



Republic of the Philippines
City of Lapu-Lapu

Budget
CITY OF LAPU-LAPU
OFFICE OF THE MAYOR
RECEIVED

Sangguniang Panlungsod

Tel. No. 340-0017 • Zip Code: 6015

MARINER M. ARAN
22 NOV 2022

DATE: _____
TIME: 9:37 PM

EXCERPT FROM THE MINUTES OF THE 15TH REGULAR SESSION OF THE 16TH SANGGUNIANG PANLUNGSOD OF THE CITY OF LAPU-LAPU HELD AT THE SESSION HALL ON NOVEMBER 9, 2022

REGULAR SESSION NO. 015

PRESENT:

- Hon. Celedonio B. Sitoy, M.D.
- Hon. Eugene S. Espedido

- Hon. Linda Susan C. Baring
- Hon. Annabeth D. Cuizon
- Hon. Marciano A. Alforque, Jr.
- Hon. Celestino C. Aying
- Hon. Jan Vincent A. Dela Serna
- Hon. Nelson O. Yap
- Hon. Efren T. Herrera
- Hon. Climaco A. Tatoy, Jr.
- Hon. Jeorgen E. Book
- Hon. Joseph T. Pangatungan
- Hon. Emilio L. Galaroza, Jr., M.D.
- Hon. Eduardo L. Cuizon
- Hon. Laika J. Tampus
- Atty. James Allan C. Sayson

- Vice Mayor & Presiding Officer
- Majority Floor Leader & President Pro Tempore
- Asst. Majority Floor Leader
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member
- Sanggunian Member (ABC Pres.)
- Sanggunian Member (PPSK Rep.)
- Rep. of the Mayor to the SP

RECEIVED
CITY OF LAPU-LAPU
OFFICE OF THE MAYOR
12 02 2022

ABSENT:

None.

- 0 -

Proponent: HON. ANNABETH D. CUIZON

RESOLUTION NO. 16-0673-2022

After due deliberation of the Sangguniang Panlungsod of the City of Lapu-Lapu, on motion of Hon. Annabeth D. Cuizon duly seconded by Hon. Climaco A. Tatoy, Jr. and Hon. Marciano A. Alforque, Jr.,

RESOLVED, to enact, as it is hereby ENACTED the following:

ORDINANCE NO. 16-053-2022

AN ORDINANCE AUTHORIZING THE ANNUAL BUDGET OF THE CITY OF LAPU - LAPU FOR CALENDAR YEAR 2023 IN THE TOTAL AMOUNT OF TWO BILLION EIGHT HUNDRED SEVENTY ONE MILLION SEVEN HUNDRED EIGHTY ONE THOUSAND FIVE HUNDRED EIGHTEEN PESOS (P2,871,781,518.00) FOR THE GENERAL FUND PROPER COVERING THE VARIOUS EXPENDITURES FOR THE OPERATION OF THE LAPU-LAPU CITY GOVERNMENT; TWO HUNDRED FIFTY MILLION NINE HUNDRED NINETY THOUSAND FIVE HUNDRED NINETY SEVEN PESOS (P250,990,597.00) FOR THE OPERATION OF HOSPITALS; AND FOURTEEN MILLION FIVE HUNDRED THOUSAND (P14,500,000.00) FOR THE MARKET AND SLAUGHTERHOUSE AND APPROPRIATING THE NECESSARY FUNDS FOR THE PURPOSE.

The Sangguniang Panlungsod of the City of Lapu - Lapu, in a regular session assembled, hereby ordains, that:



Republic of the Philippines
City of Lapu-Lapu
Sangguniang Panlungsod
Tel. No. 340-0017 • Zip Code: 6015

15th Reg. Session, 16th SP, Res. No. 16-0673-2022, Ord. No. 16-053-2022 Cont'd: - 2 -

SECTION 1. The Annual Budget of the City of Lapu - Lapu for Calendar Year 2023 is in the total amount of Two Billion Eight Hundred Seventy One Million Seven Hundred Eighty One Thousand Five Hundred Eighteen Pesos (₱2,871,781,518.00) for the General Fund Proper; Two Hundred Fifty Million Nine Hundred Ninety Thousand Five Hundred Ninety Seven Pesos (₱250,990,597.00) for the Operation of Hospitals; and Fourteen Million Five Hundred Thousand (₱14,500,000.00) for the Market and Slaughterhouse are hereby approved.

