

EXECUTIVE SUMMARY

Section 97 under Rule XXIV, Article 191 of RA 7160 or the Local Government Code of 1991 mandates each Local Government Unit (LGU) thru its Local Chief Executive to submit to the Sangguniang Bayan on or before March 30 of every year, a report on its Annual Accomplishment of the proceeding year, being incharge of the administration and management of its local governance.

Its compliance is significantly encouraged and closely monitored by the Department of Interior and Local Government(DILG). Each LGU has to produce such an Annual Accomplishment Report thru the so-called State of Local Governance Report or SLGR using an electronic computer system designed by the latter.

Further, SLGR is a kind of document that shows a measurement mechanism on how a Local Government Unit fair in its administration and management towards achieving an effective and efficient local governance for excellent public service and sustainable development.

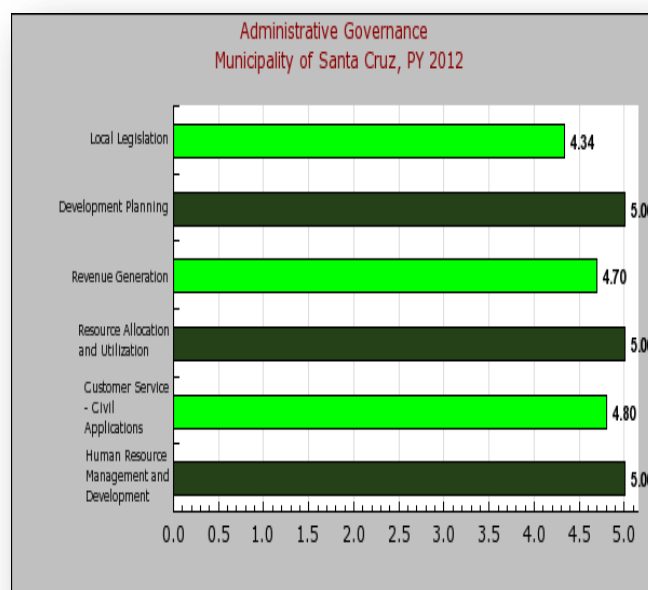
The SLGR as a mechanism for performance evaluation covers five (5) areas of concern in which the table below shows the annual performance rating of each area with five (5) as the highest and one (1) as the lowest.

State of Local Governance Performance, PY 2012

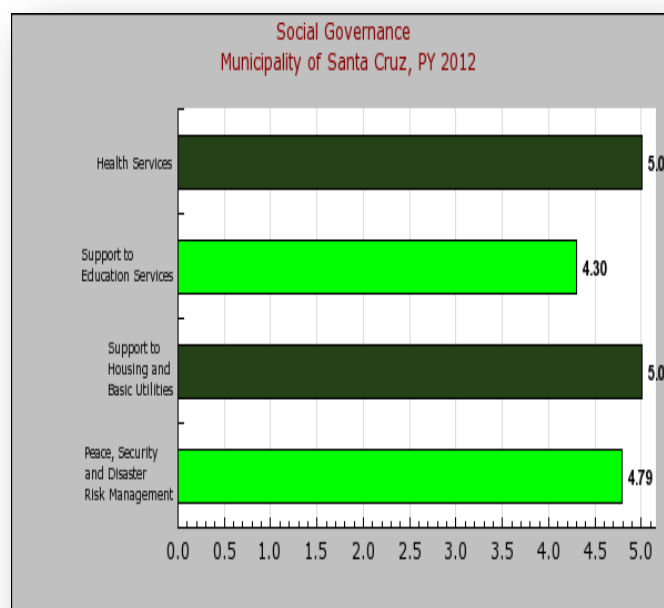
Areas	Performance Level	Adjectival Equivalent
Environmental Governance	4.87	High
Valuing Fundamentals of Governance	4.85	High
Administrative Governance	4.80	High
Social Governance	4.77	High
Economic Governance	4.39	High
Average Performance Level	4.73	High

For year 2012, the year under review, the LGU of Sta. Cruz accomplishes a total performance of **4.73** or an adjectival rating of **HIGH**. This comprises the rating of the five areas of concerns. Below is the annual performance by individual area of concern, to wit;

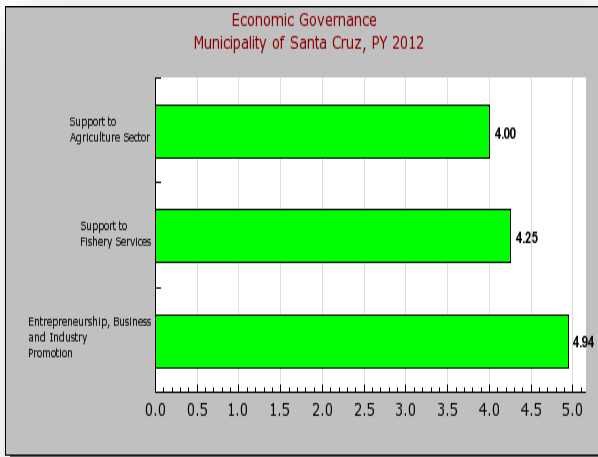
1. Administrative Governance (4.80 or High)



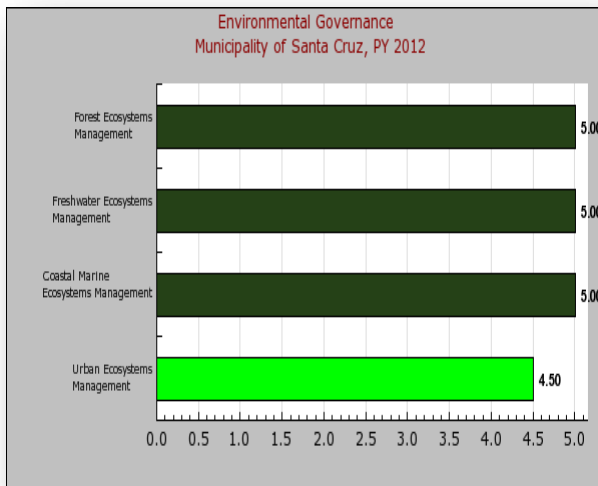
2. Social Governance (4.77 or High)



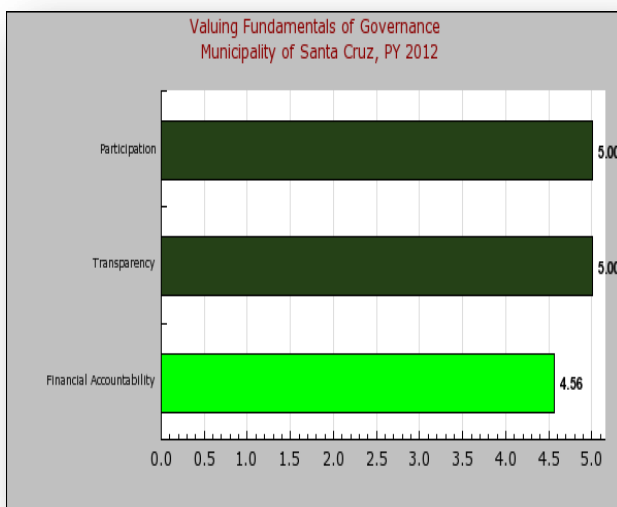
3. Economic Governance (4.39 or High)



4. Environmental Governance (4.87 or High)



5. Valuing Fundamentals of Good Governance (4.85 or High)



Looking deeper into its attributes, as presented by facts and figures, Area number 4 on Environmental Governance ranks the highest

with 4.87 followed by Area number 5 with a rating of 4.85, next is the Administrative Governance with a rating of 4.80, rank number 4 is the Social Governance with a rating of 4.77 and area number 3 on Economic Governance measures 4.39 points.

FINDINGS AND ANALYSIS

This SLGR's performance measurement manifests a reality that LGU Sta. Cruz has yet to perfect its systems, mechanisms, policies as well as its administrative & managerial capabilities and capacities in bringing its organization into an effective, world class and globally competitive Local Government Unit.

Understanding how the LGU of Sta. Cruz gets rated, the following facts and figures deriving from the mechanics of measurement in every area of concern is hereby presented using the information supplied by the Data Captured forms.

