04/28/16         | 1,237,500.00        | MDRRMO    | Joery Geroleo         | Serviceable   |
|    | <b>Subtotal - Disaster Response &amp; Rescue Equipment</b> |            |           |                  | <b>9,200,507.85</b> |           |                       |   |

|    | Type of Vehicle                                       | Make               | Plate No. | Acquisition Date | Acquisition Cost     | Office | Accountable Officer | Status/Condition/<br>Worthiness<br>(Good/Fair/Repairable<br>/Unserviceable) |
|----|---|--------------------|-----------|------------------|----------------------|--------|---------------------|---|
|    | <b>CONSTRUCTION &amp; HEAVY EQUIPMENT</b>             |                    |           |                  |                      |        |                     |   |
| 1  | Ten Wheeler Dumptruck                                 | Daewoo 1996        | WCJ-478   | 12/24/01         | 500,000.00           | MEO    | None                | Unserviceable   |
| 2  | Bulldozer #2  | Komatsu D 60P      | None      | 03/08/02         | 1,000,000.00         | MEO    | None                | Repairable  |
| 3  | Motor Grader #2                                       | Komatsu 4-cylinder | None      | 10/04/04         | 1,300,000.00         | MEO    | Florante Ringor     | Repairable  |
| 4  | Backhoe #2  | Kobelco            | None      | 08/29/06         | 1,197,750.00         | MEO    | None                | Unserviceable   |
| 5  | Isuzu Forward Dumptruck                               | Isuzu              | SJA-739   | 04/09/08         | 754,000.00           | MEO    | Precy Olmos         | Serviceable   |
|    | <b>CONSTRUCTION &amp; HEAVY EQUIPMENT - Continued</b> |                    |           |                  |                      |        |                     |   |
| 6  | Isuzu Forward Dumptruck                               | Isuzu              | SJA-729   | 04/09/08         | 754,000.00           | MEO    | Precy Olmos         | Serviceable   |
| 7  | Isuzu Forward Dumptruck                               | Isuzu              | SJA-719   | 04/09/08         | 754,000.00           | MEO    | None                | Unserviceable   |
| 8  | Isuzu Forward Dumptruck                               | Isuzu              | SJJ-144   | 11/04/08         | 746,000.00           | MEO    | Precy Olmos         | Unserviceable   |
| 9  | Isuzu Forward Dumptruck (6-wheeler)                   | Isuzu 1995         | RGG-721   | 03/19/09         | 745,000.00           | MEO    | Precy Olmos         | Serviceable   |
| 10 | Mini Backhoe  | Komatsu            | None      | 03/19/09         | 497,000.00           | MEO    | None                | Unserviceable   |
| 11 | Self-Loader   | None               | None      | 01/01/10         | 1,247,000.00         | MEO    | Precy Olmos         | Serviceable   |
| 12 | Mini Backhoe PC30                                     | Komatsu            | None      | 06/23/10         | 750,000.00           | MEO    | None                | Unserviceable   |
| 13 | Backhoe PC20  | Kubota             | None      | 05/10/11         | 498,000.00           | MEO    | Precy Olmos         | Serviceable   |
| 14 | Hino Dumptruck  | Hino               | SKM-137   | 06/15/11         | 2,250,000.00         | MEO    | Michael Lacida      | Serviceable   |
| 15 | Hino Dumptruck  | Hino               | SKM-156   | 06/15/11         | 2,250,000.00         | MEO    | Wilson Catly        | Serviceable   |
| 16 | Hino Dumptruck  | Hino               | SKM-166   | 06/15/11         | 2,250,000.00         | MEO    | Florante Ringor     | Serviceable   |
| 17 | Caravan Stake Truck                                   | Hino               | SKR-596   | 04/24/12         | 1,876,200.00         | MEO    | Precy Olmos         | Serviceable   |
| 18 | Garbage Truck   | Hino               | SKR-676   | 05/22/12         | 2,419,565.00         | SWMP   | Melvin Bacay        | Serviceable   |
| 19 | Hydraulic Excavator PC200                             | Hino               | None      | 02/27/14         | 10,850,000.00        | MEO    | Rodel Ylagan        | Serviceable   |
| 20 | Hino Dumptruck #01 (Yellow)                           | Hino               | None      | 03/04/14         | 2,495,000.00         | MEO    | Precy Olmos         | Serviceable   |
| 21 | Hino Dumptruck #02 (Yellow)                           | Hino               | None      | 03/04/14         | 2,495,000.00         | MEO    | Precy Olmos         | Serviceable   |
| 22 | Hino Dumptruck #03 (Yellow)                           | Hino               | None      | 03/04/14         | 2,495,000.00         | MEO    | Nelson Macandili    | Serviceable   |
| 23 | Backhoe with dozer blade                              | Komatsu            | None      | 04/14/15         | 6,600,000.00         | MEO    | Precy Olmos         | Serviceable   |
| 24 | Motor Grader  | Komatsu            | None      | 10/08/15         | 17,100,000.00        | MEO    | Florante Ringor     | Serviceable   |
|    | <b>Subtotal - Construction &amp; Heavy Equipment</b>  |                    |           |                  | <b>63,823,515.00</b> |        |                     |   |
|    | <b>TOTAL</b>  |                    |           |                  | <b>81,389,374.76</b> |        |                     |   |

Municipality of Naujan  
**INVENTORY OF LAND OWNED BY THE MUNICIPALITY**  
CY 2016

*Note: All properties are registered in the name of the Municipality of Naujan unless explicitly stated in the **REMARKS**.*

| Item No. | Location    | Present Use              | Land Area (sq. m.) | Title No. / PIN No.           | Assessed Value | Remarks  |
|----------|-------------|--------------------------|--------------------|-------------------------------|----------------|--|
| 1        | Poblacion I | Institutional            | 0.6014             | 003-011                       | 512,390.00     | No Title Number  |
| 2        | Poblacion I | Plaza                    | 0.2740             | 003-012                       | 233,450.00     | No Title Number  |
| 3        | Poblacion I | Institutional Bldg. Site | 0.0617             | 003-013                       | 52,570.00      | No Title Number  |
| 4        | Poblacion I | Institutional Bldg. Site | 0.2737             | 003-014                       | 233,190.00     | No Title Number  |
| 5        | Poblacion I | Municipal Hall           | 0.1863             | P-5644 / 003-009              | 158,730.00     |  |
| 6        | Adrialuna   | School Site              | 1.1217             | T-5273 / 002-176              | 552,970.00     | Property No. per<br><b>Accounting Record :</b><br>201-101-B01-000001 |
| 7        | Aurora      | School Site              | 0.5000             | T-72578 / 001-089             | 149,250.00     |  |
| 8        | Bacungan    | School Site              | 1.0000             | 001-045                       | 2,985,000.00   | No Title Number  |
| 9        | Bancuro     | Res'l lot                | 0.0156             | 001-193                       | 6,210.00       | No Title Number  |
| 10       | Bancuro     | Cultural                 | 0.0598             | T-143486 / 001-405            | 17,850.00      | Property No. per<br><b>Accounting Record :</b><br>201-101-T01-000001 |
| 11       | Barcenaga   | School Site              | 1.0000             | 001-366                       | 540,000.00     | No Title Number  |
| 12       | Barcenaga   | Municipal Health Center  | 0.1200             | T-001-415 /<br>064-2014000036 | 50,760.00      | Property No. per<br><b>Accounting Record :</b><br>201-106-L01-000002 |
| 13       | Buhangin    | Proposed Dump Site       | 3.0000             | 001-092                       | 1,269,000.00   | No Title Number  |
| 14       | Buhangin    | School Site              | 0.5353             | 003-009                       | 40,260.00      | No Title Number  |
| 15       | Buhangin    | School Site / Upland     | 2.7888             | 001-077                       | 886,840.00     | No Title Number  |
| 16       | Del Pilar   | School Site              | 0.8200             | T-4626 / 003-116              | 7,960.00       |  |
| 17       | Estrella    | School Site              | 0.4605             | 002-003                       | 146,440.00     | No Title Number  |
| 18       | Estrella    | Cemetery                 | 0.8883             | 002-038                       | 282,480.00     | No Title Number  |
| 19       | Estrella    | Proposed Mun. Cem. Ext.  | 3.0000             | 002-146                       | 954,000.00     | No Title Number  |

**Note:** All properties are registered in the name of the Municipality of Naujan unless explicitly stated in the **REMARKS**.

| Item No. | Location        | Present Use       | Land Area (sq. m.) | Title No. / PIN No.           | Assessed Value | Remarks   |
|----------|-----------------|-------------------|--------------------|-------------------------------|----------------|---|
| 20       | Evangelista     | Unirrigated       | 0.6451             | 008-004                       | 18,280.00      | No Title Number<br><br>Property No. per<br><b>Accounting Record :</b><br>201-105-1-000001 |
| 21       | General Esco    | School Site       | 0.5000             | 002-005                       | 149,250.00     | No Title Number   |
| 22       | General Esco    | School Site       | 0.5000             | 002-006                       | 149,250.00     | No Title Number   |
| 23       | Laguna          | School Site       | 1.0041             | T-5200 / 001-055              | 53,840.00      |   |
| 24       | MagTubig        | School Site       | 1.8226             | J-7165 (T-5003) / 001-073     | 984,200.00     |   |
| 25       | MagTubig        | Upland            | 6.3347             | J-7164 (T-5004) / 001-118     | 129,150.00     |   |
| 26       | Malaya          | School Site       | 1.0003             | 002-070                       | 318,100.00     | No Title Number   |
| 27       | Malinao         | School Site       | 1.8547             | T-3514 / 001-090              | 44,760.00      |   |
| 28       | Malinao         | School Site       | 0.3332             | T-4409 / 001-112              | 140,940.00     |   |
| 29       | Melgar A        | School Site       | 0.4920             | 002-034                       | 156,460.00     | No Title Number   |
| 30       | Metolza         | Upland            | 0.2500             | T-19774 / 001-052             | 4,640.00       |   |
| 31       | Motoderazo      | School Site       | 1.0000             | 002-032                       | 318,000.00     | No Title Number   |
| 32       | Nag-Iba I       | School Site       | 0.5103             | 002-148                       | 162,280.00     | No Title Number   |
| 33       | Pinagsabangan I | Pasalubong Center | 1.7250             | T-001-016 /<br>064-2013004244 | 88,540.00      |   |
| 34       | Pinagsabangan I | School Site       | 0.4070             | 001-052                       | 37,810.00      | No Title Number   |
| 35       | Pinagsabangan I | School Site       | 0.1000             | 001-094                       | 42,300.00      | No Title Number   |
| 36       | Sampaguita      | School Site       | 1.0000             | T-9829 / 001-119              | 540,000.00     |   |
| 37       | San Agustin II  | School Site       | 0.0758             | 002-039                       | 24,100.00      | No Title Number   |
| 38       | San Isidro      | School Site       | 0.3534             | 001-073                       | 112,380.00     | No Title Number   |
| 39       | San Isidro      | School Site       | 0.2997             | 001-074                       | 95,300.00      | No Title Number   |
| 40       | San Nicolas     | School Site       | 1.0000             | T-44744 / 002-044             | 144,000.00     |   |
| 41       | San Pedro       | School Site       | 0.1000             | 001-067                       | 31,800.00      | No Title Number   |
| 42       | Sta. Cruz       | Cemetery          | 1.0000             | T-53941 / 001-005             | 318,000.00     |   |
| 43       | Sta. Cruz       | Cemetery          | 1.7721             | T-16514 / 001-015             | 563,530.00     |   |
| 44       | Santiago        | Hospital Site     | 1.2000             | T-57736 / 004-063             | 507,600.00     |   |
| 45       | Santiago        | Sports Complex    | 8.1878             | T-68527 / 003-042             | 4,190,240.00   |   |

**Note:** All properties are registered in the name of the Municipality of Naujan unless explicitly stated in the **REMARKS**.

| Item No.     | Location      | Present Use  | Land Area (sq. m.) | Title No. / PIN No.  | Assessed Value       | Remarks   |
|--------------|---------------|--|--------------------|----------------------|----------------------|---|
| 46           | Santiago      | Institutional Site   | 1.0000             | T-91083 / 003-049    | 540,000.00           | Property No. per <b>Accounting Record</b> : 201-101-B01-000003        |
| 47           | Santiago      | Bahay Tuklasan/Mangyan Center/Bahay Kalinga/Health Center/OSCA | 1.0000             | 003-043              | 423,000.00           | No Title Number   |
| 48           | Santiago      | Institutional Site   | 0.1073             | T-139298 / 003-085   | 57,940.00            |   |
| 49           | Santiago      | Institutional Site   | 0.1772             | T-139298 / 003-086   | 95,690.00            | Property No. per <b>Accounting Record</b> : 201-101-B01-000002        |
| 50           | Santiago      | Proposed Gym Site  | 4.8651             | T-139298pt / 003-089 | 58,710.00            |   |
| 51           | Santiago      | Unirrigated  | 1.0000             | T-5149 / 003-041     | 76,273.40            | registered in the name of Masangkay, Dionisio M/T Juliana Boonggaling |
| 52           | Sto. Niño     | School Site  | 1.0000             | 004-006              | 318,000.00           | No Title Number   |
| 53           | Tagumpay      | Res'l Lot  | 0.0200             | 002-021              | 3,840.00             | No Title Number   |
| 54           | Tagumpay      | School Site  | 0.4844             | 001-043              | 69,780.00            | No Title Number   |
| 55           | Tigkan        | School Site  | 0.5000             | 002-013              | 159,000.00           | No Title Number   |
| 56           | Poblacion III | Slaughter House  | 1.0000             | OCT-5334pt / 001-244 | 1,455,000.00         |   |
| <b>TOTAL</b> |               |  | <b>61.3289</b>     |                      | <b>21,661,333.40</b> |   |

## Municipality of Naujan

**ADJUSTMENTS TO PROPERTY LEDGERS**  
**Set-up of Unrecorded Properties per Inventory Taking**  
**& Reclassification of Accounts**  
 CY 2016

| Property Account Title /<br>Entry Description per JEV                | Reference          | Amount              |
|--|--------------------|---------------------|
| <b>OFFICE EQUIPMENT</b>  |                    |                     |
| To set-up unrecorded PPE (MAcO)                                      | JEV-2016-01-000423 | 37,119.00           |
| To set-up unrecorded PPE (MBO)                                       | JEV-2016-01-000425 | 7,700.00            |
| To set up unrecorded PPE (MAcO)                                      | JEV-2016-01-000426 | 8,729.10            |
| To set-up unrecorded PPE (MTO)                                       | JEV-2016-01-000428 | 103,076.00          |
| To set-up unrecorded PPE (MSWDO)                                     | JEV-2016-01-000429 | 11,000.00           |
| To set-up unrecorded PPE-MCR   | JEV-2016-01-000432 | 19,500.00           |
| <b>Subtotal - Office Equipment</b>                                   |                    | <b>187,124.10</b>   |
| <b>FURNITURE AND FIXTURES</b>  |                    |                     |
| To set-up unrecorded PPE (MAcO)                                      | JEV-2016-01-000423 | 55,997.00           |
| To set-up unrecorded PPE (MBO)                                       | JEV-2016-01-000425 | 31,150.00           |
| To set up unrecorded PPE (MAcO)                                      | JEV-2016-01-000426 | 48,850.00           |
| To set-up unrecorded PPE (MPDO)                                      | JEV-2016-01-000427 | 32,300.00           |
| To set-up unrecorded PPE (MTO)                                       | JEV-2016-01-000428 | 100,390.00          |
| To set-up unrecorded PPE (MSWDO)                                     | JEV-2016-01-000429 | 19,750.00           |
| To set up unrecorded PPE (MTC)                                       | JEV-2016-01-000430 | 6,000.00            |
| To set-up unrecorded PPE (MGSO)                                      | JEV-2016-01-000431 | 10,000.00           |
| To set-up unrecorded PPE-MCR   | JEV-2016-01-000432 | 41,800.00           |
| To set up unrecorded PPE-MHO   | JEV-2016-01-000433 | 4,580.00            |
| To set up unrecorded PPE-MAGO  | JEV-2016-01-000434 | (83,000.00)         |
| To set-up unrecorded PPE (SB)  | JEV-2016-01-000435 | 233,065.17          |
| To set-up unrecorded PPE (Bahay Tuklasan)                            | JEV-2016-01-000436 | 499,500.00          |
| To adjust Motorvehicle account of MO                                 | JEV-2016-01-000438 | (31,330.00)         |
| <b>Subtotal - Furniture and Fixtures</b>                             |                    | <b>969,052.17</b>   |
| <b>INFORMATION AND COMMUNICATION TECHNOLOGY EQUIPMENT</b>            |                    |                     |
| To set-up unrecorded PPE (MAcO)                                      | JEV-2016-01-000423 | 108,702.00          |
| To set up unrecorded PPE (MAcO)                                      | JEV-2016-01-000426 | 36,200.00           |
| To set-up unrecorded PPE (MPDO)                                      | JEV-2016-01-000427 | 177,750.00          |
| To set-up unrecorded PPE (MSWDO)                                     | JEV-2016-01-000429 | 30,000.00           |
| To set-up unrecorded PPE-MCR   | JEV-2016-01-000432 | 3,500.00            |
| To set up unrecorded PPE-MAGO  | JEV-2016-01-000434 | 53,120.00           |
| To set-up unrecorded PPE (SB)  | JEV-2016-01-000435 | 10,500.00           |
| To set up unrecorded PPE-NTC   | JEV-2016-01-000437 | 32,935.60           |
| To adjust Motorvehicle account of MO                                 | JEV-2016-01-000438 | 31,330.00           |
| <b>Subtotal - Information and Communication Technology Equipment</b> |                    | <b>1,921,259.77</b> |
| <b>AGRICULTURAL AND FORESTRY EQUIPMENT</b>                           |                    |                     |
| To set up unrecorded PPE-MAGO  | JEV-2016-01-000434 | 44,800.00           |
| To adjust agricultural, fishery & forestry account-MAGO              | JEV-2016-01-000440 | (35,490.00)         |
| <b>Subtotal - Agricultural and Forestry Equipment</b>                |                    | <b>9,310.00</b>     |

| Property Account Title /<br>Entry Description per JEV | Reference          | Amount                |
|---|--------------------|-----------------------|
| <b>COMMUNICATION EQUIPMENT</b>                        |                    |                       |
| To set-up unrecorded PPE (MSWDO)                      | JEV-2016-01-000429 | 13,394.00             |
| To set-up unrecorded PPE (Bahay Tuklasan)             | JEV-2016-01-000436 | 9,500.00              |
| <b>Subtotal - Communication Equipment</b>             |                    | <b>22,894.00</b>      |
| <b>MEDICAL EQUIPMENT</b>                              |                    |                       |
| To set up unrecorded PPE-MHO                          | JEV-2016-01-000433 | 696,304.73            |
| <b>Subtotal - Medical Equipment</b>                   |                    | <b>696,304.73</b>     |
| <b>TECHNICAL AND SCIENTIFIC EQUIPMENT</b>             |                    |                       |
| To set-up unrecorded PPE (MAcO)                       | JEV-2016-01-000423 | (37,119.00)           |
| To set up unrecorded PPE (MAso)                       | JEV-2016-01-000426 | (44,929.10)           |
| To set-up unrecorded PPE (MPDO)                       | JEV-2016-01-000427 | (177,750.00)          |
| To set-up unrecorded PPE (MSWDO)                      | JEV-2016-01-000429 | (41,000.00)           |
| To set-up unrecorded PPE-MCR                          | JEV-2016-01-000432 | (23,000.00)           |
| To set up unrecorded PPE-MHO                          | JEV-2016-01-000433 | (943,427.70)          |
| To set up unrecorded PPE-MAGO                         | JEV-2016-01-000434 | (70,000.00)           |
| To set-up unrecorded PPE (SB)                         | JEV-2016-01-000435 | (10,500.00)           |
| To set-up unrecorded PPE (Bahay Tuklasan)             | JEV-2016-01-000436 | (9,500.00)            |
| To set up unrecorded PPE-NTC                          | JEV-2016-01-000437 | (620,628.00)          |
| <b>Subtotal - Technical and Scientific Equipment</b>  |                    | <b>(1,977,853.80)</b> |
| <b>OTHER MACHINERY AND EQUIPMENT</b>                  |                    |                       |
| To set up unrecorded PPE-NTC                          | JEV-2016-01-000437 | 533,282.00            |
| <b>Subtotal - Other Machinery and Equipment</b>       |                    | <b>533,282.00</b>     |
| <b>MOTOR VEHICLES</b>                                 |                    |                       |
| To adjust Motorvehicle account of MO                  | JEV-2016-01-000438 | (47,067.91)           |
| To adjust deficiency on amount encoded                | JEV-2016-01-000441 | (0.04)                |
| <b>Subtotal - Motor Vehicles</b>                      |                    | <b>(47,067.95)</b>    |
| <b>OTHER PROPERTY, PLANT AND EQUIPMENT</b>            |                    |                       |
| Adj on Other Asset Account to Other PPE               | JEV-2016-01-000480 | 132,869.56            |
| To reclassify Reforestation-Upland to Other PPE       | JEV-2016-01-001182 | 24,222.00             |
| <b>Subtotal - Other Property, Plant and Equipment</b> |                    | <b>157,091.56</b>     |
| <b>TOTAL</b>  |                    | <b>2,471,396.58</b>   |

Municipality of Naujan  
**PPE UNRECONCILED BEGINNING BALANCES**  
As of December 31, 2016

| Fund /<br>Account Title             | Description                          | Property Valuation |               |                |
|-------------------------------------|--------------------------------------|--------------------|---------------|----------------|
|                                     |                                      | Acquisition Cost   | Acc. Dep'n    | Net Book Value |
| GENERAL FUND                        |                                      |                    |               |                |
| Land                                | GFP Beginning Balance                | 4,797,951.40       | 0.00          | 4,797,951.40   |
| Land Improvements                   | GF Unidentified Beg Bal              | 23,532,320.03      | 18,708,194.40 | 4,824,125.63   |
| Buildings                           | GFP Unidentified beginning balances  | 8,308,195.71       | 0.00          | 8,308,195.71   |
| School Buildings                    | GFP Unidentified Beg Bal             | 5,925,948.26       | 0.00          | 5,925,948.26   |
| Hospitals and Health Centers        | GFP Unidentified Beg Balance         | 1,734,226.12       | 0.00          | 1,734,226.12   |
| Furniture and Fixtures              | GFP unreconciled items               | 2,852,736.22       | 0.00          | 2,852,736.22   |
| Info. & Com. Tech. Equipment        | Unreconciled Difference              | (31,330.00)        | 0.00          | (31,330.00)    |
| Agricultural & Forestry Equipment   | GFP - Unidentified Beg Bal.          | 35,490.00          | 28,215.08     | 7,274.92       |
| Communication Equipment             | GFP Unidentified Beg Bal             | 760,659.99         | 0.00          | 760,659.99     |
| Technical and Scientific Equipment  | GFP Unidentified Beginning Balances  | 3,304,645.01       | 2,627,193.04  | 677,451.97     |
| Motor Vehicles                      | GFP Unidentified beg bal             | 4,393,487.50       | 0.00          | 4,393,487.50   |
| Other Property, Plant and Equipment | GFP Unidentified Beg Bal             | 521,199.08         | 0.00          | 521,199.08     |
| Subtotal - General Fund             |                                      | 56,135,529.32      | 21,363,602.52 | 34,771,926.80  |
| SPECIAL EDUCATION FUND              |                                      |                    |               |                |
| Buildings                           | Unreconciled Beg. Balances(Other SL) | 312,817.34         | 0.00          | 312,817.34     |
| Office Equipment                    | SEF U/R beginning balance(Other SL)  | 1,740,872.45       | 0.00          | 1,740,872.45   |
| Subtotal - Special Education Fund   |                                      | 2,053,689.79       | 0.00          | 2,053,689.79   |
| TOTAL                               |                                      | 58,189,219.11      | 21,363,602.52 | 36,825,616.59  |