The budget documents consisting of the following are incorporated herein, and made as integral parts of this Ordinance:

1. Letter from the Local Chief Executive, Hon. Junard "Ahong" Q. Chan;	Annex "A"
2. Receipts Program;	"B"
3. Summary of FY 2023 Proposed New Appropriations for the General Fund Proper prepared by Judith D. Furuta, City Budget Officer, and approved by the City Mayor, Hon. Junard "Ahong" Q. Chan;	"C"
4. Statement of Indebtedness	"D"
5. Plantilla of Personnel FY 2023 Prepared by Mario Dennis A. Calvo, CGADH-HRMDO, Reviewed by Judith . Furuta, City Budget Officer, Approve by Junard "Ahong" Q. Chan, Mayor	"E"
6. Plantilla of Personnel FY 2023 (Casual) Prepared by Mario Dennis A. Calvo, CGADH-HRMDO, Reviewed by Judith . Furuta, City Budget Officer, Approve by Junard "Ahong" Q. Chan, Mayor	"F"
7. Budget of Expenditures and Sources of Financing (BESF)- General Fund Proper;	"G"
8. Proposed Budget Per Office;	"H"
9. Programmed Appropriation and Obligation by Object of Expenditure for the General Fund Proper prepared by the different departments/office heads reviewed by Judith D. Furuta, City Budget Officer and approved by the City Mayor, Hon. Junard "Ahong" Q. Chan;	"I"
10. Budget of Expenditures and Sources of Financing (BESF)- Operation of Hospitals ;	"J"
11. Budget of Expenditures and Sources of Financing (BESF)- Markets and Slaughterhouse;	"K"
12. Summation by Services/Sector (Operation of Hospitals);	"L"
13. Summation by Services/Sector (Markets and Slaughterhouse);	"M"
14. Programmed Appropriation and Obligation by Object of Expenditure (Operation of Hospitals) reviewed by Judith D. Furuta, City Budget Officer and approved by the City Mayor, Hon. Junard "Ahong" Q. Chan;	"N"
15. Programmed Appropriation and Obligation by Object of Expenditure (Markets and Slaughterhouse) prepared by Maria Elena G. Caballes, Market Supervisor IV, reviewed by Judith D. Furuta, City Budget Officer and approved by the City Mayor, Hon. Junard "Ahong" Q. Chan;	"O"
16. Annual Investment Program (AIP);	"P"
17. Sangguniang Panlungsod Resolution Adopting the Annual Investment Program	"Q"
18. Personnel Schedule (PS);	"R"
19. Local Expenditure Program General Provisions Section 1.1 thru 1.32;	"S"
20. Executive Budget for the Operation of Hospitals General Provisions Section 1.31;	"T"
21. Executive Budget for the Markets and Slaughterhouse General Provisions Section 1.27;	"U"
22. Committee on Finance and Appropriations Report	"U"



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15th Reg. Session, 16th SP, Res. No. 16-0673-2022, Ord. No. 16-053-2022 Cont'd: - 3 -

SECTION 2. SOURCES OF FUNDS. – The sources of funds for the Annual Budget CY 2023 of the City of Lapu-Lapu in the amount of Two Billion Eight Hundred Seventy One Million Seven Hundred Eighty One Thousand Five Hundred Eighteen Pesos (₱2,871,781,518.00) for the General Fund Proper; Two Hundred Fifty Million Nine Hundred Ninety Thousand Five Hundred Ninety Seven Pesos (₱250,990,597.00) for the Operation of Hospitals; and Fourteen Million Five Hundred Thousand (₱14,500,000.00) for the Market and Slaughterhouse shall be as follows:

A. General Fund Proper

Particulars	Budget Year 2023
A. Local Sources	
1. Tax Revenue	
a. Real Property Tax (RPT)	₱ 330,000,000.00
b. Business Tax	₱ 624,010,000.00
c. Other Local Taxes	₱ 334,000,000.00
Total Tax Revenue	₱ 1,288,010,000.00
2. Non-tax Revenue	
a. Regulatory Fees	₱ 69,000,000.00
b. Service User Charges	₱ 41,500,000.00
c. Other Receipts	₱ 27,000,000.00
Total Non-Tax Revenue	₱ 137,500,000.00
Total Local Sources	₱1,425,510,000.00
B. External Sources	
a. National Tax Allotment	₱1,445,271,518.00
b. Share From GOCC (PCSO)	₱ 1,000,000.00
Total External Sources	₱1,446,271,518.00
TOTAL RESOURCES	₱2,871,781,518.00

B. Operation of Hospitals

Particulars	Budget Year 2023
HOSPITALS	
A. Local Sources	
1. Non-Tax Revenue	
a. Business and Service Income	₱ 50,000,000.00
b. Subsidy from Other Funds	₱200,990,597.00
Total Receipts	₱250,990,597.00



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C. Market and Slaughterhouse