1. ADMINISTRATIVE GOVERNANCE

1.1 Indicator: LOCAL LEGISLATION

Among the four (4) performance sub-indicators, two (2) of which showed *INADEQUACIES*, to wit;

(1) In terms of Codes, the LGU of Sta. Cruz is yet to formulate the following;

1. a Code of General Ordinances;
1. b Code on Health & Sanitation; and
1. c Code on Children's Welfare;

While as follows are yet to be finalized, approved and adopted, to wit;

1. d The Market Code; and the
1. e The Gender & Development Code;

However, among the nine (9) Mandatory and Basic Codes, the LGU has ordained four, namely;

1. f The Revenue Code;
1. g The Local Investment & Incentive Code;
1. h The Environmental Code (MSWM); and
1. i The Zoning Ordinance CY 2003-2012

(2) On the Percentage of Enactment of Ordinances, the Legislative is within a range of 96-100% performance which shows an average rating.

Generally, this sector's entire performance presents quality legislation and some *ADEQUACIES* like;

- (1.) The Legislative Agenda is in harmony with the Executive Agenda as well as its Legislative Process which undergoes research and thorough consultation with stakeholders; and
- (2.) On Legislative Tracking System, it is still computer-aided and tracking system is done manually. A modern state of the art computerized tracking system is yet to come.

1.2 Indicator: DEVELOPMENT PLANNING

The indicator on Development Planning has six (6) sub-indicators which are perfectly complied per requirements, such as;

- 1.) The Local/Municipal Development Council is evaluated as very functional. Its organization and activation is based on Section 107 of RA 7160. Its four meetings with organized agenda produce an approved 13 resolutions. Its Executive Committee and Sectoral Committees are actively functional whenever needed. It has an active secretariat, the OMPDC incharged in the documentation and facilitation of MDC works/activities. Added for this year in terms of sectoral committee works are the creation and institutionalization of the Local Zoning Board of Adjustment & Appeals (LZBAA) and the Multi-Sectoral Committee for the Mindanao Rural Development Program (MRDP) implementation. The LDC or MDC is performing good as it formulates long-term and annual socio-economic development plans/policies, annual public investment programs or the annual investment plan.
- 2.) The Office of the Municipal Planning & Development Coordinator has maintained a database system for demographic data, socio-economic, environmental, physical land use and institutional data and uses a Geographic Information System (GIS). These data are almost complete which the updated ones taken from the latest Barangay Development Plans CY 2010-2014 of the 18 barangays of the municipality, although early part of year 2012, the LGU of Sta. Cruz thru the OMPDC initiates the conduct of the

Community Based Monitoring System (CBMS), which output shall served as the latest community-based data information per barangay.

- 3.) The LGU of Sta. Cruz has an updated CDP & CLUP for CY 2003-2012. Its formulation underwent series of barangay-based/people-based consultative and participatory planning process or bottom-up, top to bottom planning approaches. Socio-economic development thrust, development strategies, investment programs are all embodied in the plan which programs/projects are to be funded under the LGU's internal and or external fund sources.
- 4.) The LGU's CDP has a corresponding CLUP for the same year CY 2003-2012. It also followed the same planning processes and procedures that the CDP had undergone through.

All of these plans are very supportive to the provincial development plans. Monitoring & Evaluation is also an integral part of the plan, however, its updating every 5 or 6 years is hardly done.

- 5.) The LGU has well observed the Annual Investment Planning in which almost all programs and projects are consistent to the LDIP. It contains the basic & minimum required informations and its monitoring forms an integral part of it.
- 6.) The LGU for this year has already formulated the Executive legislative Agenda unlike the previous year.

1.3 Indicator: REVENUE GENERATION

Indicators of this area cover the following;

1. Efficiency of System on all LGU imposed taxes, fees and charges is complied more than halfway. Positive compliance are;
 - (1.) Provision of incentives for Revenues Collectors in RPT assessment and collection;
 - (2.) Dissemination of information on the schedule of market values used for assessment; and
 - (3.) Presence of Local Revenue Code that is not more than 5 years old.

The Lacking or inadequacies are;

- (4.) No computerized networking among the offices of the Municipal Assessor and the Municipal Treasury for the RPT, however, there is already an installed & functional RPT Billing & Collection System operationalized by the Municipal Treasury office, while on business fees & charges, the business and the Municipal Treasury has yet to install a computerized networking system;
- (5.) Absence of enforcement on Civil Remedies on tax delinquencies.

On the system for Real Property tax, the LGU performs well as indicated by;

- (6.) Presence of an Updated RPT Maps for property identification;
 - (7.) RPT records & management are indexed System on Business Tax;
 - (8.) Tax records management are done through business tax mapping, revenue data bank established and list of taxpayers are updated;
 - (9.) Revenue enhancement measures are implemented.
2. The LGU thru this sector has already formulated an Annual Revenue Generation Plan where local revenue policy directions, strategies for revenue collection, personnel assignment, and revenue projections are determined. This document is utilized in the monitoring & evaluation of accomplishment as an integral component of the Plan.
 3. Percentage of cost to collect revenues to total locally-sourced revenues is 10.28%. The actual locally-sourced revenues is P 66, 855,010.00 against its collection cost expenses of P 6, 872,658.46.
 4. Percentage of Actual Collection from RPT out of the RPT collectibles is 100.93%. It shows that the Municipal Treasurer's Office has exceeded its target from P 13,500,000.00 to P 13, 626,033.00
 5. Percentage of LGU income generated from locally-sourced revenue is 30.95% or P 66, 855,010.00 out of the P 216,025,179.10 of the total LGU income.

6. Percentage of regular revenue against the total LGU income is 80.09% or P 173,025,179.10 out of the 216,025,179.10.

1.4 Indicator: RESOURCE ALLOCATION AND UTILIZATION

On Resource Allocation

During the beginning of the evaluation year, the LGU has operated on a re-enacted budget which is responsive to the budgetary requirements of the Annual Investment Program, such as;

- ✓ Appropriations not exceeding the estimated income;
- ✓ Appropriations for debt servicing not exceeding 20% of the regular income;
- ✓ 20% of the IRA was allocated for development projects;
- ✓ Standard aid to barangays is provided;
- ✓ Appropriations for discretionary purposes did not exceed 2% of actual receipts from RPT;
- ✓ Appropriations for personal services not exceeding 45% for 1st class LGU;
- ✓ Appropriations for GAD is not less than 5% of the total budget;
- ✓ Presence of appropriations for senior citizens affairs;
- ✓ Presence of appropriations for surveillance of the magnitude of Acquired Immune Deficiency Syndrome or AIDS (RA 8504).

However, an appropriation of at least 1% from IRA for the implementation of the Local Council for the Protection of Children is not yet done.

On Resource Utilization

The LGU's Personal Services Expenditure ratio in 2012 is placed at 36.36% not exceeding the 45% limitations. While on the services extended to the constituents, the total expenditures per capita is Php 2,235.64 and the LGU's debt service ratio is 9.49%.

With the above three sub-indicators, the LGU is found as financially viable to administer its local governance and management.

1.5 Indicator: CUSTOMER SERVICE – Civil Applications

Performance efficiency on this sub-sector is high for the processing of document for both civil registry and real property. The standard sub-indicators are present, to wit;

- ✓ Good database records management;
- ✓ Computerized-Aided;
- ✓ Procedures are made known to the public;
- ✓ Procedures are simple and clear; and
- ✓ Issuance is within 30 minutes.

1.6 Indicator: HUMAN RESOURCE MGT & DEV'T

This sub-sector shows the LGU's systems & capacities in the management and development of its human resources. As follows are the LGU's capacities, to wit;

- ✓ Transparent recruitment and selection of personnel;
- ✓ Permanency in the nature of appointments is valued;
- ✓ Recognizes good performance;
- ✓ Availability of staff development;
- ✓ Grievance system is in-placed.

2. SOCIAL GOVERNANCE

This area covers health services, education services, housing and basic utilities, peace & security and disaster risk management.

ON HEALTH SERVICES, the LGU thru the Municipal Health Office provides accessibility and quality health services as indicated by the following;

- ✓ **On quality of Primary Health Care**, it is high since basic medical supplies and equipments are complete and functional, always available, health referral system is active, facilities are clean and maintained, physicians or medical staff are regularly stationed as scheduled and recording system of patients are established.
- ✓ **On maternal care**, it is on quality service because consultations on safe motherhood and family planning are regularly done as scheduled, pre-natal check up, tetanus toxoid vaccination

to pregnant women are regularly available, so with breast feeding campaign and post-partum care.

- ✓ **On quality of child care**, it is also high for the following are being provided, such as;
 - Children's regular check up;
 - OPV3, DPT3, Hep B3 and measles vaccination to infants are given;
 - Program to solve malnutrition is done;
 - Dental or oral health services are provided;
 - Advocacy to proper child care is heightened.

