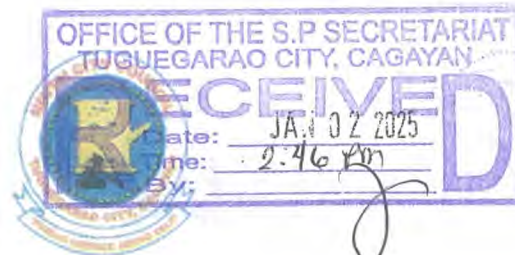




Republic of the Philippines
PROVINCE OF CAGAYAN
Tuguegarao City
NINTH CITY COUNCIL



EXCERPTS FROM THE MINUTES OF THE 119th REGULAR SESSION OF THE NINTH CITY COUNCIL OF TUGUEGARAO CITY, CAGAYAN HELD ON DECEMBER 17, 2024 (TUESDAY) 9:00 A.M., AT CATAGGAMAN NUEVO GYMNASIUM, TUGUEGARAO CITY

PRESENT:

Hon. Bienvenido C. De Guzman II	City Vice Mayor, Presiding Officer
Hon. Mark Angelo B. Dayag	Sangguniang Panlungsod Member
Hon. Maria Rosario B. Soriano	-do-
Hon. Ronaldo S. Ortiz	-do-
Hon. Jude T. Bayona	-do-
Hon. Karina S. Gauani-Viernes	-do-
Hon. Arnel T. Arugay	-do-
Hon. Grace B. Arago	-do-
Hon. Tirso V. Mangada	-do-
Hon. Cerene Pearl T. Quilang	-do-

ABSENT:

Hon. Imogen Claire M. Callangan	Sangguniang Panlungsod Member
Hon. Gilbert S. Labang	-do-
Hon. Marc Aldous C. Baccay	Sangguniang Panlungsod Member (on Official Time)
Hon. Restituto C. Ramirez	Ex Officio Member (on Official Leave)

NOTE:

Hon. Mary Marjorie P. Martin-Chan	Sangguniang Panlungsod Member (Did not attend the afternoon Session)
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CITY RESOLUTION NO. 685-09-2024

RESOLUTION APPROVING BARANGAY ORDINANCE NO. 01-10-2024 OF CARITAN NORTE TITLED "AN ORDINANCE UPDATING THE BARANGAY REVENUE CODE OF BARANGAY CARITAN NORTE, TUGUEGARAO CITY, CAGAYAN IN ACCORDANCE WITH CITY RESOLUTION NO. 059-08-2021" SUBJECT TO THE SUBMISSION OF THE LFC TOOLKIT IN COMPLIANCE WITH BUREAU OF LOCAL GOVERNMENT FINANCE (BLGF) MEMORANDUM CIRCULAR NO. 020-2019 DATED SEPTEMBER 02, 2019"

WHEREAS, the Local Government Code of 1991 provides that any local government unit including the barangay is vested with the power to enact tax and revenue ordinances for the general welfare of the inhabitants therein subject to the limitations imposed by law;

WHEREAS, pursuant to Section 447 (i) of the Local Government Code of 1991, the Sangguniang Panlungsod is empowered to review all Ordinances approved by the Sangguniang Barangay;

WHEREAS, Department of the Interior and Local Government (DILG) and Department of Finance Joint Memorandum Circular No. 2019-01 dated May 17, 2019, Re: Guidelines for the Review, Adjustment, Setting and/or Adoption of Reasonable Regulatory Fees and Charges of Local Government Units (LGUs) has been issued for the guidance of the LGUs which includes the barangays to ensure uniform procedure in setting reasonable fees and charges as provided for by the provisions of the Local Government Code of 1991;

WHEREAS, in compliance with the requirements of the law, Barangay Caritan Norte conducted a public hearing for its Ordinance and, thereafter, conducted a session for the approval of the same and the minutes of the said public hearing and minutes of the barangay sessions were submitted to the committee;

WHEREAS, the committee favorably recommends the approval of Barangay Ordinance No. 01-10-2024 of Caritan Norte titled "An Ordinance Updating the Barangay Revenue Code of Barangay Caritan

Norte, Tuguegarao City Cagayan in accordance with City Resolution No. 059-08-2021" subject to the submission of the LFC toolkit in compliance with Bureau of Local Government Finance (BLGF) Memorandum Circular No. 020-2019 dated September 02, 2019."