Municipality of Naujan  
**PPE ITEMS NOT APPLIED WITH DEPRECIATION**  
 As of December 31, 2016

| PPE ACCOUNT  | ACQUISITION COST              |                       |  |                         |                        | Accumulated Depreciation | Net Book Value       | Salvage Value upon Full Depreciation | Overstatement in Recorded Book Value |
|--|-------------------------------|-----------------------|--|-------------------------|------------------------|--------------------------|----------------------|--------------------------------------|--------------------------------------|
|  | Unreconciled Beg. Bal.<br>(1) | Other SL Items<br>(2) | Capitalized Repairs and Maintenance<br>(3) | Identified items<br>(4) | Total Acquisition Cost |                          |                      |                                      |                                      |
| Other Land Improvements                            | 0.00                          | 458,065.50            | 111,169.50                                 | 7,692,981.61            | <b>8,262,216.61</b>    | 0.00                     | 8,262,216.61         | 826,221.66                           | <b>7,435,994.95</b>                  |
| Power Supply Systems                               | 0.00                          | 0.00                  | 184,738.75                                 | 0.00                    | <b>184,738.75</b>      | 0.00                     | 184,738.75           | 18,473.88                            | <b>166,264.88</b>                    |
| Buildings  | 8,621,013.05                  | 1,040,099.64          | 9,526.50                                   | 0.00                    | <b>9,670,639.19</b>    | 0.00                     | 9,670,639.19         | 967,063.92                           | <b>8,703,575.27</b>                  |
| School Buildings                                   | 5,925,948.26                  | 614,179.18            | 132,261.00                                 | 0.00                    | <b>6,672,388.44</b>    | 0.00                     | 6,672,388.44         | 667,238.84                           | <b>6,005,149.60</b>                  |
| Hospitals and Health Centers                       | 1,734,226.12                  | 0.00                  | 0.00                                       | 0.00                    | <b>1,734,226.12</b>    | 0.00                     | 1,734,226.12         | 173,422.61                           | <b>1,560,803.51</b>                  |
| Other Structures                                   | 0.00                          | 0.00                  | 66,298.50                                  | 2,289,258.12            | <b>2,355,556.62</b>    | 0.00                     | 2,355,556.62         | 235,555.66                           | <b>2,120,000.96</b>                  |
| Office Equipment                                   | 1,740,872.45                  | 0.00                  | 0.00                                       | 99,470.00               | <b>1,840,342.45</b>    | 0.00                     | 1,840,342.45         | 184,034.25                           | <b>1,656,308.21</b>                  |
| Information and Communication Technology Equipment | (31,330.00)                   | 0.00                  | 0.00                                       | 6,390.00                | <b>(24,940.00)</b>     | 0.00                     | (24,940.00)          | 639.00                               | <b>(25,579.00)</b>                   |
| Communication Equipment                            | 760,659.99                    | 0.00                  | 0.00                                       | 0.00                    | <b>760,659.99</b>      | 0.00                     | 760,659.99           | 76,066.00                            | <b>684,593.99</b>                    |
| Other Machinery and Equipment                      | 0.00                          | 0.00                  | 121,440.00                                 | 112,769.57              | <b>234,209.57</b>      | 0.00                     | 234,209.57           | 23,420.96                            | <b>210,788.61</b>                    |
| Motor Vehicles                                     | 4,393,487.50                  | 0.00                  | 0.00                                       | 647,900.00              | <b>5,041,387.50</b>    | 0.00                     | 5,041,387.50         | 504,138.75                           | <b>4,537,248.75</b>                  |
| Watercrafts  | 0.00                          | 0.00                  | 0.00                                       | 121,361.57              | <b>121,361.57</b>      | 0.00                     | 121,361.57           | 12,136.16                            | <b>109,225.41</b>                    |
| Furniture and Fixtures                             | 2,852,736.22                  | 1,780.00              | 0.00                                       | 1,047,962.90            | <b>3,902,479.12</b>    | 0.00                     | 3,902,479.12         | 390,247.91                           | <b>3,512,231.21</b>                  |
| Other Property, Plant and Equipment                | 521,199.08                    | 0.00                  | 0.00                                       | 416,607.00              | <b>937,806.08</b>      | 0.00                     | 937,806.08           | 93,780.61                            | <b>844,025.47</b>                    |
| <b>TOTAL</b>                                       | <b>26,518,812.67</b>          | <b>2,114,124.32</b>   | <b>625,434.25</b>                          | <b>12,434,700.77</b>    | <b>41,693,072.01</b>   | <b>0.00</b>              | <b>41,693,072.01</b> | <b>4,172,440.20</b>                  | <b>37,520,631.81</b>                 |

Municipality of Naujan  
**REGISTRY OF PUBLIC INFRASTRUCTURE ASSETS**  
As of December 31, 2016

*Note: See details in Annex G-1*

| Year                          | Roads, Highways<br>& Bridges<br>251 | Parks, Plazas &<br>Monuments<br>252 | Water Supply Systems   |   | Flood Control Systems |                                | Other Public<br>Infrastructures<br>260 | TOTAL          |
|-------------------------------|-------------------------------------|-------------------------------------|--|---|-----------------------|--------------------------------|--|----------------|
|                               |                                     |                                     | Artesian Wells,<br>Reservoir,<br>Pumping Stations<br>and Conduits<br>254 | Irrigation, Canals<br>& Laterals<br>255 | Flood Controls<br>256 | Waterways,<br>Aqueducts<br>257 |  |                |
| GENERAL FUND PROPER           |                                     |                                     |  |   |                       |                                |  |                |
| 2007                          | 1,234,091.50                        | 315,831.50                          | 1,184,481.60   | 494,878.08                              | 0.00                  | 0.00                           | 969,826.50                             | 4,199,109.18   |
| 2008                          | 108,064.92                          | 0.00                                | 67,238.00  | 546,204.64                              | 0.00                  | 0.00                           | 0.00                                   | 721,507.56     |
| 2009                          | 4,212,018.00                        | 0.00                                | 98,040.00  | 111,147.52                              | 0.00                  | 0.00                           | 0.00                                   | 4,421,205.52   |
| 2010                          | 1,831,242.10                        | 0.00                                | 300,550.00   | 522,302.07                              | 0.00                  | 23,954.00                      | 241,688.22                             | 2,919,736.39   |
| 2011                          | 0.00                                | 43,428.50                           | 389,578.05   | 258,688.45                              | 0.00                  | 2,202,548.38                   | 0.00                                   | 2,894,243.38   |
| 2012                          | 0.00                                | 0.00                                | 180,953.00   | 123,220.00                              | 0.00                  | 0.00                           | 0.00                                   | 304,173.00     |
| 2013                          | 215,094.50                          | 0.00                                | 0.00   | 0.00                                    | 0.00                  | 0.00                           | 0.00                                   | 215,094.50     |
| 2014                          | 0.00                                | 0.00                                | 0.00   | 0.00                                    | 0.00                  | 0.00                           | 0.00                                   | 0.00           |
| 2015                          | 0.00                                | 0.00                                | 0.00   | 298,529.00                              | 0.00                  | 0.00                           | 0.00                                   | 298,529.00     |
| 2016                          | 0.00                                | 0.00                                | 3,245,392.95   | 0.00                                    | 0.00                  | 0.00                           | 0.00                                   | 3,245,392.95   |
| Subtotal                      | 7,600,511.02                        | 359,260.00                          | 5,466,233.60   | 2,354,969.76                            | 0.00                  | 2,226,502.38                   | 1,211,514.72                           | 19,218,991.48  |
| 20% DEVELOPMENT FUND          |                                     |                                     |  |   |                       |                                |  |                |
| 2007                          | 4,155,819.50                        | 0.00                                | 159,172.00   | 794,108.50                              | 0.00                  | 0.00                           | 170,528.75                             | 5,279,628.75   |
| 2008                          | 3,807,048.67                        | 0.00                                | 723,424.00   | 201,091.30                              | 265,175.00            | 0.00                           | 0.00                                   | 4,996,738.97   |
| 2009                          | 4,666,316.50                        | 0.00                                | 1,278,188.00   | 1,931,635.89                            | 46,499.00             | 0.00                           | 0.00                                   | 7,922,639.39   |
| 2010                          | 372,407.50                          | 0.00                                | 1,041,185.60   | 1,382,104.15                            | 134,064.50            | 0.00                           | 3,100.00                               | 2,932,861.75   |
| 2011                          | 0.00                                | 0.00                                | 1,255,136.20   | 2,409,969.65                            | 0.00                  | 1,243,308.84                   | 0.00                                   | 4,908,414.69   |
| 2012                          | 1,787,870.50                        | 0.00                                | 1,728,451.30   | 384,392.65                              | 0.00                  | 0.00                           | 0.00                                   | 3,900,714.45   |
| 2013                          | 18,224,216.74                       | 0.00                                | 1,769,304.00   | 0.00                                    | 0.00                  | 0.00                           | 0.00                                   | 19,993,520.74  |
| 2014                          | 7,653,991.23                        | 0.00                                | 902,455.38   | 1,499,424.49                            | 496,850.25            | 1,611,488.00                   | 0.00                                   | 12,164,209.35  |
| 2015                          | 11,081,483.49                       | 0.00                                | 1,630,892.35   | 306,015.90                              | 99,471.00             | 1,991,750.00                   | 0.00                                   | 15,109,612.74  |
| 2016                          | 4,913,883.92                        | 0.00                                | 362,951.50   | 0.00                                    | 104,878.50            | 0.00                           | 0.00                                   | 5,381,713.92   |
| Subtotal                      | 56,663,038.05                       | 0.00                                | 10,851,160.33  | 8,908,742.53                            | 1,146,938.25          | 4,846,546.84                   | 173,628.75                             | 82,590,054.75  |
| TOTAL                         | 64,263,549.07                       | 359,260.00                          | 16,317,393.93  | 11,263,712.29                           | 1,146,938.25          | 7,073,049.22                   | 1,385,143.47                           | 101,809,046.23 |
| Post-Closing<br>Trial Balance | 64,263,549.07                       | 359,260.00                          | 27,581,106.22  |   | 8,219,987.47          |                                | 1,385,143.47                           | 101,809,046.23 |
| DIFFERENCE                    | 0.00                                | 0.00                                | 0.00   |   | 0.00                  |                                | 0.00                                   | 0.00           |

Municipality of Naujan  
**REGISTRY OF PUBLIC INFRASTRUCTURE ASSETS**  
As of December 31, 2016

| Year                            | Description                     | FUND         |                | TOTAL |
|---------------------------------|---------------------------------|--------------|----------------|-------|
|                                 |                                 | GF Proper    | 20% Dev't Fund |       |
| ROADS, HIGHWAYS & BRIDGES (251) |                                 |              |                |       |
| 2007                            | Footbridge So. Taguan Herrera   | 44,340.50    |                |       |
| 2007                            | Bgy. Road Apitong               | 126,613.00   |                |       |
| 2007                            | Pathway Pagkakaisa              | 89,973.50    |                |       |
| 2007                            | Pathway Malaya                  | 60,500.00    |                |       |
| 2007                            | Footbridge Pinag. 2             | 10,714.50    |                |       |
| 2007                            | Const. New St. Pob. 3           | 901,950.00   |                |       |
| 2007                            | Footbridge Const.               |              | 21,280.00      |       |
| 2007                            | Bgy. Road Estrella              |              | 143,924.50     |       |
| 2007                            | Footbridge San Andres           |              | 16,641.00      |       |
| 2007                            | Pathway So. Tibag San Isidro    |              | 13,735.00      |       |
| 2007                            | Pathway So. Taguan Herrera      |              | 46,567.00      |       |
| 2007                            | Road Concreting Sta. Isabel     |              | 260,623.50     |       |
| 2007                            | Road Concreting Estrella        |              | 287,891.00     |       |
| 2007                            | Road Concreting Ba. Buhay       |              | 131,382.50     |       |
| 2007                            | Const. Marcos St. Pob. 3        |              | 3,233,775.00   |       |
| 2008                            | Footbridge Del Pilar            | 59,820.08    |                |       |
| 2008                            | Footbridge Santiago             | 3,300.00     |                |       |
| 2008                            | Footbridge Aurora               | 44,944.84    |                |       |
| 2008                            | Pathway Dulong Kanluran Malaya  |              | 169,964.00     |       |
| 2008                            | Pathway Corehousing Sta. Isabel |              | 46,894.50      |       |
| 2008                            | Road Concreting                 |              | 992,395.17     |       |
| 2008                            | Road Concreting Pob. 3          |              | 1,609,650.00   |       |
| 2008                            | Road Concreting Marcos Phase 1  |              | 988,145.00     |       |
| 2009                            | Bgy. Road San Isidro & Bayani   | 496,404.00   |                |       |
| 2009                            | Marcos Pob. 3                   | 3,715,614.00 |                |       |
| 2009                            | Paniquian                       |              | 30,762.50      |       |
| 2009                            | Pob. 3                          |              | 994,854.00     |       |
| 2009                            | Const. Marcos St. Pob. 3        |              | 3,640,700.00   |       |
| 2010                            | Footbridge Santiago             | 3,300.00     |                |       |
| 2010                            | Footbridge Sta. Maria           | 297,938.50   |                |       |
| 2010                            | Footbridge Malvar               | 52,500.00    |                |       |
| 2010                            | Footbridge Bancuro              | 183,011.95   |                |       |
| 2010                            | Pathway Montelago               | 96,436.65    |                |       |
| 2010                            | Footbridge San Carlos           |              | 297,443.50     |       |
| 2010                            | Marcos Pob 3                    | 209,910.00   |                |       |
| 2010                            | Road Concreting                 | 988,145.00   |                |       |
| 2010                            | Road Concreting Del Pilar       |              | 8,190.00       |       |
| 2010                            | Road Concreting Apitong         |              | 66,774.00      |       |
| 2012                            | Hanging Bridge Laguna           |              | 181,336.00     |       |

| Year   | Description                                    | FUND       |                | TOTAL |
|--|--|------------|----------------|-------|
|  |  | GF Proper  | 20% Dev't Fund |       |
| 2012   | Footbridge So. Proper Montelago                |            | 98,032.00      |       |
| 2012   | Footbridge So. Daisy Malina                    |            | 102,447.50     |       |
| 2012   | Road Opening Masaguig-Herrera                  |            | 1,406,055.00   |       |
| 2013   | Bgy. Road So. Centro Magtibay                  | 215,094.50 |                |       |
| 2013   | Bride Widening Gamao                           |            | 1,173,627.00   |       |
| 2013   | Road Concreting Various Bgy. Roads             |            | 7,254,947.50   |       |
| <b>ROADS, HIGHWAYS &amp; BRIDGES (251) - Continued</b> |  |            |                |       |
| 2013   | Road Opening Masaguig-Herrera                  |            | 23,000.00      |       |
| 2013   | Road Concreting So. 1 Arangin                  |            | 497,899.28     |       |
| 2013   | Road Concreting Purok 4 Del Pilar              |            | 497,900.05     |       |
| 2013   | Road Concreting So. 1 Laguna                   |            | 497,996.10     |       |
| 2013   | Road Concreting Gen. Esco                      |            | 497,518.00     |       |
| 2013   | Road Concreting So. 2 San Andres               |            | 496,515.00     |       |
| 2013   | Road Concreting So. Camia San Pedro            |            | 981,086.00     |       |
| 2013   | Road Concreting So. Cuatres Sta. Maria         |            | 498,010.00     |       |
| 2013   | Road Concreting So. 6 Buhangin                 |            | 495,890.00     |       |
| 2013   | Road Concreting So. Rambutan Piñahan           |            | 981,298.47     |       |
| 2013   | Road Concreting So. Ilaya Barcenaga            |            | 497,518.00     |       |
| 2013   | Road Concreting So. Ibaba Nag-iba 1            |            | 497,668.69     |       |
| 2013   | Road Concreting So. 4 Masagana                 |            | 497,518.00     |       |
| 2013   | Road Concreting So. 123 & San Antonio          |            | 496,665.00     |       |
| 2013   | Road Concreting So. Dulong Kanluran San Isidro |            | 497,672.15     |       |
| 2013   | Road Concreting So. Looban Kalinisan           |            | 496,997.00     |       |
| 2013   | Road Concreting So. Manggahan Sto. Niño        |            | 496,097.50     |       |
| 2013   | Road Concreting Melgar B                       |            | 496,905.00     |       |
| 2013   | Road Concreting Concepcion                     |            | 175,744.00     |       |
| 2013   | Road Concreting So. 6 Dao                      |            | 175,744.00     |       |
| 2014   | Footbridge So 1 San Antonio                    |            | 99,097.00      |       |
| 2014   | Pathway So. Sampaguita Tigkan                  |            | 98,857.50      |       |
| 2014   | Road Concreting Marcos Pob. 2 Pob. 3           |            | 499,508.46     |       |
| 2014   | Road Concreting So. 6 Gamao                    |            | 497,452.50     |       |
| 2014   | Road Concreting So. Melgar Andres Ylagan       |            | 496,932.50     |       |
| 2014   | Road Concreting So. Gumamela San Carlos        |            | 497,820.20     |       |
| 2014   | Road Concreting So. 3 Concepcion               |            | 489,433.00     |       |
| 2014   | Road Concreting So. Dulong Silangan Malaya     |            | 496,460.00     |       |
| 2014   | Road Concreting So. Balumbon Melgar A          |            | 497,871.50     |       |
| 2014   | Road Concreting So. 6 Dao                      |            | 497,049.92     |       |
| 2014   | Road Concreting So. Bulinawan Montemayor       |            | 498,216.60     |       |
| 2014   | Road Concreting So. Looban Adrialuna           |            | 496,999.00     |       |
| 2014   | Road Concreting So. 3 Mabini                   |            | 497,865.09     |       |
| 2014   | Road Concreting So. Centro Mulawin             |            | 497,643.95     |       |
| 2014   | Road Concreting So. 3 Sta. Cruz                |            | 497,843.34     |       |
| 2014   | Road Concreting So. Sta. Isabel                |            | 497,840.67     |       |
| 2014   | Road Concreting So. 7 Pinagsabangan 2          |            | 497,100.00     |       |
| 2015   | Footbridge, So. Manggahan Tigkan               |            | 233,143.00     |       |
| 2015   | Road Concreting So. 6 Buhangin                 |            | 246,315.16     |       |

| Year   | Description                                  | FUND      |                | TOTAL |
|--|--|-----------|----------------|-------|
|  |  | GF Proper | 20% Dev't Fund |       |
| 2015   | Road Concreting So. Ilaya Bacungan           |           | 242,890.25     |       |
| 2015   | Road Concreting So. Balumbon Melgar A        |           | 242,890.25     |       |
| 2015   | Road Concreting So. Looban Adrialuna         |           | 40,425.00      |       |
| 2015   | Road Concreting So 3 Sta. Cruz               |           | 242,890.25     |       |
| 2015   | Road Concreting So. Kasilihan Sta. Isabel    |           | 246,250.16     |       |
| 2015   | Road Concreting So. West & North Evangelista |           | 497,706.32     |       |
| 2015   | Road concreting So. 3 San Agustin 2          |           | 497,466.00     |       |
| 2015   | Road Concreting So. Bagong Silang Apitong    |           | 497,370.00     |       |
| 2015   | Road Concreting So. Tondo San Luis           |           | 498,176.85     |       |
| 2015   | Road Concreting So. Talon Motoderazo         |           | 496,671.84     |       |
| 2015   | Road Concreting So. Cabeza Malvar            |           | 498,000.00     |       |
| <b>ROADS, HIGHWAYS &amp; BRIDGES (251) - Continued</b> |  |           |                |       |
| 2015   | Road Concreting So. Centro Metolza           |           | 496,746.85     |       |
| 2015   | Road Concreting So. Butangka Pagkakaisa      |           | 497,769.05     |       |
| 2015   | Road Concreting So. Duongan San Jose         |           | 242,890.25     |       |
| 2015   | Road Concreting So. Tabang Loob Santiago     |           | 242,890.25     |       |
| 2015   | Road Concreting So. 6 Kalinisan              |           | 242,890.25     |       |
| 2015   | Road Concreting So. Bahay Antipolo           |           | 242,890.25     |       |
| 2015   | Road Concreting So. 5 & 7 Laguna             |           | 246,375.16     |       |
| 2015   | Road Concreting So. Tondo, Piñahan           |           | 246,250.16     |       |
| 2015   | Road Concreting So. Marcos St. Pob. 2        |           | 244,218.86     |       |
| 2015   | Road Concreting So. 1 & 7 Pinag. 2           |           | 246,342.50     |       |
| 2015   | Road Concreting So. Maligaya San Agustin I   |           | 246,342.50     |       |
| 2015   | Road Concreting So. Butangka Pagkakaisa      |           | 246,250.16     |       |
| 2015   | Road Concreting So. Camia San Carlos         |           | 246,250.16     |       |
| 2015   | Road Concreting So. Bougainvilla Malinao     |           | 246,250.16     |       |
| 2015   | Road Concreting So. Looban 3 Adrialuna       |           | 205,825.16     |       |
| 2015   | Road Concreting So. Pook Bancuro             |           | 246,250.16     |       |
| 2015   | Road Concreting So. Ilang-ilang Bayani       |           | 246,425.16     |       |
| 2015   | Road Concreting So. Simbad Sta. Maria        |           | 248,465.91     |       |
| 2015   | Road Concreting So. Centro San Nicolas       |           | 232,690.91     |       |
| 2015   | Road Concreting So. Maligaya Gen. Esco       |           | 248,610.91     |       |
| 2015   | Road Concreting So. Proper Panikian          |           | 248,530.91     |       |
| 2015   | Road Concreting So. Purok Del Pilar          |           | 248,465.91     |       |
| 2015   | Road Concreting So. Centro Evangelista       |           | 248,465.91     |       |
| 2015   | Road Concreting Metolza                      |           | 248,465.91     |       |
| 2015   | Road Side So. Amuguis Barcenaga              |           | 244,735.00     |       |
| 2016   | Footbridge So. Kabilang Sapa Santiago        |           | 497,894.43     |       |
| 2016   | Road Concreting Various Barangays            |           | 2,289,753.00   |       |
| 2016   | Road Concreting So. Centro 2 Ba. Buhay       |           | 246,250.16     |       |
| 2016   | Road Concreting So. Centro Nag-iba 2         |           | 248,530.91     |       |
| 2016   | Road Concreting So. Acacia Sto. Niño         |           | 248,530.91     |       |
| 2016   | Road Concreting So. 7 Sampaguita             |           | 248,465.91     |       |
| 2016   | Road Concreting Diff. Roads Pob. 3           |           | 139,640.00     |       |
| 2016   | Road Concreting So. 3 Concepcion             |           | 248,850.91     |       |
| 2016   | Road Concreting So. Masaya Tagumpay          |           | 248,850.91     |       |

| Year  | Description                                     | FUND                |                      | TOTAL                |
|---|---|---------------------|----------------------|----------------------|
|   |   | GF Proper           | 20% Dev't Fund       |                      |
| 2016  | Road Concreting So. San Antonio Ba. Buhay       |                     | 248,532.87           |                      |
| 2016  | Road Concreting So. Talon Motoderazo            |                     | 248,583.91           |                      |
|   | <b>Subtotal - Roads, Highways &amp; Bridges</b> | <b>7,600,511.02</b> | <b>56,663,038.05</b> | <b>64,263,549.07</b> |
| <b>PARKS, PLAZAS &amp; MONUMENTS (252)</b>  |   |                     |                      |                      |
| 2007  | Lamp Post                                       | 315,831.50          |                      |                      |
| 2011  | Naujan Town Plaza                               | 43,428.50           |                      |                      |
|   | <b>Subtotal - Parks, Plazas &amp; Monuments</b> | <b>359,260.00</b>   | <b>0.00</b>          | <b>359,260.00</b>    |
| <b>ARTESIAN WELLS, RESERVOIR, PUMPING STATIONS AND CONDUITS (254)</b>             |   |                     |                      |                      |
| 2007  | Freeflow Inst.                                  | 22,500.00           |                      |                      |
| 2007  | Freeflow Motorpool                              | 68,367.00           |                      |                      |
| 2007  | Freeflow Sampaguita                             | 18,000.00           |                      |                      |
| 2007  | Freeflow San Isidro                             | 21,815.00           |                      |                      |
| 2007  | Freeflow Malinao                                | 37,155.00           |                      |                      |
| 2007  | Freeflow San Pedro                              | 1,595.00            |                      |                      |
| 2007  | Freeflow Kalinisan                              | 35,860.00           |                      |                      |
| <b>ARTESIAN WELLS, RESERVOIR, PUMPING STATIONS AND CONDUITS (254) - Continued</b> |   |                     |                      |                      |
| 2007  | Freeflow Sto. Niño                              | 43,505.00           |                      |                      |
| 2007  | Freeflow San Isidro                             | 51,852.00           |                      |                      |
| 2007  | Freeflow Gamao                                  | 43,505.00           |                      |                      |
| 2007  | Freeflow Evangelista                            | 24,490.00           |                      |                      |
| 2007  | Freeflow Aurora                                 | 19,928.00           |                      |                      |
| 2007  | Freeflow Motoderazo                             | 37,198.00           |                      |                      |
| 2007  | Freeflow Pinag. 2                               | 37,259.00           |                      |                      |
| 2007  | Freeflow Pagkakaisa                             | 34,580.00           |                      |                      |
| 2007  | Freeflow Sto. Niño                              | 22,500.00           |                      |                      |
| 2007  | Overhead Tank Antipolo                          | 48,037.00           |                      |                      |
| 2007  | PE Pipe Inst.                                   | 5,970.00            |                      |                      |
| 2007  | PE Pipes Montelago                              | 18,870.00           |                      |                      |
| 2007  | PE Pipe San Agustin 2                           | 19,037.00           |                      |                      |
| 2007  | PE Pipe Banuton                                 | 59,029.50           |                      |                      |
| 2007  | Water System Montelago                          | 139,925.50          |                      |                      |
| 2007  | Water System Bayani                             | 56,180.00           |                      |                      |
| 2007  | Water System Masagana                           | 87,718.00           |                      |                      |
| 2007  | Water System Metolza                            | 74,605.60           |                      |                      |
| 2007  | Jetmatic Pump                                   | 155,000.00          |                      |                      |
| 2007  | Freeflow Inst.                                  |                     | 16,500.00            |                      |
| 2007  | Water Tank                                      |                     | 5,650.00             |                      |
| 2007  | Freeflow Estrella                               |                     | 25,898.00            |                      |
| 2007  | Freeflow Malinao                                |                     | 37,648.00            |                      |
| 2007  | Freeflow Malaya                                 |                     | 35,248.00            |                      |
| 2007  | Freeflow Malinao                                |                     | 17,228.00            |                      |
| 2007  | Freeflow Tigkan                                 |                     | 21,000.00            |                      |
| 2008  | Freeflow Delgado ES                             | 36,593.00           |                      |                      |
| 2008  | Freeflow Adrialuna                              | 30,645.00           |                      |                      |
| 2008  | Freeflow Pinag. 1                               |                     | 53,143.00            |                      |