- ✓ **On other innovative Health Services**, the LGU thru the active leadership of Honorable Mayor Atty. Joel Ray L. Lopez has conducted a number of Medical Missions in partnership with the existing business corporations in the town like San Miguel Corporations, Aboitiz Power Companies/Hedcor, CJ Toyota, etc. and some non-government organizations. Usually the medical missions are done in the upland and or remote barangays, in those calamity affected communities and during Arawng Barangays. Also, the LGU has provided 4,500 health cards out of the total 5,059 poor families in the entire municipality.

However, in terms of the Functionalization of the **Local Health Board**, which was legally created following Section 102 RA 7160, it shows low performance, since they have not observe regular meetings thereby no discussions & deliberations of health issues & problems had been done.

ON SUPPORT TO EDUCATION SERVICES

This subsector is doing good. Its **Local School Board** is organized thru an Executive Order by the Local Chief Executive, and it calls a number of meetings, almost once a week. It has an organized agenda, minutes & resolutions. Its performance is generally good in as much as it has an Annual School Board Budget and all disbursements of the SEF is with-in the approved budget, consistent with the existing rules and regulations. It also provides

advices/informations on educational development to the Sangguniang Bayan for Legislative actions.

On the support to elementary & secondary education from **Special Education Fund**, the following were undertaken;

- ✓ Construction, repair and maintenance of school buildings, facilities and equipments of public elementary and secondary schools;
- ✓ Support fund for the educational research;
- ✓ Establishment or maintenance of extension classes, including hiring of extension teachers.

On the other hand, **purchase of books and periodicals** were not funded from the SEF, since the Department of Education will be the one to provide the said materials.

On support to **basic education from the General Fund**, the services extended by the LGU are the following; Construction of extension classrooms and Hiring of extension class teachers. While the implementation of scholarship program and maintenance of public library are not yet funded by the LGU.

On the implementation of **Alternative Learning System**, the LGU attained the following criteria;

- ✓ Focuses on functional literacy and skills training of target beneficiaries;
- ✓ Promotes gender sensitivity, equality and development;
- ✓ Resources, including staff and funds from the SEF are made available;
- ✓ Target beneficiaries are aware of the alternative learning system; and
- ✓ Practical skills gained from the system are useful to many of the beneficiaries.

PEACE, SECURITY AND DISASTER RISK MANAGEMENT

On Peace and Security, the LGU organized the Municipal Peace and Order Council thru an Executive Order No. 10 by the Local Chief Executive. The MPOC composition is in accordance with Section 1 of Executive Order No 773 of 2009. Conducted 5 meetings with organized agenda and approved 6 resolutions. The Municipal Local Government Operations Officer (MLGOO) is the one who is in charge in the documentation of MPOC works/activities. The MPOC performs very good by;

- (1) formulating, or updating, the Integrated

Area Community Public safety Plan which contains measures aimed at improving peace and order and public safety plan in the local government unit;

- (2) able to monitor the implementation of peace and order programs, and to address problems, through action by its own;
- (3) Undertake a periodic assessment of the prevailing peace and order situation in the local government unit.

On Quality of the Integrated Area Community Public Safety Plan, the LGU meet the following criteria;

- ✓ Plan formulation is participatory;
- ✓ Needs-based priority projects (s) to enhance peace and order and public safety is an integral component of the Plan;
- ✓ Financing is an integral component of the Plan;
- ✓ Monitoring and Evaluation is an integral component of the Plan; and
- ✓ Plan updated annually.

On the quality of accomplishment the following are done, to wit;

- ✓ Projects implemented are consistent with priority project (s) embodied in the Plan;
- ✓ Incident of crimes as compared to the previous year is reduced.

On the provision for protective services, the Local Government Unit has Police stations manned by 39 policemen, Fire stations manned by 15 firemen and a temporary jail.

On Child Protection, the program is spearheaded by the office of the Municipal Social Welfare and Development, in close coordination with the Philippine National Police. Annual appropriation to support efforts for the promotion of child survival, protection participation and development and for assistance to children in need of special protection is part of the program.

On Katarungang Pambarangay, Section 42 of the LG Code of 1991 mandates that the municipal government shall provide appropriation for the effective implementation of the Katarungang Pambarangay (KP), the Local Government Unit of Sta. Cruz appropriates fund for the implementation of the KP.

On the quantity of the disputes resolved, the percentage of interpersonal disputes resolved through the Lupon Tagapamayapa is 105%, to compute (total number of interpersonal disputes resolved through

allthe LuponngTagapamayapa (1,132) / total number of interpersonal disputes brought to all LuponngTagapamayapa for resolution (1,197) x 100.

On the quality of settlements. The percentage of amicable settlements sustained under the KatarungangPambarangay is 100%. To compute (total number of disputes resolved without repudiation (1,345/total number of disputes resolved 1,345) x 100.

ON DISASTER RISK MANAGEMENT.

The Municipal Disaster Risk Reduction Management Council (MDRRMC) was organized thru an Executive Order No. 02 series of 2012 of the Local Chief Executive. The Council meets as often as necessary with an organized agenda in every meeting conducted. The documentation is facilitated by the secretariat which is the Municipal Disaster Risk Reduction and Management Office (MDRRMO). The Total budget for the operation of MDRRMC is placed at P 8,210,208.45 constituting the 5 % or calamity fund. The council formulates the one year Municipal Disaster Risk Reduction and Management Plan (MDRRMP).

The members of the MDRRMC and action Team have undergone disaster preparedness-related seminars and training to equip them with the knowledge and skills. Evacuation centers are pre-designated instead of designating only during the occurrence of a disaster or a calamity, and made known to vulnerable groups in the community.

The equipment for a type of disaster is readily available and personnel assigned to use such equipment are trained. Supply needed when there is calamity is made available such as food, medical supplies, blankets, etc, and there is a distribution scheme to effectively reach out to disaster-affected areas.

Appropriate medical personnel, including equipment and supplies are readily available for mobilization.

An early warning device is available when there is an occurrence of calamity. In the event that the 5% calamity fund is exhausted, ease in realigning the budget for the purchase of supplies and materials or the payment of services which are exceptionally urgent or absolutely indispensable to prevent imminent danger, or loss of life or property.

Municipal Disaster Risk Reduction and Management Plan (MDRRMP) contains information;

- (a) On risk areas based from hazard map;
- (b) Vulnerable community or group;
- (c) Strategies in mitigation, response and rehabilitation.

For the year 2012, there's no occurrence of disaster or calamity being encountered.

On Support to Housing and Basic Utilities.The housing office maintains a database on the following;

- ✓ Updated inventory of informal settlers;
- ✓ Updated inventory of makeshift houses;
- ✓ Identify potential sites for socialized housing;
- ✓ Inventory of households with access to water supply;
- ✓ Inventory of household with access to electricity.

On Economic Governance

Economic Governance looks into three areas, namely; Support to Agriculture Sector, Support to Fishery Services, and Enterprise, Business and Industry Promotion. The report varies according to the nature of economic activities in the locality.

Support to Agriculture sector. The LGU-Sta. Cruz thru the Office of Municipal Agriculturist provides post harvest equipments and facilities for the farmers. Construction and rehabilitation of farm to market roads is the first priority of the LGU. It also provides livelihood assistance to the different organizations in the barangays. The fund is from the Mindanao Rural Development Program (MRDP) under the Community Fund for Agricultural Development which the LGU provides equity for livelihood projects implemented.

On the extent of farming household beneficiaries. Percentage of households benefiting agricultural extension and onsite research services or facilities is 50%. To compute number of households availing of agricultural extension and on-site research services or facilities (5,283)/ total number of households (18,705) x 100.

On alternative and innovative assistance to the farmers. The LGU implements programs on the distribution of farm products and livelihood assistance.

Support to Fishery Services. The LGU organized the Fisheries and Aquatic Resource Management Council (FARMC), the composition is in accordance with Section 75 of Republic Act No.

8550. There are 8 meetings conducted with an organized agenda in every meeting, which are documented by the secretariat. The council is able to assist the preparation of the Fishery Development Plan, enactment of Fishery Ordinance and assist in the enforcement of fishery laws, rules and regulations on municipal waters thru the creation of Bantay Dagat in every barangay along coastal areas.

On support to fisherfolks and fishery. The LGU thru the Municipal Agriculture Office provides support to the fisherfolks and fishery services as indicated by the following;

- ✓ Rehabilitation or construction of fishery related infrastructure, i.e. mariculture parks, fishports, seaweeds village ecozones, sea cages;
- ✓ Credit facilitation services (livelihood assistance to the poor fisherfolks i.e. loan access insurance and credit guarantees, through cooperatives;
- ✓ Production support like the fingerlings;
- ✓ Research and Development services;
- ✓ Market Development Services.