NOW, THEREFORE, RESOLVE, as it is hereby **RESOLVED**, to approve Barangay Ordinance No. 01-10-2024 of Caritan Norte titled "*An Ordinance Updating the Barangay Revenue Code of Barangay Caritan Norte, Tuguegarao City, Cagayan in accordance with City Resolution No. 059-08-2021" subject to the submission of the LFC toolkit in compliance with Bureau of Local Government Finance (BLGF) Memorandum Circular No. 020-2019 dated September 02, 2019."*

On motion of Hon. Bayona and without any objection, **CITY RESOLUTION NO. 685-09-2024** was **APPROVED** under suspended rules.

X-X-X

I HEREBY CERTIFY TO THE CORRECTNESS OF THE FOREGOING:


JOEL JOSEPH L. EGIPTO, Ph.D.
Secretary to the Sanggunian

ATTESTED:


HON. BIENVENIDO C. DE GUZMAN II
City Vice Mayor/Presiding Officer
Date: 12-20-2024



REPUBLIC OF THE PHILIPPINES
PROVINCE OF CAGAYAN
CITY OF TUGUEGARAO



OFFICE OF THE PUNONG BARANGAY

EXCERPTS FROM THE MINUTES OF THE SESSION OF THE SANGGUNIANG
BARANGAY OF CARITAN NORTE, TUGUEGARAO CITY, DURING THEIR
REGULAR SESSION HELD ON OCTOBER 7, 2024 AT CARITAN NORTE MULTI-
PURPOSE HALL, TUGUEGARAO CITY.

PRESENT:

HON. FELIX T. TAGUIAM JR.
HON. MANUEL B. ALTAR JR.
HON. MA. TERESA B. SALVADOR
HON. MARIVIC C. CUARESMA
HON. MONICA C. TALLUD
HON. NICANOR Q. MANGADA
HON. JACINTO D. GACIAS SR.
HON. JOSEPH C. BOSI
HON. FELDELIZA C. TULAUAN
MS. FRANCES JOANNA B. SIRIBAN
MS. MARILYN L. DANA O

Presiding Officer
Brgy. Kagawad
Brgy. Kagawad
Brgy. Kagawad
Brgy. Kagawad
Brgy. Kagawad
Brgy. Kagawad
Brgy. Kagawad
SK Chairperson
Barangay Secretary
Barangay Treasurer



BARANGAY ORDINANCE NO. 01-10-2024

AN ORDINANCE UPDATING THE BARANGAY REVENUE CODE OF BARANGAY
CARITAN NORTE, TUGUEGARAO CITY, CAGAYAN.

WHEREAS, pursuant to Section 129, Chapter 1, Title 1 of the Local Government Code of 1991, each local government unit shall exercise its power to create its own sources of revenue and to levy taxes, fees, and charges subject to the provisions herein, consistent with the basic policy of local autonomy. Such taxes, fees, and charges shall accrue exclusively to the local government units;

WHEREAS, Section 391 (a) (2), provides that the Sangguniang Barangay shall enact tax and revenue ordinances, subject to the limitations imposed in the said code;

NOW THEREFORE, be it enacted by the Sangguniang Barangay, that

SECTION I. TITLE

This Ordinance shall be entitled: **“Barangay Revenue Code No. 01-10-2024**, as amended.

SECTION II. SCOPE

This ordinance shall govern the exercise of the taxing powers and other revenues of Barangay Caritan Norte, Tuguegarao City, Cagayan.

SECTION III. Definition of Terms

As used in this ordinance, the following terms shall be construed to mean as follows:

- Taxes** – a compulsory contribution levied upon persons, property or businesses for the support of government.
- Fees** – a charge fixed by law or ordinance for the regulation or inspection of business or activity.
- Charges** – refer to pecuniary liability, as rents or fees against persons or property.
- Sari-sari Store** – an establishment where variety of goods are regularly offered for sale.
- Apartments** – is a building in which the rooms are arranged and rented.
- Boarding House** – a house where lodging can be had or pay; lodging and meals can also be had for pay.
- Gasoline Station** – a place where gasoline, oil, or a volatile, highly flammable, used chiefly as a fuel in internal combustion engines.