<p>A. Local Sources</p> <p>1. Non-Tax Revenue</p> <p style="padding-left: 20px;">a. Business and Service Income</p> <p style="padding-left: 40px;">i. Income from Markets</p> <p style="padding-left: 40px;">ii. Income from Slaughterhouses</p> <p>Total Receipts</p>	<p>₱13,000,000.00</p> <p>₱ 1,500,000.00</p> <p><u>₱14,500,000.00</u></p>
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SECTION 3. USE OF FUNDS. —The amount of Two Billion Eight Hundred Seventy One Million Seven Hundred Eighty One Thousand Five Hundred Eighteen Pesos (₱2, 871,781,518.00) for the General Fund Proper; Two Hundred Fifty Million Nine Hundred Ninety Thousand Five Hundred Ninety Seven Pesos (₱250,990,597.00) for the operation of hospitals; and Fourteen Million Five Hundred Thousand (₱14,500, 000.00) for the Market and Slaughterhouse is hereby appropriated for the Annual Budget CY 2023 of the Lapu-Lapu City Government, as follows:

A. General Fund Proper

Object of Expenditures	Budget Year 2023
Personal Services	₱ 862,909,483.00
Maintenance and Other Operating Expenses	₱1,519,905,398.00
Capital Outlay	₱ 27,633,000.00
Other Purposes	
• Disaster Risk Reduction Mgt. Fund	₱ 143,589,076.00
• Development Project	₱ 289,054,304.00
• Aid to Barangays	₱ 20,720,000.00
• Debt Servicing	₱ 730,257.00
• Lump Sum Appropriation for Ret.& Other Benefits	₱ 7,240,000.00
TOTAL	<u>₱ 2,871,781,518.00</u>

B. Operation of Hospitals

Object of Expenditures	Budget Year 2023
Personal Services	₱196,178,391.00
Maintenance and Other Operating Expenses	₱ 52,312,206.00
5% Statutory Reserve	₱ 2,500,000.00
TOTAL	<u>₱250,990,597. 00</u>

C. Market and Slaughterhouse

Object of Expenditures	Budget Year 2023
Personal Services	₱ 11,330,503.00
Maintenance and Other Operating Expenses	₱ 3,169,497.00
TOTAL	<u>₱ 14,500,000.00</u>



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SECTION 4. GENERAL PROVISIONS - The General Provisions Sections 1.1 until 1.32 as proposed on the Local Expenditure Program; the General Provisions Section 1.1 until 1.32 as proposed on the Executive Budget for the Operation of Hospitals; and the General Provisions Section 1.1 until 1.27 as proposed on the Executive Budget for Market and Slaughterhouse are hereby adopted.

SECTION 5. SEPARABILITY CLAUSE. - If, for any reason, any Section or provision of this appropriations Ordinance is disallowed in budget review or declared invalid by proper authorities, other Sections or provisions hereof that are not affected thereby shall continue to be in full force and in effect.

SECTION 6. EFFECTIVITY. - The provisions of this Ordinance shall take effect on January 1, 2023.

ENACTED,

November 9, 2022.

APPROVED.

December 05, 2022

- 0 -

I hereby certify to the correctness of the above-quoted ordinance.

FRANCISCO Y. LIMPANGUG
SP/City Secretary

ATTESTED:

CELEDONIO B. SITOY, M.D.
Vice Mayor & Presiding Officer

APPROVED:

JUNARD "AHONG" Q. CHAN
City Mayor



Republic of the Philippines
 City of Lapu-Lapu 6015
OFFICE OF THE MAYOR
 Tel. No. 268-6229 ♦ Fax No. 340-0656



BUDGET MESSAGE

October 13, 2022

THE HONORABLE MEMBERS

Sangguniang Panlungsod
 Lapu-Lapu City

Ladies and Gentlemen:

May I submit the proposed Annual Budget for FY 2023 of the City Government for the General Fund, Operation of Hospitals, and the Market and Slaughterhouse pursuant to Section 318 of RA 7160.

INTRODUCTION

This Executive Budget was prepared in line with the national development plan, goals and agenda and in accordance with the procedures and local budget preparation forms prescribed under the 2016 Edition of Budget Operations Manual for LGUs, anchored to RA 7160 and in compliance with DBM Local Budget Memorandum No. 85 dated June 15, 2022.

We have substantially committed funds for the programs, projects and activities needed for an efficient and effective delivery of the basic services enumerated in the Code. A thorough deliberation with all concerned offices/departments and interested citizens makes it an effective tool for allocating equitably the limited resources of government to different sector, making the Budget an instrument for the economic and social upliftment of our people.

GENERAL FUND PROPER

The General Fund Budget for FY 2023 is composed of the Expenditure Program and Sources of Financing both amounting to P2.871 billion, 14% decrease than the FY 2022 expenditure program of P3.284 billion. The Expenditure Program and Sources of financing are illustrated in Exhibits 1 and 2.