| Year  | Description                                 | FUND      |                | TOTAL |
|---|---|-----------|----------------|-------|
|   |   | GF Proper | 20% Dev't Fund |       |
| 2008  | Freeflow San Isidro                         |           | 50,254.00      |       |
| 2008  | Freeflow Pagkakaisa                         |           | 42,645.00      |       |
| 2008  | Freeflow Adrialuna                          |           | 52,360.00      |       |
| 2008  | Freeflow Barcenaga                          |           | 50,574.00      |       |
| 2008  | Water Tank Tigbao                           |           | 97,718.00      |       |
| 2008  | Water Tank Melgar A                         |           | 142,176.00     |       |
| 2008  | Water Tank Bayani                           |           | 73,590.00      |       |
| 2008  | Tank Concepcion                             |           | 160,964.00     |       |
| 2009  | Freeflow Nag-iba 2                          | 48,780.00 |                |       |
| 2009  | Freeflow Nag-iba 2                          |           | 25,250.00      |       |
| 2009  | Freeflow Malaya So. Kanluran                |           | 46,560.00      |       |
| 2009  | Freeflow Sto. Niño So. Centro               | 49,260.00 |                |       |
| 2009  | Freeflow San Agustin Purok 4                |           | 45,633.00      |       |
| 2009  | Freeflow Purok 5 Sampaguita                 |           | 50,295.00      |       |
| 2009  | Freeflow So. Dahlia San Carlos              |           | 46,960.00      |       |
| 2009  | Freeflow So. 3 San Agustin 2                |           | 62,489.00      |       |
| 2009  | Freeflow So. Ibaba Sta. Isabel              |           | 54,711.00      |       |
| 2009  | Freeflow Purok 3 San Agustin 2              |           | 21,825.00      |       |
| 2009  | Freeflow Purok 6 San Agustin 1              |           | 70,179.00      |       |
| 2009  | Freeflow So. Centro Motoderazo              |           | 78,043.00      |       |
| 2009  | Freeflow So. Subdivision Pinag. 1           |           | 54,660.00      |       |
| <b>ARTESIAN WELLS, RESERVOIR, PUMPING STATIONS AND CONDUITS (254) - Continued</b> |   |           |                |       |
| 2009  | Freeflow So. Sampaguita Malinao             |           | 46,970.00      |       |
| 2009  | Freeflow So. 5 Kalinisan                    |           | 62,468.00      |       |
| 2009  | Freeflow So. 2, 5, 7 Sampaguita             |           | 136,416.00     |       |
| 2009  | Freeflow So. Silangan San Isidro            |           | 55,540.00      |       |
| 2009  | Freeflow So. Calachuchi San Pedro           |           | 45,698.00      |       |
| 2009  | Freeflow So. Kabilang Sapa Santiago         |           | 68,241.00      |       |
| 2009  | Freeflow So. Tollbridge Pinag. 2            |           | 45,472.00      |       |
| 2009  | Water Tank So. Ilaya Sta. Isabel            |           | 24,029.00      |       |
| 2009  | Water System L2 Tigbao Montelago            |           | 83,073.00      |       |
| 2009  | Water System L2 Melgar A                    |           | 73,751.00      |       |
| 2009  | Water System Melgar B                       |           | 46,975.00      |       |
| 2009  | Jetmatic Pump So. 3 Madao San Agustin 2     |           | 14,650.00      |       |
| 2009  | Jetmatic Pump So. Ilaya 1 Bacungan          |           | 18,300.00      |       |
| 2010  | Freeflow So. Riverside Nag-iba 2            | 61,632.00 |                |       |
| 2010  | Water Tank So. Kasilihan Sta. Isabel        | 10,873.50 |                |       |
| 2010  | Jetmatic Pump So. 1, 2, 3, 4 & 5 Sta. Cruz  | 30,200.00 |                |       |
| 2010  | Freeflow So. Ibaba Core Housing Sta. Isabel | 49,020.00 |                |       |
| 2010  | Freeflow                                    | 46,560.00 |                |       |
| 2010  | Freeflow So. Holy Spirit Barcenaga          | 45,182.50 |                |       |
| 2010  | Freeflow So. Kanluran San Isidro            | 53,350.00 |                |       |
| 2010  | Freeflow So. Gumamela Bayani                |           | 78,126.00      |       |
| 2010  | Freeflow So. Amuguis Barcenaga              |           | 45,770.00      |       |
| 2010  | Freeflow So. Dalagan Nag-iba 1              |           | 48,968.00      |       |
| 2010  | Freeflow J Hernandez ES Sta. Isabel         |           | 68,704.00      |       |

| Year  | Description                                | FUND       |                | TOTAL |
|---|--|------------|----------------|-------|
|   |  | GF Proper  | 20% Dev't Fund |       |
| 2010  | Freeflow So 2 Dao                          |            | 19,139.00      |       |
| 2010  | Freeflow So. Centro Motoderazo             |            | 58,679.00      |       |
| 2010  | Freeflow So. Bougainvilla Malinao          |            | 38,880.00      |       |
| 2010  | Freeflow So. Lovo Bayog Evangelista        |            | 32,552.00      |       |
| 2010  | Freeflow So. Farm Andres Ylagan            |            | 45,262.30      |       |
| 2010  | Freeflow So. Butangka 2 Pagkakaisa         |            | 48,685.55      |       |
| 2010  | Freeflow So. San Isidro Pagkakaisa         |            | 48,685.55      |       |
| 2010  | Freeflow So. Centro Paniquian              |            | 45,436.75      |       |
| 2010  | Freeflow So. Proper Paniquian              |            | 45,436.75      |       |
| 2010  | Freeflow So. Silangan Pinag. 2             |            | 48,605.75      |       |
| 2010  | Freeflow Purok Sta. Rita San Agustin 2     |            | 51,854.55      |       |
| 2010  | Freeflow So. Sampaloc Santiago             |            | 58,192.55      |       |
| 2010  | Freeflow So. Kanluran Sta. Isabel          |            | 48,531.30      |       |
| 2010  | Freeflow Mabini                            | 3,732.00   |                |       |
| 2010  | Freeflow So. Sampaguita Malinao            |            | 45,516.55      |       |
| 2010  | Water Tank Bonifacio Melgar A              |            | 7,000.00       |       |
| 2010  | Water Tank Palayang Bayan Andres Ylagan    |            | 14,064.00      |       |
| 2010  | Water System L3 So. Pungao Montelago       |            | 99,501.00      |       |
| 2010  | Jetmatic Pump So. 1, 2, 3, 4 & 5 Sta. Cruz |            | 18,144.00      |       |
| 2010  | Water Pump                                 |            | 3,100.00       |       |
| 2010  | Water Pump Palayang Bayan                  |            | 22,351.00      |       |
| 2011  | Water System Del Pilar                     | 4,000.00   |                |       |
| 2011  | Water System So. 5 Sampaguita              | 125,837.00 |                |       |
| 2011  | Jetmatic Pump Sta. Cruz                    | 18,000.00  |                |       |
| 2011  | Freeflow Antipolo                          | 52,218.00  |                |       |
| 2011  | Freeflow Buhangin                          | 43,836.75  |                |       |
| <b>ARTESIAN WELLS, RESERVOIR, PUMPING STATIONS AND CONDUITS (254) - Continued</b> |  |            |                |       |
| 2011  | Freeflow Buhangin                          | 43,836.75  |                |       |
| 2011  | Freeflow San Isidro                        | 56,592.55  |                |       |
| 2011  | Freeflow Barcenaga                         | 45,257.00  |                |       |
| 2011  | Freeflow Malaya                            |            | 45,516.55      |       |
| 2011  | Freeflow Malaya                            |            | 45,516.55      |       |
| 2011  | Freeflow Pinag. 1                          |            | 47,854.55      |       |
| 2011  | Freeflow Pinag. 1                          |            | 47,854.55      |       |
| 2011  | Freeflow Adrialuna                         |            | 37,785.00      |       |
| 2011  | Freeflow San Isidro                        |            | 61,603.00      |       |
| 2011  | Freeflow Malinao                           |            | 46,362.50      |       |
| 2011  | Water System Metolza                       |            | 143,212.00     |       |
| 2011  | Water System Del Pilar                     |            | 17,543.00      |       |
| 2011  | Water System Montelago                     |            | 54,322.00      |       |
| 2011  | Water System San Agustin 2                 |            | 7,790.00       |       |
| 2011  | Water System San Agustin 2                 |            | 150,514.50     |       |
| 2011  | Water System Laguna                        |            | 78,811.00      |       |
| 2011  | Water System Herrera                       |            | 30,700.00      |       |
| 2011  | Water System San Andres                    |            | 75,170.00      |       |
| 2011  | Water System Masagana                      |            | 179,052.50     |       |

| Year  | Description                         | FUND      |                | TOTAL |
|---|-------------------------------------|-----------|----------------|-------|
|   |                                     | GF Proper | 20% Dev't Fund |       |
| 2011  | Water System Masaguing              |           | 136,404.25     |       |
| 2011  | Water System San Andres             |           | 49,124.25      |       |
| 2012  | Freeflow 2007                       | 85,467.00 |                |       |
| 2012  | Freeflow Sampaguita                 | 95,486.00 |                |       |
| 2012  | Freeflow So. Pagkakaisa San Nicolas |           | 57,016.00      |       |
| 2012  | Freeflow Everlasting San Pedro      |           | 105,756.00     |       |
| 2012  | Freeflow San Pedro                  |           | 50,230.00      |       |
| 2012  | Freeflow San Pedro                  |           | 50,230.00      |       |
| 2012  | Water System Montemayor             |           | 44,750.00      |       |
| 2012  | Water System Arangin                |           | 187,372.50     |       |
| 2012  | Water System So. Cabeza             |           | 32,543.50      |       |
| 2012  | Water System So. Bathala Laguna     |           | 79,815.30      |       |
| 2012  | Water System Del Pilar              |           | 114,461.00     |       |
| 2012  | Water System Taguan Herrera         |           | 99,930.00      |       |
| 2012  | Water System Masagana               |           | 79,875.00      |       |
| 2012  | Water System Sto. Niño              |           | 62,210.00      |       |
| 2012  | Water System Tagumpay               |           | 87,196.00      |       |
| 2012  | Water System Concepcion             |           | 119,617.00     |       |
| 2012  | Water System Metolza                |           | 128,246.00     |       |
| 2012  | Water System Montelago              |           | 99,665.00      |       |
| 2012  | Water System Nag-iba 1              |           | 139,215.00     |       |
| 2012  | Water System San Andres             |           | 101,488.00     |       |
| 2012  | Shallow Tube Malvar                 |           | 88,835.00      |       |
| 2013  | Freeflow So. 6 Aurora               |           | 53,775.00      |       |
| 2013  | Freeflow So. Looban Adrialuna       |           | 39,330.00      |       |
| 2013  | Freeflow 3 Units Adrialuna          |           | 127,864.00     |       |
| 2013  | Freeflow Bacungan                   |           | 77,004.00      |       |
| 2013  | Freeflow So. Bahay Mabini           |           | 50,043.00      |       |
| 2013  | Freeflow Sampaguita                 |           | 50,665.00      |       |
| 2013  | Freeflow So. Kasilihan Sta. Isabel  |           | 54,010.00      |       |
| 2013  | Water System Rambutan Piñahan       |           | 90,566.00      |       |
| <b>ARTESIAN WELLS, RESERVOIR, PUMPING STATIONS AND CONDUITS (254) - Continued</b> |                                     |           |                |       |
| 2013  | Water System Tigbao Montelago       |           | 65,576.50      |       |
| 2013  | Water System Everlasting San Pedro  |           | 36,846.00      |       |
| 2013  | Water System L2 So. 2 Laguna        |           | 17,750.00      |       |
| 2013  | Water System Montemayor             |           | 99,417.50      |       |
| 2013  | Water System So. Gumamela Bayani    |           | 102,417.50     |       |
| 2013  | Water System So. 6 Arangin          |           | 28,140.00      |       |
| 2013  | Water System So. 6 Laguna           |           | 42,206.00      |       |
| 2013  | Water System So. Centro Aurora      |           | 134,361.50     |       |
| 2013  | Water System So. 23 Arangin         |           | 244,256.00     |       |
| 2013  | Water System So. Kanto, San Isidro  |           | 35,458.00      |       |
| 2013  | Water System Buhangin               |           | 118,562.00     |       |
| 2013  | Water System So. Kanto, Nag-iba I   |           | 114,902.00     |       |
| 2013  | Water System L2 So. 5 & 7 Mabini    |           | 35,641.50      |       |
| 2013  | Water System Purok 6 Gamao          |           | 150,512.50     |       |

| Year   | Description  | FUND                |                      | TOTAL                |
|--|--|---------------------|----------------------|----------------------|
|  |  | GF Proper           | 20% Dev't Fund       |                      |
| 2014   | Water System L3 So. Tuhod Herrera  |                     | 101,555.00           |                      |
| 2014   | Water System L2 Ba. Buhay Paniquian  |                     | 214,777.00           |                      |
| 2014   | Water System L2 So. Rosal San Carlos                                       |                     | 497,293.38           |                      |
| 2014   | Water System L2 So. Longani Caburo   |                     | 88,830.00            |                      |
| 2015   | Water Tank NAC   |                     | 278,132.85           |                      |
| 2015   | Water System Nag-iba 1   |                     | 66,243.00            |                      |
| 2015   | Water System L2 & 3 So. Tuhod Herrera                                      |                     | 99,655.00            |                      |
| 2015   | Water System L2 So. 2 San Andres   |                     | 100,075.00           |                      |
| 2015   | Water System L2 So. 2 Antipolo   |                     | 109,160.00           |                      |
| 2015   | Water System L2 So. Centro Bacungan  |                     | 109,160.00           |                      |
| 2015   | Water System L2 So. Centro Nag-iba 2                                       |                     | 109,160.00           |                      |
| 2015   | Water System L2 So. Ba. Buhay Sta. Maria                                   |                     | 109,160.00           |                      |
| 2015   | Water System L2 So. Bathala, Laguna  |                     | 94,497.00            |                      |
| 2015   | Water System L2 So. Centro Magtibay  |                     | 98,152.00            |                      |
| 2015   | Water System L2 So. Kimbalay Banuton                                       |                     | 65,800.00            |                      |
| 2015   | Water System L2 So. 3 Sampaguita   |                     | 117,407.50           |                      |
| 2015   | Water System L2 San Carlos   |                     | 274,290.00           |                      |
| 2016   | Water System L2 So. Kilingon Banuton                                       | 2,695,006.95        |                      |                      |
| 2016   | Inst. of fire hydrants 7 Diff. Strategic Places                            | 550,386.00          |                      |                      |
| 2016   | Water System L2 So. Also Barcenaga   |                     | 66,459.50            |                      |
| 2016   | Water System L2 So. Ana San Carlos   |                     | 21,700.00            |                      |
| 2016   | Water System So. Kanto San Isidro  |                     | 76,981.00            |                      |
| 2016   | Small Water Impounding Gamao   |                     | 197,811.00           |                      |
|  | <b>Subtotal - Artesian Wells, Reservoir, Pumping Stations and Conduits</b> | <b>5,466,233.60</b> | <b>10,851,160.33</b> | <b>16,317,393.93</b> |
| <b>IRRIGATION, CANALS &amp; LATERALS (255)</b>             |  |                     |                      |                      |
| 2007   | RCPC Del Pilar   | 23,082.50           |                      |                      |
| 2007   | RCPC Estrella  | 9,742.50            |                      |                      |
| 2007   | Other  | 456,341.58          |                      |                      |
| 2007   | BARP   | 5,711.50            |                      |                      |
| 2007   | RCPC Sampaguita  |                     | 102,909.00           |                      |
| 2007   | RCPC Andres Ylagan   |                     | 17,850.00            |                      |
| 2007   | RCPC Malaya  |                     | 11,878.00            |                      |
| 2007   | RCPC Adrialuna   |                     | 2,660.00             |                      |
| 2007   | RCPC Estrella  |                     | 3,622.50             |                      |
| <b>IRRIGATION, CANALS &amp; LATERALS (255) - Continued</b> |  |                     |                      |                      |
| 2007   | Rechanelling Panggalaan  |                     | 222,627.40           |                      |
| 2007   | Box Culvert San Nicolas  |                     | 48,400.00            |                      |
| 2007   | Widening Mag-asawang Tubig   |                     | 71,152.60            |                      |
| 2007   | RCPC Caburo  |                     | 72,062.50            |                      |
| 2007   | RCPC Sta. Maria  |                     | 29,298.00            |                      |
| 2007   | RCPC San Agustin   |                     | 23,849.50            |                      |
| 2007   | RCPC Malinao   |                     | 4,785.00             |                      |
| 2007   | RCPC Adrialuna   |                     | 8,563.50             |                      |
| 2007   | RCPC Buhangin  |                     | 4,528.00             |                      |

| Year   | Description                              | FUND       |                | TOTAL |
|--|--|------------|----------------|-------|
|  |  | GF Proper  | 20% Dev't Fund |       |
| 2007   | RCPC Malinao                             |            | 14,950.50      |       |
| 2007   | RCPC Gamao                               |            | 4,803.00       |       |
| 2007   | RCPC Malvar                              |            | 15,551.00      |       |
| 2007   | RCPC Ba. Buhay                           |            | 32,651.00      |       |
| 2007   | RCPC Ma. Parang                          |            | 12,267.00      |       |
| 2007   | Spillway Banuton                         |            | 66,390.00      |       |
| 2007   | Spillway Aurora                          |            | 23,310.00      |       |
| 2008   | RCPC Melgar A                            | 18,522.00  |                |       |
| 2008   | RCPC San Luis                            | 10,918.00  |                |       |
| 2008   | RCPC Tigkan                              | 10,118.00  |                |       |
| 2008   | Other Related Exp.                       | 90,153.25  |                |       |
| 2008   | Riprapping Barcenaga                     | 55,380.00  |                |       |
| 2008   | Rechanelling Panggalaan River            | 361,113.39 |                |       |
| 2008   | Rechanelling Panggalaan River            |            | 7,000.00       |       |
| 2008   | RCPC Pinag. 1                            |            | 35,801.80      |       |
| 2008   | RCPC Tagumpay                            |            | 134,459.50     |       |
| 2008   | RCPC Sampaguita                          |            | 23,830.00      |       |
| 2009   | Other related expenses                   | 111,147.52 |                |       |
| 2009   | Rechanelling Panggalaan River            |            | 361,113.39     |       |
| 2009   | RCPC Naujan Pub. Mkt.                    |            | 20,580.00      |       |
| 2009   | RCPC So. Tibanglin Del Pilar             |            | 25,571.00      |       |
| 2009   | RCPC So. Corehousing Bancuro             |            | 26,925.00      |       |
| 2009   | RCPC So. Anlo Malaya                     |            | 37,547.00      |       |
| 2009   | RCPC So. Hanopol Concepcion              |            | 25,203.00      |       |
| 2009   | RCPC So. Damayan Inarawan                |            | 10,492.00      |       |
| 2009   | Drainage Canal So. Proper Montemayor     |            | 205,910.00     |       |
| 2009   | Drainage Canal Melgar A & B              |            | 1,191,964.50   |       |
| 2009   | Canal Riprapping So. Ilaya Melgar A      |            | 26,330.00      |       |
| 2010   | RCPC Purok 1 Concepcion                  | 32,161.00  |                |       |
| 2010   | Other Related Exp.                       | 201,300.77 |                |       |
| 2010   | Drainage Canal B. Aguilong ES Motoderazo | 50,902.00  |                |       |
| 2010   | Drainage Canal Purok 1 & 3 San Agustin 1 | 175,466.30 |                |       |
| 2010   | Freeflow Tigkan                          | 39,410.00  |                |       |
| 2010   | Freeflow San Agustin 2                   | 23,062.00  |                |       |
| 2010   | Inst. Of RCPC Exit Gate Naujan Pub. Mkt. |            | 25,229.00      |       |
| 2010   | RCPC So. Corehousing Bancuro             |            | 99,995.00      |       |
| 2010   | RCPC So. Tambak San Luis                 |            | 41,090.00      |       |
| 2010   | Box Culvert So. Hulo Gen. Esco           |            | 137,792.08     |       |
| 2010   | Box Culvert Purok 6 Piñahan              |            | 167,988.92     |       |
| 2010   | Drainage Canal Melgar A & B Boundary     |            | 56,533.50      |       |
| 2010   | Drainage Canal San Antonio               |            | 271,254.75     |       |
| <b>IRRIGATION, CANALS &amp; LATERALS (255) - Continued</b> |  |            |                |       |
| 2010   | Drainage Canal Marcos St.                |            | 316,350.10     |       |
| 2010   | Drainage Canal Naujan Pub. Mkt.          |            | 17,011.00      |       |
| 2010   | Drainage Canal Santiago                  |            | 194,301.80     |       |
| 2010   | Riprapping So. Longgani Caburo           |            | 54,558.00      |       |