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CITY OF TUGUEGARAO



OFFICE OF THE PUNONG BARANGAY

- h. **Hotels** – an establishment or building providing a number of bedrooms, baths, and usually food for the accommodation of travelers, semi-permanent residents, etc.
- i. **Water Refilling Stations** – an establishment selling purified water commonly known as mineral water usually placed in a container.
- j. **Amusement Center** – include theaters, cinemas, concert halls, circuses, and other place of amusement where one seeks admission to entertain oneself by seeing or viewing the show or performances.
- k. **Computer Shops** – establishment engage in the business of computers which is an electronic device or machine that accepts, processes, stores and output data at high speeds according to program instructions.
- l. **Restaurant / Eatery** – stall/kiosk facility that serves the public food and drinks that are ordered and paid at the counter.
- m. **Barangay Building Permit** – a permit given to a person by concerned authority when qualified to construct a building and a clearance is sought from the barangay.
- n. **Franchise** – is a right or privilege, affected with the public intent which is conferred upon persons or corporations under such terms and conditions as the government and its political subdivision may imposed in the interest of public welfare, security and safety.
- o. **Other Businesses / Firms or Institution** – means trade or commercial activity regularly engaged in a means of livelihood or with a view to profit.
- p. **Bakery** - a location that produces, cooked and sells bread and cakes.
- q. **Hardware** - is a term that can refer to a variety of items, including metalware, equipment, or awards including construction supplies and other purposes.
- r. **Sand and Gravel** - are granular materials that come from the erosion of rocks and are classified as Type C soils used and purchased for use of construction.
- s. **Lot for Lease** - means that the lot is available to be rented under a contract, or lease, for a specific period of time:
 - **Lease** - A legally binding contract where one party pays rent to another party in exchange for the right to use their property. The party paying rent is the tenant, and the party receiving rent is the landlord.
 - **Lot for Lease** - A lot of land that is available to be rented under a lease agreement.
- t. **Videoke Renting** – is the process of renting videoke renting or a karaoke booth for a social activity.
- u. **Car Paint** - mixture of chemicals and compounds used to protect and decorate the exterior of a vehicle. It's made up of several components.
- v. **Carwash** – a building containing equipment for washing cars and other vehicles automatically, or washed by hands.
- w. **Vulcanizing Shop** – a shop that repairs flat tires and also sell other motorcycle and car supplies.
- x. **Junk Shop** – a simple buy and sell business, it is also a lucrative business that generates a lot of money both for garbage collectors and junk shop owners.
- y. **Welding Shop** – a place where metal products are assembled, and the process of joining materials together. Welding is a fabrication process that joins materials together by melting and mixing them with heat or pressure.

SECTION IV. RULE OF CONSTRUCTION

All provisions of this ordinance shall be liberally construed in favour of the taxpayers and strictly against the Barangay LGU's.

SECTION V. IMPOSITION OF TAX

There is hereby imposed on the following persons to establish, operate, conduct or maintain their respective businesses within the Barangay a business tax on stores or retailers with gross sales



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OFFICE OF THE PUNONG BARANGAY

or receipts of the preceding calendar year of Fifty Thousand Pesos (Php50,000.00) or less a rate not exceeding one percent (1%) on gross sales or receipts of the preceding year.

SECTION VI. PAYMENT OF BUSINESS TAXES

Business taxes shall be paid by the person conducting the same to the Barangay Treasurer at the Barangay Hall on or before the 31st of March every year.

In cases where the person conducts or operates two (2) or more business which are subject to the same rate, the tax shall be computed on the basis of the combined total gross sales or receipts. The Barangay Treasurer shall issue official receipts and deposit all collection under a depository account of the Barangay.

SECTION VII. RETIREMENT OF BUSINESS

Any person, subject to the tax on business shall, upon termination of the business, notify in writing the Barangay Treasurer and submit a sworn statement of the gross sales or receipts for the current calendar year. Investigation shall then follow to ensure that the business have stop operation. If found out that the business is still operational, the owner shall still be held liable for the taxes imposed.