Exhibit 1

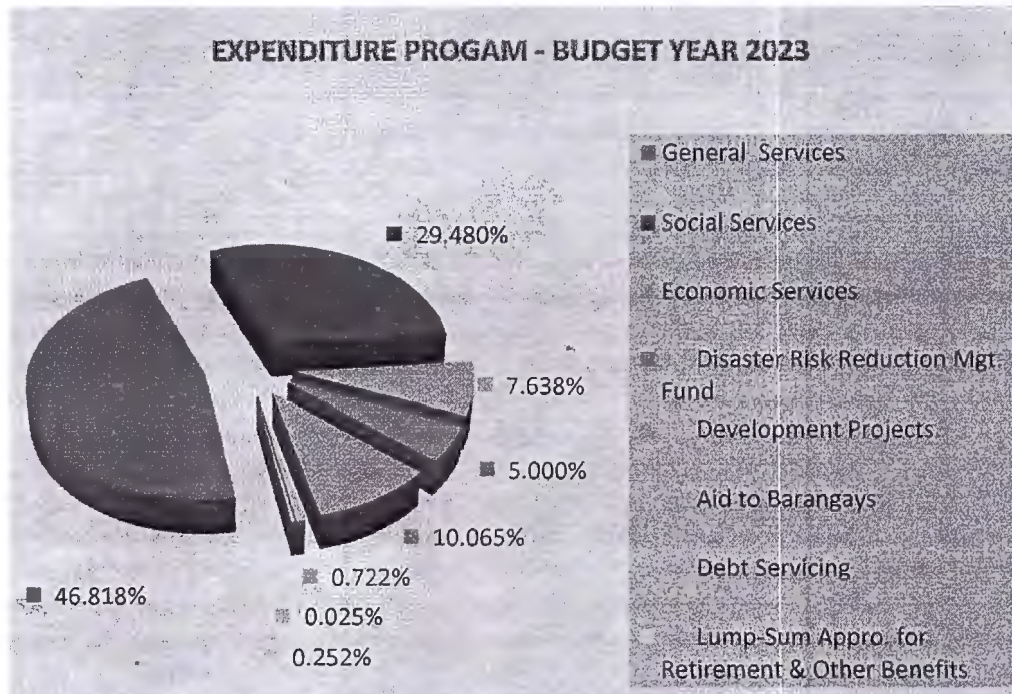
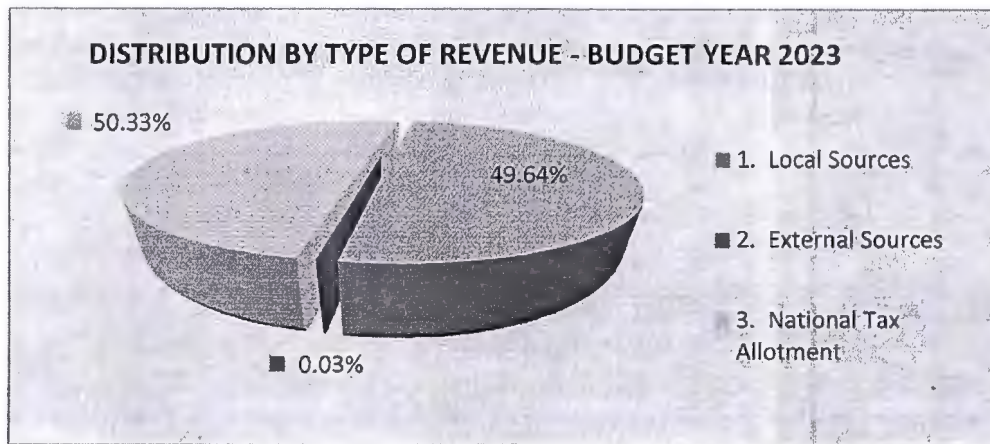


Exhibit 2



	AMOUNT	% to BUDGET
1. Local Sources	1,425,510,000.00	49.64%
2. External Sources	1,000,000.00	0.03%
3. National Tax Allotment	1,445,271,518.00	50.33%
Total	2,871,781,518.00	100.00%

GOALS AND OBJECTIVES

The change continues after Oponganons voted and gave us, the Team Kaabag a landslide victory. This serves both as an inspiration and a challenge for all of us. In my 2nd term, with an overwhelming fresh mandate and a complete slate of 16th Sangguniang Panlungsod, we will see the continuation of the programs we initiated, the completion of the projects we started and the realization of the mega projects we envisioned for the City of LapuLapu.

To set this administration's policy direction, my 10-Point Development Agenda navigates in AHONG CARES tagline, as follows:

A - ACCOUNTABILITY, TRANSPARENCY AND GOOD GOVERNANCE

- 1.1 Streamlining/overhauling of government services to make it more transparent and relevant, reviewing the existing bureaucracy, and updating of citizens charter;
- 1.2 Mainstreaming of digital technology initiatives for accessibility to the community;
- 1.3 Encourage more active participation from the privatem sector, non-government organizations and civil society organizations in governance;
- 1.4 Establish more information, education and communication initiatives using all media flat form to better inform the Oponganon about city hall services.