| Year                              | Description   | FUND                |                     | TOTAL                |
|-----------------------------------|---|---------------------|---------------------|----------------------|
|                                   |   | GF Proper           | 20% Dev't Fund      |                      |
| 2011                              | RCPC Bagong Buhay                                   | 87,812.25           |                     |                      |
| 2011                              | Box Culvert Apitong                                 | 138,747.70          |                     |                      |
| 2011                              | RCPC Malinao  | 32,128.50           |                     |                      |
| 2011                              | DC San Isidro                                       |                     | 79,896.90           |                      |
| 2011                              | DC San Pedro  |                     | 79,941.25           |                      |
| 2011                              | DC Marcos Pob. 3                                    |                     | 1,015,052.00        |                      |
| 2011                              | DC Del Pilar  |                     | 78,529.50           |                      |
| 2011                              | DC Montemayor                                       |                     | 78,859.00           |                      |
| 2011                              | DC Pob. I1 & 3                                      |                     | 997,975.00          |                      |
| 2011                              | Drainage Canal San Agustin 1                        |                     | 79,716.00           |                      |
| 2012                              | RCPC Amuguis  | 89,409.00           |                     |                      |
| 2012                              | RCPC Everlasting San Pedro                          | 33,811.00           |                     |                      |
| 2012                              | RCPC Malaya   |                     | 94,772.00           |                      |
| 2012                              | Drainage Canal Malinao                              |                     | 115,185.00          |                      |
| 2012                              | Drainage Canal Melgar A                             |                     | 84,767.35           |                      |
| 2012                              | Drainage Canal Malaya Tagumpay                      |                     | 89,668.30           |                      |
| 2014                              | Const. of Box Culvert So. 4 Sampaguita              |                     | 194,382.00          |                      |
| 2014                              | Drainage Canal So. Bulihan Sta. Isabel              |                     | 194,835.00          |                      |
| 2014                              | Drainage Canal So. Holy Spirit Barcenaga            |                     | 913,541.99          |                      |
| 2014                              | Drainage Canal So. Centro Paniquian                 |                     | 196,665.50          |                      |
| 2015                              | RCPC So. Ibayo Estrella                             | 298,529.00          |                     |                      |
| 2015                              | Drainage Canal Andres Ylagan                        |                     | 249,043.90          |                      |
| 2015                              | Drainage Canal So. Bonifacio Melgar A               |                     | 56,972.00           |                      |
|                                   | <b>Subtotal - Irrigation, Canals &amp; Laterals</b> | <b>2,354,969.76</b> | <b>8,908,742.53</b> | <b>11,263,712.29</b> |
| <b>FLOOD CONTROLS (256)</b>       |   |                     |                     |                      |
| 2008                              | Drainage Canal Masaguing                            |                     | 123,394.00          |                      |
| 2008                              | Riprapping Malvar                                   |                     | 141,781.00          |                      |
| 2009                              | Box Culvert So. Dulong Silangan Ibaba Malaya        |                     | 46,499.00           |                      |
| 2010                              | Drainage Canal So. Ilaya 2 Melgar A                 |                     | 37,846.50           |                      |
| 2010                              | RCPC So. Balumbon Melgar A                          |                     | 26,487.00           |                      |
| 2010                              | RCPC So. Pagkakaisa Inarawan                        |                     | 15,432.00           |                      |
| 2010                              | RCPC So. Malibago Sta. Isabel                       |                     | 42,638.00           |                      |
| 2010                              | RCPC So. Pagkakaisa San Nicolas                     |                     | 11,661.00           |                      |
| 2014                              | Box Culvert So. 3 Ma. Parang                        |                     | 496,850.25          |                      |
| 2015                              | RCPC So. Camia San Pedro                            |                     | 99,471.00           |                      |
| 2016                              | Spillway So. Upper Bayog Evangelista                |                     | 104,878.50          |                      |
|                                   | <b>Subtotal - Flood Controls</b>                    | <b>0.00</b>         | <b>1,146,938.25</b> | <b>1,146,938.25</b>  |
| <b>WATERWAYS, AQUEDUCTS (257)</b> |   |                     |                     |                      |
| 2010                              | PE Pipe Antipolo                                    | 14,425.00           |                     |                      |
| 2010                              | RCPC So. Sampaguita San Pedro                       | 9,529.00            |                     |                      |
| 2011                              | Protection Dike Melgar B                            | 989,500.28          |                     |                      |
| 2011                              | Protection Dike Melgar A                            | 990,200.60          |                     |                      |
| 2011                              | Riprapping Laguna                                   | 222,847.50          |                     |                      |
| 2011                              | Seawall Melgar B                                    |                     | 746,749.84          |                      |
| 2011                              | Seawall Melgar A                                    |                     | 496,559.00          |                      |

| Year                                   | Description                                | FUND          |                | TOTAL          |
|--|--|---------------|----------------|----------------|
|  |  | GF Proper     | 20% Dev't Fund |                |
| WATERWAYS, AQUEDUCTS (257) - Continued |  |               |                |                |
| 2014                                   | Bucayao Grande River                       |               | 915,000.00     |                |
| 2014                                   | Riprapping Tabang Creek NAC                |               | 497,308.00     |                |
| 2014                                   | Riprapping Riverbank Purok 2 San Agustin 1 |               | 199,180.00     |                |
| 2015                                   | Rechanelling River So. 3 Arangin           |               | 1,991,750.00   |                |
|  | Subtotal - Waterways, Aqueducts            | 2,226,502.38  | 4,846,546.84   | 7,073,049.22   |
| OTHER PUBLIC INFRASTRUCTURES (260)     |  |               |                |                |
| 2007                                   | Solar Drier Sta. Maria                     | 86,969.75     |                |                |
| 2007                                   | Solar Drier Evangelista                    | 86,642.25     |                |                |
| 2007                                   | Solar Drier Aurora                         | 21,150.00     |                |                |
| 2007                                   | Solar Drier Tagumpay                       | 63,560.50     |                |                |
| 2007                                   | Solar Drier Del Pilar                      | 104,636.00    |                |                |
| 2007                                   | Solar Drier Mabini                         | 104,636.00    |                |                |
| 2007                                   | Solar Drier Ma. Parang                     | 104,636.00    |                |                |
| 2007                                   | Solar Drier Inarawan                       | 104,636.00    |                |                |
| 2007                                   | Solar Drier Malinao                        | 83,688.50     |                |                |
| 2007                                   | Solar Drier Bacungan                       | 104,635.50    |                |                |
| 2007                                   | Solar Drier San Pedro                      | 104,636.00    |                |                |
| 2007                                   | Solar Drier Const.                         |               | 16,155.00      |                |
| 2007                                   | Solar Drier San Pedro                      |               | 104,636.00     |                |
| 2007                                   | Basketball Court Paitan                    |               | 49,737.75      |                |
| 2010                                   | Solar Drier So. Malvar Paniquian           | 48,560.00     |                |                |
| 2010                                   | Solar Drier So. Malvar Paniquian           |               | 3,100.00       |                |
| 2010                                   | Day Care Center Adrialuna                  | 52,002.50     |                |                |
| 2010                                   | Day Care Center Mabini                     | 34,453.59     |                |                |
| 2010                                   | MDC Concepcion                             | 65,121.00     |                |                |
| 2010                                   | Senior Citizen Bldg.                       | 41,551.13     |                |                |
|  | Subtotal - Waterways, Aqueducts            | 1,211,514.72  | 173,628.75     | 1,385,143.47   |
| TOTAL                                  |  | 19,218,991.48 | 82,590,054.75  | 101,809,046.23 |

Municipality of Naujan  
**INVENTORY OF LAND OWNED**

**Record of the Municipal Assessor's Office reconciled with Inventory of Land Titles**

As of December 31, 2016

| Item No.   | Location        | Present Use              | Land Area (sq. m.) | Title No. / PIN No.           | Assessed Value      |
|--|-----------------|--------------------------|--------------------|-------------------------------|---------------------|
| <b>A. With Land Titles in custody of Municipal Treasurer</b>             |                 |                          |                    |                               |                     |
| 1  | Bancuro         | Cultural                 | 0.0598             | T-143486 / 001-405            | 17,850.00           |
| 2  | Sta. Cruz       | Cemetery                 | 1.7721             | T-16514 / 001-015             | 563,530.00          |
| 3  | Santiago        | Hospital Site            | 1.2000             | T-57736 / 004-063             | 507,600.00          |
| 4  | Santiago        | Sports Complex           | 8.1878             | T-68527 / 003-042             | 4,190,240.00        |
| 5  | Adrialuna       | School Site              | 1.1217             | T-5273 / 002-176              | 552,970.00          |
| 6  | Aurora          | School Site              | 0.5000             | T-72578 / 001-089             | 149,250.00          |
| 7  | Barcenaga       | Municipal Health Center  | 0.1200             | T-001-415 /<br>064-2014000036 | 50,760.00           |
| 8  | Laguna          | School Site              | 1.0041             | T-5200 / 001-055              | 53,840.00           |
| 9  | MagTubig        | School Site              | 1.8226             | J-7165 (T-5003) / 001-073     | 984,200.00          |
| 10   | MagTubig        | Upland                   | 6.3347             | J-7164 (T-5004) / 001-118     | 129,150.00          |
| 11   | Malinao         | School Site              | 1.8547             | T-3514 / 001-090              | 44,760.00           |
| 12   | Pinagsabangan I | Pasalubong Center        | 1.7250             | T-001-016 /<br>064-2013004244 | 88,540.00           |
| 13   | San Nicolas     | School Site              | 1.0000             | T-44744 / 002-044             | 144,000.00          |
| 14   | Sta. Cruz       | Cemetery                 | 1.0000             | T-53941 / 001-005             | 318,000.00          |
| 15   | Santiago        | Institutional Site       | 0.1073             | T-139298 / 003-085            | 57,940.00           |
| 16   | Santiago        | Institutional Site       | 0.1772             | T-139298 / 003-086            | 95,690.00           |
| 17   | Santiago        | Proposed Gym Site        | 4.8651             | T-139298pt / 003-089          | 58,710.00           |
| <b>Subtotal</b>  |                 |                          | <b>32.8521</b>     |                               | <b>8,007,030.00</b> |
| <b>B. Reported with Land Title but without Actual Possession of TCTs</b> |                 |                          |                    |                               |                     |
| 18   | Poblacion I     | Municipal Hall           | 0.1863             | P-5644 / 003-009              | 158,730.00          |
| 19   | Del Pilar       | School Site              | 0.8200             | T-4626 / 003-116              | 7,960.00            |
| 20   | Malinao         | School Site              | 0.3332             | T-4409 / 001-112              | 140,940.00          |
| 21   | Metolza         | Upland                   | 0.2500             | T-19774 / 001-052             | 4,640.00            |
| 22   | Sampaguita      | School Site              | 1.0000             | T-9829 / 001-119              | 540,000.00          |
| 23   | Santiago        | Institutional Site       | 1.0000             | T-91083 / 003-049             | 540,000.00          |
| 24   | Santiago        | Unirrigated              | 1.0000             | T-5149 / 003-041              | 76,273.40           |
| 25   | Poblacion III   | Slaughter House          | 1.0000             | OCT-5334pt / 001-244          | 1,455,000.00        |
| <b>Subtotal</b>  |                 |                          | <b>5.5895</b>      |                               | <b>2,923,543.40</b> |
| <b>C. Reported without Land Titles</b>                                   |                 |                          |                    |                               |                     |
| 26   | Poblacion I     | Institutional            | 0.6014             | 003-011                       | 512,390.00          |
| 27   | Poblacion I     | Plaza                    | 0.2740             | 003-012                       | 233,450.00          |
| 28   | Poblacion I     | Institutional Bldg. Site | 0.0617             | 003-013                       | 52,570.00           |
| 29   | Poblacion I     | Institutional Bldg. Site | 0.2737             | 003-014                       | 233,190.00          |
| 30   | Bacungan        | School Site              | 1.0000             | 001-045                       | 2,985,000.00        |
| 31   | Bancuro         | Res'l lot                | 0.0156             | 001-193                       | 6,210.00            |
| 32   | Barcenaga       | School Site              | 1.0000             | 001-366                       | 540,000.00          |
| 33   | Buhangin        | Proposed Dump Site       | 3.0000             | 001-092                       | 1,269,000.00        |
| 34   | Buhangin        | School Site              | 0.5353             | 003-009                       | 40,260.00           |
| 35   | Buhangin        | School Site / Upland     | 2.7888             | 001-077                       | 886,840.00          |

| Item No.   | Location        | Present Use  | Land Area (sq. m.) | Title No. / PIN No. | Assessed Value       |
|--|-----------------|--|--------------------|---------------------|----------------------|
| 36   | Estrella        | School Site  | 0.4605             | 002-003             | 146,440.00           |
| 37   | Estrella        | Cemetery   | 0.8883             | 002-038             | 282,480.00           |
| 38   | Estrella        | Proposed Mun. Cem. Ext.  | 3.0000             | 002-146             | 954,000.00           |
| 39   | Evangelista     | Unirrigated  | 0.6451             | 008-004             | 18,280.00            |
| 40   | General Esco    | School Site  | 0.5000             | 002-005             | 149,250.00           |
| 41   | General Esco    | School Site  | 0.5000             | 002-006             | 149,250.00           |
| 42   | Malaya          | School Site  | 1.0003             | 002-070             | 318,100.00           |
| 43   | Melgar A        | School Site  | 0.4920             | 002-034             | 156,460.00           |
| <b>C. Reported without Land Titles - Continued</b> |                 |  |                    |                     |                      |
| 44   | Motoderazo      | School Site  | 1.0000             | 002-032             | 318,000.00           |
| 45   | Nag-Iba I       | School Site  | 0.5103             | 002-148             | 162,280.00           |
| 46   | Pinagsabangan I | School Site  | 0.4070             | 001-052             | 37,810.00            |
| 47   | Pinagsabangan I | School Site  | 0.1000             | 001-094             | 42,300.00            |
| 48   | San Agustin II  | School Site  | 0.0758             | 002-039             | 24,100.00            |
| 49   | San Isidro      | School Site  | 0.3534             | 001-073             | 112,380.00           |
| 50   | San Isidro      | School Site  | 0.2997             | 001-074             | 95,300.00            |
| 51   | San Pedro       | School Site  | 0.1000             | 001-067             | 31,800.00            |
| 52   | Santiago        | Bahay Tuklasan/Mangyan Center/Bahay Kalinga/Health Center/OSCA | 1.0000             | 003-043             | 423,000.00           |
| 53   | Sto. Niño       | School Site  | 1.0000             | 004-006             | 318,000.00           |
| 54   | Tagumpay        | Res'l Lot  | 0.0200             | 002-021             | 3,840.00             |
| 55   | Tagumpay        | School Site  | 0.4844             | 001-043             | 69,780.00            |
| 56   | Tigkan          | School Site  | 0.5000             | 002-013             | 159,000.00           |
| <b>Subtotal</b>                                    |                 |  | <b>22.8873</b>     |                     | <b>10,730,760.00</b> |
| <b>TOTAL</b>                                       |                 |  | <b>61.3289</b>     |                     | <b>21,661,333.40</b> |

## COST COMPARISON SHEET

|   |  |                                    |             |
|---|--|------------------------------------|-------------|
| <b>Project Name</b>                     | : Construction of Motorpool                    |                                    |             |
| <b>Project Location</b>                 | : Barangay Santiago, Naujan, Oriental Mindoro  |                                    |             |
| <b>Contracting Parties</b>              | : Municipality of Naujan & Althaea Enterprises |                                    |             |
| <b>Approved Budget for the Contract</b> | : ₱1,400,000.00                                | <b>Date of Bidding/Negotiation</b> | : 9-Jun-15  |
| <b>Contract Amount</b>                  | : ₱1,397,877.31                                | <b>Contract Date</b>               | : 14-Jul-15 |

| Item No.  | Description                            | Unit   | Approved Budget for the Contract |           |                     | Contract Cost |           |                     | COA Cost Estimate |           |                     |
|-----------|--|--------|----------------------------------|-----------|---------------------|---------------|-----------|---------------------|-------------------|-----------|---------------------|
|           |  |        | Qty.                             | Unit Cost | Total               | Qty.          | Unit Cost | Total               | Qty.              | Unit Cost | Total               |
| SPL-I     | Fabrication of Billboard/Signage       | unit   | 1.00                             | 2,803.00  | 2,803.00            | 1.00          | 3,760.52  | 3,760.52            | 1.00              | 2,803.00  | 2,803.00            |
| 801       | Demolition of Existing Structure       | sq. m. | 150.00                           | 96.67     | 14,500.00           | 150.00        | 131.76    | 19,764.00           | 150.00            | 96.67     | 14,500.00           |
| 803       | Structural Excavation                  | cu. m. | 20.00                            | 330.00    | 6,600.00            | 20.00         | 449.79    | 8,995.80            | 20.00             | 330.00    | 6,600.00            |
| 804       | Embankment                             | cu. m. | 30.00                            | 746.00    | 22,380.00           | 30.00         | 1,016.80  | 30,504.00           | 30.00             | 746.00    | 22,380.00           |
| 506       | Masonry Works                          | sq. m. | 96.50                            | 1,185.58  | 114,408.00          | 96.50         | 1,523.60  | 147,027.40          | 96.50             | 1,185.58  | 114,408.00          |
| 900       | Reinforced Concrete Works              | cu. m. | 26.00                            | 12,462.31 | 324,020.00          | 26.00         | 17,120.33 | 445,128.58          | 26.00             | 12,462.31 | 324,020.00          |
| 403(1)    | Structural Steel, Fabricated & Erected | kgs.   | 2500.00                          | 102.36    | 255,905.44          | 2500.00       | 139.46    | 348,650.00          | 2500.00           | 102.36    | 255,905.44          |
| 1014      | Pre-painted Metal Roofing              | sq. m. | 184.00                           | 618.10    | 113,730.00          | 184.00        | 846.17    | 155,695.28          | 184.00            | 618.10    | 113,730.00          |
| 1027      | Cement Plaster Fininsh                 | sq. m. | 193.00                           | 382.69    | 73,860.00           | 193.00        | 530.91    | 102,465.63          | 193.00            | 382.69    | 73,860.00           |
| 1100      | Electrical Works                       | Unit   | 10.00                            | 3,810.00  | 38,100.00           | 10.00         | 4,971.41  | 49,714.10           | 10.00             | 3,810.00  | 38,100.00           |
| 1032      | Painting Works                         | sq. m. | 200.00                           | 158.43    | 31,685.00           | 200.00        | 218.37    | 43,674.00           | 200.00            | 158.43    | 31,685.00           |
| SPL-II    | Safety & Health                        | lot    | 1.00                             | 30,876.58 | 30,876.58           | 1.00          | 42,498.00 | 42,498.00           | 1.00              | 30,876.58 | 30,876.58           |
| <b>A.</b> | <b>Direct Cost</b>                     |        |                                  |           | <b>1,028,868.02</b> |               |           | <b>1,397,877.31</b> |                   |           | <b>1,028,868.02</b> |
| <b>B.</b> | <b>OCM, Profit</b>                     |        |                                  |           | <b>283,631.98</b>   |               |           |                     |                   |           | <b>222,645.77</b>   |
|           | <b>VAT</b>                             |        |                                  |           | <b>87,500.00</b>    |               |           |                     |                   |           | <b>62,575.69</b>    |
|           | <b>TOTAL PROJECT COST</b>              |        |                                  |           | <b>1,400,000.00</b> |               |           | <b>1,397,877.31</b> |                   |           | <b>1,314,089.48</b> |

### CONCLUSION

*The abovementioned Contact amount ₱1,397,877.31 was found above th COA Cost Estimate of ₱1,314,089.48 by ₱83,787.82 due to misapplication of Indirect Cost & VAT as per DPWH D.O. No. 22 dated February 18, 2015 and COA Resolution No. 2015-014 dated April 6, 2015.*

## COST COMPARISON SHEET

|   |  |                                    |                    |
|---|--|------------------------------------|--------------------|
| <b>Project Name</b>                     | : Construction of Slaughter House                      |                                    |                    |
| <b>Contracting Parties</b>              | : Municipality of Naujan & 876 Construction & Supplies |                                    |                    |
| <b>Approved Budget for the Contract</b> | : ₱3,000,000.00  | <b>Date of Bidding/Negotiation</b> | : 29 October 2015  |
| <b>Contract Amount</b>                  | : ₱2,996,052.22  | <b>Contract Date</b>               | : 25 November 2015 |

| Item No. | Description  | Unit   | Approved Budget for the Contract |            |                     | Contract Cost |            |                     | COA Cost Estimate   |            |                     |
|----------|--|--------|----------------------------------|------------|---------------------|---------------|------------|---------------------|---|------------|---------------------|
|          |  |        | Qty.                             | Unit Cost  | Total               | Qty.          | Unit Cost  | Total               | Qty.  | Unit Cost  | Total               |
| SPL-I    | Fabrication of Billboard/Signage                   | unit   | 3.00                             | 1,322.33   | 3,967.00            | 3.00          | 1,614.55   | 4,843.65            | 3.00  | 1,329.92   | 3,989.76            |
| I        | Lay Out/ Excavation Works includes Termite Control | cu. m. | 42.00                            | 1,548.57   | 65,040.00           | 42.00         | 1,914.51   | 80,409.42           | 42.00   | 1,548.57   | 65,040.00           |
| II       | Embankment   | cu. m. | 420.00                           | 172.10     | 72,280.00           | 420.00        | 208.63     | 87,624.60           | 420.00  | 172.10     | 72,280.00           |
| 506      | Masonry Works including Plastering                 | sq. m. | 675.00                           | 675.82     | 456,180.00          | 675.00        | 818.24     | 552,312.00          | 675.00  | 503.80     | 339,579.50          |
| 900      | Reinforced Concrete Works                          | cu. m. | 112.00                           | 6,565.61   | 735,348.00          | 112.00        | 7,981.75   | 893,956.00          | 112.00  | 6,346.39   | 710,796.00          |
| 1000     | Steel Trusses & Roof Framing                       | kg.    | 4193.00                          | 71.59      | 300,163.00          | 4193.00       | 86.96      | 364,623.28          | 4193.00   | 71.59      | 300,163.00          |
| 403      | Tismithry  | sq. m. | 429.00                           | 362.35     | 155,450.00          | 429.00        | 443.78     | 190,381.62          | 429.00  | 362.00     | 155,450.00          |
| 1012     | Plumbing Works                                     | l. s.  | 1.00                             | 237,468.00 | 237,468.00          | 1.00          | 289,910.09 | 289,910.09          | 1.00  | 237,468.00 | 237,468.00          |
| 1010     | Door & Windows                                     | sq. m. | 26.22                            | 3,504.00   | 91,875.00           | 26.22         | 4,286.88   | 112,401.99          | 26.22   | 3,504.00   | 91,875.00           |
| 1100     | Electrical Works                                   | unit   | 14.00                            | 3,481.14   | 48,736.00           | 14.00         | 4,243.94   | 59,415.16           | 14.00   | 3,481.14   | 48,736.00           |
| 1018     | Tile Setting Works                                 | sq. m. | 265.65                           | 818.71     | 217,490.00          | 265.65        | 1,005.32   | 267,063.26          | 265.65  | 813.56     | 216,121.50          |
| SPL-II   | Safety & Health                                    | l. s.  | 1.00                             | 72,161.87  | 72,161.87           | 1.00          | 93,111.15  | 93,111.15           | 1.00  | 72,161.87  | 72,161.87           |
|          | <b>Direct Cost</b>                                 |        |                                  |            | <b>2,456,158.87</b> |               |            | <b>2,996,052.22</b> | <b>A. Total Direct Cost</b>   |            | <b>2,313,660.63</b> |
|          | <b>Indirect Cost</b>                               |        |                                  |            | <b>356,341.13</b>   |               |            |                     | <b>B. TDC Safety &amp; Health</b>   |            | <b>2,241,499.06</b> |
|          |  |        |                                  |            |                     |               |            |                     | <b>C. Indirect Cost</b><br>(Profit Only) for Safety & Health<br>10% x 72,161.87 |            | <b>7,216.19</b>     |
|          |  |        |                                  |            |                     |               |            |                     | <b>D. Indirect Cost of B</b><br>22% x 2,241,499.06                              |            | <b>493,129.79</b>   |
|          |  |        |                                  |            |                     |               |            |                     | <b>E. Total Indirect Cost</b><br>(C+D)  |            | <b>500,345.98</b>   |
|          |  |        |                                  |            |                     |               |            |                     | <b>F. Total Project Cost</b><br>(A+E)   |            | <b>2,814,006.61</b> |
|          | <b>Taxes</b>                                       |        |                                  |            | <b>187,500.00</b>   |               |            |                     | <b>g. VAT (5% x F)</b>  |            | <b>140,700.33</b>   |
|          | <b>TOTAL PROJECT COST</b>                          |        |                                  |            | <b>3,072,161.87</b> |               |            | <b>2,996,052.22</b> | <b>H. COA Estimate</b><br>(F+G)   |            | <b>2,954,707.25</b> |

**References:** Canvass Sheets, Monitored Prices, ACEL rates, Agency Detailed Estimates, DPWH D.O. No. 22 dated February 18, 2015 and COA Resolution No. 2015-014 dated April 6, 2015.

**CONCLUSION**

The Contact cost found above the COA Estimate by ₱41,344.97 pursuant to COA Resolution No 2015-014 dated April 06, 2015 due to misapplication of Indirect Cost and VAT per D.O. No. 22 dated February 18, 2015.

