DRAFT VPN
April 29, 2026

FOR SECOND READING ITEM # 2
41ST Regular Session
MAY 5, 2026
Tandag City

RESOLUTION NO. ____-26
(Series of 2026)

DECLARING APPROPRIATION ORDINANCE NO. 2026-02 DATED MARCH 2, 2026 (GENERAL FUND SUPPLEMENTAL BUDGET NO. 2 FY 2026) OF THE CITY OF BISLIG, THIS PROVINCE OPERATIVE, SUBJECT TO SOME CONDITIONS

SPONSORS:

HON. ANTONIO C. AZARCON, HON. GINES RICKY J. SAYAWAN, SR., HON. RUEL D. MOMO, HON. JOSE DUMAGAN, JR., HON. ANTHONY JOSEPH P. CAÑEDO, HON. HENRICH M. PIMENTEL, HON. VALERIO T. MONTESCLAROS, JR., HON. JOEY S. PAMA, HON. MARGARITA G. GARAY, HON. RAUL K. SALAZAR, HON. JOHN PAUL C. PIMENTEL AND HON. YUR I ART EUFY R. SANCHEZ

WHEREAS, pursuant to Chapter III, Article 1, Section 327of the Local Government Code of 1991, the Sangguniang Panlalawigan is mandated to review ordinances authorizing annual or supplemental appropriations of component cities and municipalities in the same manner and within the same period prescribed for the review of other ordinances;

WHEREAS, Appropriation Ordinance No. 2026-02 dated March 2, 2026 of the City of Bislig, this Province, authorizing its General Fund Supplemental Budget No. 2 FY 2026 involving an appropriation in the amount of Eighty Eight Million Four Hundred Fifty Nine Thousand Seventy Two Pesos and 84/100 (₱88,459,072.84), was submitted to this Body for review and same was referred to the Committee on Finance and Appropriation, for appropriate action and was subsequently endorsed to the Provincial Finance Committee, for technical review;

WHEREAS, the Provincial Finance Committee, in its review letter dated March 26, 2026 relative to Appropriation Ordinance No. 2026-02 dated March 2, 2026 of the City of Bislig, this Province, informed the August Body that the same shall be declared operative and after a thorough review of the provisions embodied in the Ordinance by the Committee to which the matter was referred to, the latter disclosed that it has substantially complied with the provisions of the Local Government Code of 1991 and its Implementing Rules and Regulations, except for the following findings, viz:

1. the Secretary to the Sangguniang Panlungsod failed to submit the Appropriation Ordinance to the reviewing body on the prescribed period;

2. it is noted the Supplemental Annual Investment Program (SAIP) is presented in a manner that emphasizes some Objects of Expenditures rather than highlighting the specific Programs, Projects and Activities (PPAs) of the Local Government Unit (LGU). This format deviates from the expected presentation, where the Annual Investment Program (AIP) shall clearly indicate priority PPAs that align with the LGU's goals and objectives as outlined in the development plans. It is essential that these identified PPAs serve as the basis for the inclusion of appropriations in the LGU's budget; and

3. the savings within the 20% Development Fund, originating from continuing appropriations under the Statement of Funding Sources, were not adequately substantiated. Specifically, there was insufficient documentation to verify that the expenditures for associated Program/Project/Activity (PPA) expenditures had been fully paid, completed, or otherwise settled. This situation is contrary to the requirements outlined in Article 418 of the Implementing Rules and Regulations (IRR) of the Local Government Code (LGC). Furthermore, the absence of clear justification raises concerns about whether these savings are indeed free from any prior obligations or encumbrances, a requirement stipulated in Article 454 of the IRR of R.A. 7160;

4/29/26

4/30/26

WHEREAS in view of the foregoing and on motion of ______________________ and duly seconded by ____;

NOW THEREFORE

BE IT RESOLVED by the Sangguniang Panlalawigan of Surigao del Sur to declare Appropriation Ordinance No. 2026-02 dated March 2, 2026 (General Fund Supplemental Budget No. 2 FY 2026) of the City of Bislig, this Province operative, subject to the following conditions, to wit:

1. the Secretary to the Sangguniang Bayan shall adhere to Section 56 of R.A. 7160 by submitting the approved Appropriation Ordinance three (3) days after the approval to the Sangguniang Panlalawigan for review in accordance with Section 327 of the Code. It is noted that AO No. 2026-02 was approved on March 2, 2026 but submitted to OSSP for review on March 18, 2026 only;

2. to ensure alignment with the budget Operations Manual (BOM) for Local Government Units (LGUs), 2023 Edition, we recommend that the LGU take proactive steps to reconcile the presentation of Programs, Projects and Activities (PPAs) in the next budget cycle. This reconciliation will facilitate the harmonization of plans, policies effectively linking the budget to the city's development plans and presented in accordance with the manual in order that the local budgets shall operationalize in the approved local development plans as emphasized in Section 305(i) of R.A. No. 7160;

3. to rectify this finding, we recommend that any re-appropriations of continuing appropriations from the 20% Development Fund shall be accompanied by clear and comprehensive justification. This justification shall explicitly detail the reasons for the discontinuance or abandonment of the original work, activity or purpose for which the appropriation was initially authorized. This ensures that the re-appropriated funds are allocated transparently and in accordance with the LGC's provisions;

4. the procurement of goods, consulting services and civil works shall be in accordance with R.A. 12009, otherwise known as "The New Government Procurement Reform Act" and its revised IRR;

5. in all cases, the appropriation authorized therein shall be used in conformity with Section 305 of R.A. No. 7160 and shall be subject to availability of funds, accounting and auditing rules and regulations; and

6. compliance and adherence with all existing laws, rules and regulations shall be the responsibility of the implementing Officials of the City of Bislig, this Province.

RESOLVED FURTHER: To require the City of Bislig to comply with the posting requirements under Section 59 of the Local Government Code of 1991 and the herein recommendations and to notify this Body of the actions taken thereon.

RESOLVED FURTHERMORE: To inform the City of Bislig that the review action does not authorize any item/s of appropriation that is specifically prohibited by or inconsistent with the provisions of law.

RESOLVED FINALLY: To furnish copies of this Resolution to the Provincial Budget Officer and the Provincial Auditor, both of this Province, to Hon. Florencio C. Garay, City Mayor, to the Sangguniang Panlungsod thru Hon. Conrad C. Cejoco, City Vice Mayor/Presiding Officer, the City Budget Officer, the City Treasurer and the City Accountant, all of the City of Bislig, this Province, for their information and guidance.

ADOPTED this 5th day of May, 2026 at the City of Tandag, Province of Surigao del Sur by unanimous votes of all Sangguniang Panlalawigan Members present.

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I HEREBY CERTIFY to the correctness of the foregoing Resolution.

EDGAR G. PEREZ II, J.D.
Secretary to the Sangguniang Panlalawigan

ATTESTED AND CERTIFIED TO BE DULY ADOPTED:

RUEL D. MOMO
ActingVice Governor
(Presiding Officer)

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