SECTION VIII. REGULATORY FEES, CHARGES AND PERMITS

The following regulatory and charges are hereby imposed on the following:

A. Barangay Clearance for any business activity located in the Barangay:

● Sari-sari Store -----	P750.00
● Apartments/Boarding Houses-----	P750.00
● Gasoline Station-----	P750.00
● Hotels-----	P750.00
● Water Refilling Stations-----	P750.00
● Amusement Centers -----	P750.00
● Auto Repair Shop -----	P750.00
● Computer Shops -----	P750.00
● Bakery -----	P750.00
● Restaurants/Eatery -----	P750.00
● Hardware/Lumber, Sand & Gravel -----	P750.00
● Barangay Building Permit-----	P750.00
● Posting Billboards/Advertising Materials-----	P750.00
● Lot for Lease -----	P750.00
● Videoke Renting -----	P750.00
● Car paint -----	P750.00
● Carwash -----	P750.00
● Vulcanizing shop -----	P750.00
● Junkshop -----	P750.00
● Welding shop -----	P750.00
● And Other Business Establishments-----	P750.00

B. The following fees shall be collected from individuals securing Barangay Certificates:

● Barangay Clearance for Employment-----	P100.00
● Barangay Certification for Demolition Permit-----	P100.00
● Barangay Certification for Driver's License or Student Permit-----	P100.00
● Barangay Certification for Water/Electric Connection-----	P100.00
● Barangay Certification for Postal I.D. or any kind of I.D-----	P100.00
● Barangay Certification for OWWA Requirements -----	P100.00
● Barangay Certification for Franchise Application/Renewal-----	P100.00
● Barangay Certification for NBI, Police Clearance-----	P100.00
● Barangay Certification for Loan Purposes -----	P100.00
● Barangay Certification for Passport/VISA application-----	P100.00
● Barangay Certification for Live Birth/PSA -----	P100.00



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● Barangay Certification for Firearm License/Permit -----	P100.00
● Barangay Certification for Posting of legal documents -----	P100.00
● Barangay Certification Enrolment -----	P100.00
● Barangay Certification for Transporting furniture, fixture, etc. -----	P100.00
● Barangay Certification for BIR -----	P100.00
● Barangay Certification for Purchase of Vehicle -----	P100.00
● Barangay Certification to File Action -----	P100.00
● Barangay Certification for Employment (renewal) -----	P100.00
● Barangay Certification to Bar Action -----	P100.00
● Barangay Certification to Bar Counterclaim -----	P100.00
● Barangay Certification of Non-Operation -----	P100.00
● Barangay Certification of Ownership of Large Cattles-----	P100.00
● Barangay Certification for Branding of Large Cattles-----	P100.00
● Barangay Certification for Residency -----	P100.00
● Barangay Certification for Cutting of Trees -----	P100.00
● Blotter with Summon-----	P100.00
● Barangay Certification for Ownership of Personal Property-----	P100.00
● And Other Certification needed by the Applicant-----	P100.00
● Barangay Certification for Solo Parent -----	FREE
● Barangay Certification for Employment (First Time Job Seeker RA 11261) -----	FREE
● Barangay Certification for Low-income -----	FREE
● Indigency Certificate -----	FREE

SECTION IX. TIME AND MANNER OF PAYMENT

The barangay Caritan Norte authorizes the City Government of Tuguegarao through the City Treasurer's Office to issue barangay Clearance and collect corresponding Barangay Clearance fee in the application for any business-related transactions subject to the remittance of the aforesaid fee to the barangay.

All barangay clearances and certifications shall be issued by the barangay to the applicant who shall be required to pay to the Barangay Treasurer the corresponding amount and the latter shall deposit all collections to the account of the barangay.

SECTION X. PENAL PROVISION

Violators of this Ordinance shall be penalized as follows:

- A Surcharge of 12% /annum shall be imposed on violation of Section V, Section VII and Section VIII of this Ordinance;
- The Barangay Officials and the Barangay Tanods shall remove any facility installed without the necessary permit or clearance under the police power clause.
- Any business establishment who shall fail to renew their business permit shall be recommended for closure as the concerned office may determine.