H - HEALTH, NUTRITION AND SANITATION

- 2.1 Improve the Health Care Delivery System;
- 2.2 Access to Sufficient Potable Water;
- 2.3 Implementation of Desalination Project to help address the water shortage;
- 2.4 Establish water treatment plants or facility to clean the excess rainwater that is flooding some areas in the city;
- 2.5 Establishment of communal toilet with environment-friendly septic tank in urban communities & eco-tourism path;
- 2.6 Provide adequate mental health and psychological support services;
- 2.7 Strengthen & improve hospital services and capability;
- 2.8 Intensify supplementation to malnourished mother and children;
- 2.9 Intensify maternal and child care services to reduce the mortality rate and hospital admission;
- 2.10 Intensify campaign on family planning, use of contraception and marital counselling to control population growth.

- O - OPPORTUNITIES IN TOURISM DEVELOPMENT & NEW BUSINESS INVESTMENT**
 - 3.1 Restoration of diving spots and underwater sea attraction;
 - 3.2 Utilize the presence of dolphins, butandings and giant sea turtles as potential tourism attraction;
 - 3.3 Establishment of tourist desk in ports of entry and exit;
 - 3.4 Imposition of Environmental fee;
 - 3.5 Rebrand Lapu-Lapu tourism and intensify promotion efforts;
 - 3.6 Creation of tour circuits and new product offerings;
 - 3.7 Creation of new business investment opportunities particularly in the BPO industry.

- N - NURTURING AND PROTECTING THE ENVIRONMENT**
 - 4.1 Efficient Garbage Collection- enforcement of segregation of garbage at source; strengthen the enforcement of environmental laws on waste segregation; seriously penalize the individuals, institutions & establishments that fails to observe the segregation at source;
 - 4.2 Coastal Management- penalize any form of illegal fishing/exploitation of marine resources within the territorial jurisdiction of the city;
 - 4.3 Heightened Coastal Patrol to protect the spotted giant sea turtles, dolphins and butandings.

- G - GROWTH IN ECONOMY**
 - 5.1 Review and update the Local Tax Code, Market Code and other revenue codes to improve the city's revenue collection;
 - 5.2 Amendment of the Investment Code to make it relevant and attuned to the prevailing conditions;
 - 5.3 Review and amend zoning ordinances for residential subdivisions to address traffic congestion, promote mixed use of residential development;
 - 5.4 Intensify tax collection initiatives.

- C - CARING FOR THE VULNERABLE SECTOR AND UNDERPRIVILEGED**
 - 6.1 Financial assistance (medical, emergency & burial) and non-cash assistance to Indigents, Senior Citizens, PWDs, women & children, Solo Parents, LGBTQ community and individuals in crisis situation;
 - 6.2 Life/Accident Insurance to vulnerable sectors;
 - 6.3 Ensure equal rights for everyone regardless of gender and sexual preference;
 - 6.4 Functional Mini-City Hall so that people in the island barangays will have access to the government services;
 - 6.5 Libreng Serbisyo - bringing the government services closer to the people;
 - 6.6 Establish disaster-resilient evacuation centers or transition house in every barangays to cater to the vulnerable sectors during disasters and emergencies;
 - 6.7 Facilitate PhilHealth membership of vulnerable sectors;
 - 6.8 Build safe tenements for informal settlers.

- A - ACCESSIBILITY TO EDUCATION AND TECHNICAL DEVELOPMENT**
 - 7.1 Accessibility to Tertiary Education in Olango Island;
 - 7.2 Construction of TESDA building (in Olango Is. & Mainland) to provide more technical skills development training;
 - 7.3 Mobile Eskwela to provide avenue to educate street children;
 - 7.4 Brain Gain Initiative - Invite expats who are experts in various fields as consultants.

R - RESILIENT INFRASTRUCTURE TO PROMOTE SUSTAINABLE CITY

- 8.1 BUILD BACK BETTER & GREENER - Restoration of government buildings that were destroyed by typhoon Odette by building it back in a better and greener structure to be more resilient to calamities and disasters;
- 8.2 Rectification of defective infrastructure projects implemented in the past especially on the drainage projects constructed in the middle of street without inlets;
- 8.3 Well-Lighted Streets - ensure that the streets are well-lighted and must be resilient in times of blackout or disruption in the power supply due to calamity/disaster by putting up solar-powered lights. Possibility of shifting to underground cable connections to eliminate the untidy, eye-sore spaghetti wires;
- 8.4 Construction of new City Hall building & conversion of the City Sports Complex into a mixed-use development;
- 8.5 Establish more satellite markets especially in residential enclaves to provide access to the consumers and decongest the main public market;
- 8.6 Opening of new roads to resolve the traffic problems in the city;
- 8.7 Encourage the use of solar-powered vehicles especially in Olango;
- 8.8 Construction of MEGA infrastructure projects such as Bridge connecting Suba, Sabang to Pangan-an; Skyway connecting CCLEX to MCIA; Coastal Highway traversing coast of Mactan to Pajo; and Boardwalk along the coast of Pusok and Pajo.