On extent of fishing household-beneficiaries. Percentage of fishing households benefiting from fishery extension and on site-research or facilities is 67%. To compute number of fishing households availing of fishery extension and on-site research services or facilities (500)/ total number of fishing households (742) x 100.

On alternative and innovative assistance to fisherfolks. The LGU implements the following program like tilapia fingerlings dispersal and marine fish cage.

Entrepreneurship, Business and Industry Promotion

On promoting a Business-Friendly Environment. The quality of the civil application system of the LGU to the business sector are the following;

- ✓ Permitting procedure is computer-aided;
- ✓ Procedure is clear i.e. step or steps, processing fee, transaction hour;
- ✓ Processing of a Building Permits requires, at most 5 documentary requirements, 5 steps and 5 signatories;
- ✓ Processing of an Occupancy Permit requires, at most 5 documentary requirements, 5 steps, and 5 signatories;
- ✓ Processing of a Business Permits requires, at most, 6 documentary requirements, 6 steps and 5 signatories;

- ✓ Has a one-stop-shop processing of permits;
- ✓ Customer Assistance Desk that attends to inquiries or complaints of business clientele.

On Promotion of Businesses, Enterprises and Industries. The processing time for the issuance of building permit, occupancy permits takes less than 4 hours and for the business permits is less than 15 minutes. The Provincial Agri-Industrial Center (PAIC) Office is the one responsible in the promotion of business and industry in the LGU.

On the quality of direct support services to businesses, enterprise and industries, the LGU meet the following;

- ✓ Provision of tax incentives;
- ✓ Assistance in product labeling especially for small and medium enterprises;
- ✓ Assist in product packaging especially for small and medium enterprises;
- ✓ Training of business-employed personnel or private sector employees;
- ✓ Maintenance of industrial peace;
- ✓ Conduct Job Fairs.

ENVIRONMENTAL MANAGEMENT

Environmental Governance looks into four Ecosystem Management areas, namely; Freshwater; Coastal marine; and Urban Ecosystem Management.

On Forest Ecosystem Management, the LGU Forest Management Program is integrated in the formulation of the Municipal Comprehensive Development Plan, participated by the People's Organizations, Civil Society Organizations, Private Sector and the general public involved in the protection and management of forest. The LGU's adequacy of forest management efforts are the following;

- ✓ Efforts are deliberate – initiated and carefully planned by the LGU;
- ✓ Area-targets are set;
- ✓ Area-targets are forested;
- ✓ Area-targets are protected.

On Freshwater Ecosystem Management, the LGU freshwater protection or rehabilitation program was integrated in the Municipal Comprehensive Development Plan. The Plan formulation is participated by the different sectors involved. The LGU's adequacy of freshwater

ecosystem management efforts are the following, to wit;

- ✓ Efforts are deliberate – initiated and carefully planned by the LGU;
- ✓ Area-targets are set;
- ✓ Area-targets are forested;
- ✓ Area-targets are protected.

On Coastal Marine Ecosystems Management, the coastal marine resource rehabilitation or protection program is integrated in the Municipal Comprehensive Development Plan. During the formulation, it is participated by the different sectors involved. The plan contains the target area for rehabilitation and protection.

On Urban Ecosystem Management. Pollution control program is integrated in the Municipal Comprehensive Development Plan, it is participated by the concerned stakeholders.

On Solid Waste Management, the Ecological Solid Waste Management Board was organized thru an Executive Order No. 07 of the Local Chief Executive. ESWMB composition is in accordance with Sections 11 and 12 of Republic Act No. 9003. The board meet as often as necessary, with organized agenda in every meeting. The Office of MENRO is assigned as the secretariat of the board. The LGU shows good performance in the attainment of the following functions:

- a.) formulates a 10-year ESWM Plan;
- b.) develops specific mechanics and guidelines for the implementation of the ESWM Plan;
- c.) coordinates the efforts of its component barangay in the implementation of the ESWM Plan;
- d.) recommends measures and safeguards against pollution and preservation of the natural ECOSYSTEM;
- e.) Adopts measures to promote and ensures the viability and effective implementation of ESWM programs in component barangays;
- f.) Reviews the ESWM Plan for the purpose of ensuring its sustainability, viability, effectiveness and relevance in relation to local and international development in the field of solid waste management;

- g.) Adopts specific revenue generating measures to promote the viability of the ESWM Plan;
- h.) recommends to local authorities measures for franchise or BOT agreements with recognized institutions, to provide either exclusive or non-exclusive authority for the collection, transfer, storage, processing, recycling or disposal of solid waste;
- i.) monitors the implementation of the ESWM Plan in cooperation with the private sector.

The LGU formulates the 10-year Ecological Solid Waste Management Plan, the quality of the plan is manifested by the following:

- ✓ Participatory in its formulation;
- ✓ Waste characterization, source reduction, collection and transfer, recycling, composting, solid waste disposal, education and public information, and incentive scheme are integral components of the Plan;
- ✓ Financing is an integral component of the Plan;
- ✓ Monitoring and Evaluation is an integral component of the Plan;
- ✓ Updated every 2 years, 75% of the barangays owned material recovery facilities.

On Solid Waste Collection and Disposal. The Office of the MENRO is the one assigned in the collection and disposal of solid waste. The office established schedules for the collection, and the final disposal of wastes in a controlled dumpsite area.

On Valuing Fundamentals of Governance

This section of the report describes how the LGU values and maintains good governance in the context of Transparency, Participation, and Financial Accountability.

On Transparency, the LGU provides information desk to the public, for immediate action, such as referral, or basic information in response to request or inquiries of the client. Communicates to the public updated information about services, plans, programs and special events being conducted. All public documents such as transaction records and contracts are accessible to the public. The reports are made available to the bulletin board and website thru Full Disclosure Policy Portal. The site is one of the programs of the government to enhance the awareness of the public.

More importantly, the portal also allows the public to view, download and print the financial documents of the LGUs.

On Participation, Local Special bodies are organized in the LGU like the Municipal Development Council, the Local Health Board, the Local School Board and the Municipal Peace and Order Council. These are all represented by the Civil Society Organizations and Private Sectors. Also, the LGU has in-placed feedback mechanism to generate citizens' view through the installation of suggestion box located in front of the Municipal hall.

On Financial Accountability. The LGU's financial management system has attained the following;

- ✓ Relevant management tools such as manuals or guidelines are made available;
- ✓ Disbursements are made only for approved purposes;
- ✓ Accounting records are supported by source documentation such as canceled checks, paid bills, payroll, contracts, subcontracts and other financial transaction documents;
- ✓ Accountable financial officers are known and their responsibilities are clear;
- ✓ Sanctions for erring local government personnel regarding financial transaction are clear and enforced;
- ✓ Information about the procedure in financial transactions with the local government is available via bulletin boards, internet or publications;
- ✓ Monthly financial reports are available;
- ✓ Annual financial statements are certified;
- ✓ Annual financial statements are submitted within 60 days after the 31st of December;
- ✓ Summary of Income and Expenditures is posted in at least three (3) conspicuous places the local government unit within 30 days from year-end;
- ✓ Annual Financial statements are made available upon request;
- ✓ Financial statements are published in the local media;
- ✓ Financial management information system is automated.

The Bids and Awards Committee (BAC) of LGU attained the following criteria;

- 1.) The composition of the Bids and Awards Committee is in accordance with Section 11 of Republic Act No. 9184 or Government Procurement Reform Act;
- 2.) Procurement rules and procedures are enforced, e.g. preparation of

biddings documents, posting of invitation to bid, conduct of pre-procurement and pre-conference, and determination of the eligibility of prospective bidders;

- 3.) All Bids and Awards Committee meetings are held at the Municipal hall;
- 4.) Proceedings of the meetings are documented;
- 5.) Minutes of the meeting are made available upon request.

The cash advances like salaries and wages liquidated within 5 days after each 15 day or end of the month. No processing happens unless the first cash advances will not be liquidated. Petty operating expenses and field operating expenses are liquidated within 20 days after the end of the year subject to replenishment as frequently as necessary during the year. Official's travels are liquidated within 60 days or 30 days upon return to permanent official station. The LGU received a COA audit report and there is no negative fi

STATE OF LOCAL DEVELOPMENT

The State of Local Development Report (SLDR) is an approximation of the state of socio-economic and environmental development in a locality. The result is based on LGU self-assessment or estimates of key development indicators. National target, average and expert inference are used as benchmarks.

The over-all development condition of the Local Government Unit of Sta. Cruz for 2012 is illustrated in the graph below.