SECTION XI. REPEALING CLAUSE

All existing Barangay Ordinances which are inconsistent with the provisions of this Ordinance are hereby repealed or modified accordingly.

SECTION XII. EFFECTIVITY

This Ordinance shall take effect 15 days from the date of its approval.

ENACTED AND APPROVED this 7th day of October 2024 at Barangay Caritan Norte, Tuguegarao City, Cagayan.

I hereby certify to the correctness of the foregoing barangay Ordinance which was fully enacted and approved by the Sangguniang Barangay during its regular session held on October 7, 2024.

CERTIFIED CORRECT:


FRANCES JOANNA B. SIRIBAN
Barangay Secretary

ATTESTED BY:


HON. FELIX T. TAGUIAM, JR.
Presiding Officer



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CITY OF TUGUEGARAO



OFFICE OF THE SANGGUNIANG BARANGAY

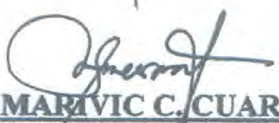
APPROVED:



HON. MANUEL B. ALTAR JR.
Barangay Kagawad



HON. NICANOR O. MANGADA
Barangay Kagawad


HON. MA. TERESA B. SALVADOR
Barangay Kagawad


HON. JACINTO D. GACIAS SR.
Barangay Kagawad


HON. MARIVIC C. CUARESMA
Barangay Kagawad


HON. JOSEPH C. BOSI
Barangay Kagawad


HON. MONICA C. TALLUD
Barangay Kagawad


HON. FELDELIZA C. TULAUAN
SK Chairperson/Ex-Officio


HON. FELIX T. TAGUIAM JR.
Punong Barangay

STEP 1: MAP YOUR PROCESS FLOW

Note:

- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- **Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)**

Instructions in Filling the Form

- 1 Discuss and decide on the boundaries of your process.
* Where or when does the process start? Where or when does it end?
- 2 Arrange and document the activities in proper sequence.

Table 1:

LIST OF ACTIVITIES	
1	Client requests for payment of Brgy. Clearance Fee at the City Hall
2	Revenue Collector issues Official Receipt to client
3	Client goes to Brgy Hall to request for the Barangay Clearance
4	Client presents Official Receipt to the Clerk or Officer of the Day
5	Clerk gives the Application form for Brgy. Business Clearance to client
6	Client submits duly accomplished application form to the Clerk
7	Clerk gives the application to the Secretary for preparation of the Clearance
8	Secretary/Clerk prepares the Barangay Business Clearance
9	Officer of the Day or Barangay Captain signs the Clearance
10	Clerk or Secretary logs the clearance to the record book
11	Secretary releases the Certificate to client

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

- Identify the offices and all key people involved with each activity. Identify official position.
 - * For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.
 - * This includes those who do the work in the process: suppliers, customers and supervisors.
- List down the materials and resources utilized in each stage.

Table 2:

ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL
1 Client requests for payment of Brgy. Clearance Fee at the City Hall	CITY TREASURER'S OFFICE		
2 Revenue Collector issues Official Receipt to client	CITY TREASURER'S OFFICE		
3 Client goes to Brgy Hall to request for the Barangay Clearance	BARANGAY HALL		
4 Client presents Official Receipt to the Clerk or Officer of the Day	BARANGAY HALL	MARVITA R. SORIANO/BARANGAY KAGAWAD	LOGBOOK, BALLPEN, BONDPAPER
5 Clerk gives the Application form for Brgy. Business Clearance to client	BARANGAY HALL	MARVITA R. SORIANO/BARANGAY KAGAWAD	BONDPAPER
6 Client submits duly accomplished application form to the Clerk	BARANGAY HALL	MARVITA R. SORIANO/BARANGAY KAGAWAD	
7 Clerk gives the application to the Secretary for preparation of the Clearance	BARANGAY HALL	MARVITA R. SORIANO	
8 Secretary/Clerk prepares the Barangay Business Clearance	BARANGAY HALL	MARVITA R. SORIANO/FRANCES JOANNA SIRIBAN	
9 Officer of the Day or Barangay Captain signs the Clearance	BARANGAY HALL	BARANGAY CAPTAIN/BARANGAY KAGAWAD	SIGNING PEN
10 Clerk or Secretary logs the clearance to the record book	BARANGAY HALL	MARVITA R. SORIANO/FRANCES JOANNA SIRIBAN	LOGBOOK, DRY SEAL
11 Secretary releases the Certificate to client	BARANGAY HALL		