**SUPPLY AND DELIVERY OF MATERIALS TO BE USED IN THE CONCRETING OF  
VARIOUS ROADS IN NAUJAN, ORIENTAL MINDORO**

Contract Amount: ₱2,866,745.62

**DETAILS OF COST DEFICIENCY**

**1. Barangay Bancuro**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i>                       | <i>Deficiency</i> |
|---------------------|---------------|---|-------------------|
| L=100m              | L=100m        | none                                    | 0.00              |
| W=4.0m              | W=3.5m        | -0.50m (0.50x100)<br>50sqm x 590.08/sqm | 29,504.00         |
| T=0.15m             | T=0.15m       | none                                    | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum                         | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit                           | 3,731.00          |
| <b>Subtotal</b>     |               |   | <b>42,855.00</b>  |

**2. Barangay Sta. Isabel**

| <i>Per Program</i>  | <i>Actual</i>        | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|----------------------|-------------------|-------------------|
| L=100m              | L=100m               | none              | 0.00              |
| W=4.0m              | W=4.0m               | none              | 0.00              |
| T=0.15m             | T=0.15m              | none              | 0.00              |
| shoulder=20cum      | shoulder=1 side only | 10cum x 481/cum   | 4,810.00          |
| Tarpaulin (2 units) | none                 | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |                      |                   | <b>8,541.00</b>   |

*\* Minor cracks are beginning to develop at sta. 17-20 of the concrete pavement for LGU Monitoring*

**3. Barangay Bayani**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------|-------------------|-------------------|
| L1=55.0m            | L1=55.0m      | none              | 0.00              |
| W1=4.5m             | W1=4.5m       | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| L2=190m             | L2=190m       | none              | 0.00              |
| W2=1.0m             | W2=1.0m       | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |               |                   | <b>13,351.00</b>  |

**SUPPLY AND DELIVERY OF MATERIALS TO BE USED IN THE CONCRETING OF  
VARIOUS ROADS IN NAUJAN, ORIENTAL MINDORO**

Contract Amount: ₱2,866,745.62

**DETAILS OF COST DEFICIENCY**

**4. Barangay Adrialuna**

| <i>Per Program</i>  | <i>Actual</i>        | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|----------------------|-------------------|-------------------|
| L=100m              | L=100m               | none              | 0.00              |
| W=4.0m              | W=4.0m               | none              | 0.00              |
| T=0.15m             | T=0.15m              | none              | 0.00              |
| shoulder=20cum      | shoulder=1 side only | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none                 | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |                      |                   | <b>13,351.00</b>  |

**5. Barangay Malinao**

| <i>Per Program</i>  | <i>Actual</i>        | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|----------------------|-------------------|-------------------|
| L=114.3m            | L=115m               | +0.7m             | 0.00              |
| W=3.5m              | W=3.5m               | none              | 0.00              |
| T=0.15m             | T=0.15m              | none              | 0.00              |
| shoulder=20cum      | shoulder=1 side only | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none                 | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |                      |                   | <b>13,351.00</b>  |

**6. Barangay San Carlos**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------|-------------------|-------------------|
| L=100m              | L=100m        | none              | 0.00              |
| W=4.0m              | W=4.0m        | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |               |                   | <b>13,351.00</b>  |

**7. Barangay Pagkakaisa**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------|-------------------|-------------------|
| L=80m               | L=80m         | none              | 0.00              |
| W=5.0m              | W=5.0m        | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |               |                   | <b>13,351.00</b>  |

**SUPPLY AND DELIVERY OF MATERIALS TO BE USED IN THE CONCRETING OF  
VARIOUS ROADS IN NAUJAN, ORIENTAL MINDORO**

Contract Amount: ₱2,866,745.62

**DETAILS OF COST DEFICIENCY**

**8. Barangay San Agustin**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------|-------------------|-------------------|
| L=133m              | L=135m        | + 2.0m            | 0.00              |
| W=3.0m              | W=3.0m        | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |               |                   | <b>13,351.00</b>  |

*\* Minor scaling at sta. 5.0 of the concrete pavement for LGU Monitoring*

**9. Barangay Pinagsabangan II**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------|-------------------|-------------------|
| L=133m              | L=135m        | none              | 0.00              |
| W=3.0m              | W=3.0m        | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |               |                   | <b>13,351.00</b>  |

*\* Hairline cracks starts to develop at sta. 13 & 17 at half lane with visible poke mark at the concrete pavement for LGU Monitoring*

**10. Barangay Poblacion II**

Not inspected because at the time of scheduled day of inspection, the road leading to the project site was not passable due to heavy rains

**11. Barangay Pinahan**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------|-------------------|-------------------|
| L=100m              | L=100m        | none              | 0.00              |
| W=4.0m              | W=4.0m        | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |               |                   | <b>13,351.00</b>  |

*\* Minor scaling at sta. 15 of the concrete pavement for LGU Monitoring*

**SUPPLY AND DELIVERY OF MATERIALS TO BE USED IN THE CONCRETING OF  
VARIOUS ROADS IN NAUJAN, ORIENTAL MINDORO**

Contract Amount: ₱2,866,745.62

**DETAILS OF COST DEFICIENCY**

**12. So. Centro II, Barangay Bagong Buhay**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------|-------------------|-------------------|
| L=133m              | L=142m        | +9.0m             | 0.00              |
| W=3.0m              | W=3.0m        | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |               |                   | <b>13,351.00</b>  |

**13. Barangay Buhangin**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------|-------------------|-------------------|
| L=133m              | L=142m        | +9.0m             | 0.00              |
| W=3.0m              | W=3.0m        | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |               |                   | <b>13,351.00</b>  |

**14. Barangay Laguna**

| <i>Per Program</i>  | <i>Actual</i> | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------|-------------------|-------------------|
| L=200m              | L=206m        | +6.0m             | 0.00              |
| W=2.0m              | W=2.0m        | none              | 0.00              |
| T=0.15m             | T=0.15m       | none              | 0.00              |
| shoulder=20cum      | shoulder=none | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none          | 1,865.50/unit     | 3,731.00          |
| <b>Subtotal</b>     |               |                   | <b>13,351.00</b>  |

**TOTAL COST DEFICIENCY**

**198,257.00**

**SUPPLY AND DELIVERY OF MATERIALS TO BE USED IN THE CONCRETING OF  
VARIOUS ROADS IN NAUJAN, ORIENTAL MINDORO**

Contract Amount: ₱4,994,869.83

**DETAILS OF COST DEFICIENCY**

**1. Barangay Nag-Iba II**

| <i>Per Program</i>  | <i>Actual</i>       | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------------|-------------------|-------------------|
| L=133m              | L=133m              | none              | 0.00              |
| W=3.0m              | W=3.0m              | none              | 0.00              |
| T=0.15m             | T=0.15m             | none              | 0.00              |
| shoulder=20cum      | shoulder=20cum      | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | Tarpaulin (2 units) | 1,856.50/unit     | 3,713.00          |
| <b>Subtotal</b>     |                     |                   | <b>13,333.00</b>  |

**2. Barangay Nag-Iba I**

Materials were damaged by Typhoon Nona (*Written reports from LGU's MDRRMC is required*)

**3. Barangay Sampaguita**

| <i>Per Program</i>  | <i>Actual</i>       | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------------|-------------------|-------------------|
| L=155m              | L=155m              | none              | 0.00              |
| W=2.5m              | W=2.5m              | none              | 0.00              |
| T=0.15m             | T=0.15m             | none              | 0.00              |
| shoulder=20cum      | shoulder=20cum      | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | Tarpaulin (2 units) | 1,856.50/unit     | 3,713.00          |
| <b>Subtotal</b>     |                     |                   | <b>13,333.00</b>  |

**4. Barangay Adrialuna**

| <i>Per Program</i>  | <i>Actual</i>        | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|----------------------|-------------------|-------------------|
| L=100m              | L=100m               | none              | 0.00              |
| W=4.0m              | W=4.0m               | none              | 0.00              |
| T=0.15m             | T=0.15m              | none              | 0.00              |
| shoulder=20cum      | shoulder=1 side only | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | none                 | 1,856.50/unit     | 3,713.00          |
| <b>Subtotal</b>     |                      |                   | <b>13,333.00</b>  |

**5. Barangay Evangelista**

| <i>Per Program</i>  | <i>Actual</i>       | <i>Difference</i> | <i>Deficiency</i> |
|---------------------|---------------------|-------------------|-------------------|
| L=155m              | L=155m              | none              | 0.00              |
| W=2.5m              | W=2.5m              | none              | 0.00              |
| T=0.15m             | T=0.15m             | none              | 0.00              |
| shoulder=20cum      | shoulder=20cum      | 20cum x 481/cum   | 9,620.00          |
| Tarpaulin (2 units) | Tarpaulin (2 units) | 1,856.50/unit     | 3,713.00          |
| <b>Subtotal</b>     |                     |                   | <b>13,333.00</b>  |

**TOTAL COST DEFICIENCY**

**53,332.00**

-Other Barangay on the listing (8 Barangays) were not inspected by the undersigned due to heavy rains at that time

-Portland Cemend bags allegedly delivered on the said 29 Barangays were no longer available for inspection at that time

**Municipality of Naujan**  
**Unimplemented Programs/Projects/Activities under 20% Development Fund**  
**As of December 31, 2016**

| Item No. | RESPONSIBILITY CENTER |                                  | FUNCTIONS/PROGRAMS/PROJECTS/ACTIVITIES                   | 2016     | 2015                | 2014 & BELOW        | TOTAL               | REMARKS                    |
|----------|-----------------------|----------------------------------|--|----------|---------------------|---------------------|---------------------|----------------------------|
| 1        | 29-08-15-03           | Slaughterhouse                   | (1-07-01-010) Land                                       | -        |                     | 2,000,000.00        | 2,000,000.00        | Contrary to DILG JC 2011-1 |
|          |                       |                                  | (1-07-04-050) Slughterhouse                              |          |                     |                     |                     |                            |
|          |                       |                                  | Const. of Slughterhouse (LGU counterpart)                | -        | 3,947.78            |                     | 3,947.78            | completed                  |
|          |                       |                                  | <b>SUB-TOTAL</b>   | <b>-</b> | <b>3,947.78</b>     | <b>2,000,000.00</b> | <b>2,003,947.78</b> |                            |
|          | 29-08-16-01           | Solid Waste Mgt. Prog.           | (1-07-02-990) Land Improvement                           |          |                     |                     |                     |                            |
| 2        |                       |                                  | Rehab. of Sanitary Landfill                              | -        |                     | 165,000.00          | 165,000.00          |                            |
|          |                       |                                  | (1-07-04-990) Other Structures - MRF                     | -        |                     | 18,755.83           | 18,755.83           |                            |
|          |                       |                                  | (1-07-05-080) Const. & Heavy Equipt.                     |          |                     |                     |                     |                            |
| 3        |                       |                                  | Purchase of new Backhoe with dozer blade/DT              | -        | 800,206.60          |                     | 800,206.60          |                            |
|          |                       |                                  | (1-08-01-020) Reforestation - Upland                     |          |                     |                     |                     |                            |
| 4        |                       |                                  | 10 barangays benefitted                                  | -        |                     | 71,983.00           | 71,983.00           |                            |
|          |                       |                                  | <b>SUB-TOTAL</b>   | <b>-</b> | <b>800,206.60</b>   | <b>255,738.83</b>   | <b>1,055,945.43</b> |                            |
|          | 29-08-16-06           | Integrated Health Dev't. Program | (1-07-04-030) Hospitals and Health Centers               |          |                     |                     |                     |                            |
|          |                       |                                  | Expansion & Rehab. of Mun. Health Center-                | -        |                     |                     | -                   |                            |
|          |                       |                                  | Construction of Health Center - Sto. Niño                | -        |                     | 3,579.24            | 3,579.24            |                            |
|          |                       |                                  | - Piñahan  | -        |                     | 2,646.83            | 2,646.83            |                            |
|          |                       |                                  | - General Esco   | -        |                     | 2,780.43            | 2,780.43            |                            |
|          |                       |                                  | - Buhangin   | -        |                     | 2,087.17            | 2,087.17            |                            |
|          |                       |                                  | Rehabilitation of Health Center - Montelago              | -        |                     | 3,102.50            | 3,102.50            |                            |
| 5        |                       |                                  | (1-07-05-110) Medical Equipment                          | -        | 1,500,000.00        |                     | 1,500,000.00        |                            |
|          |                       |                                  | 1 weighing scale 1 dental chair                          |          |                     |                     |                     |                            |
|          |                       |                                  | 5 BP apparatus 5 glucometer                              |          |                     |                     |                     |                            |
|          |                       |                                  | 2 oxygen tank with gauge 1 blood bank ref                |          |                     |                     |                     |                            |
|          |                       |                                  | 5 sauturing set  |          |                     |                     |                     |                            |
|          |                       |                                  | <b>SUB-TOTAL</b>   | <b>-</b> | <b>1,500,000.00</b> | <b>14,196.17</b>    | <b>1,514,196.17</b> |                            |
|          | 29-08-16-09           | Program                          | (1-07-06-040) Watercrafts                                |          |                     |                     |                     |                            |
| 6        |                       |                                  | 1 glass bottom boat (POW dtd. 09.01.2015)                | -        | 400,000.00          |                     | 400,000.00          |                            |
|          | 29-08-16-10           | Poverty Reduction Dev't. Program | (1-07-01-010) Land                                       |          |                     |                     |                     |                            |
| 7        |                       |                                  | Lot for Health Center transferred from Pasalubong Center | -        |                     | 423,600.00          | 423,600.00          |                            |
| 8        |                       |                                  | Timbangang Bayan   | -        |                     | 4,500,000.00        | 4,500,000.00        |                            |
|          |                       |                                  | (1-07-02-990) Land Improvement                           |          |                     |                     |                     |                            |
| 9        |                       |                                  | Establishment of Pasalubong Center                       | -        |                     | 300,000.00          | 300,000.00          |                            |
| 10       |                       |                                  | Inst. of Timbangang Bayan                                | -        |                     | 250,000.00          | 250,000.00          |                            |
|          |                       |                                  | <b>SUB-TOTAL</b>   | <b>-</b> | <b>-</b>            | <b>5,473,600.00</b> | <b>5,473,600.00</b> |                            |
|          | 29-08-16-11           | Crops Sector                     | (1-07-05-040) Agricultural and Forestry Equipment        |          |                     |                     |                     |                            |
|          |                       |                                  | Hand Tractor (LGU counterpart)                           | -        |                     | 14,000.00           | 14,000.00           |                            |

| Item No. | RESPONSIBILITY CENTER |                              | FUNCTIONS/PROGRAMS/PROJECTS/ACTIVITIES | 2016       | 2015      | 2014 & BELOW | TOTAL      | REMARKS         |
|----------|-----------------------|------------------------------|--|------------|-----------|--------------|------------|-----------------|
|          | 29-08-16-12           | Concreting of Roads & Alleys | (1-07-03-010) Road Networks            |            |           |              |            |                 |
| 11       |                       |                              | Adrialuna                              | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 12       |                       |                              | Andres Ylagan - footbridge             | 200,000.00 |           |              | 200,000.00 |                 |
| 13       |                       |                              | Antipolo                               | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 14       |                       |                              | Apitong                                | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 15       |                       |                              | Arangin                                | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 16       |                       |                              | Bacungan                               | 200,000.00 |           |              | 200,000.00 | for delivery    |
|          |                       |                              | So. San Antonio, Bagong Buhay          | 1,467.13   |           |              | 1,467.13   | completed       |
|          |                       |                              | So. Centro II, Bagong Buhay            | -          | 3,749.84  |              | 3,749.84   |                 |
| 17       |                       |                              | Balite                                 | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 18       |                       |                              | Bancuro                                | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 19       |                       |                              | Barcenaga                              | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 20       |                       |                              | Bayani                                 | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 21       |                       |                              | Buhangin                               | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 22       |                       |                              | Caburo                                 | 200,000.00 |           |              | 200,000.00 | for bidding     |
|          |                       |                              | Concepcion                             | 1,149.09   |           |              | 1,149.09   | completed       |
| 23       |                       |                              | Del Pilar                              | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 24       |                       |                              | Estrella                               | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 25       |                       |                              | So. Centro West, Evangelista           | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 26       |                       |                              | General Esco                           | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 27       |                       |                              | Herrera                                | 200,000.00 |           |              | 200,000.00 | for realignment |
| 28       |                       |                              | Inarawan                               | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 29       |                       |                              | Kalinisan                              | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 30       |                       |                              | Laguna                                 | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 31       |                       |                              | Magtibay                               | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 32       |                       |                              | Mahabang Parang                        | 200,000.00 |           |              | 200,000.00 | for bidding     |
|          |                       |                              | So. I, Mahabang Parang                 | -          | 18,044.09 |              | 18,044.09  |                 |
| 33       |                       |                              | Malaya                                 | 200,000.00 |           |              | 200,000.00 | for bidding     |
|          |                       |                              | Malinao                                | 59,045.00  |           |              | 59,045.00  | completed       |
| 34       |                       |                              | Masagana                               | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 35       |                       |                              | Melgar A                               | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 36       |                       |                              | Melgar B                               | 200,000.00 |           |              | 200,000.00 | for bidding     |
|          |                       |                              | So. Bingkong Gitna, Melgar B           | -          | 47,534.75 |              | 47,534.75  |                 |
| 37       |                       |                              | Metolza                                | 200,000.00 |           |              | 200,000.00 | for bidding     |
|          |                       |                              | So. Proper, Montelago                  | -          | 47,534.75 |              | 47,534.75  |                 |
|          |                       |                              | So. Bolinawan, Montemayor              | -          | 15,734.75 |              | 15,734.75  |                 |
|          |                       |                              | Motoderazo                             | 1,416.09   |           |              | 1,416.09   | completed       |
| 38       |                       |                              | Mulawin                                | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 39       |                       |                              | Nag-iba I                              | 200,000.00 |           |              | 200,000.00 | for bidding     |
|          |                       |                              | So. Ibaba, Nag-iba I                   | -          | 41,894.09 |              | 41,894.09  |                 |
| 40       |                       |                              | Nag-iba II                             | 200,000.00 |           |              | 200,000.00 | for bidding     |
|          |                       |                              | So. Centro, Nag-iba II                 | -          | 1,469.09  |              | 1,469.09   |                 |
| 41       |                       |                              | Pagkakaisa                             | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 42       |                       |                              | Paitan                                 | 200,000.00 |           |              | 200,000.00 | for bidding     |
|          |                       |                              | So. _____, Paitan                      | -          | 41,894.09 |              | 41,894.09  |                 |
| 43       |                       |                              | Panikian                               | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 44       |                       |                              | Pinagsabangan I                        | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 45       |                       |                              | Pinagsabangan II                       | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 46       |                       |                              | Piñahan                                | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 47       |                       |                              | Sampaguita                             | 200,000.00 |           |              | 200,000.00 | for bidding     |
|          |                       |                              | So. 7, Sampaguita                      | -          | 1,534.09  |              | 1,534.09   |                 |
| 48       |                       |                              | Santiago                               | 200,000.00 |           |              | 200,000.00 | for bidding     |
| 49       |                       |                              | So. Maligaya, San Agustin I            | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 50       |                       |                              | San Agustin II                         | 200,000.00 |           |              | 200,000.00 | for delivery    |
| 51       |                       |                              | San Andres                             | 200,000.00 |           |              | 200,000.00 | for bidding     |

| Item No. | RESPONSIBILITY CENTER |  | FUNCTIONS/PROGRAMS/PROJECTS/ACTIVITIES      | 2016         | 2015       | 2014 & BELOW | TOTAL        | REMARKS             |
|----------|-----------------------|--|---|--------------|------------|--------------|--------------|---------------------|
| 52       |                       |  | San Carlos                                  | 200,000.00   |            |              | 200,000.00   | for bidding         |
| 53       |                       |  | San Isidro                                  | 200,000.00   |            |              | 200,000.00   | for delivery        |
| 54       |                       |  | San Luis                                    | 200,000.00   |            |              | 200,000.00   | for delivery        |
| 55       |                       |  | San Nicolas                                 | 200,000.00   |            |              | 200,000.00   | for delivery        |
|          |                       |  | So. Centro, San Nicolas                     | -            | 17,309.09  |              | 17,309.09    |                     |
| 56       |                       |  | San Pedro                                   | 200,000.00   |            |              | 200,000.00   | for delivery        |
| 57       |                       |  | Sta. Cruz                                   | 200,000.00   |            |              | 200,000.00   | for bidding         |
| 58       |                       |  | Sta. Isabel                                 | 200,000.00   |            |              | 200,000.00   | for delivery        |
| 59       |                       |  | Sta. Maria                                  | 200,000.00   |            |              | 200,000.00   | for bidding         |
| 60       |                       |  | Sto. Niño                                   | 200,000.00   |            |              | 200,000.00   | no deed of donation |
|          |                       |  | So. Acacia, Sto. Niño                       | -            | 1,469.09   |              | 1,469.09     |                     |
|          |                       |  | So. Masaya, Tagumpay                        | 1,149.09     |            |              | 1,149.09     | completed           |
| 61       |                       |  | Tigkan                                      | 200,000.00   |            |              | 200,000.00   | no deed of donation |
| 62       |                       |  | Const. of Bridge, Phase I - Mahabang Parang | 1,000,000.00 |            |              | 1,000,000.00 |                     |
| 63       |                       |  | Concreting of Roads - Concepcion            | 250,000.00   |            |              | 250,000.00   | for delivery        |
|          |                       |  | 29 barangays (283 cement)                   | -            | 15,747.00  |              | 15,747.00    |                     |
|          |                       |  | Different Streets - Poblacion III           | -            | 1,360.00   |              | 1,360.00     |                     |
| 64       |                       |  | Const. of Hanging Bridge - Bayani           | -            | 500,000.00 |              | 500,000.00   |                     |
|          |                       |  | Const. of Footbridge - Santiago             | -            | 2,105.57   |              | 2,105.57     |                     |
|          |                       |  | So. Looban, Adrialuna                       | -            | 3,749.84   |              | 3,749.84     |                     |
|          |                       |  | So. Looban, Adrialuna                       | -            |            | 3,001.00     | 3,001.00     |                     |
|          |                       |  | So. Melgar, Andres Ylagan                   | -            |            | 3,067.50     | 3,067.50     |                     |
|          |                       |  | So. Bahay, Antipolo                         | -            | 7,109.75   |              | 7,109.75     |                     |
|          |                       |  | Apitong                                     | -            |            | 2,630.00     | 2,630.00     |                     |
|          |                       |  | So. Ilaya, Bacungan                         | -            | 7,109.75   |              | 7,109.75     |                     |
|          |                       |  | So. Pook, Bancuro                           | -            | 3,749.84   |              | 3,749.84     |                     |
|          |                       |  | So. Amuguis, Barcenaga                      | -            | 5,265.00   |              | 5,265.00     |                     |
|          |                       |  | So. Ilang-Ilang & Sucot, Bayani             | -            | 3,574.84   |              | 3,574.84     |                     |
|          |                       |  | So. 6, Buhangin                             | -            | 3,684.84   |              | 3,684.84     |                     |
|          |                       |  | Purok 3, Concepcion                         | -            |            | 10,567.00    | 10,567.00    |                     |
|          |                       |  | Dao   | -            |            | 2,950.08     | 2,950.08     |                     |
|          |                       |  | Purok 1-A, Del Pilar                        | -            | 1,534.09   |              | 1,534.09     |                     |
|          |                       |  | So. Centro North, Evangelista               | -            | 1,534.09   |              | 1,534.09     |                     |
|          |                       |  | So. West & North, Evangelista               | -            |            | 2,293.68     | 2,293.68     |                     |
|          |                       |  | Gamao                                       | -            |            | 2,547.50     | 2,547.50     |                     |
|          |                       |  | So. Maligaya, General Esco                  | -            | 1,389.09   |              | 1,389.09     |                     |
|          |                       |  | So. 6, Kalinisan                            | -            | 7,109.75   |              | 7,109.75     |                     |
|          |                       |  | So. 5 & 7, Laguna                           | -            | 3,624.84   |              | 3,624.84     |                     |
|          |                       |  | Mabini                                      | -            |            | 2,134.91     | 2,134.91     |                     |
|          |                       |  | So. Dulong Silangan, Malaya                 | -            |            | 3,540.00     | 3,540.00     |                     |
|          |                       |  | So. Bougainvilla, Malinao                   | -            | 3,749.84   |              | 3,749.84     |                     |
|          |                       |  | So. Cabeza, Malvar                          | -            |            | 2,000.00     | 2,000.00     |                     |
|          |                       |  | So. Balumbon, Melgar A                      | -            | 7,109.75   |              | 7,109.75     |                     |
|          |                       |  | So. Balumbon, Melgar A                      | -            |            | 2,128.50     | 2,128.50     |                     |
|          |                       |  | So. Aliso, Metolza                          | -            | 1,534.09   |              | 1,534.09     |                     |
|          |                       |  | Montemayor                                  | -            |            | 1,783.40     | 1,783.40     |                     |
|          |                       |  | So. Talon, Motoderazo                       | -            |            | 3,328.16     | 3,328.16     |                     |
|          |                       |  | So. Centro, Mulawin                         | -            |            | 2,356.05     | 2,356.05     |                     |
|          |                       |  | Pagkakaisa                                  | -            |            | 2,230.95     | 2,230.95     |                     |
|          |                       |  | So. Butangka I, Pagkakaisa                  | -            | 3,749.84   |              | 3,749.84     |                     |
|          |                       |  | So. Proper, Panikian                        | -            | 1,469.09   |              | 1,469.09     |                     |
|          |                       |  | So. 1 & 7, Pinagsabangan II                 | -            | 3,657.50   |              | 3,657.50     |                     |
|          |                       |  | So. 7, Pinagsabangan II                     | -            |            | 2,900.00     | 2,900.00     |                     |
|          |                       |  | So. Tondo, Piñahan                          | -            | 3,749.84   |              | 3,749.84     |                     |
|          |                       |  | Marcos St., Poblacion 1                     | -            |            | 491.54       | 491.54       |                     |
|          |                       |  | Marcos St., Poblacion 2                     | -            | 5,781.14   |              | 5,781.14     |                     |