E - ENSURING PUBLIC ORDER AND SAFETY

- 9.1 Eliminate and control all forms of criminality especially drug abuse;
- 9.2 Establishment of Balay Silangan;
- 9.3 Enhance capability of the PNP/BFP and auxiliary force for disaster response and humanitarian assistance;
- 9.4 Improve social media platform for crime monitoring and reporting.

S - STRENGTHENING COMMUNITY INVOLVEMENT

- 10.1 Development of youth as responsible members of the society through sports and community involvement;
- 10.2 Intensify capability development on disaster risk reduction & climate change adaptation all over the city;
- 10.3 Institutionalize the accreditation of community disaster volunteers and provide life insurance thereof;
- 10.4 Gubat batok sa gutom. Massive implementation of urban gardening especially in Olango to address concern on food security;
- 10.5 Strengthening Bayanihan projects.

FISCAL POLICIES

Some of the revenue-generating measures are as follows:

1. Adoption of an amended Revenue Code;
2. Seek funding assistance from the District Representative of the Lone Congressional District of LapuLapu for our priority infrastructure projects;
3. Enter into Public-Private Partnership that is beneficial to the city;
4. Intensify collection of taxes especially on delinquent real property and business establishments;
5. Expand Local Economic Enterprise (Hoopsdome and Public Market);
6. Expansion of electronic payment of taxes;
7. Responsive budget allocation in the different departments, this includes human resource
8. Proper maintenance program in all government equipment, facilities and utilities for savings generation;
9. Auction of unserviceable equipment and other items of the city;
10. Review purchase of motor vehicles and to explore rental arrangement of vehicles; and
11. Adaptation of renewable energy.

PROGRAM THRUSTS AND PRIORITIES

It has been estimated that our total resources for the budget year will reach **Two Billion Eight Hundred Seventy One Million Seven Hundred Eighty One Thousand Five Hundred Eighteen Pesos** (P2,871,781,518.00). **One Billion Four Hundred Forty Five Million Two Hundred Seventy One Thousand Five Hundred Eighteen Pesos** (P1,445,271,518.00) or 50.33% of these will be derived from National Tax Allocation (NTA) and **One Million Pesos** (P1,000,000.00) or 0.03% from external sources. **One Billion Four Hundred Twenty Five Million Five Hundred Ten Thousand Pesos** (P1,425,510,000.00) from Local Sources.

A summary of our total General Fund Budget Proposal below shows the allocation by sector:

Exhibit 3.

SECTOR/PURPOSE	AMOUNT	% to BUDGET
General Services	₱ 1,344,499,822.00	46.82%
Social Services	846,606,786.00	29.48%
Economic Services	219,341,271.00	7.64%
Other Purpose:		
Disaster Risk Reduction Mgt. Fund	143,589,076.00	5.00%
Development Projects	289,054,304.00	10.07%
Aid to Barangays	20,720,000.00	0.72%
Debt Servicing	730,257.00	0.03%
Lump-Sum Appro. for Retirement & Other Benefits	7,240,000.00	0.25%
Total	₱ 2,871,781,516.00	100.00%

GENERAL PUBLIC SERVICES

The general public services got the biggest share with P1,344,499,822 or 46.82% in this proposed budget. This is distributed for administrative overhead, mandatory and regulatory functions of the city, support to employment and socio-economic endeavors and funding support to national government offices stationed in this city. We have increased allocations to the PNP to ensure the peace and order situation, to sustain economic growth in our city.

We focus in extending assistance and introducing livelihood programs and projects due to pandemic and capacitate individuals, organizations or groups through skills trainings for entrepreneurship employment & Summer Job for Students.

SOCIAL SERVICES

This sector is allocated P846,606,788, representing 29.48% of the total city budget. Of this amount, P119,582,228 is for the operation of the City Health Office; P22,061,976 for the Department of Education; P62,705,979 for the LapuLapu City College; and P409,766,008 for the delivery of Social Services and Welfare. A subsidy of P200,990,597 for the city's hospitals to ensure its operation; P20,000,000 allocation for the sanitary services; P3,500,000 for the community development; P4,000,000 for the PNRC and P4,000,000 for ERUF as contribution for health services to national government agencies.