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

- Classify the activities into whether they are:
 - * Routine(same procedure and effort for each applicant)
 - * Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: It is highly suggested to identify one (1) special step.

- However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.
- It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.

Table 3:

ACTIVITY	OFFICE INVOLVED	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1 Client requests for payment of Brgy. Clearance Fee at the City Hall	CITY TREASURER'S OFFICE	-	-	ROUTINE
2 Revenue Collector issues Official Receipt to client	CITY TREASURER'S OFFICE	-	-	ROUTINE
3 Client goes to Brgy Hall to request for the Barangay Clearance	BARANGAY HALL	-	-	ROUTINE
4 Client presents Official Receipt to the Clerk or Officer of the Day	BARANGAY HALL	MARVITA R. SORIANO/BARANGAY KAGAWAD	LOGBOOK, BALLPEN, BONDPAPER	ROUTINE
5 Clerk gives the Application form for Brgy. Business Clearance to client	BARANGAY HALL	MARVITA R. SORIANO/BARANGAY KAGAWAD	BONDPAPER	ROUTINE
6 Client submits duly accomplished application form to the Clerk	BARANGAY HALL	MARVITA R. SORIANO/BARANGAY KAGAWAD	-	ROUTINE
7 Clerk gives the application to the Secretary for preparation of the Clearance	BARANGAY HALL	MARVITA R. SORIANO	-	ROUTINE
8 Secretary/Clerk prepares the Barangay Business Clearance	BARANGAY HALL	MARVITA R. SORIANO/FRANCES JOANNA SIRIBAN	-	ROUTINE
9 Officer of the Day or Barangay Captain signs the Clearance	BARANGAY HALL	BARANGAY CAPTAIN/BARANGAY KAGAWAD	SIGNING PEN	ROUTINE
10 Clerk or Secretary logs the clearance to the record book	BARANGAY HALL	MARVITA R. SORIANO/FRANCES JOANNA SIRIBAN	LOGBOOK, DRY SEAL	ROUTINE
11 Secretary releases the Certificate to client	BARANGAY HALL	-	-	ROUTINE

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1 - Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20% covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection.

Column 3. Verify unit cost of vehicle

Column 4. Determine the total cost by multiplying columns 2 and 3

Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)

Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.

Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the frequency of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days. Note that the LGUs may devise other method to determine the actual frequency of use of vehicle.

Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 then multiply the frequency of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
			-		-			-
TOTAL								-

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection

Column 3. Verify the average cost of fuel per liter

Column 4. Check the average weekly consumption in liters

Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.

Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.

Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine the actual percentage for the frequency of use of the vehicle.

Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:							
Variable Cost - Fuel							
List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
					-		-
TOTAL							-

If the LGU does not provide vehicles for inspection, but only allows the reimbursement of actual transportation expenses, the annual cost should be computed by determining the monthly reimbursements multiplied by 12

Table 7:				
Variable Cost - Allowance/Reimbursement for Fuel				
Name and Position	Transportation Cost based on Allowance/Reimbursements		% Time assigned in the delivery of the "Subject Service"	Annual Cost of the Service
	Average Monthly	Annual Allowance		
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
		-		-
TOTAL				-

TOTAL OF VEHICLE AND FUEL:	-
----------------------------	---

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:			
Variable Cost - Other variable cost			
Particulars (col 1)	Annual Number of Applications (col 2)	Cost/Measuring unit (Php) (col 3)	Annual cost (Php) (col 4)
1)			-
2)			-
3)			-
4)			-
5)			-
6)			-
TOTAL			-

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)

Particulars (col 1)	Offices Involved in the delivery of "Subject Service" Fee
	(col 2)
Construction Cost (per sq m)	
Floor area of City Hall (sq m)	
Building Construction Cost (Php)	-
Office Area Occupied (sq. m)	
Cost of Office Area Occupied (Php)	-
Depreciation Rate (%)	
Annual Depreciation Expense (Php)	-
Annual Maintenance Cost (Php)	-
Percent of Work for "Subject Service" (%)	
Share of Cost attributable to delivering the service (Php)	-

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.

Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications		
Variable Costs		
Routine Personnel	-	-
Transportation Costs	-	-
Other Supplies/Forms/Materials	-	-
TOTAL	-	-

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the offices delivering the service is the product of the

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Instructions for Filling Up the Form

Column 1. The cost of telephone can be computed by knowing the number of telephone lines available in the Office and the monthly subscription rate per month. The annual cost of telephone services is the number of telephone lines multiplied by the monthly subscription rate over a period of twelve months. The net cost of telephone services attributed to processing and issuance of mayors permit is the annual cost of telephone services multiplied by the percent of work performed by the Office in processing and issuance of "Subject Service" in as a

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	
Kilowatt consumption/hour for the unit delivering the service	
Number of operating hours per day	
Number of days per year	
Electricity cost per year	-
Percent of work for the service rendered	
Net electricity cost attributed to "Subject Service" service	-

Table 13:

Cost of Water	
Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Number of People	
Water bill per person per month	
Estimated water bill of the office per year	-
Percent of work for the service rendered	
Net cost of water attributed to delivery of "Subject Service".	-

Table 14:

Cost for Communication	
Particulars	Offices Involved in the delivery of "Subject Service" Fee
(col 1)	(col 2)
Number of telephone/cellphone lines in the Office delivering the service	
Rate of subscription per month	
Annual cost of telephone/mobile services	-
Percent of work for the service rendered	
Net cost of telephone/mobile services attributed to processing and issuance of "Subject Service"	-

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs		
Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications		
Office Space	-	-
Utilities	-	-
Electricity	-	-
Water	-	-
Communication	-	-
Equipment and Furniture	-	-
Other Fixed Cost	-	-
TOTAL	-	-

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Name of Fee/Charge:

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (- /+)	Remarks: Reasonable/Not Reasonable
Total Cost	-	Total Collection on Fees and/or Charges		-	#DIV/0!	
Number of Applications Processed		Number of Applications Processed				
Average Fee Rate	#DIV/0!	Average Fee Rates	#DIV/0!	#DIV/0!	#DIV/0!	

Instructions for Filling

- (1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
- (2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.
- (3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
- (4) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

EXAMPLE:

Compare Fee with Cost of Delivering Services			
Fee Rate Estimation using Costs of Issuing permits plus cost of surveillance		Comparison with Current Fee Rates	
Total Cost	10,164,481.24	Total Revenue	13,242,500.00
Total Number of Applicants	10,594	Number of Applications Processed	10,594
Average Fee Rate	959.46	Average Fee Rates	1,250.00

3,078,018.76 30%

290.54 30%

10,594.00			Total				Cost per			
Scenario 1	% of Applicants	Number of Applicants	Cost (with weight)	SPCL-PERSONNEL	STD-VAR	STD-FXD	Application			
Simple	80%	8,475	#DIV/0!	#DIV/0!	420.00	520.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Complex	20%	2,119	#DIV/0!	#DIV/0!	420.00	520.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	100%	10,594	#DIV/0!					#DIV/0!		#DIV/0!