| Item No. | RESPONSIBILITY CENTER |                             | FUNCTIONS/PROGRAMS/PROJECTS/ACTIVITIES                    | 2016                 | 2015              | 2014 & BELOW      | TOTAL                | REMARKS   |
|----------|-----------------------|-----------------------------|---|----------------------|-------------------|-------------------|----------------------|-----------|
|          |                       |                             | So. Tabang-Loob, Santiago                                 | -                    | 7,109.75          |                   | 7,109.75             |           |
|          |                       |                             | So. Maligaya, San Agustin I                               | -                    | 3,657.50          |                   | 3,657.50             |           |
|          |                       |                             | San Agustin II  | -                    |                   | 2,534.00          | 2,534.00             |           |
|          |                       |                             | Rehab. of footbridge - San Antonio                        | -                    |                   | 902.90            | 902.90               |           |
|          |                       |                             | San Carlos  | -                    |                   | 2,179.80          | 2,179.80             |           |
|          |                       |                             | So. Camia, San Carlos                                     | -                    | 3,749.84          |                   | 3,749.84             |           |
|          |                       |                             | So. Duongan/Pitogo, San Jose I                            | -                    | 7,109.75          |                   | 7,109.75             |           |
|          |                       |                             | So. Tondo, San Luis                                       | -                    |                   | 1,823.15          | 1,823.15             |           |
|          |                       |                             | So. 3, Sta. Cruz  | -                    | 7,109.75          |                   | 7,109.75             |           |
|          |                       |                             | So. 3, Sta. Cruz  | -                    |                   | 2,156.66          | 2,156.66             |           |
|          |                       |                             | So. Kasilihan, Sta. Isabel                                | -                    | 3,749.84          |                   | 3,749.84             |           |
|          |                       |                             | So. Kasilihan, Sta. Isabel                                | -                    |                   | 2,159.33          | 2,159.33             |           |
|          |                       |                             | So. Sinbad, Sta. Maria                                    | -                    | 1,534.09          |                   | 1,534.09             |           |
|          |                       |                             | Metolza   | -                    |                   | 3,253.15          | 3,253.15             |           |
|          |                       |                             | So. Manggahan, Tigkan                                     | -                    | 16,857.00         |                   | 16,857.00            |           |
| 65       |                       |                             | Regraveiling of Road - Masaguing POW dtd 03.12.15         | -                    |                   | 500,000.00        | 500,000.00           |           |
|          |                       |                             | Road Development Program (CONLA 2013 & below)             | -                    |                   | 20,320.00         | 20,320.00            |           |
|          |                       |                             | <b>SUB-TOTAL</b>  | <b>11,514,226.40</b> | <b>888,494.62</b> | <b>585,279.26</b> | <b>12,988,000.28</b> |           |
| 66       | 29-08-16-14           | Operation of NTC            | (1-07-03-050) Power Supply Systems                        | -                    |                   | 102,470.00        | 102,470.00           |           |
|          |                       |                             | (1-07-04-020) School Buildings                            |                      |                   |                   |                      |           |
|          |                       |                             | Welding Laboratory  | -                    |                   | 54,378.57         | 54,378.57            |           |
|          |                       |                             | Const. of Manpower Development Center                     | -                    | 98,576.89         |                   | 98,576.89            |           |
|          |                       |                             | (1-07-03-040) Water Supply Systems                        | -                    |                   | 70,186.00         | 70,186.00            |           |
|          |                       |                             | <b>SUB-TOTAL</b>  | <b>-</b>             | <b>98,576.89</b>  | <b>227,034.57</b> | <b>325,611.46</b>    |           |
|          | 29-08-16-17           | Water System Dev't. Program | (1-07-03-040) Water Supply Systems                        |                      |                   |                   |                      |           |
|          |                       |                             | Const. of Small Water Impounding Project, Gamao           | 2,189.00             |                   |                   | 2,189.00             | completed |
|          |                       |                             | Const. of Water Tank, So. Centro, Aurora                  | 9,712.00             |                   |                   | 9,712.00             | completed |
| 67       |                       |                             | Installation of Water System, Level II & III for 8 brgys. | 777,841.00           |                   |                   | 777,841.00           | on-going  |
| 68       |                       |                             | 1. So. Holy Spirit, Barcenaga                             | 133,880.00           |                   |                   | 133,880.00           | on-going  |
|          |                       |                             | Elevated Water Tank, NAC Andres Ylagan                    | -                    | 21,867.15         |                   | 21,867.15            |           |
|          |                       |                             | So. Sta. Ana, San Carlos                                  | -                    | 4,010.00          |                   | 4,010.00             |           |
|          |                       |                             | So. Bathala, Laguna                                       | -                    |                   | 15,757.00         | 15,757.00            |           |
|          |                       |                             | So. Centro & Kanto, Nag-iba I                             | -                    |                   | 33,757.00         | 33,757.00            |           |
|          |                       |                             | So. Bagong Buhay, Paitan                                  | -                    |                   | 12,650.00         | 12,650.00            |           |
|          |                       |                             | So. 4, Aurora   | -                    |                   | 27,600.50         | 27,600.50            |           |
|          |                       |                             | Pinahan   | -                    |                   | 4,066.50          | 4,066.50             |           |
|          |                       |                             | So. Kanto, San Isidro                                     | -                    | 5,019.00          |                   | 5,019.00             |           |
|          |                       |                             | Balance for 5 barangays benefitted                        | -                    | 41,961.00         |                   | 41,961.00            |           |
|          |                       |                             | 1. So. 2, San Andres                                      | -                    |                   | 4,940.00          | 4,940.00             |           |
|          |                       |                             | 2. So. Macapili & Proper, Melgar B                        | -                    |                   | 49,880.00         | 49,880.00            |           |
|          |                       |                             | 3. So. Tujod, Herrera                                     | -                    |                   | 51,495.00         | 51,495.00            |           |
| 69       |                       |                             | 4. Melgar A   | -                    |                   | 144,520.00        | 144,520.00           |           |
| 70       |                       |                             | 5. So. 5, Buhangin  | -                    |                   | 149,344.00        | 149,344.00           |           |
| 71       |                       |                             | So. Mana, Balite  | -                    | 100,648.00        |                   | 100,648.00           |           |
|          |                       |                             | Balite  | -                    |                   | 67,246.75         | 67,246.75            |           |
| 72       |                       |                             | Estrella  | -                    |                   | 100,000.00        | 100,000.00           |           |
|          |                       |                             | So. Longgan, Caburo                                       | -                    |                   | 618.00            | 618.00               |           |
|          |                       |                             | So. 2, Antipolo   | -                    |                   | 592.00            | 592.00               |           |
|          |                       |                             | So. Centro I, Bacungan                                    | -                    |                   | 592.00            | 592.00               |           |
|          |                       |                             | So. Kimbalay, Banuton                                     | -                    |                   | 1,446.75          | 1,446.75             |           |
|          |                       |                             | Estrella  | -                    |                   | 213.00            | 213.00               |           |
|          |                       |                             | Magtibay  | -                    |                   | 1,364.00          | 1,364.00             |           |
|          |                       |                             | So. Centro & Kanto, Nag-iba I                             | -                    |                   | 592.00            | 592.00               |           |
|          |                       |                             | Sampaguita  | -                    |                   | 294.00            | 294.00               |           |
|          |                       |                             | So. 2, San Andres   | -                    |                   | 589.00            | 589.00               |           |
|          |                       |                             | San Jose I  | -                    |                   | 342.00            | 342.00               |           |
|          |                       |                             | So. Bagong Buhay, Sta. Maria                              | -                    |                   | 592.00            | 592.00               |           |

| Item No. | RESPONSIBILITY CENTER |                  | FUNCTIONS/PROGRAMS/PROJECTS/ACTIVITIES  | 2016              | 2015              | 2014 & BELOW        | TOTAL               | REMARKS         |
|----------|-----------------------|------------------|---|-------------------|-------------------|---------------------|---------------------|-----------------|
|          |                       |                  | So. Centro, San Isidro  | -                 |                   | 2,120.00            | 2,120.00            |                 |
|          |                       |                  | So. Camia, San Pedro  | -                 |                   | 2,618.00            | 2,618.00            |                 |
|          |                       |                  | San Luis  | -                 |                   | 30,062.50           | 30,062.50           |                 |
| 73       |                       |                  | WATSAN  | -                 |                   | 200,000.00          | 200,000.00          |                 |
|          |                       |                  | So. Sampaguita E/S, Sampaguita  | -                 |                   | 15,005.00           | 15,005.00           |                 |
|          |                       |                  | So. Simbahan, San Jose  | -                 |                   | 21,667.00           | 21,667.00           |                 |
|          |                       |                  | So. Gumammela, Bayani   | -                 |                   | 47,582.50           | 47,582.50           |                 |
| 74       |                       |                  | Tagumpay  | -                 |                   | 250,000.00          | 250,000.00          |                 |
|          |                       |                  | So. Kanto, Nag-iba I  | -                 |                   | 3,511.30            | 3,511.30            |                 |
|          |                       |                  | So. Kasilihan, Sta. Isabel  | -                 |                   | 4,670.00            | 4,670.00            |                 |
|          |                       |                  | So. Rambutan, Piñahan   | -                 |                   | 9,434.00            | 9,434.00            |                 |
|          |                       |                  | Metolza   | -                 |                   | 2,786.00            | 2,786.00            |                 |
|          |                       |                  | Purok Abokado, Lanzones & Mangga, Piñahan   | -                 |                   | 2,640.00            | 2,640.00            |                 |
|          |                       |                  | Panikian  | -                 |                   | 1,046.00            | 1,046.00            |                 |
|          |                       |                  | So. Also, Barcenaga   | -                 |                   | 330.50              | 330.50              |                 |
| 75       |                       |                  | So. Amuguis/Pulong  | -                 |                   | 100,695.00          | 100,695.00          |                 |
|          |                       |                  | <b>SUB-TOTAL</b>  | <b>923,622.00</b> | <b>173,505.15</b> | <b>1,362,659.30</b> | <b>2,459,786.45</b> |                 |
|          | 29-08-16-19           | Irrigation/Flood | (1-07-03-040) Water Supply Systems  |                   |                   |                     |                     |                 |
| 76       |                       |                  | Const. of Drainage Canal, Poblacion I   | 200,000.00        |                   |                     | 200,000.00          | for bidding     |
| 77       |                       |                  | Const. of Covered Canal, Garing, Poblacion II   | 200,000.00        |                   |                     | 200,000.00          | for bidding     |
| 78       |                       |                  | Const. of Open Drainage Canal, Montemayor   | 200,000.00        |                   |                     | 200,000.00          | for bidding     |
| 79       |                       |                  | Rehab. Of DC along Apostol & Gasic Sts., Poblacion III  | 200,000.00        |                   |                     | 200,000.00          | for bidding     |
| 80       |                       |                  | Const. of Spillway, So. Cabeza, Malvar change to So. Centro as per MDC Res. #03, 2016 dtd. 06.06.16 | 200,000.00        |                   |                     | 200,000.00          | for realignment |
|          |                       |                  |   | -                 |                   |                     | -                   |                 |
| 81       |                       |                  | Rechanelling of Butas River, San Jose   | 200,000.00        |                   |                     | 200,000.00          | for realignment |
| 82       |                       |                  | Const. of DC cum Masterplanning Pob. I-III  | -                 |                   | 160,000.00          | 160,000.00          |                 |
|          |                       |                  | 1. Rizal St., Poblacion I   | -                 |                   | 74,550.50           | 74,550.50           |                 |
|          |                       |                  | 2. Marcos St., Poblacion II   | -                 |                   | 1,517.00            | 1,517.00            |                 |
|          |                       |                  | 3. Garong St., Poblacion III  | -                 |                   | 1,705.50            | 1,705.50            |                 |
|          |                       |                  | So. Farm, Andres Ylagan   | -                 | 956.10            |                     | 956.10              |                 |
|          |                       |                  | So. Bonifacio, Melgar A   | -                 | 3,936.00          |                     | 3,936.00            |                 |
|          |                       |                  | So. Centro, Panikian  | -                 |                   | 3,334.50            | 3,334.50            |                 |
|          |                       |                  | Inst. of RCPC-Malvar  | -                 |                   | 13,538.00           | 13,538.00           |                 |
|          |                       |                  | Inst. of RCPC-Masaguining-Herrera   | -                 |                   | 34,272.00           | 34,272.00           |                 |

| Item No. | RESPONSIBILITY CENTER |                                 | FUNCTIONS/PROGRAMS/PROJECTS/ACTIVITIES  | 2016                 | 2015                | 2014 & BELOW      | TOTAL                | REMARKS                   |
|----------|-----------------------|---------------------------------|---|----------------------|---------------------|-------------------|----------------------|---------------------------|
|          |                       |                                 | (1-07-03-020) Flood Controls  | -                    |                     |                   | -                    |                           |
|          |                       |                                 | Const. of Box Culvert, So. 3, Mahabang Parang                                 | -                    |                     | 3,149.75          | 3,149.75             |                           |
|          |                       |                                 | So. Camia, San Pedro  | -                    |                     | 529.00            | 529.00               |                           |
|          |                       |                                 | Const. of Spillway - Santiago (transfer to SB#02-Const. of Footbridge) 500000 | -                    |                     |                   | -                    |                           |
|          |                       |                                 | So. Pungao, Montelago   | -                    |                     | 30,300.00         | 30,300.00            |                           |
|          |                       |                                 | Sampaguita  | -                    |                     | 5,618.00          | 5,618.00             |                           |
|          |                       |                                 | (5-02-13-030) R&M-Infrastructure Assets                                       | -                    |                     |                   | -                    |                           |
|          |                       |                                 | (03) Water Supply Systems - Garong St., Poblacion 2                           | -                    |                     | 13,556.50         | 13,556.50            |                           |
|          |                       |                                 | <b>SUB-TOTAL</b>  | <b>1,200,000.00</b>  | <b>4,892.10</b>     | <b>342,070.75</b> | <b>1,546,962.85</b>  |                           |
|          | 29-08-16-21           | Other Structures                | (1-07-04-990) Other Structures  |                      |                     |                   |                      |                           |
| 83       |                       |                                 | Const. of Multi-Purpose Hall, Naujan Cultural & Sports Ctr.,                  | 3,000,000.00         |                     |                   | 3,000,000.00         | for POW                   |
| 84       |                       |                                 | Const. of Multi-Purpose Hall, District 7                                      | 5,000,000.00         |                     |                   | 5,000,000.00         | for POW                   |
| 85       |                       |                                 | Additional appro for OTOP Express Store                                       | 981,384.00           | 3,350,000.00        |                   | 4,331,384.00         |                           |
|          |                       |                                 | Improvement of Multi-Purpose Hall-Santiago                                    | 2,150.00             |                     |                   | 2,150.00             |                           |
|          |                       |                                 |   | -                    |                     |                   | -                    |                           |
| 86       |                       |                                 | Const. of Multi-Purpose Hall - NSCC, Santiago                                 | 635,640.00           |                     |                   | 635,640.00           |                           |
| 87       |                       |                                 | Const. of Evacuation Ctr. (add'l. appro.)                                     | 300,000.00           |                     |                   | 300,000.00           |                           |
| 88       |                       |                                 | Const. of Coffee Shop - Town Plaza  | 508,512.00           | 350,000.00          |                   | 858,512.00           |                           |
| 89       |                       |                                 | Const. of Coffee/Souvenir Shop - Bahay Tuklasan                               | 500,000.00           | 450,000.00          |                   | 950,000.00           |                           |
| 90       |                       |                                 | Const. of Multi-Purpose Hall - back of Mun. Bldg (SB#02-                      | -                    | 1,583,252.00        |                   | 1,583,252.00         |                           |
|          |                       |                                 | - back of Mun. Bldg (SB#01-   | -                    | 530,000.00          |                   | 530,000.00           |                           |
|          |                       |                                 | Improvement of Multi-Purpose Hall at Naujan Cultural & Sports Center          | -                    |                     | 4,268.50          | 4,268.50             |                           |
|          |                       |                                 | Improvement of Multi-Purpose Hall - Inarawan                                  | -                    | 995.00              |                   | 995.00               |                           |
|          |                       |                                 | Improvement of Multi-Purpose Hall - Inarawan (minisipyo)                      | -                    |                     | 3,000.00          | 3,000.00             |                           |
|          |                       |                                 | - Del Pilar   | -                    |                     | 3,355.34          | 3,355.34             |                           |
|          |                       |                                 | Const. of MPH, Naujan Sports & Cultural Center                                | -                    | 4,042.34            |                   | 4,042.34             |                           |
|          |                       |                                 | Rehab. of MPH, So. Labasan, Herrera   | -                    | 3,430.00            |                   | 3,430.00             |                           |
|          |                       |                                 | Const. of MPH, Concepcion E/S, Concepcion                                     | -                    | 1,045.00            |                   | 1,045.00             |                           |
| 91       |                       |                                 | Const. of MPH, Barcenaga  | -                    |                     | 500,000.00        | 500,000.00           |                           |
|          |                       |                                 | <b>SUB-TOTAL</b>  | <b>10,927,686.00</b> | <b>6,272,764.34</b> | <b>510,623.84</b> | <b>17,711,074.18</b> |                           |
|          | 29-08-16-23           | Livelihood Program              | (1-07-04-990) Other Structures  |                      |                     |                   |                      |                           |
| 92       |                       |                                 | Establishment of Women Livelihood Ctr.  |                      |                     | 1,000,000.00      | 1,000,000.00         |                           |
|          | 29-08-16-27           | Electrification, Power & Energy | (1-07-03-050) Power Supply Systems  |                      |                     |                   |                      |                           |
|          |                       |                                 | So. I, Dao  | 2,418.00             |                     |                   | 2,418.00             | completed                 |
|          |                       |                                 | So. Kimbalay/Kilingon, Banuton  | 2,115.00             |                     |                   | 2,115.00             | completed                 |
| 93       |                       |                                 | Inst. of Streetlights from Poblacion to Pinag. II (45 streetlights)           | 2,500,000.00         |                     |                   | 2,500,000.00         | waiting for road widening |
| 94       |                       |                                 | Inst. of Streetlights from Poblacion to Pinag. II (34 units to 19             | -                    | 1,023,182.00        |                   | 1,023,182.00         |                           |
| 95       |                       |                                 | So. Green Village, Barcenaga  | -                    |                     | 100,000.00        | 100,000.00           |                           |
| 96       |                       |                                 | Pinagsabangan II (landmark)   | -                    |                     | 106,763.00        | 106,763.00           |                           |
|          |                       |                                 | San Nicolas   | -                    |                     | 649.00            | 649.00               |                           |
|          |                       |                                 | So. Cuatres, Sta. Maria   | -                    | 2,309.00            |                   | 2,309.00             |                           |
|          |                       |                                 | So. 4 Aurora  | -                    |                     | 515.00            | 515.00               |                           |
|          |                       |                                 | So. San Luis & Fernando, Bagong Buhay   | -                    |                     | 697.00            | 697.00               |                           |
|          |                       |                                 | So. Bougainvilla, Malinao   | -                    |                     | 751.00            | 751.00               |                           |
|          |                       |                                 | So. 1 & 2, Masagana   | -                    |                     | 975.00            | 975.00               |                           |
|          |                       |                                 | So. Malarayap, Pinagsabangan I  | -                    |                     | 515.00            | 515.00               |                           |
|          |                       |                                 | So. Dulong Kanluran, San Isidro   | -                    |                     | 515.00            | 515.00               |                           |
|          |                       |                                 | All So. Santiago  | -                    |                     | 440.00            | 440.00               |                           |
|          |                       |                                 | All So. Tagumpay  | -                    |                     | 540.00            | 540.00               |                           |
|          |                       |                                 | Inarawan  | -                    |                     | 515.00            | 515.00               |                           |
|          |                       |                                 |   | -                    |                     |                   | -                    |                           |

| Item No. | RESPONSIBILITY CENTER |  | FUNCTIONS/PROGRAMS/PROJECTS/ACTIVITIES                               | 2016                | 2015                | 2014 & BELOW        | TOTAL               | REMARKS                    |
|----------|-----------------------|--|--|---------------------|---------------------|---------------------|---------------------|----------------------------|
|          |                       |  | (5-02-13-030) R&M-Infrastructure Assets                              |                     |                     |                     | -                   |                            |
| 97       |                       |  | (04) Municipal Streetlights  | -                   |                     | 500,000.00          | 500,000.00          |                            |
|          |                       |  | <b>SUB-TOTAL</b>   | <b>2,504,533.00</b> | <b>1,025,491.00</b> | <b>712,875.00</b>   | <b>4,242,899.00</b> |                            |
|          | 29-08-16-30           | Concreting of Pathway                    | (1-07-05-080) Other Land Improvements                                |                     |                     |                     |                     |                            |
| 98       |                       |  | Mabini   | 200,000.00          |                     |                     | 200,000.00          | for realignment            |
| 99       |                       |  | So. Patag, Masaguing   | 200,000.00          |                     |                     | 200,000.00          | for POW                    |
| 100      |                       |  | San Antonio  | 250,000.00          |                     |                     | 250,000.00          | for bidding                |
|          |                       |  | So. Sampaguaita, Tigkan  | -                   |                     | 1,142.50            | 1,142.50            |                            |
|          |                       |  | <b>SUB-TOTAL</b>   | <b>650,000.00</b>   | <b>-</b>            | <b>1,142.50</b>     | <b>651,142.50</b>   |                            |
|          | 29-08-16-35           | Barangay Development Program             | (1-07-05-080) Construction and Heavy Equipment                       |                     |                     |                     |                     |                            |
|          |                       |  | Purchase of Heavy Equipment (SB#02-2011) 1,038,000.00                | -                   |                     | 1,038,000.00        | 1,038,000.00        |                            |
|          |                       |  | Purchase of Heavy Equipment (SB#02-2011) add'l appro.                | -                   |                     | 344,548.00          | 344,548.00          |                            |
|          |                       |  | <b>SUB-TOTAL</b>   | <b>-</b>            | <b>-</b>            | <b>1,382,548.00</b> | <b>1,382,548.00</b> |                            |
|          | 29-08-16-37           | Purchase of Heavy Equipment              | (1-07-05-080) Construction and Heavy Equipment                       |                     |                     |                     |                     |                            |
| 102      |                       |  | Garbage Truck  | 2,700,000.00        |                     |                     | 2,700,000.00        | for rebid                  |
|          |                       |  | Bulldozer (additional appropriation)                                 | 5,668.79            |                     |                     | 5,668.79            |                            |
| 103      |                       |  | Backhoe  | -                   |                     | 1,445,557.00        | 1,445,557.00        |                            |
| 104      |                       |  | Elf  | -                   |                     | 103,800.00          | 103,800.00          |                            |
|          |                       |  | <b>SUB-TOTAL</b>   | <b>2,705,668.79</b> | <b>-</b>            | <b>1,549,357.00</b> | <b>4,255,025.79</b> |                            |
|          | 29-08-16-40           | Seawalls, Aqueducts, Riverwalls & Alleys | (1-07-03-020) Flood Controls   |                     |                     |                     |                     |                            |
| 105      |                       |  | Riprapping of riverbank - So. Pungao, Montelago                      | 200,000.00          |                     |                     | 200,000.00          | on going                   |
|          |                       |  | Driving of 73 linear mtrs. concrete sheet piles - Estrella           | -                   |                     | 3,501.00            | 3,501.00            |                            |
| 106      |                       |  | Bridge approach - Evangelista (SB 01-2013)                           | -                   |                     | 400,000.00          | 400,000.00          |                            |
|          |                       |  | Rechanelling of Panggalaan River, So. Riverside, So. Pag-San Nicolas | -                   |                     |                     | -                   |                            |
| 107      |                       |  | Portion of Bucayao Grande and Panggalaan River - Mahabang Parang     | -                   |                     | 22,000.00           | 22,000.00           |                            |
|          |                       |  | Rechanelling of Rivers - Bagtu River, Arangin 1300 meters            | -                   |                     | 1,238,568.00        | 1,238,568.00        |                            |
|          |                       |  | Riprapping along riverbank - San Agustin I 62 linear meters          | -                   |                     | 8,250.00            | 8,250.00            |                            |
|          |                       |  | So. Boundary, Adrialuna  | -                   |                     | 820.00              | 820.00              |                            |
|          |                       |  |  | -                   | 31,637.50           |                     | 31,637.50           |                            |
|          |                       |  | <b>SUB-TOTAL</b>   | <b>200,000.00</b>   | <b>31,637.50</b>    | <b>1,673,139.00</b> | <b>1,904,776.50</b> |                            |
|          | 29-08-16-42           | Land & Land Improvement                  | (1-07-01-010) Land   |                     |                     |                     |                     |                            |
|          |                       |  | Purchase of Land for the Rehab. of Pub. Cemetery, DVIII              | 987,440.00          |                     |                     | 987,440.00          | Contrary to DILG JC 2011-1 |
| 108      |                       |  | One (1) relocation site purchased & developed                        | -                   | 2,000,000.00        |                     | 2,000,000.00        |                            |
|          |                       |  | (1-07-02-990) Other Land Improvements                                |                     |                     |                     | -                   |                            |
| 109      |                       |  | Const. of Solar Dryer-Pinagsabangan II                               | -                   |                     | 180,000.00          | 180,000.00          |                            |
| 110      |                       |  | Const. of Solar Dryer-Pinagsabangan I                                | -                   |                     | 130,000.00          | 130,000.00          |                            |
|          |                       |  | Const. of Solar Dryer - So. Looban, Bancuro                          | -                   |                     | 3,163.00            | 3,163.00            |                            |
| 111      |                       |  | Const. of Multi-Purpose Drying Pavement - Melgar B                   | -                   |                     | 300,000.00          | 300,000.00          |                            |
|          |                       |  | <b>SUB-TOTAL</b>   | <b>987,440.00</b>   | <b>2,000,000.00</b> | <b>613,163.00</b>   | <b>3,600,603.00</b> |                            |
|          | 29-08-16-44           | MDRRMO                                   | (1-07-04-990) Other Structures                                       |                     |                     |                     |                     |                            |
| 112      |                       |  | Rehab. of MDRRMO - Improv. of Evacuation Ctr. - So.                  | -                   |                     | 315,001.00          | 315,001.00          |                            |