A 5-point scale color codes are applied to visualize the result. The numerical equivalent used to gauge the level of development is called "Development Index".

Development Index (DI):

5	4	3	2	1
Very High	High	Fair	Poor	Bad

For 2012, Sta. Cruz earned an over-all development index of 3.79 or at Fair level. Social Development index is at a high level which denotes that social services are performing well. Environmental Development index is at fair level having obtained a DI of 3.75. Economic has been the least performer in local development which got a DI of 3.50 or at a fair level.

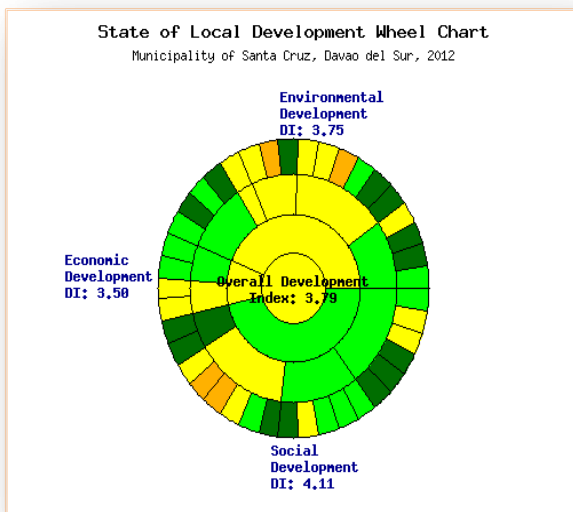
education, housing and basic utilities, and peace and security.

The over-all Social Development Index of the Local Government Unit of Sta. Cruz for 2012 is 4.11 or at a high level.

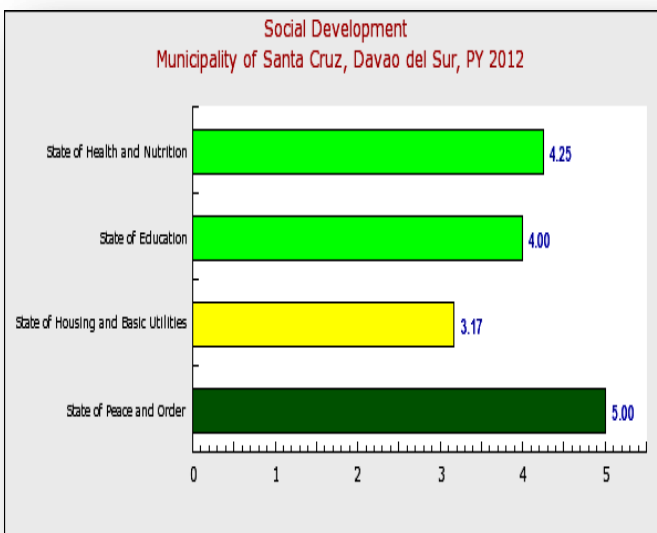
Detailed Description on Social Development

1. State of Health and Nutrition

The State of Social Development, State of Economic Development and State of Environmental Developments for 2012 are elucidated in detail hereafter.



State of Social Development, 4.11 (High)



Social development is determined using quality of life and minimum basic needs indicators. It is affected by both the state of the economy and environmental quality. A productive economy and a clean environment are conducive to the improvement of social welfare in terms of health and nutrition,

Indicator

Percentage (%) of children below normal weights

Interpretation

For 2012, the LGU's condition on children nutrition, in general, is assured. MTPDP 2010 Target is exceptionally met. Sta. Cruz' incidence of malnutrition is only at the bracket of 11% or below which is far below the benchmark of 25%. Efforts in this area should be sustained.

Morbidity Rate

Collated morbidity rate for specific illnesses, i.e., Tuberculosis, HIV, Malaria, Heart diseases, Diarrhea, Dengue, is between the index of 3-3.99 or at a low level. The rate for the most of the identified leading illnesses met the national targets. Continue tracking and keep the rates lower.

Crude Death Rate

Crude death rate is tolerable. The local situation is somewhat the same as the national situation. Sta. Cruz' data is 4-5 per 1,000 population.

Maternal mortality rate

Maternal mortality is not an issue. The local situation is far better than the national situation. LGU's data is 0.3 or below per 1,000 live births. Benchmark level for maternal mortality rate is 0.7-0.9 per 1,000 live births. Sustain programs that ensure maternal and child care.

Infant Mortality Rate

Infant mortality is currently not a problem. Local condition is far better than the national. LGU's infant mortality rate is placed at 0-5 per 1,000 live births compared to the benchmark rate of 15-17 per 1,000 live births. Sustain the efforts.

Children mortality rate (under 5 years old)

Children mortality rate in the LGU is far better than the national situation. Sustain programs that ensure child care. LGU Data: 10 or below 1,000 live births. While the benchmark is 30

– 33 per 1,000 live births.

2. State of Education

Indicator	Interpretation	Interpretation
Elementary Participation Rate	Elementary Participation Rate is high. LGU's data is at 95 – 97%, higher than the benchmark of 92 – 94%. The Medium Term Philippine Development Plan (MTPDP) 2010 Target is 93%. Sta. Cruz participation rate is ideal.	Percentage (%) of households with access to piped-in water (level 111) supply for LGUs outside Metro Manila and non-HUCs
Elementary Completion Rate	Elementary completion rate is higher than the 2010 MTPDP target of 78%. LGU's data on elementary completion rate is at 89-95%, benchmark is at a 78-88% bracket. A 100% completion rate is ideal. Strengthen mechanisms.	Percentage (%) of households with sanitary toilets facility for LGUs outside Metro Manila and non-HUCs.
Secondary Completion Rate	Secondary completion rate is high. Sta. Cruz' rate is higher than the 2010 MTPDP target of 71.5%. LGU's data on secondary completion rate is at 85-95%, benchmark is at a 71-84% bracket.	Percentage (%) of households with electricity for LGUs outside Metro Manila and non-HUCs.
Tertiary or Technical Education Completion Rate	At least half of the population completed tertiary or technical education. The quality of human capital is evident. LGU's data for tertiary or technical education completion rate is 50-75%, same with the national benchmark 50-75%.	Households' access to piped-in water supply (level III) is very low. Difficulty in accessing water could be an issue to many residents. LGU's data is at the range of below 30-35%. Benchmark should be greater than 35% for LGUs outside Metro Manila and non-HUCs. Sta. Cruz' rating falls short to attain the sought-after condition. Mechanisms to enhance households' access to level III water supply should be looked into.
Simple Literacy Rate	Simple literacy rate of the LGU is at a high level. LGU's data is 98% compared to the benchmark of 92-94%.	Access to sanitary toilet facility is an inconvenience to a number of households. Health and sanitation is at stake. LGU's data is 80-85% range which is below the benchmark of at least 86% for LGUs outside Metro Manila
		The situation is slightly better than the 2002 national average for rural areas of the benchmark for LGUs outside of Metro Manila and HUCs. LGU's data is 71-79% and the benchmark is should be higher than 78% for LGUs outside Metro Manila and non-HUCs. But more should be done since there are still 20-30% households which do not have electric connection.

3. State of Housing and Basic Utilities

Indicator	Interpretation
Percentage (%) of non-owner household	Extent of house & lot ownership is high. Sta. Cruz' percentage for non-owner households (of house and lot) is at 10%, benchmark is 25-34%.
Percentage (%) of squatters or informal dwellers	The size of informal dweller-population is relatively low. LGU's data is 6-14%. Benchmark should be lower than 21% which Sta. Cruz truly qualifies. Sustain efforts.
Percentage (%) of households with makeshifts houses	Households with makeshifts houses exist in the locality. But the magnitude is lower than the national

4. State of Peace and Order

Indicator	Interpretation
Incidence of index crime	Sta. Cruz' incidence of index crime such murder, homicide, physical injury, rape, robbery and theft for 2012 is very low. LGU's data is less than 1 per 10,000 populations and the benchmark is 5-6 per 10,000 populations. Sustain mechanism.
Incidence of non-index crime	Incidence of non-index crime such as crimes against national security, fundamental laws of the

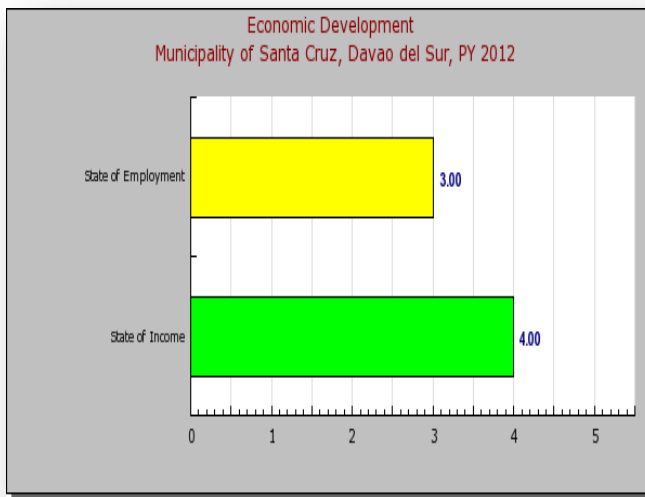
state, public order, public morals violations of special laws, illegal gambling, illegal possession of firearms, carnapping, illegal drugs, kidnapping, serious illegal detention, and smuggling is very low. LGU's data is less than 1 per 10,000 populations. Benchmark is at 3-4 per 10,000 population. Sustain efforts.

