



Republic of the Philippines  
City of Bago  
OFFICE OF THE SANGGUNIANG PANLUNGSOD

**EXCERPTS FROM THE MINUTES OF THE 1772<sup>nd</sup> REGULAR SESSION OF THE SANGGUNIANG PANLUNGSOD OF THE CITY OF BAGO HELD ON JUNE 2, 2015 AT THE SP SESSION HALL, BAGO CITY.**

**PRESENT:**

HON. NICHOLAS M. YULO	City Vice Mayor-Presiding Officer
HON. ANDREW MARTIN Y. TORRES	SP Member
HON. MA. JOSEFA Y. MATTI	SP Member
HON. FEDERICO A. MATTI	SP Member
HON. BERNADETTE M. SOMCIO	SP Member
HON. ALLAN C. GALUNAN	SP Member
HON. JORGE A. ARANETA	SP Member
HON. CLEO F. GAUDITE	SP Member
HON. CARLOS E. MONDIA	SP Member
HON. DONALD A. ALVAREZ	SP Member
HON. DANILO U. FAMOSO	SP Member

**ABSENT:**

HON. SERGIO T. PIANSAY	SP Member-ABC President
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**RESOLUTION NO. 15-142**

**RESOLUTION APPEALING TO HIS EXCELLENCY, BENIGNO S. AQUINO III FOR THE AMENDMENT OF EXECUTIVE ORDER NO. 181, SERIES OF 2015 PARTICULARLY SECTIONS 1 AND 4 THEREOF TO THE EFFECT THAT THE LOCAL GOVERNMENT UNITS (LGU's) BE GIVEN THE DISCRETION TO SET THE AMOUNT OF PEI DEPENDING ON THE LOCAL GOVERNMENT UNIT FINANCIAL CAPACITY SUBJECT TO LIMITATIONS UNDER THE LAW.**

**WHEREAS**, on May 15, 2015, His Excellency, BENIGNO S. AQUINO III, promulgated Executive Order No. 181, Series of 2015 which set the rules and guidelines for the grant of Productivity Enhancement Incentive (PEI) to government employees, including those in the Local Government Units (LGU's) for FY 2015;

**WHEREAS**, the pertinent provisions of the Executive Order authorized the granting of the one-time PEI equivalent to P5,000.00 or one (1) month salary as of May 31, 2015, by covered agencies, which meet the conditions stipulated in Executive Order, to their respective personnel;

**WHEREAS**, during the past years, the Department of Budget and Management (DBM), through Budget Circulars, has also authorized the grant of PEI to government employees, including those in the LGU, at rates determined by their respective sanggunians depending on the LGU's financial capability but subject to Personnel Services limitations pursuant to Sections 325 (a) and 331 (b) of RA 7160 and further, subject to the condition that the LGU shall exercise prudence in the use of local funds ensuring that the same shall be reasonable and shall not in any way adversely affect the delivery of services to the public;

**WHEREAS**, this past guideline has given the LGU's discretion in the disbursement of its savings and such is in keeping with the principle of local autonomy and devolution enshrined in the Local Government Code;

**WHEREAS**, this same guideline, promotes uniformity and fair distribution of incentive which results in the lifting of the morale of the LGU personnel occupying either top positions or rank and file motivating them to work harder for the betterment of public service. Also, this guideline is in keeping with the principle that every personnel in the government service is an indispensable part and contributor to its overall success. Thus, no personnel should be treated differently when it comes to the granting of productivity based incentive.

**WHEREAS**, in the interest of personnel welfare for the betterment of public service, and in keeping with the higher interest of social justice, the gap between the top and low position personnel should be removed in the grant of productivity incentives;

**WHEREAS**, Executive Order 181, Series of 2015, has pegged the granting of PEI at the rate of P5,000.00 or one month salary for every LGU personnel;

**WHEREAS**, a closer examination of the said Executive Order would show that the same would substantially reduce the benefit entitlement of affected personnel or will promote apparent inequality among the government workers which is not conducive to the objective of good working environment. Moreover, it will further widen the gap between the top and low positions in government service as those in top positions would be receiving substantially more while those in the lower position apparently lesser;

**WHEREAS**, the Executive Order is not in keeping with the principle of local autonomy and devolution under RA 7160 or the Local Government Code of 1991;

**NOW THEREFORE**, upon motion of SP Member Allan C. Galunan, unanimously seconded by SP Members present, it is:

**RESOLVE AS IT IS HEREBY RESOLVE**, to appeal to His Excellency, BENIGNO S. AQUINO III for the amendment of Executive Order No. 181, Series of 2015 particularly Sections 1 and 4 thereof to the effect that the LGU's be given the discretion to set the amount of PEI depending on the LGU financial capacity subject to limitations under the law;

**RESOLVED ALSO**, that copies of this resolution be furnished the Secretary of the Department of Budget and Management, the Secretary of the Department of the Interior and Local Government, for their information;

**RESOLVED FINALLY**, that this resolution shall take effect upon its approval.

**ATTESTED:**

**NICHOLAS M. YULO**  
City Vice Mayor-Presiding Officer

**CERTIFIED CORRECT:**

**LINDA R. ARELLANO**  
Records Officer III/  
City Secretary-Designate