ECONOMIC SERVICES

The budget allocates P219,341,271 to this sector or 7.64% of the total budget. Of this amount P9,140,480 is budgeted for the City Veterinarian Office; P122,786,255 for the City Environment and Natural Resources Office; P58,372,122 for the operation and maintenance of the Engineering Office; and P29,042,414 for the City Tourism Office.

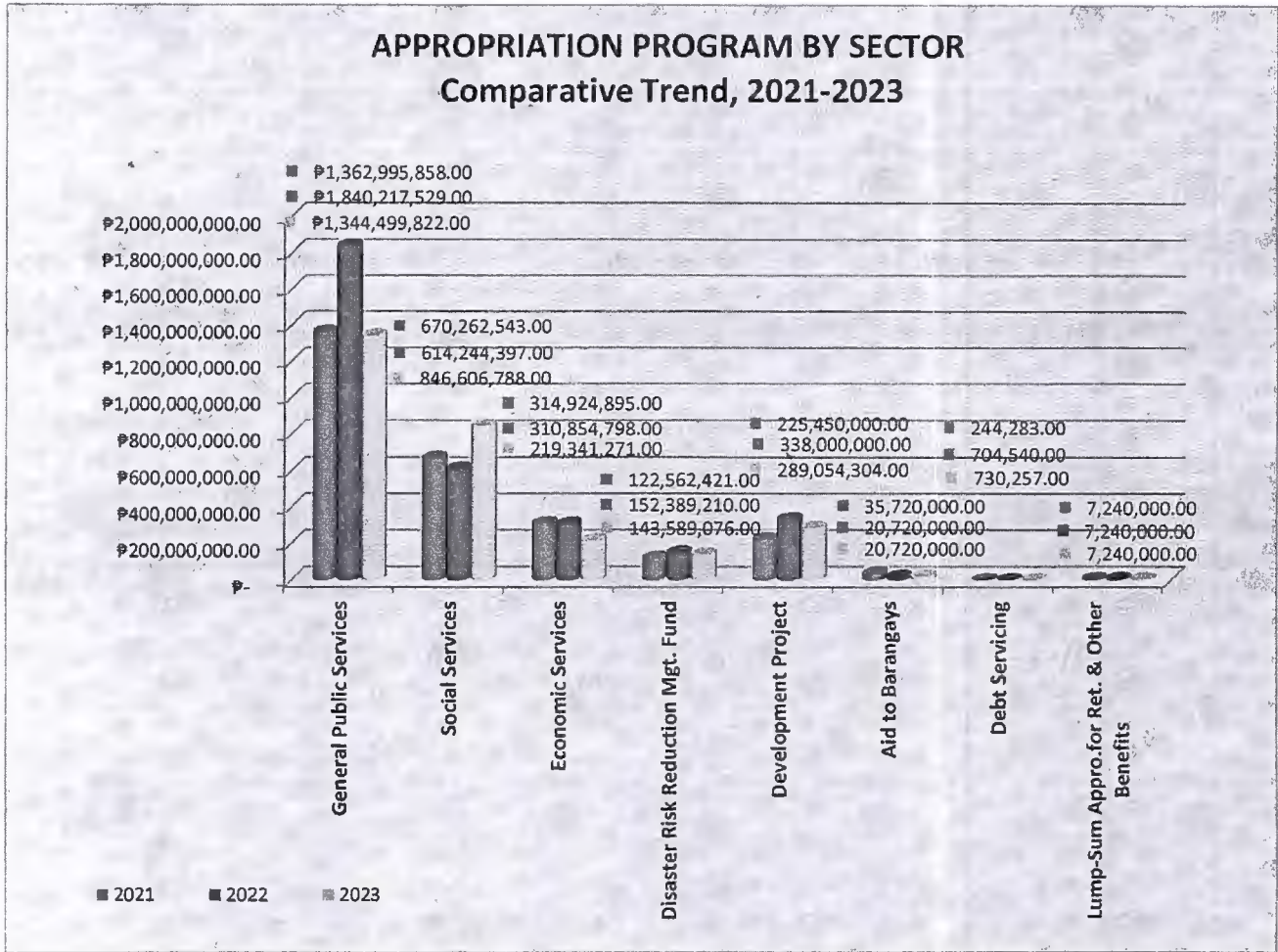
OTHER PURPOSES

The amount P461,333,637 is allocated for other purposes which includes P143,589,076 representing 5% Local Disaster Risk Reduction Management Fund; P289,054,304 for the 20% of NTA Development Fund; P20,720,000 for aid to the 30 Barangays; P704,540 for Debt Servicing; and P7,240,000 for Lump-Sum Appropriation for Retirement and other Benefits.

DISTRIBUTION BY FUNCTIONAL ACTIVITY

Exhibit 4 shows the comparative trend of expenditures from FY 2021 to FY 2023.