| Item No. | RESPONSIBILITY CENTER |                            | FUNCTIONS/PROGRAMS/PROJECTS/ACTIVITIES                   | 2016                 | 2015                 | 2014 & BELOW         | TOTAL                | REMARKS   |
|----------|-----------------------|----------------------------|--|----------------------|----------------------|----------------------|----------------------|-----------|
|          | 29-08-16-46           | LPRAP-BUB Projects         | (1-07-05-040) Agricultural and Forestry Equipment        |                      |                      |                      |                      |           |
| 113      |                       |                            | 2 units harvester Combine Harvester                      | -                    |                      | 557,647.00           | 557,647.00           |           |
| 114      |                       |                            | Two-wheel tractor for Kalinisan Farmers Asso & SMARCC    | 260,000.00           |                      |                      | 260,000.00           | for rebid |
| 115      |                       |                            | (1-07-06-010) Acquisition of Rescue Vehicle (DT)         | 311,111.00           |                      |                      | 311,111.00           |           |
| 116      |                       |                            | Acquisition of Rescue Vehicle                            | 244,444.00           |                      |                      | 244,444.00           |           |
|          |                       |                            | (1-07-03-010) Road Networks                              | -                    |                      |                      | -                    |           |
| 117      |                       |                            | ln.m.x4.0 mtr. x 0.15 - Inarawan                         | 388,889.00           |                      |                      | 388,889.00           | on going  |
| 118      |                       |                            | (1-07-03-040) Water Supply Systems                       | -                    |                      | 223,435.00           | 223,435.00           |           |
| 119      |                       |                            | (1-07-03-020) Flood Control (Riprapping of Tabang Creek) | 425,555.00           |                      |                      | 425,555.00           | on going  |
|          |                       |                            | <b>SUB-TOTAL</b>   | <b>1,629,999.00</b>  | <b>-</b>             | <b>781,082.00</b>    | <b>2,411,081.00</b>  |           |
|          | 29-08-16-47           | Market Development Program | (1-07-04-040) Markets                                    | -                    | 28,015.00            |                      | 28,015.00            |           |
|          | 29-08-16-48           | Purchase of Other          | (1-07-05-990) Other Machinery and Equipment              |                      |                      |                      |                      |           |
|          |                       |                            | Purchase of 3 units one-bagger mixer                     |                      |                      |                      | 15,600.00            | completed |
|          |                       |                            | <b>GRAND TOTAL</b>                                       | <b>33,243,175.19</b> | <b>13,227,530.98</b> | <b>18,813,510.22</b> | <b>65,299,816.39</b> |           |

Municipality of Naujan  
**AUDIT OF CASH ADVANCES**  
 Cash Advances for Travel Liquidated Beyond 30 Days  
 CY 2016

| No. | GRANT DETAILS  |  |  |                           |           |                      | LIQUIDATION DETAILS |                           |                          |  |                  |                                |                                   |   |
|-----|--|--|--|---------------------------|-----------|----------------------|---------------------|---------------------------|--------------------------|--|------------------|--------------------------------|-----------------------------------|---|
|     | Name of Accountable Officer                              | Position / Office                          | Purpose of Cash Advance  | Date Granted / Check Date | Check No. | Amount of CA Granted | Date of Arrival     | Target Date of Settlement | Date of Final Settlement | No. of Days Outstanding Beyond Required Liq'n Date | Actual Expenses  | Refunded / (Reimbursed) Amount | Total Amount Settled / Liquidated | Liquidated Beyond Prescribed Period COA Circular No. 97-002 |
|     | <b>MUNICIPAL SOCIAL WELFARE &amp; DEVELOPMENT OFFICE</b> |  |  |                           |           |                      |                     |                           |                          |  |                  |                                |                                   |   |
| 1   | Marissa M. Gupit   | Proj. Evaluation Officer I<br><b>MSWDO</b> | Seminar Manila (Aug. 29 - Sep. 2)  | 08/24/16                  | 54189747  | 9,415.00             | 09/02/16            | 10/02/16                  | 11/24/16                 | 53   | 9,415.00         |                                | 9,415.00                          | 9,415.00  |
| 2   | Abstenencia de Guzman                                    | MSWDO /<br><b>MSWDO</b>                    | Seminar Pampanga (Oct. 18-22)  | 10/12/16                  | 54190046  | 14,411.00            | 10/22/16            | 11/21/16                  | 11/24/16                 | 3  | 14,411.00        |                                | 14,411.00                         | 14,411.00   |
| 3   | Mileah Javier  | SWO II /<br><b>MSWDO</b>                   | Seminar Pampanga (Oct. 18-22)  | 10/12/16                  | 54190047  | 14,411.00            | 10/22/16            | 11/21/16                  | 11/24/16                 | 3  | 14,411.00        |                                | 14,411.00                         | 14,411.00   |
| 4   | Mara Lendory Gumba                                       | Day Care Worker I /<br><b>MSWDO</b>        | Mara Lendory Gumba-Cash Advance @ pampanga oct18-22'16   | 10/12/16                  | 54190048  | 14,411.00            | 10/22/16            | 11/21/16                  | 12/20/16                 | 29   | 14,411.00        |                                | 14,411.00                         | 14,411.00   |
|     | <b>Subtotal - MSWDO</b>                                  |  |  |                           |           | <b>52,648.00</b>     |                     |                           |                          |  | <b>52,648.00</b> | <b>0.00</b>                    | <b>52,648.00</b>                  | <b>52,648.00</b>  |
|     | <b>MUNICIPAL ASSESSOR'S OFFICE</b>                       |  |  |                           |           |                      |                     |                           |                          |  |                  |                                |                                   |   |
| 5   | Virgilio A. Anonuevo                                     | Mun. Assessor<br><b>MAssO</b>              | to attend 1st Quarter REGATA Conference, BLGF Region IV-B; 03/16-18/16; Citystate Tower, Malate Manila | 03/07/16                  | 51305802  | 10,319.00            | 03/18/16            | 04/17/16                  | 04/29/16                 | 12   | 8,337.00         | 1,982.00                       | 10,319.00                         | 10,319.00   |
| 6   | Virgilio A. Anonuevo                                     | Mun. Assessor<br><b>MAssO</b>              | Seminar Palawan (June 19-24)   | 06/06/16                  | 51306294  | 20,220.00            | 06/24/16            | 07/24/16                  | 10/03/16                 | 71   | 20,220.00        |                                | 20,220.00                         | 20,220.00   |
| 7   | Cromwell H. Gozar  | Asst. Mun. Assessor<br><b>MAssO</b>        | to attend 1st Quarter REGATA Conference, BLGF Region IV-B; 03/16-18/16; Citystate Tower, Malate Manila | 03/07/16                  | 51305803  | 9,819.00             | 03/18/16            | 04/17/16                  | 08/10/16                 | 115  | 6,760.00         | 3,059.00                       | 9,819.00                          | 9,819.00  |
|     | <b>Subtotal - MAssO</b>                                  |  |  |                           |           | <b>40,358.00</b>     |                     |                           |                          |  | <b>35,317.00</b> | <b>5,041.00</b>                | <b>40,358.00</b>                  | <b>40,358.00</b>  |
|     | <b>SANGGUNIAN BAYAN OFFICE</b>                           |  |  |                           |           |                      |                     |                           |                          |  |                  |                                |                                   |   |
| 8   | Gina Patling   | SB Secretary<br><b>SBO</b>                 | Seminar Quezon City (Jun. 12-17)   | 06/07/16                  | 54189301  | 15,321.00            | 06/17/16            | 07/17/16                  | 07/22/16                 | 5  | 15,321.00        |                                | 15,321.00                         | 15,321.00   |
| 9   | Gina Patling   | SB Secretary<br><b>SBO</b>                 | Seminar Bacolod (Oct. 11 - 15)   | 10/10/16                  | 54190020  | 16,069.00            | 10/15/16            | 11/14/16                  | 11/21/16                 | 7  | 16,069.00        |                                | 16,069.00                         | 16,069.00   |
| 10  | Lloyd Cataring   | Admin. Off. IV<br><b>SBO</b>               | Seminar Pampanga (Oct. 4-7)  | 09/21/16                  | 54189913  | 10,695.00            | 10/07/16            | 11/06/16                  | 12/23/16                 | 47   | 9,398.00         | 1,297.00                       | 10,695.00                         | 10,695.00   |
|     | <b>Subtotal - SBO</b>                                    |  |  |                           |           | <b>42,085.00</b>     |                     |                           |                          |  | <b>40,788.00</b> | <b>1,297.00</b>                | <b>42,085.00</b>                  | <b>42,085.00</b>  |

| No. | GRANT DETAILS                                       |                                   |  |                           |           |                      | LIQUIDATION DETAILS |                           |                          |  |                 |                                |                                   |   |
|-----|---|-----------------------------------|--|---------------------------|-----------|----------------------|---------------------|---------------------------|--------------------------|--|-----------------|--------------------------------|-----------------------------------|---|
|     | Name of Accountable Officer                         | Position / Office                 | Purpose of Cash Advance  | Date Granted / Check Date | Check No. | Amount of CA Granted | Date of Arrival     | Target Date of Settlement | Date of Final Settlement | No. of Days Outstanding Beyond Required Liq'n Date | Actual Expenses | Refunded / (Reimbursed) Amount | Total Amount Settled / Liquidated | Liquidated Beyond Prescribed Period COA Circular No. 97-002 |
|     | MUNICIPAL CIVIL REGISTRY                            |                                   |  |                           |           |                      |                     |                           |                          |  |                 |                                |                                   |   |
| 11  | Rhodeliza V. Peñarroyo                              | Mun. Civil Registrar / <b>MCR</b> | to attend National Convention of Civil Registry Personnel nd Partners in Civil Registration; 04/13-08/16; SMX Convention Center, Lanang, Davao City                | 03/18/16                  | 51305866  | 26,904.00            | 04/08/16            | 05/08/16                  | 05/10/16                 | 2  | 21,084.06       | 5,819.94                       | 26,904.00                         | 26,904.00   |
| 12  | Rhodeliza V. Peñarroyo                              | Mun. Civil Registrar / <b>MCR</b> | Seminar Mansalay (Nov. 24-25)  | 11/23/16                  | 54190260  | 3,475.00             | 11/25/16            | 12/25/16                  | 12/30/16                 | 5  | 3,475.00        |                                | 3,475.00                          | 3,475.00  |
| 13  | Riza M. Serrano                                     | Admin. Asst. II <b>MCR</b>        | to attend Training on Revised IRR of RA 9255; 05/15-18/16; Sikatuna Beach Hotel, San Jose, Occ. Mdo.   | 05/13/16                  | 51306173  | 7,360.00             | 05/18/16            | 06/17/16                  | 07/13/16                 | 26   | 5,590.00        | 1,770.00                       | 7,360.00                          | 7,360.00  |
|     | Subtotal - MCR                                      |                                   |  |                           |           | 37,739.00            |                     |                           |                          |  | 30,149.06       | 7,589.94                       | 37,739.00                         | 37,739.00   |
|     | MUNICIPAL DISASTER RISK REDUCTION MANAGEMENT OFFICE |                                   |  |                           |           |                      |                     |                           |                          |  |                 |                                |                                   |   |
| 14  | Joery M. Geroleo                                    | LDRRMO III / <b>MDRRMO</b>        | to attend 12th CBMS Phil. National Conference; 02/28-03/02/16; Crown Plaza Manila Galleria, Quezon City  | 02/24/16                  | 51305751  | 8,010.00             | 03/02/16            | 04/01/16                  | 04/18/16                 | 17   | 7,219.00        | 791.00                         | 8,010.00                          | 8,010.00  |
| 15  | Joery M. Geroleo                                    | LDRRMO III / <b>MDRRMO</b>        | Seminar Manila (Aug. 29 - Sep. 2)  | 08/24/16                  | 54189746  | 9,715.00             | 09/02/16            | 10/02/16                  | 10/17/16                 | 15   | 9,715.00        |                                | 9,715.00                          | 9,715.00  |
|     | Subtotal - MDRRMO                                   |                                   |  |                           |           | 17,725.00            |                     |                           |                          |  | 16,934.00       | 791.00                         | 17,725.00                         | 17,725.00   |
|     | MUNICIPAL AGRICULTURAL OFFICE                       |                                   |  |                           |           |                      |                     |                           |                          |  |                 |                                |                                   |   |
| 16  | Rosalinda Fontanilla                                | Agri. Tech / <b>MAgO</b>          | Seminar Dagupan City (Aug.22-25)   | 08/09/16                  | 54189627  | 6,334.00             | 08/25/16            | 09/24/16                  | 11/24/16                 | 61   | 6,334.00        |                                | 6,334.00                          | 6,334.00  |
| 17  | Zenaida D. Villanueva                               | Agriculturist II <b>MAgO</b>      | to attend Training Workshop on Ecological Profiling and Conducting Climate Change and Disaster Risk Assessment; 08/27-09/02/16; Lotus Garden Hotel, Ermita, Manila | 08/26/16                  | 54189778  | 9,715.00             | 09/02/16            | 10/02/16                  | 11/08/16                 | 37   | 9,194.00        | 521.00                         | 9,715.00                          | 9,715.00  |
|     | Subtotal - MAgO                                     |                                   |  |                           |           | 16,049.00            |                     |                           |                          |  | 15,528.00       | 521.00                         | 16,049.00                         | 16,049.00   |

| No. | GRANT DETAILS                                      |                                    |  |                           |           |                      | LIQUIDATION DETAILS |                           |                          |  |                 |                                |                                   |   |
|-----|--|------------------------------------|--|---------------------------|-----------|----------------------|---------------------|---------------------------|--------------------------|--|-----------------|--------------------------------|-----------------------------------|---|
|     | Name of Accountable Officer                        | Position / Office                  | Purpose of Cash Advance  | Date Granted / Check Date | Check No. | Amount of CA Granted | Date of Arrival     | Target Date of Settlement | Date of Final Settlement | No. of Days Outstanding Beyond Required Liq'n Date | Actual Expenses | Refunded / (Reimbursed) Amount | Total Amount Settled / Liquidated | Liquidated Beyond Prescribed Period COA Circular No. 97-002 |
|     | HUMAN RESOURCE MANAGEMENT OFFICE                   |                                    |  |                           |           |                      |                     |                           |                          |  |                 |                                |                                   |   |
| 18  | Rowena Bugarin                                     | HRMO I / HRMO                      | HRMO I / HRMO  | 11/10/16                  | 54190186  | 15,850.00            | 11/26/16            | 12/26/16                  | 12/28/16                 | 2  | 15,850.00       |                                | 15,850.00                         | 15,850.00   |
|     | Subtotal - HRMO                                    |                                    |  |                           |           | 15,850.00            |                     |                           |                          |  | 15,850.00       | 0.00                           | 15,850.00                         | 15,850.00   |
|     | MUNICIPAL TREASURER'S OFFICE                       |                                    |  |                           |           |                      |                     |                           |                          |  |                 |                                |                                   |   |
| 19  | Arleen B. Gutierrez                                | Mun. Treas. / MTO                  | to attend PHLATRA 83rd Annual National Convention and Seminar Workshop; 02/22-27/16; SMX Convention Center, Pasav Citv   | 02/05/16                  | 51305688  | 13,950.00            | 02/27/16            | 03/28/16                  | 03/31/16                 | 3  | 10,741.00       | 3,209.00                       | 13,950.00                         | 13,950.00   |
|     | Subtotal - MTO                                     |                                    |  |                           |           | 13,950.00            |                     |                           |                          |  | 10,741.00       | 3,209.00                       | 13,950.00                         | 13,950.00   |
|     | MUNICIPAL ENVIRONMENTAL & NATURAL RESOURCES OFFICE |                                    |  |                           |           |                      |                     |                           |                          |  |                 |                                |                                   |   |
| 20  | Melvin D. Bacay                                    | MENRO Desig. MENRO                 | to attend Training Workshop on Ecological Profiling and Conducting Climate Change and Disaster Risk Assessment; 08/27-09/02/16; Lotus Garden Hotel, Ermita, Manila | 08/24/16                  | 54189744  | 9,715.00             | 09/02/16            | 10/02/16                  | 10/05/16                 | 3  | 9,434.00        | 281.00                         | 9,715.00                          | 9,715.00  |
|     | Subtotal - MENRO                                   |                                    |  |                           |           | 9,715.00             |                     |                           |                          |  | 9,434.00        | 281.00                         | 9,715.00                          | 9,715.00  |
|     | SLAUGHTER HOUSE                                    |                                    |  |                           |           |                      |                     |                           |                          |  |                 |                                |                                   |   |
| 21  | Mario Martinez                                     | Meat Inspector I / Slaughter House | to attend Meat Inspector Congress; 10/09-12/16; Icon Hotel, North Edsa, Quezon City  | 10/04/16                  | 54189983  | 9,330.00             | 10/13/16            | 11/12/16                  | 11/16/16                 | 4  | 9,035.00        | 295.00                         | 9,330.00                          | 9,330.00  |
|     | Subtotal - Slaughter House                         |                                    |  |                           |           | 9,330.00             |                     |                           |                          |  | 9,035.00        | 295.00                         | 9,330.00                          | 9,330.00  |
|     | MUNICIPAL PLANNING & DEVELOPMENT OFFICE            |                                    |  |                           |           |                      |                     |                           |                          |  |                 |                                |                                   |   |
| 22  | Raquelita Umali                                    | MPDO Designate MPDO                | Seminar Quezon City (Nov. 22-25)   | 11/21/16                  | 54190237  | 8,354.00             | 11/25/16            | 12/25/16                  | 12/30/16                 | 5  | 8,354.00        |                                | 8,354.00                          | 8,354.00  |
|     | Subtotal - MPDO                                    |                                    |  |                           |           | 8,354.00             |                     |                           |                          |  | 8,354.00        | 0.00                           | 8,354.00                          | 8,354.00  |
|     | TOTAL  |                                    |  |                           |           | 263,803.00           |                     |                           |                          |  | 244,778.06      | 19,024.94                      | 263,803.00                        | 263,803.00  |