Incidence of rebellion and terrorism

There has been no incidence of rebellion and terrorism for the past three years in the locality.

State of Economic Development, 3.50 (Fair)

Economic development is determined by indicators of employment and income. Economic activities have the capacity to greatly affect the quality of the environment. Well-managed economic growth does not pollute the environment and does not destructively exploit and irreversibly damage natural resources.



Detailed Description on Economic Development

1. State of Employment

Indicator

Interpretation

Unemployment Rate

Unemployment rate is within acceptable level. Sta. Cruz' rate is 6-7%. Benchmark: should not be higher than 7%. This is attributed by the influx of investors who opted to locate in

Sta. Cruz being investor-friendly and endowed with investment resources.

Underemployment rate

Underemployment rate is evident but within tolerable level. LGU's underemployment rate is 16-20% while the benchmark dictates that it should not be higher than 20%.

2. State of Income

Indicator

Interpretation

Income per Capita

Income per capita is a little higher than the calculated national average. LGU's data is 36,000-50,000 per year. Benchmark: should not be lower than PhP 35,000 per year.

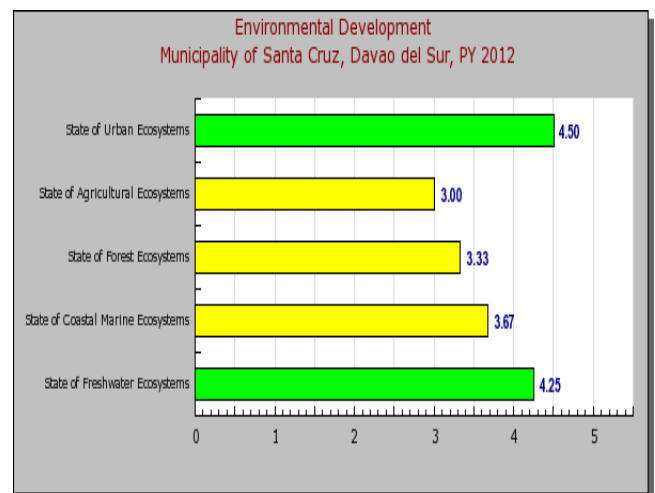
Poverty Incidence for LGUs outside Metro Manila and non-HUCs.

Poverty incidence is relatively low which falls at 10-25%, far below the national average of 26.9%. LGU's endeavors should be sustained.

Environmental Development, 3.75 (Fair)

Environmental development is determined using environmental quality indicators such as the land, air and water quality and natural resources' indicators describing agricultural, forest and aquatic resources' productivity. The result depends on the type of ecosystem in the LGU.

For 2012, Environmental Development index is a fair level of 3.75.



Detailed Description on Environmental Development

possibility of its increase rate is truly at hand given all the required resources in the LGU.

1. State of Urban Ecosystem

Indicator	Interpretation
% of tree in urban areas (cities and town)	Tree cover in urban areas is sufficient. Better air quality is expected. Sta. Cruz' tree cover in urban areas is above 20%. Benchmark should be at least 20% according to Local Development Watch Manual.
% of polluting industries	No polluting industries. Better air quality in urban areas is expected. LGU's supplied data declared that all industries have pollution control facilities which are a desirable condition. Yet, clamors were received of a particular company which accordingly emits obnoxious odor and damages marine resources within its location. Deeper research on said claim has to be considered.
Absence of smog, odor and noise in urban areas (cities and town centers).	Better air quality in urban areas is expected. Absence of smog, bad odor and loud and uncomfortable noise level in the LGU.
Presence of solid waste heaps on roadsides and vacant lots and in urban lands (cities and town centers).	Based on the data, cleanliness in the urban area is observed. Sanitary condition is assured. Strict observance and enforcement of RA 9003 is highly enforced.

2. State of Agricultural Ecosystems

Indicator	Interpretation
Crop yield	Crop yield in the LGU indicates average agricultural land productivity. LGU's data for crop yield is at 33.99 metric tons annually. According to Crop Statistic of the Philippines, Bureau of Agricultural Statistics Department of Agriculture (August 2007) an index of 3, means the average yield for top 3 crops reached the national average for crop production. Yet, being a locality with an agriculture-based economy, Sta. Cruz should not be satisfied with being just within the level for crop yield since the

3. State of Forest Ecosystems

Indicator	Interpretation
Forest cover	Forest is fairly preserved. Percentage of forest cover in the LGU for 2012 is quite alarming which is placed below 50-75%. The Development Watch affirmed that the benchmark for forest cover should not be lower than 50%. Prompt and apt measures should be undertaken to increase the LGU's forest cover.
Presence of illegal occupants in forest land.	Presence of illegal occupants in forest land is observed. Forest resources and wildlife habitat are at risk.
Incidence of illegal logging	No treat on forest ecosystem due to absence of illegal logging activities.

4. State Coastal Marine Ecosystems

Indicator	Interpretation
Percentage (%) of mangroves remaining	Mangroves is fairly preserved. Mangrove cover is 50-75% of the original mangrove area. Benchmark for percentage of mangrove cover should not be lower than 50%. Yet, still need attention.
Coastal fish catch	Coastal fish catch is at the average level for the past five years according to the data gathered. Benchmark for coastal fish catch according to the Local Development Watch should be stable or increase. This area has to be considered.
Incidence of Illegal Fishing	Incidence of illegal fishing is reported for the past 3 years. Yet something must be done. LGU's data is placed at 3-5 cases which are at the low level.
Extent of marine squatter households on coastline	The probability of marine pollution load is low due to the minimal number of squatter households which could contribute domestic wastes. Data supplies 2-5 houses per km. stretch within 50 meters of shore, while the benchmark requires that extent of marine

squatter households on coastline should not be more than 20. Quite opposite to what is observed, Sta. Cruz has to be certain that its coastlines are not polluted due to the incidence of squatting and wastes from households which proliferate in the coastline.

Presence of waste heaps on coastline No solid waste heaps on coastline.

5.State of freshwater Ecosystems

Indicator	Interpretation
Fish catch in river or lake	Fish catch in river or lake remains the same for the past five years. Its desirable state should be stable or increasing over the years.
Presence of polluting industries in lakeside or riverside	The probability of fresh water quality is high due to the absence of polluting industries along freshwater areas. LGU’s data declared that all industries in lakeside or riverside have pollution control facilities. Yet, the question on the quality or actual utilization of the in-placed pollution control facilities of companies needs to be considered and checked
Freshwater quality	Freshwater quality is unpolluted. LGU’s data disclosed that water is clear, without water lilies and/or floating wastes like the Sibulan River &Pilan River. WaterSystem is another indispensable life-support system.
Extend of riverside or lakeside squatters	The probability of pollution load in freshwater areas is low due to the minimal number of squatter households which could contribute domestic wastes. LGU’s data for the extent of riverside squatters is 2-5 houses per km stretch on riverside or lakeside. Benchmark level entails that it should not be more than 20 households.

CORE DEVELOPMENT CHALLENGES

Core Development Challenges are those development indicators where the LGU failed to achieve the minimum or acceptable condition, and got an equivalent development index of “2” or “1” based on the supplied data, to wit:

State of Housing and Basic Utilities – Households access to piped-in water supply (level III) is low Difficulty in accessing water could be an issue to a number of residents. Access to sanitary toilet facility is an inconvenience to a number of households. Health and sanitation is at stake.

State of Forest Ecosystem- Presence of illegal occupants in forest land. Forest resources and wildlife habitat are at risk.

State of Coastal Marine Ecosystems- many cases of illegal fishing were reported for the past 3 years.

Green line – Ideal level of development (DI: 5)

Redline – Danger Zone (DI:3)

Blue line – LGU Development Index

The plot helps determine which sector needs special attention, or which needs to be sustained. One

the blue line meets the green line, it means the LGU is doing great in that sector and has to be sustained.