Exhibit 4



SECTOR/PURPOSE	2021	2022	2023
General Public Services	₱ 1,362,995,858.00	₱ 1,840,217,529.00	₱ 1,344,499,822.00
Social Services	670,262,543.00	614,244,397.00	846,606,788.00
Economic Services	314,924,895.00	310,854,798.00	219,341,271.00
Disaster Risk Reduction Mgt. Fund	122,562,421.00	152,389,210.00	143,589,076.00
Development Project	225,450,000.00	338,000,000.00	289,054,304.00
Aid to Barangays	35,720,000.00	20,720,000.00	20,720,000.00
Debt Servicing	244,283.00	704,540.00	730,257.00
Lump-Sum Appro. for Ret. & Other Benefits	7,240,000.00	7,240,000.00	7,240,000.00
Total	₱ 2,739,400,000.00	₱ 3,284,370,474.00	₱ 2,871,781,518.00

DISTRIBUTION BY MAJOR EXPENSE CLASS

Exhibit 5

PARTICULARS	AMOUNT	% to BUDGET
Personal Services	₱ 862,909,483.00	30.05%
Maintenance and Other Operating Expenses	1,519,905,398.00	52.93%
Capital Outlay	27,633,000.00	0.96%
Other Purposes:		
* Disaster Risk Reduction Mgt. Fund	143,589,076.00	5.00%
* Development Project	289,054,304.00	10.07%
* Aid to Barangays	20,720,000.00	0.72%
* Debt Servicing	730,257.00	0.03%
* Lump-Sum Appro. for Ret. & Other Benefits	7,240,000.00	0.25%
TOTAL	₱ 2,871,781,518.00	100.00%

Personal Services

The proposed amount of P862,909,483 allocated for Personal Services, comprises 30.05% of the 2023 Budget, an increase of 2.9% as against the current year's expenditure program. The bulk increase is primarily due to the implementation of the Fourth Tranche of Salary Standardization Law of government workers effective January 1, 2023 which is incorporated in the different department/office budgets with the salary step increments of employees.

Maintenance and Other Operating Expenses

The expenditures for the MOOE total to P1,519,905,398 representing 52.93% of the budget. The allocation for MOOE includes operating requirements of department/offices, priority programs of this administration and subsidy for the operation of our hospitals.

Capital Outlays

Expenditures for Capital Outlays amounting to P27,633,000 constitutes 0.96% of the budget year's allocation. This comprise the project proposal from different departments/offices of the city. It includes provisions for development projects in the amount of P289,054,304 funded from the 20% of National Tax Allocation.

Other Purposes

The amount of P143,589,076 is set aside for reserve for Calamity and P20,720,000 for Aid to Barangays. While P730,257 for payment of Loans and P7,240,000 is allocated for the Lump-Sum appropriation for Retirement and Other Benefits.

OPERATION OF HOSPITAL

The proposed 2023 Annual Budget for Operation of Hospitals amounts to P250,990,597. The proposed expenditure program and sources of financing is summarized below:

Expenditure Program:

PARTICULARS	AMOUNT	% to BUDGET
Personal Services	₱ 196,178,391.00	78.16%
Maintenance and Other Operating Expenses	52,312,206.00	20.84%
5% Statutory Reserve	2,500,000.00	1.00%
Total	₱ 250,990,597.00	100.00%

Sources of Financing:

Hospital Fees	₱ 50,000,000.00
Subsidy from Other Funds	200,990,597.00
Total	₱ 250,990,597.00

OPERATION OF MARKET AND SLAUGHTERHOUSE

The proposed 2023 Annual Budget for the Operation of Market and Slaughterhouse amounts to P14,500,000. The estimated income from the operation of market and slaughterhouse solely supports the 2023 budget. The expenditure program and sources of financing is presented as follows:

Expenditure Program:

PARTICULARS	AMOUNT	% to BUDGET
Personal Services	P 11,330,503.00	78.14%
Maintenance and Other Operating Expenses	3,169,497.00	21.86%
Total	P 14,500,000.00	100.00%

Sources of Financing:

Income from Market	P 13,000,000.00
Income from Slaughterhouse	1,500,000.00
Total	P 14,500,000.00

CONCLUSION

Submitted together with this Message are the Local Expenditure Program, Plantilla of Personnel, Operation of Hospital, Operation of Market and Slaughterhouse, approved Annual Investment Program and other supporting schedules.

Honorable Members of the Sangguniang Panlungsod, this budget proposal manifests our determination to lay a strong foundation for a greater and progressive city. May we always join our hands together as we go about our mission of providing a brighter future for our constituents. Together we make a good history and leave a lasting legacy to the Oponganons. For it is with our unity that we bring peace, progress and prosperity to Lapu-Lapu City.

Very truly yours,


JUNARD "AHONG" Q. CHAN
City Mayor