DRAFT VPN
March 4, 2025

FOR SECOND READING # 2
131ST Regular Session
March 11, 2025
Bislig City

RESOLUTION NO. ___-25
(Series of 2025)

DECLARING APPROPRIATION ORDINANCE NO. 2024-30 DATED DECEMBER 10, 2024 (GENERAL FUND AND CITY ECONOMIC ENTERPRISE ANNUAL BUDGET FY 2025) OF THE CITY OF BISLIG, THIS PROVINCE OPERATIVE, SUBJECT TO SOME CONDITIONS

SPONSORS:

HON. GINES RICKY J. SAYAWAN, SR., HON. ANTONIO C. AZARCON, HON. JOSE DUMAGAN JR., HON. ANTHONY JOSEPH P. CAÑEDO, HON. CONRAD C. CEJOCO, HON. AMADO M. LAYNO, JR., HON. RAUL K. SALAZAR, HON. MARGARITA G. GARAY, HON. JIMMY I. GUINSOD, HON. JOHN PAUL C. PIMENTEL, HON. YURI ART EUFY R. SANCHEZ AND HON. MELANIE JOY M. GUNO.

WHEREAS, pursuant to Chapter 3, 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. 2024-30 dated December 10, 2024 of the City of Bislig, this Province, authorizing its General Fund and City Economic Enterprise Annual Budget FY 2025 involving an appropriation in the amount of One Billion Two Hundred Fifty Six Million Two Hundred Seventy Six Thousand Five Hundred Thirteen Pesos and 07/100 (₱1,256,276,513.07), 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 February 10, 2025 returned Appropriation Ordinance No. 2024-30 dated December 10, 2024 of the City of Bislig, this Province, with the information 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. upon review of the submitted Appropriation Ordinance No. 2024-30, the following inconsistencies have been identified in accordance with the budget Operations Manual for LGUs, 2023 Edition:

   1.1 the submitted Appropriation Ordinance does not include a Budget Message from the Local Chief Executive, as required by Section 314(b) of Republic Act No. 7160;

   1.2 the document is ~~missing the~~ do not have an official stamp bearing the seal of the Sanggunian, which is mandated by Section 469(c) of the Local Government Code (LGC) and Article 107(h); and

   1.3 the Statement of Indebtedness has not been explicitly included as an integral part of the Appropriation Ordinance No. 2024-30.

2. the appropriation items for Aid to Barangays and Debt Services were not reflected under the appropriate implementing Office/Unit;

3. the appropriation for long-term debt has exceeded by ₱9,425,078.09 as determined hereunder:

recommend 3/4/2025

3/6/25

Appropriation – This Budget FY 2025	₱61,500,000.00
Less: Amount due for the year FY 2025	52,074,921.91
Excess Appropriation	**₱ 9,425,078.09**

4. it is observed that there are inconsistencies in the computation of appropriations in the Personal Service of the different offices, namely:

Office	Particular	As Presented	Amount Required	Excess	(Deficient)
CMO	Philhealth Contributions	₱401,057.00	₱376,365.98	₱24,691.02	-
VM	Philhealth Contributions	288,752.00	285,508.88	3,343.12	-
SPO	Retirement & Life Insurance Contributions	1,846,093.00	1,854,349.00	-	(8,256)
	Philhealth Contributions	386,323.00	385,053.00	1,270.00	
SB Sec	Philhealth Contributions	190,269.00	187,849.00	2,420.00	
CBO	Philhealth Contributions	107,916.00	107,033.00	883.00	
Accountant	Philhealth Contributions	234,267.00	231,847.00	2,420.00	
CGSO	Philhealth Contributions	165,219.00	264,833.00		(99,614.00)
CIO	Mid-Year Bonus	324,222.00	328,934.00		(4,712.00)
	Year-End Bunos	324,222.00	328,934.00		(4,712.00)
CHO	Philhealth Contributions	794,617.00	788,595.00	6,022.00	-
			Total	**41,049.14**	**(117,294.00)**

5. there are erroneous presentations on the Proposed Salary Rate in the Plantilla of Personnel under the City Economic Enterprise Development Office (CEEDO), namely:

CEEDO	Item No.	Salary Grade	As Presented	It Should be
Market	2	14/2	382,688.00	386,580.00
	4	6/2	197,154.00	198,672.00
	5	6/5	201,744.00	203,304.00
	7	4/2	175,058.00	176,412.00
Slaughter-House	2	14/2	382,688.00	386,580.00
BCILT/IJT	2	3/5	168,707.00	170,004.00

6. the two (2) vacant positions titles of "House Parents, SG-4" in the City Social Welfare and Development Office is determined not among those prescribed under Local budget Circular No. 137, the IOS for LGU, dated July 13, 2021;

7. the position of Executive Assistant V, SG-24 and Private Secretary II, SG-15 which are vacant under the Offices of City Mayor and City Vice Mayor respectively, are determined to be not in accordance with the established standard as stated in Items 9.2.1.5 and 9.2.1.6 of the DBM's Manual on Position Classification and Compensation which was published thru DBM Circular No. 2007-6, dated February 19, 2007;

8. there is newly created position of Administrative Aide (Utility Worker I) under the Office of the City Vice Mayor which is not supported by an approved Ordinance creating the said position;

9. there are inconsistencies in the presentation of appropriations in some offices by Programs, Projects and Activities (PPA's) that can lead to confusion, misallocation of funds and undermine the integrity of the budget process, viz:

9.1 it appears that the appropriation for Gender and Development (GAD) and Peace and Order (PO) Programs were not properly itemized in the MOOE (Maintenance and Other Operating Expenses) column of the budget presentation; and

9.2 there are erroneous presentations of the proposed Salary Rate in the Plantilla of Personnel under the City Economic Enterprise Development Office (CEEDO), namely:

Particular	Presented in the Appropriation by PPA's	Presented by the Appropriation by Object of Expenditures	Difference
Senior Citizens & PWD	₱17,426,000.00	₱46,471,000.00	₱29,045,000.00
LCPC	11,955,500.00	12,150,000.00	194,500.00

10. the required appropriation by attribution for Gender and Development (GAD) pursuant with the General Provision of R.A. No. 10352, CY 2013 and Joint Circular No. 2012-01 issued by the Philippines Commission on Women, National Economic and Development Authority and the DBM is deficient by ₱38,097,103.57, as computed below:

Total Appropriations FY 2025	₱1,212,902,071.41
5% Gender and Development (GAD)	5%
Amount Required	₱ 60,645,103.57
Less: Amount Appropriated-this Budget	22,548,000.00
Deficiency	**₱ 38,097,103.57**

11. there are several items of appropriation that infringe upon the provisions outlined in Section 305(i) of Republic Act No. 7160. The specific issues identified are as follows:

11.1 the allocated budget for Program, Project and Activities (PPA's) in the Appropriation Ordinance exceeds the corresponding allocations specified in the Annual Investment Program (AIP) for the same PPAs, leading to the potential budgetary discrepancies, as shown;

Office	AIP Ref. Code	Program/Project/Activity Description	As Presented in AB 2025 appropriation by PPA	As Presented the AIP 2025	Difference
CADMO	1000-2-01-013	Support to BAC	₱1,500,000.00	₱1,220,000.00	₱280,000.00
	1000-2-01-013	Support to Licensing Operations	370,000.00	300,000.00	70,000.00
CIO	1000-2-01-002	IT Administrative Support	1,100,000.00	1,000,000.00	100,000.00
CSWD	3000-2-01-0116	Support to Local Council for the Protection of Children	4,609,500.00	4,500,000.00	109,500.00
	3000-000-2-3-02-000-001-000	TAWAG Community/ Home-Based	100,000.00	50,000.00	50,000.00

11.2 there is a lack of alignment between the PPAs listed in the Appropriation Ordinance and those categorized as Capital Outlay in the AIP. Specifically, some PPAs are incorrectly classified under Maintenance and Other Operating Expenses (MOOE) instead of Capital Outlay;

Office	AIP Ref. Code	As Presented in AB 2025 appropriation by PPA	As Presented the AIP 2025	Difference
City Coop	8000-2-02-006	Maintenance and Other Operating Expenses	Capital Outlay	200,000.00
	8000-2-02-006	Maintenance and Other Operating Expenses	Capital Outlay	150,000.00

11.3 several PPAs in the Appropriation Ordinance contain incorrect AIP reference codes, which can lead to confusion and misallocation of funds; and

11.4 there are some PPAs not included in the approved AIP but funded in the Appropriation Ordinance.