Scenario 2				SPCL-PERSONNEL	STD-VAR	STD-FXD	Cost per			
Classification	Allocation	% of Applicants	Number				Application			
Manufacturer	#DIV/0!	10%	1,059	#DIV/0!	420.00	520.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Wholesalers	#DIV/0!	10%	1,059	#DIV/0!	420.00	520.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Exporters	#DIV/0!	3%	318	#DIV/0!	420.00	520.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Retailers	#DIV/0!	47%	4,979	#DIV/0!	420.00	520.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Contractors	#DIV/0!	10%	1,059	#DIV/0!	420.00	520.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Banks and other institu	#DIV/0!	15%	1,589	#DIV/0!	420.00	520.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Peddlers	#DIV/0!	0%	-		420.00	520.00		-	-	-
Others	#DIV/0!	5%	530	#DIV/0!	420.00	520.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!		10,594.00	#DIV/0!				#DIV/0!		#DIV/0!
Total		100%								
		0%								

				Ok		ok				
235801.42	847.52	211.88	69.56	350.00	525.00	944.56	200,132.59	1,133.47	240,159.11	
235801.42	847.52	211.88	69.56	350.00	525.00	944.56	200,132.59	1,133.47	240,159.11	
#REF!		2,118.80								
			834.68	350.00	525.00	1,709.68	1,448,984.26	2,051.61	1,738,781.11	
			834.68	350.00	525.00	1,709.68	1,448,984.26	2,051.61	1,738,781.11	3,957,880.44

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.

Column 2. Count the number of each type of equipment or facility.

Column 3. Verify acquisition cost from the Accounting Unit.

Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.

Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.

Column 6. Compute the annual depreciation cost by multiplying columns 4 and 5.

Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of the subject service. In the absence of actual data, the amount can be computed by multiplying column 6 by 20%.

Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.

Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.

Column 10. Compute for the annual cost share for equipment and furniture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

[illegible]

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	SG/Step	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% Time allocated for the service	Annual cost of service for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
FRANCES JOANNA B. SIRIBAN/SECRETARY			-		-		-
MARILYN L. DANAQ/TREASURER			-		-		-
RACHELLE ANNE N. QUILENTE/CLERK			-		-		-
MARVIE R. SOARIANO/CLERK			-		-		-
			-		-		-
TOTAL							-

Instructions in Filling the Form

- Column 1** - List the staff assigned to the "Special" Activity/ies.
- Column 2** - Match the salary grade for each staff
- Column 3** - Fill out the salary rate/month for each staff.
- Column 4** - Compute for the annual salary of the staff by multiplying column 3 by 12 months
- Column 5** - Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations
- Column 6** - Sum up columns 4 and 5
- Column 7** - Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit head.
- Column 8** - Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.
- Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)**

Basis (2) Simple and Complex

CATEGORIES	No. of Personnel	Weight	Allocation
Simple		#DIV/0!	#DIV/0!
Complex		#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!

*Here, they chose to analyze the weight allocation based on the combination of the previous two options.

** In here, Manufacturers and Contractors were viewed to have both simple and complex business structures

*** Hence, the further classification as to simple and complex within the classification of Manufacturers and Contractors.

Basis (1) Per Business Classification

CLASSIFICATION	Weight	Allocation
Manufacturer		#DIV/0!
Wholesalers		#DIV/0!
Exporters		#DIV/0!
Retailers		#DIV/0!
Contractors		#DIV/0!
Banks and other institutions		#DIV/0!
Peddlers		#DIV/0!
Others		#DIV/0!
	0	#DIV/0!

Weight Allocation According to Complexity and Business Classification

BUSINESS CLASSIFICATION		Simple		Total	Simple	Complex
		Weight	Weight			
With Complex	Manufacturer	#DIV/0!			#DIV/0!	
	Wholesalers	#DIV/0!			#DIV/0!	
	Exporters	#DIV/0!			#DIV/0!	
	Retailers	#DIV/0!			#DIV/0!	
With Complex	Contractors	#DIV/0!			#DIV/0!	#DIV/0!
	Banks and other inst	#DIV/0!			#DIV/0!	
	Peddlers	#DIV/0!			#DIV/0!	
	Others	#DIV/0!			#DIV/0!	#DIV/0!

Note: Other basis may be used (e. g. the DTI classification as to Cottage, Small, etc)

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3.

NOTE: Note: The LGU may have other major fixed costs not mentioned in this illustration. When costs are significant, those fixed cost must be identified and added in the template. Conversely, costs that are negligible may be dropped from the calculations.

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Subject Service" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services			
Regular Office Supplies			-
Information Tech Team			-
Security Team			
Janitorial Team			
Reception Services			
		Total	-

Summary of Rationalized Local Fees and Charges

[illegible]