Municipality of Naujan  
**AUDIT OF CASH ADVANCES**  
**Cash Advances Granted Despite Non-Liquidation of Previous Cash Advance**  
 CY 2016

| Item No. | Name of Accountable Officer | Position / Designation | Purpose of Cash Advance  | GRANT                     |           |                      | LIQUIDATIONS / SETTLEMENTS |                           |
|----------|-----------------------------|------------------------|--|---------------------------|-----------|----------------------|----------------------------|---------------------------|
|          |                             |                        |  | Date Granted / Check Date | Check No. | Amount of CA Granted | Date of Arrival (For TEV)  | Date Liquidated / Settled |
| A        | Marion Marcos               | SB Member              | Seminar Cebu City (Oct. 19-23)   | 10/13/16                  | 54190060  | 27,823.00            | 10/23/16                   | 11/16/16                  |
| 1        | Marion Marcos               | SB Member              | Seminar Davao City (Nov. 9-12)   | 11/04/16                  | 54190148  | 18,294.96            | 11/12/16                   | 12/01/16                  |
| 2        | Marion Marcos               | SB Member              | Seminar Tagaytay City (Nov. 24-26)   | 11/23/16                  | 54190275  | 11,300.00            | 11/26/16                   | 12/05/16                  |
| 3        | Marion Marcos               | SB Member              | Seminar Pasay City (Dec. 5-7)  | 12/02/16                  | 54190319  | 13,594.00            | 12/07/16                   | 12/27/16                  |
| B        | Virgilio A. Anonuevo        | Mun. Assessor MAssO    | Seminar Palawan (June 19-24)   | 06/06/16                  | 51306294  | 20,220.00            | 06/24/16                   | 10/03/16                  |
| 4        | Virgilio A. Anonuevo        | Mun. Assessor MAssO    | to attend SMV Updating and Conducting of GRA Training and Workshop; 08/17-19/16; Pinamalayan, Or. Mdo.   | 08/10/16                  | 54189640  | 5,670.00             | 08/19/16                   | 08/24/16                  |
| C        | Gina Patling                | SB Secretary SBO       | Seminar Palawan (Apr. 4-10)  | 03/31/16                  | 51305902  | 19,691.69            | 04/04/16                   | 06/27/16                  |
| 5        | Gina Patling                | SB Secretary SBO       | Seminar Quezon City (Jun. 12-17)   | 06/07/16                  | 54189301  | 15,321.00            | 06/17/16                   | 07/22/16                  |
| D        | Precy Olmos                 | Mun. Engr. MEO         | to attend SMV Updating and Conducting of GRA Training and Workshop; 08/17-19/16; Pinamalayan, Or. Mdo.   | 08/10/16                  | 54189643  | 5,030.00             | 08/16/16                   | 09/06/16                  |
| 6        | Precy Olmos                 | Mun. Engr. MEO         | to attend Training Workshop on Ecological Profiling and Conducting Climate Change and Disaster Risk Assessment; 08/27-09/04/16; Lotus Garden Hotel, Ermita, Manila | 08/24/16                  | 54189749  | 9,645.00             | 09/02/16                   | 09/14/16                  |

| Municipality of Naujan   |                               |              |               |                   |                 |                |                  |                                    |
|--|-------------------------------|--------------|---------------|-------------------|-----------------|----------------|------------------|------------------------------------|
| List of Market Stall Owners with unpaid rent as of December 31, 2016 |                               |              |               |                   |                 |                |                  |                                    |
| as per record of Municipal Treasurer's Office                        |                               |              |               |                   |                 |                |                  |                                    |
| Stall no.  | Stall owner                   | Unpaid Rent  |               |                   |                 |                | Total amount due | Remarks                            |
|  |                               | Rate per mo. | No. of months | Total unpaid rent | Rate of Penalty | Total Penalty* |                  |                                    |
| A. Grains Section  |                               |              |               |                   |                 |                |                  |                                    |
| 1  | Pilar De Ramos                | 1,110.00     | 2             | 2,220.00          | 0.25            | 555.00         | 2,775.00         | unpaid on March and Aug. 2016      |
| 2  | Sevilla Bool                  | 710.00       | 5             | 3,550.00          | 0.25            | 887.50         | 4,437.50         | unpaid on January to May 2016      |
| 15   | Delsa Casañas                 | 710.00       | 12            | 8,520.00          | 0.25            | 2,130.00       | 10,650.00        | unpaid from Jan. To Dec. 2016      |
| 19   | Rizalie Aceveda               | 710.00       | 1             | 710.00            | 0.25            | 177.50         | 887.50           | unpaid on September 2016           |
| B. Fast Food Section   |                               |              |               |                   |                 |                |                  |                                    |
|  | Blue Aceremo                  | 680.00       | 9             | 6,120.00          | 0.25            | 1,530.00       | 7,650.00         | unpaid from April to Dec. 2016     |
| B. Grocery Section   |                               |              |               |                   |                 |                |                  |                                    |
| 11   | Mutya Eborá                   | 710.00       | 1             | 710.00            | 0.25            | 177.50         | 887.50           | unpaid on May 2016                 |
| 18-19  | Geli Castillo                 | 710.00       | 1             | 710.00            | 0.25            | 177.50         | 887.50           | unpaid on Feb. 2016                |
| 39-40  | Normelita Godoy               | 1,500.00     | 4             | 6,000.00          | 0.25            | 1,500.00       | 7,500.00         | unpaid from Sept. to Dec. 2016     |
| C. Fruits and Vegetable Section                                      |                               |              |               |                   |                 |                |                  |                                    |
| 2-3  | Lina Garcia/Carolina          | 540.00       | 1             | 540.00            | 0.25            | 135.00         | 675.00           | unpaid on Dec. 2016                |
| 9-10   | Myrna Batala                  | 540.00       | 12            | 6,480.00          | 0.25            | 1,620.00       | 8,100.00         | unpaid from Jan. to Dec. 2016      |
| 13-14  | Editha Suarez/Mischel Dilay   | 540.00       | 1             | 540.00            | 0.25            | 135.00         | 675.00           | unpaid on May 2016                 |
| 16   | Daisy Trinidad                | 270.00       | 14            | 3,780.00          | 0.25            | 945.00         | 4,725.00         | unpaid from Nov. 2015 to Dec. 2016 |
| 18-19  | Norma Landicho                | 540.00       | 8             | 4,320.00          | 0.25            | 1,080.00       | 5,400.00         | unpaid from May to Dec. 2016       |
| D. Wet Section   |                               |              |               |                   |                 |                |                  |                                    |
| 1  | Plaridel Merhan               | 225.00       | 1             | 225.00            | 0.25            | 56.25          | 281.25           | unpaid on Dec. 2016                |
| 2  | Elsa Dimalibot                | 225.00       | 24            | 5,400.00          | 0.25            | 1,350.00       | 6,750.00         | unpaid from Jan. 2015 to Dec. 2016 |
| 3  | Neijay Cuenca                 | 225.00       | 14            | 3,150.00          | 0.25            | 787.50         | 3,937.50         | unpaid from Nov. 2015 to Dec. 2016 |
| 6  | Norelie Aceremo               | 225.00       | 24            | 5,400.00          | 0.25            | 1,350.00       | 6,750.00         | unpaid from Jan. 2015 to Dec. 2016 |
| 8  | Marilyn Masangkay             | 225.00       | 1             | 225.00            | 0.25            | 56.25          | 281.25           | unpaid on Aug. 2016                |
| 9  | Rosalia Sabat                 | 225.00       | 1             | 225.00            | 0.25            | 56.25          | 281.25           | unpaid on April 2016               |
| 13   | Juliet Manalaysay             | 225.00       | 17            | 3,825.00          | 0.25            | 956.25         | 4,781.25         | unpaid from Aug. 2015 to Dec. 2016 |
| 14   | Rona Sanchez                  | 225.00       | 24            | 5,400.00          | 0.25            | 1,350.00       | 6,750.00         | unpaid from Jan. 2015 to Dec. 2016 |
| 16   | Teresita Bon                  | 225.00       | 2             | 450.00            | 0.25            | 112.50         | 562.50           | unpaid from Nov. to Dec. 2016      |
| 17   | Plaridel Merhan               | 225.00       | 24            | 5,400.00          | 0.25            | 1,350.00       | 6,750.00         | unpaid from Jan. 2015 to Dec. 2016 |
| 21   | Gina Aceveda                  | 225.00       | 19            | 4,275.00          | 0.25            | 1,068.75       | 5,343.75         | unpaid from Jan. 2015 to Dec. 2016 |
| 22   | Erlita Torres                 | 225.00       | 2             | 450.00            | 0.25            | 112.50         | 562.50           | unpaid on March and Aug. 2016      |
| 25   | Jaymark Macalalad/Jaime Bacay | 225.00       | 1             | 225.00            | 0.25            | 56.25          | 281.25           | unpaid on Aug. 2016                |
| 26   | Mary Grace Lumanglas          | 225.00       | 12            | 2,700.00          | 0.25            | 675.00         | 3,375.00         | unpaid from Jan. to Dec. 2016      |
| 32   | Teresita Casañas              | 225.00       | 12            | 2,700.00          | 0.25            | 675.00         | 3,375.00         | unpaid from Jan. to Dec. 2016      |
| 33   | Melvin Bacay                  | 225.00       | 11            | 2,475.00          | 0.25            | 618.75         | 3,093.75         | unpaid from Feb. to Dec. 2016      |

| Stall no.                   | Stall owner                    | Rate per mo. | No. of months | Total unpaid rent | Rate of Penalty | Total Penalty*   | Total amount due  | Remarks   |
|-----------------------------|--------------------------------|--------------|---------------|-------------------|-----------------|------------------|-------------------|---|
| 36                          | Rosemarie Adargo               | 225.00       | 12            | 2,700.00          | 0.25            | 675.00           | 3,375.00          | unpaid from Dec. 2015 to May 2016 and July to Dec. 2016 |
| 38                          | Ric Basa                       | 225.00       | 1             | 225.00            | 0.25            | 56.25            | 281.25            | unpaid on Dec. 2016                                     |
| 39                          | Raymundo Mendoza/Jeffrey Mende | 225.00       | 9             | 2,025.00          | 0.25            | 506.25           | 2,531.25          | unpaid from April to Dec. 2016                          |
| 40                          | Ferdinand Pante                | 225.00       | 1             | 225.00            | 0.25            | 56.25            | 281.25            | unpaid on April 2016                                    |
| <b>E. Dry Goods Section</b> |                                |              |               |                   |                 |                  |                   |   |
| 1-2                         | Marilyn Maderazo               | 1,500.00     | 1             | 1,500.00          | 0.25            | 375.00           | 1,875.00          | unpaid on Feb. 2016                                     |
| 3                           | Nelia Cuenca                   | 710.00       | 1             | 710.00            | 0.25            | 177.50           | 887.50            | unpaid on June 2016                                     |
| 4                           | Nelia Cuenca                   | 710.00       | 12            | 8,520.00          | 0.25            | 2,130.00         | 10,650.00         | unpaid from Jan. to Dec. 2016                           |
| 12                          | Elita Reynoso                  | 710.00       | 1             | 710.00            | 0.25            | 177.50           | 887.50            | unpaid on May 2016                                      |
| 19                          | Chona Martinez                 | 710.00       | 24            | 17,040.00         | 0.25            | 4,260.00         | 21,300.00         | unpaid from Jan. 2015 to Dec. 2016                      |
| 20                          | Michelle Nerona Lemos          | 710.00       | 24            | 17,040.00         | 0.25            | 4,260.00         | 21,300.00         | unpaid from Jan. 2015 to Dec. 2016                      |
| <b>Total</b>                |                                |              |               | <b>137,420.00</b> |                 | <b>34,355.00</b> | <b>171,775.00</b> |   |

*Total Penalty = Total Unpaid Rent x Rate of Penalty*

Municipality of Naujan  
**CLAIMS MADE THROUGH REIMBURSEMENT BASIS**  
 CY 2016

| Date                  | Check No. | Payee                    | Credit    |
|-----------------------|-----------|--------------------------|-----------|
| <b>MOBILE EXPENSE</b> |           |                          |           |
| 01/07/16              | 51305529  | Great delos Reyes        | 23,221.00 |
| 01/07/16              | 51305531  | Abstenencia de Guzman    | 8,382.28  |
| 01/07/16              | 51305544  | Edgar Ibrahim Lllamar    | 17,574.00 |
| 01/15/16              | 51305572  | Eduardo Tubieron         | 7,700.00  |
| 04/04/16              | 51305924  | Henry Joel Teves         | 3,200.00  |
| 04/07/16              | 51305952  | Atty Mark Marcos         | 5,221.00  |
| 04/07/16              | 51305953  | Mary Jean Manalo         | 4,500.00  |
| 04/08/16              | 51305968  | Arleen Gutierrez         | 2,500.00  |
| 04/11/16              | 51305977  | Richen del Mundo         | 1,500.00  |
| 04/11/16              | 51305977  | Richen del Mundo         | 1,500.00  |
| 04/12/16              | 51305983  | Jeofel Ylagan            | 2,233.00  |
| 04/14/16              | 51305995  | Angel Navarro            | 7,013.00  |
| 04/14/16              | 51305996  | Lilia Tamares            | 2,349.00  |
| 04/14/16              | 51306001  | Candido Melgar Jr.       | 2,500.00  |
| 04/14/16              | 51306002  | Leo de Villa             | 2,500.00  |
| 04/14/16              | 51306003  | Jojo de Villa            | 1,439.00  |
| 04/18/16              | 51306011  | Sheryl Morales           | 2,500.00  |
| 04/18/16              | 51306012  | Gina Patling             | 2,500.00  |
| 04/18/16              | 51306013  | Deo dela Paz             | 2,500.00  |
| 04/18/16              | 51306018  | Honorata Manongsong      | 2,741.00  |
| 04/19/16              | 51306023  | Leo de Villa             | 2,500.00  |
| 04/22/16              | 51306034  | May Manibo               | 1,302.00  |
| 04/29/16              | 51306074  | Henry Joel Teves         | 3,200.00  |
| 04/29/16              | 51306075  | Mara Edamzel Dudas       | 5,000.00  |
| 05/03/16              | 51306103  | Virgilio Anonuevo        | 2,500.00  |
| 05/04/16              | 51306124  | Rhodeliza Penarroyo      | 2,053.00  |
| 05/06/16              | 51306133  | Atty Mark Marcos         | 5,719.00  |
| 05/10/16              | 51306153  | Raquelita Umali          | 4,145.00  |
| 05/10/16              | 51306154  | Cromwell Gozar           | 3,000.00  |
| 05/10/16              | 51306155  | Aivy Hernandez           | 1,135.00  |
| 05/11/16              | 51306166  | Gina Patling             | 2,500.00  |
| 05/11/16              | 51306167  | Richen Merbert del Mundo | 1,500.00  |
| 05/13/16              | 51306174  | Arleen Gutierrez         | 2,500.00  |
| 05/13/16              | 51306178  | Precy Olmos              | 2,500.00  |
| 05/13/16              | 51306178  | Precy Olmos              | 2,500.00  |
| 05/16/16              | 51306187  | Lilia Tamares            | 2,336.50  |
| 05/16/16              | 51306189  | Richen Merbert del Mundo | 1,500.00  |
| 05/17/16              | 51306201  | Virgilio Anonuevo        | 2,500.00  |
| 05/23/16              | 51306228  | Sheryl Morales           | 2,500.00  |
| 05/23/16              | 51306229  | Candido Melgar Jr.       | 2,500.00  |
| 05/24/16              | 51306231  | Joefel Ylagan            | 2,243.00  |
| 05/31/16              | 51306254  | Atty. Mark Marcos        | 5,780.00  |

| Date     | Check No. | Payee                    | Credit    |
|----------|-----------|--------------------------|-----------|
| 06/01/16 | 51306275  | Wilson Viray             | 10,000.00 |
| 06/01/16 | 51306276  | Jojo de Villa            | 3,821.00  |
| 06/01/16 | 51306277  | Leo de Villa             | 2,500.00  |
| 06/01/16 | 51306278  | Deogracias dela Paz      | 2,500.00  |
| 06/03/16 | 51306290  | Lilia Tamares            | 2,339.00  |
| 06/08/16 | 54189310  | Henry Joel Teves         | 3,200.00  |
| 06/08/16 | 54189311  | Gina Patling             | 2,500.00  |
| 06/08/16 | 54189312  | Candido Melgar Jr.       | 2,500.00  |
| 06/08/16 | 54189313  | Sheryl Morales           | 2,500.00  |
| 06/10/16 | 54189320  | Rhodeliza Penarroyo      | 2,485.00  |
| 06/14/16 | 54189332  | Arleen Gutierrez         | 2,500.00  |
| 06/14/16 | 54189333  | Joefel Ylagan            | 2,328.00  |
| 06/14/16 | 54189334  | Angel Navarro            | 4,105.00  |
| 06/21/16 | 54189373  | Rhodeliza Penarroyo      | 2,208.00  |
| 06/28/16 | 54189402  | Precy Olmos              | 2,500.00  |
| 06/29/16 | 54189404  | RM del Mundo             | 3,000.00  |
| 06/29/16 | 54189407  | Mara Edamzel Dudas       | 5,000.00  |
| 06/29/16 | 54189408  | Leo de Villa             | 2,500.00  |
| 06/29/16 | 54189410  | Atty. Mark Marcos        | 5,912.00  |
| 07/01/16 | 54189414  | Rhodeliza Penarroyo      | 2,115.00  |
| 07/04/16 | 54189429  | Virgilio Anonuevo        | 2,500.00  |
| 07/04/16 | 54189430  | Melvin Bacay             | 700.00    |
| 07/04/16 | 54189430  | Melvin Bacay             | 1,157.00  |
| 07/07/16 | 54189455  | Sheryl Morales           | 2,500.00  |
| 07/11/16 | 54189458  | Joefel Ylagan            | 2,251.00  |
| 07/11/16 | 54189463  | Raquelita Umali          | 2,500.00  |
| 07/13/16 | 54189466  | Leo de Villa             | 2,499.00  |
| 07/15/16 | 54189474  | Gina Patling             | 2,488.00  |
| 07/19/16 | 54189483  | Lila Tamares             | 2,415.00  |
| 07/21/16 | 54189498  | Arleen Gutierrez         | 2,500.00  |
| 07/21/16 | 54189500  | Precy Olmos              | 2,500.00  |
| 07/22/16 | 54189518  | Jojo de Villa            | 4,632.00  |
| 07/27/16 | 54189548  | Richen Merbert del Mundo | 1,500.00  |
| 07/27/16 | 54189553  | Virgilio Anonuevo        | 2,500.00  |
| 07/27/16 | 54189554  | Carina Corro             | 16,331.00 |
| 08/05/16 | 54189590  | Candido Melgar, Jr       | 2,500.00  |
| 08/08/16 | 54189591  | Sheryl B Morales         | 2,500.00  |
| 08/08/16 | 54189596  | Joefel C Ylagan          | 2,500.00  |
| 08/11/16 | 54189669  | Gina DC Patling          | 2,500.00  |
| 08/15/16 | 54189679  | Raquelita Umali          | 2,500.00  |
| 08/16/16 | 54189693  | Rhodeliza Penarroyo      | 2,500.00  |
| 08/19/16 | 54189722  | Abstencion de Guzman     | 19,300.00 |
| 08/22/16 | 54189726  | Great M delos Reyes      | 14,636.00 |
| 08/22/16 | 54189727  | Lilia M Tamares          | 2,500.00  |
| 08/24/16 | 54189760  | Dein Z Arago             | 2,025.00  |
| 08/24/16 | 54189761  | Cromwell H Gozar         | 4,500.00  |
| 09/01/16 | 54189788  | Gina DC Patling          | 2,500.00  |
| 09/01/16 | 54189789  | Edgar Ibrahim Lllamar    | 12,653.00 |

| Date     | Check No. | Payee                 | Credit   |
|----------|-----------|-----------------------|----------|
| 09/01/16 | 54189790  | Precy Olmos           | 2,500.00 |
| 09/05/16 | 54189795  | Virgilio A Añonuevo   | 2,500.00 |
| 09/05/16 | 54189843  | Alexandra Casubuan    | 3,084.00 |
| 09/06/16 | 54189863  | Atty. Mark N Marcos   | 7,108.00 |
| 09/08/16 | 54189870  | Mary Jean Manalo,MD   | 8,643.00 |
| 09/14/16 | 54189889  | Arleen B Gutierrez    | 2,500.00 |
| 09/21/16 | 54189915  | Lilia Tamares         | 2,500.00 |
| 09/21/16 | 54189916  | Carina A Corro        | 5,000.00 |
| 09/21/16 | 54189917  | Rhodeliza Penarroyo   | 2,500.00 |
| 09/21/16 | 54189920  | Raquelita Umali       | 2,118.00 |
| 09/21/16 | 54189922  | Daniel Arteza         | 2,900.00 |
| 09/21/16 | 54189923  | D. dela Paz, IV       | 4,634.00 |
| 09/22/16 | 54189942  | Sheryl Morales        | 3,081.00 |
| 09/22/16 | 54189943  | Marion Francis Marcos | 4,248.00 |
| 09/22/16 | 54189944  | Vilma D Vargas        | 3,705.00 |
| 09/26/16 | 54189952  | Virgilio A Anonuevo   | 2,500.00 |
| 09/26/16 | 54189955  | Drin Z Arago          | 2,022.00 |
| 09/28/16 | 54189972  | Atty. Mark N Marcos   | 2,825.00 |
| 10/10/16 | 54190021  | Neil C Bermudez       | 3,185.00 |
| 10/11/16 | 54190043  | Sheryl B Morales      | 3,200.00 |
| 10/12/16 | 54190045  | Melvin Bacay          | 2,100.00 |
| 10/12/16 | 54190057  | Alexandra Casubuan    | 2,499.00 |
| 10/17/16 | 54190062  | Raquelita Umali       | 2,500.00 |
| 10/17/16 | 54190063  | Cromwell Gozar        | 3,000.00 |
| 10/17/16 | 54190073  | Aivy O Hernandez      | 2,561.00 |
| 10/18/16 | 54190075  | Gina DC Patling       | 2,500.00 |
| 10/19/16 | 54190078  | Candido Melgar, Jr    | 5,000.00 |
| 10/24/16 | 54190104  | Arleen B Gutierrez    | 2,500.00 |
| 10/25/16 | 54190105  | Vilma D Vargas        | 2,500.00 |
| 10/25/16 | 54190106  | Daniel Arteza         | 2,500.00 |
| 10/25/16 | 54190108  | Precy Olmos           | 2,500.00 |
| 10/28/16 | 54190114  | Atty. Mark N Marcos   | 4,544.00 |
| 11/02/16 | 54190125  | Virgilio Anonuevo     | 2,500.00 |
| 11/04/16 | 54190152  | Lilia M Tamares       | 2,500.00 |
| 11/16/16 | 54190206  | Gina Patling          | 2,500.00 |
| 11/16/16 | 54190207  | Alexandra Casubuan    | 2,500.00 |
| 11/16/16 | 54190208  | Candido Melgar, Jr    | 2,500.00 |
| 11/16/16 | 54190209  | Dein Z Arago          | 2,156.00 |
| 11/16/16 | 54190210  | Precy Olmos           | 2,500.00 |
| 11/16/16 | 54190211  | Lilia M Tamares       | 2,432.00 |
| 11/16/16 | 54190213  | Rhodeliza Penarroyo   | 2,500.00 |
| 11/17/16 | 54190220  | Deogracias delaPaz,IV | 7,057.00 |
| 11/23/16 | 54190269  | Raquelita Umali       | 2,500.00 |
| 12/01/16 | 54190292  | Honorata Manongsong   | 2,100.00 |
| 12/06/16 | 54190340  | Atty. Mark N Marcos   | 5,788.00 |
| 12/06/16 | 54190343  | Virgilio A Añonuevo   | 2,500.00 |
| 12/06/16 | 54190344  | Rhodeliza Penarroyo   | 2,500.00 |
| 12/07/16 | 54190356  | Carina A. Corro       | 7,500.00 |

| Date                               | Check No. | Payee                              | Credit            |
|------------------------------------|-----------|------------------------------------|-------------------|
| 12/09/16                           | 54190388  | Sheryl B Morales                   | 3,200.00          |
| 12/12/16                           | 54190414  | Alexandra Casubuan                 | 2,499.00          |
| 12/12/16                           | 54190415  | Dein Z Arago                       | 2,500.00          |
| 12/12/16                           | 54190416  | Daniel Arteza                      | 2,500.00          |
| 12/12/16                           | 54190417  | Vilma Vvargas                      | 2,500.00          |
| 12/13/16                           | 54190425  | Aivy Hernandez                     | 2,209.00          |
| 12/13/16                           | 54190426  | Neneth P Gaba                      | 2,400.00          |
| 12/15/16                           | 54190446  | Eduardo Tubieron                   | 6,824.00          |
| 12/15/16                           | 54190447  | Abstenencia de Guzman              | 9,997.00          |
| 12/19/16                           | 54190470  | Angel NAvarro                      | 9,600.00          |
| 12/21/16                           | 54190509  | CAndidoMelgar,Jr                   | 2,500.00          |
| 12/21/16                           | 54190510  | Jun S Bugarin                      | 5,288.00          |
| 12/21/16                           | 54190511  | Neil C Bermudez                    | 7,500.00          |
| 12/21/16                           | 54190512  | Deogracias U dela Paz IV           | 5,000.00          |
| 12/21/16                           | 54190513  | Gina Patling                       | 2,500.00          |
| 12/21/16                           | 54190514  | Vilma Vargas                       | 2,500.00          |
| 12/21/16                           | 54190515  | Daniel Arteza                      | 2,500.00          |
| 12/21/16                           | 54190520  | Sheryl B Morales                   | 32,000.00         |
| 12/21/16                           | 54190523  | Melvin Bacay                       | 2,100.00          |
| <b>Subtotal - Mobile Expense</b>   |           |                                    | <b>617,193.78</b> |
| <b>INTERNET EXPENSE</b>            |           |                                    |                   |
| 01/07/16                           | 51305531  | Abstenencia de Guzman              | 4,992.25          |
| 04/14/16                           | 51306008  | Raquelita Umali                    | 1,000.00          |
| 05/06/16                           | 51306135  | Raquelita Umali                    | 1,000.00          |
| 05/06/16                           | 51306136  | Mary Jean Manalo                   | 1,460.00          |
| 05/06/16                           | 51306136  | Mary Jean Manalo                   | 2,263.00          |
| 07/11/16                           | 54189463  | Raquelita Umali                    | 1,000.00          |
| 08/16/16                           | 54189697  | Arleen B. Gutierrez                | 999.00            |
| 08/22/16                           | 54189728  | A de Guzman                        | 6,492.00          |
| 09/05/16                           | 54189796  | Mary Jean Manalo                   | 3,897.00          |
| 12/20/16                           | 54190491  | Abstenencia de Guzman              | 4,695.00          |
| <b>Subtotal - Internet Expense</b> |           |                                    | <b>27,798.25</b>  |
| <b>OTHER EXPENSES</b>              |           |                                    |                   |
| 10/24/16                           | 54190085  | Neneth P Gaba-print cards          | 7,578.00          |
| 08/01/16                           | 54189563  | Joefel C Ylagan-other supplies     | 2,500.00          |
| 09/27/16                           | 54189960  | Neneth P Gaba-other supplies       | 4,800.00          |
| 09/28/16                           | 54189973  | Neneth P Gaba-other supplies       | 4,950.00          |
| 10/13/16                           | 54190058  | Neneth P. Gaba-various spare parts | 13,308.00         |
| 11/14/16                           | 54190195  | Neneth P Gaba-various expenses     | 21,116.00         |
| <b>Subtotal - Other Expenses</b>   |           |                                    | <b>54,252.00</b>  |
| <b>GRAND TOTAL</b>                 |           |                                    | <b>699,244.03</b> |