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. 2024-30 dated December 10, 2024 (General Fund and City Economic Enterprise Annual Budget FY 2025) of the City of Bislig, this Province operative, subject to the following conditions, to wit:

1. to ensure compliance with the necessary regulations and guidelines, the Local Government Unit is encouraged to adhere to the protocols outlined in the aforementioned manual. It is imperative that the identified findings be addressed and the necessary documentation be submitted to conform with established regulations;

2. the previous findings that Special Purpose Appropriations, including Aid to Barangays and any provisions for loan payments, must be accurately reflected under the appropriate implementing Department/Office. This requirement is outlined in the Budget Operations Manual for LGUs, 2023 Edition, specifically in Section 2.4.1.4, which details the contents of the Appropriation Ordinance;

3. the LGU shall make a re-programming and/or re-appropriation for development projects that will qualify for funding out the excess 20% Development Fund to conform with Section 287 of R.A. 7160;

4. the excess appropriations for Philhealth contributions in the total amount of ₱41,049.14 shall be reverted to the unappropriated balance of this budget, and the deficient appropriation for Retirement & Life Insurance Contributions, Mid-Year and Year-End Bonuses in the total amount of ₱117,294.00 shall be provided in the First Supplemental Budget FY2025;

5. rectification shall be made on The Plantilla of Personnel to conform with the prescribed rate;

6. the implementation of the said vacant positions are not allowed and the corresponding items of appropriation shall be subject to further enactment or amendments by the Sanggunian concerned;

7. the LGU is advised that the position of Executive Assistant and Private Secretary II which are co-terminus with the City Mayor and City Vice Mayor respectively, will be abolished ~~ad~~ or converted to the position with lower salary grade of 22 and salary grade of 11, respectively;

8. the creation of position in the City Vice Mayor's Office shall be supported by an Ordinance duly approved by the Sangguniang Panlungsod to determine the position and salaries, wages, allowances and other emoluments and benefits of the officials and employees of the city government as mentioned in Section 458 (viii) of R.A. 7160;

9. by properly itemizing GAD and PO appropriations in the MOOE column, the budget presentation becomes more transparent, accountable and compliant with regulatory requirements. It is suggested to Reconcile the inconsistencies and make necessary adjustments to ensure accuracy and consistency in the presentation of appropriations;

10. the LGU is advised to provide ~~us~~ The Sangguniang Panlalawigan a revised Annual Plan containing the required amount through direct appropriation and/or attribution of the LGU's regular PPAs to ~~the~~ strengthen~~ing~~ and implement~~ing~~ the various programs of the GAD, otherwise the deficiency shall be a priority appropriation in the first supplemental budget through attribution and/or direct appropriation;

11. in light of the discrepancies found, it is recommended that the LGU reconciles the subject appropriations and PPAs listed in the AIP to ensure consistency and compliance with relevant regulations;

Specifically, the LGU shall:

- align the PPAs and funding requirements in the LGU budget with the approved AIP; and
- ensure adherence to the provisions of LBC 152 covering the Budget Operations Manual for LGUs 2023 Edition.

12. the implementation of salary adjustment of the Officials and Employees of the Local Government Unit shall be in accordance with the DBM Local Budget Circular No. 160 dated August 12, 2024;

13. 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;

14. it is understood that the PPA's funded in the Ordinance are among those included in the SAIP of the LGU and that the review action does not authorize any item of those appropriation that is specifically prohibited by or inconsistent with the provisions of law; and

15. 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. Alfredo J. Carmelo, 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 11th day of March, 2025 at the City of Bislig, 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:

MANUEL O. ALAMEDA, SR.
Vice Governor
(Presiding Officer)