It is, therefore, important that these three sectors are equally given importance to achieve a balanced and sustained development.

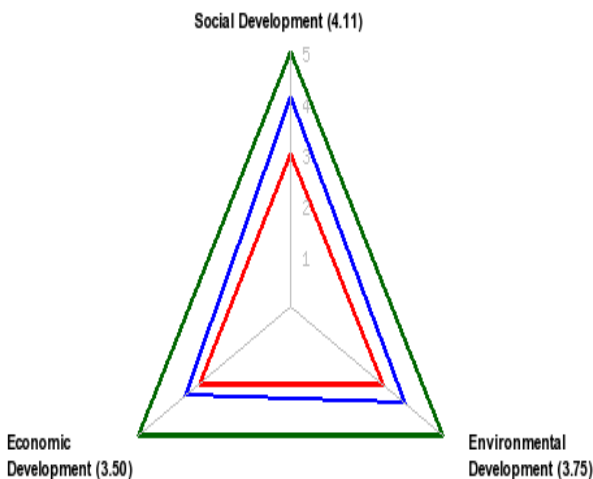
As depicted on the figure above, the area of Economic Development and Environmental Development is at the fair level, while Social Development area is at the high level.

It is to be greatly considered that socio-economic and environment is inter-dependent. A healthy and good quality human resource (labor force) is a productive working force that breeds a healthy economy and one that recognizes the value of environmental quality. A well-managed economy sustains the productivity of natural endowment and the life support system needed to build a healthy, well-conserved natural resources provide communities with a sustainable source of livelihood and income and thus improve their economicwelfare.

Clean environment and good economy ensure quality of life.

In brief, recognizing these interdependencies is about understanding human life.

Every action corresponds to great benefits or every inaction brings serious problems in the future. There is no option but to sustain those effortswhich facilitate or contribute positive developments. And from here and now development issues must be acted immediately and appropriately and ACT on issues which require apt actions...now.



FINANCIAL PERFORMANCE REPORT

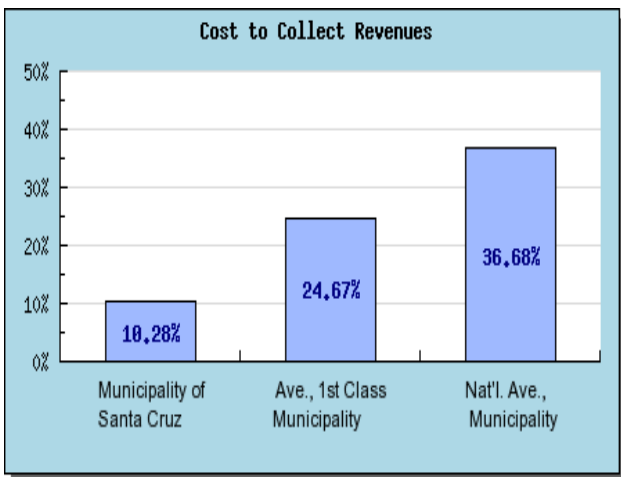
This report provides a practical tool to gauge LGU-Sta. Cruz's financial performance as compared to financial performance of all LGUs within the same LGU type and income class. The information helps the LGU to be cognizant whether it is ahead or lagging behind with many LGUs for purposes of maintaining good performance, or catching up.

Financial performance is divided into two parts: (1) Revenue Generation, and (2) Resource Allocation and Utilization. It is hoped that the information presented here would help the LGU to plan ahead and adjust revenue and expenditure priorities in accordance with the financial realities, projections and priorities of the organization.

Revenue Generation

The Local Government Unit of Sta. Cruz earned a rating of 4.70 with an adjectival rating of high for the Revenue Generation sub-area which signifies that viable and adequate measures to maximize revenue generation potentials are successfully placed.

Cost to Collect Revenues

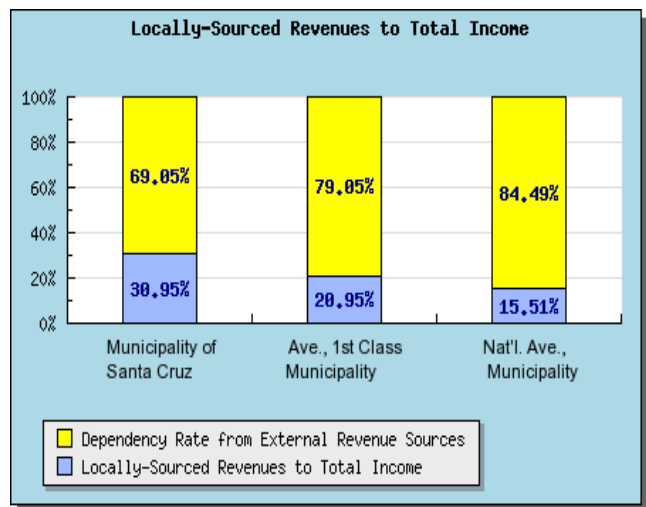


As depicted on the above graph (Cost to Collect Revenues), the LGU got an exceptional performance having a rating of only 10.28% which is lower than the average of LGUs with the same LGU type and income class (24.67%) and even much lower than the national average (36.68%) of the same LGU type regardless of income class. The LGU's cost to collect revenues is placed at P6, 872,658.46 compared to its generated total locally-sourced revenue of P66, 855,010.00 for the year under review.

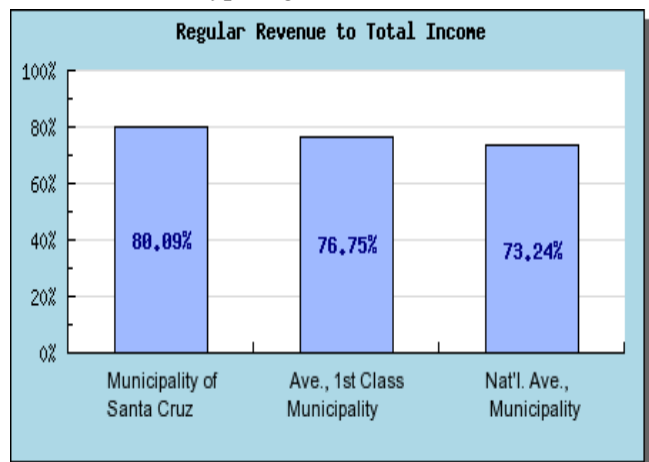
Efforts and mechanism induced by the LGU to achieve an efficient revenue collection have to be sustained in the furtherance of the delivery of basic services to the public.

Locally-Sourced Revenues to Total Income

The total LGU income for 2012 which composed of locally-sourced revenues, IRA, other share from national, and special revenues, i.e, extraordinary receipts/financial aids, loans and borrowing, and inter-local fund transfers summed P216, 025,179.10 of which, locally-sourced revenue is P 66, 855,010.00 or 30.95% .



Still, the LGU got an exceptional performance having met the following conditions: Locally-sourced revenues to total income should be higher than the: (1) average of LGUs with the same LGU type and income class, and (2) national average of the same LGU type regardless of income class.



Compared to the average of LGUs with same LGU type and income class of Sta. Cruz (20.95%) and the

national average of the same LGU type regardless of income class (15.51%), Sta. Cruz' rating of 30.95% is evidently higher than the two conditions.

Although, the LGU's dependency rate from the external revenue sources, i.e. IRA, is still at a high level (69.05%), yet, contrasting the rating with the average of other first class LGUs (of 79.05%) and the national average (of 84.49%), Sta. Cruz' dependency rate is noticeably lower than the two average.

But Sta. Cruz should not be satisfied with its current rating, it should aim at a 50% or less dependency to external sources rating so it could further deliver developmental programs/projects/activities its people desired and spur other economic activities and viable local enterprises.

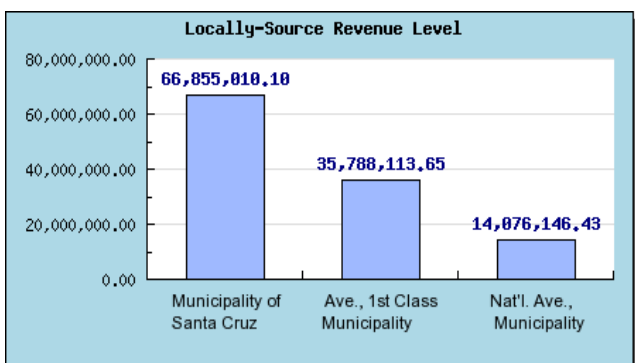
Regular Revenue to Total Income

Rating on the Regular Revenues to Total Income is computed at (Locally-Sourced Revenues+ IRA)/ Total LGU Income) x 100 which is $\frac{P66,855,010.00 + P106,170,169.00}{216,025,179.00} \times 100$ that arrived at a 80.09% proportion.

The above graph describes the reliability of the LGU's funding sources. For 2012, the LGU had performed exceptionally having earned a percentage of 80.09% which is higher than the (1) average of the LGUs with the same LGU type and income class (at 76.75%), (2) national average of same LGU type regardless of income class (at 73.24%).

Locally- Source Revenue Level

The above graph describes the locally-sourced revenue gap between the LGU-Sta. Cruz and other



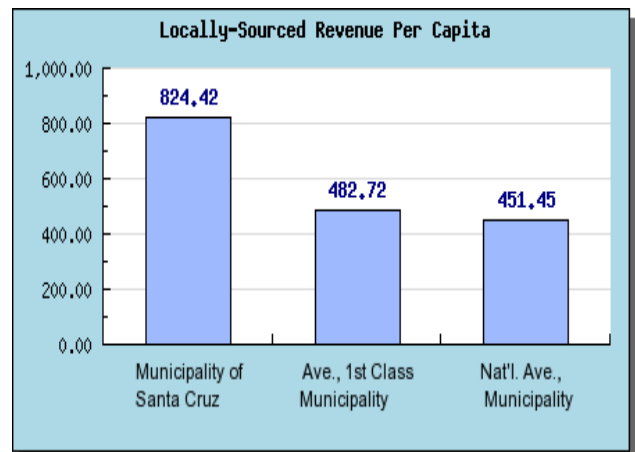
LGUs of the same type and income class.

As depicted, the locally-sourced revenue of Sta. Cruz is placed at P66, 855,010.10 which is higher than that of the (1) average of the LGUs with the same LGU type and income class (at P

35,788,113.65), (2) national average of same LGU type regardless of income class (at P 14,076,146.43).

Although, the LGU got its exceptional performance in terms of increasing its local income, they still in need to enhance and strengthen its system, procedures of collecting local income and develop more viable local enterprises.

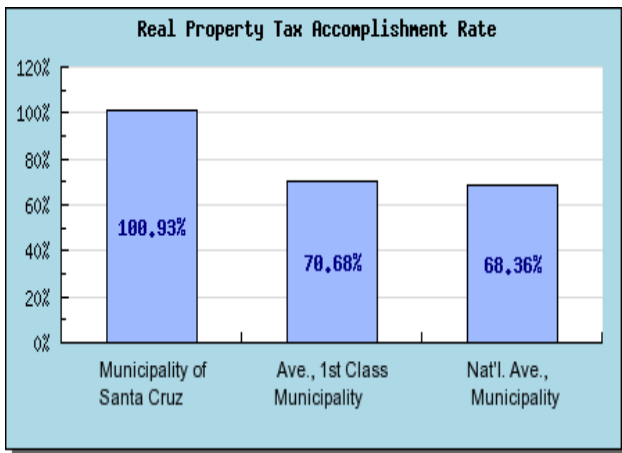
Locally-Sourced Revenue Per Capita



The Locally- Sourced Revenue Per Capita of P824.42 was obtained by dividing the amount of locally-sourced revenue over Sta. Cruz' total population, which implies that the LGU is only spending P824.42 for each inhabitant out of its local income for 2012.

It is remarkable that LGU-Sta. Cruz gets an exceptional performance compared to the average of the other LGUs with same type and income class of only P482.72, while the national average of the same LGU type regardless of income class is merely P451.45.

Real Property Tax Accomplishment Rate



Real Property Tax (RPT) is one of the major sources of income of LGUs in general. The above Table determines the revenue collection effort on RPT of Sta. Cruz for 2012. RPT accomplishment rate was obtained using the formula: (Amount of RPT collected/Amount of projected RPT collectibles) x100.

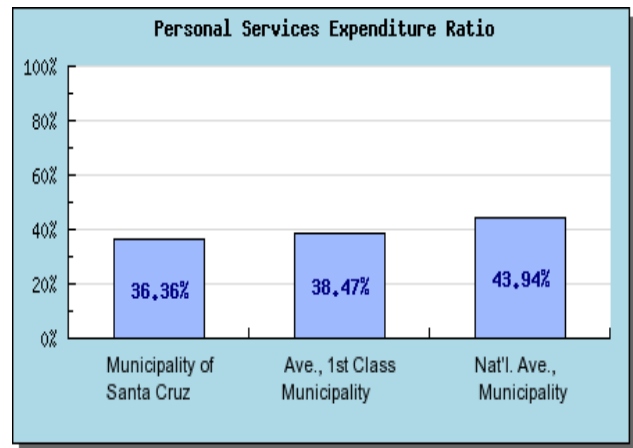
As shown, Sta. Cruz' RPT accomplishment rate (100.30%) is much higher than the (1) average of LGUs with the same LGU type and income class(70.68%), and the (2) national average of the same LGU type regardless of income class (68.36%). LGU-Sta. Cruz performed exceptionally on this area having exceeded its actual RPT collection (P13, 626,033.60) above the projected RPT collectibles (P13, 500,000.00).

Efforts and mechanism employed for an efficient RPT collection should be sustained. However, the danger of under projection should be considered. LGUs should be candid enough in declaring projections based on local situations to exemplify its real estate.

For the subsequent year, it is but apt to increase the projected RPT collectibles for it connotes more income to the LGU that will ultimately redound to an enhanced delivery of public services.

RESOURCE ALLOCATION AND UTILIZATION

Personal Services Expenditures Ratio

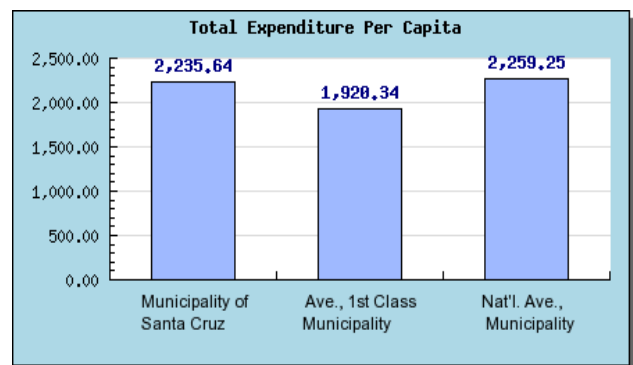


To attain an exceptional performance, the LGU's ratio should have met these three conditions: (1) lower than the average of LGUs with the same LGU type and income class, (2) lower than national average of LGUs with the same LGU type regardless of income class, (3) Did not exceed the 45-55 ceiling for P.S.

For 2012, Sta. Cruz' Personal Services Expenditures Ratio is 36.36%. Comparing it with the average of other municipalities with the same type and income class, Sta. Cruz' expenditure for personal services is much lower also compared to the national average of 43.94%.

With the given figure, it is safe to say that the LGU is spending enough amount for its workforce who is indispensable in rowing the LGU's operations.

Total Expenditure Per Capita

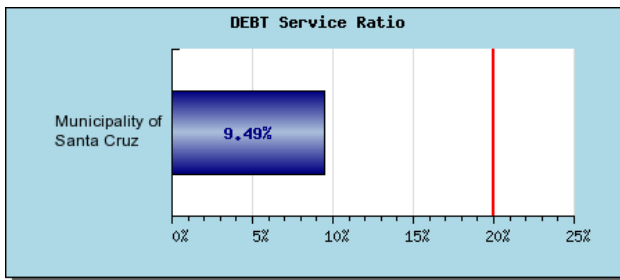


Total Expenditure Per Capita is computed as (Total Expenditure/Total Population), that is, P181, 295,455.44/81,093 (projected population) which arrived at P2,235.64 extended by the LGU per capita or per person for 2012.

Sta. Cruz has an exceptional performance on this criterion having a total expenditure per capita of P2, 235.64 which is unmistakably higher than the other LGUs with the same type and income class of Sta. Cruz but a little bit lower than that of national average of the same LGU type regardless of income class.

Remarkably, Sta. Cruz is spending a much higher amount in extending needed services to its constituents.

Debt Service Ratio



The Debt Service Ratio determines the proportion of actual debt service costs to total regular income.

The Local Government Code of 1991 (RA 7160) mandates that debt service ratio for LGUs should not exceed 20%.

For the year under review, Sta. Cruz' debt service ratio is placed at 9.49% far below the set limitation of 20% which illustrates that the LGU is spending its resources in the delivery of public services and not much indulge in debt servicing.