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SP Ordinance
No. 3568-2009

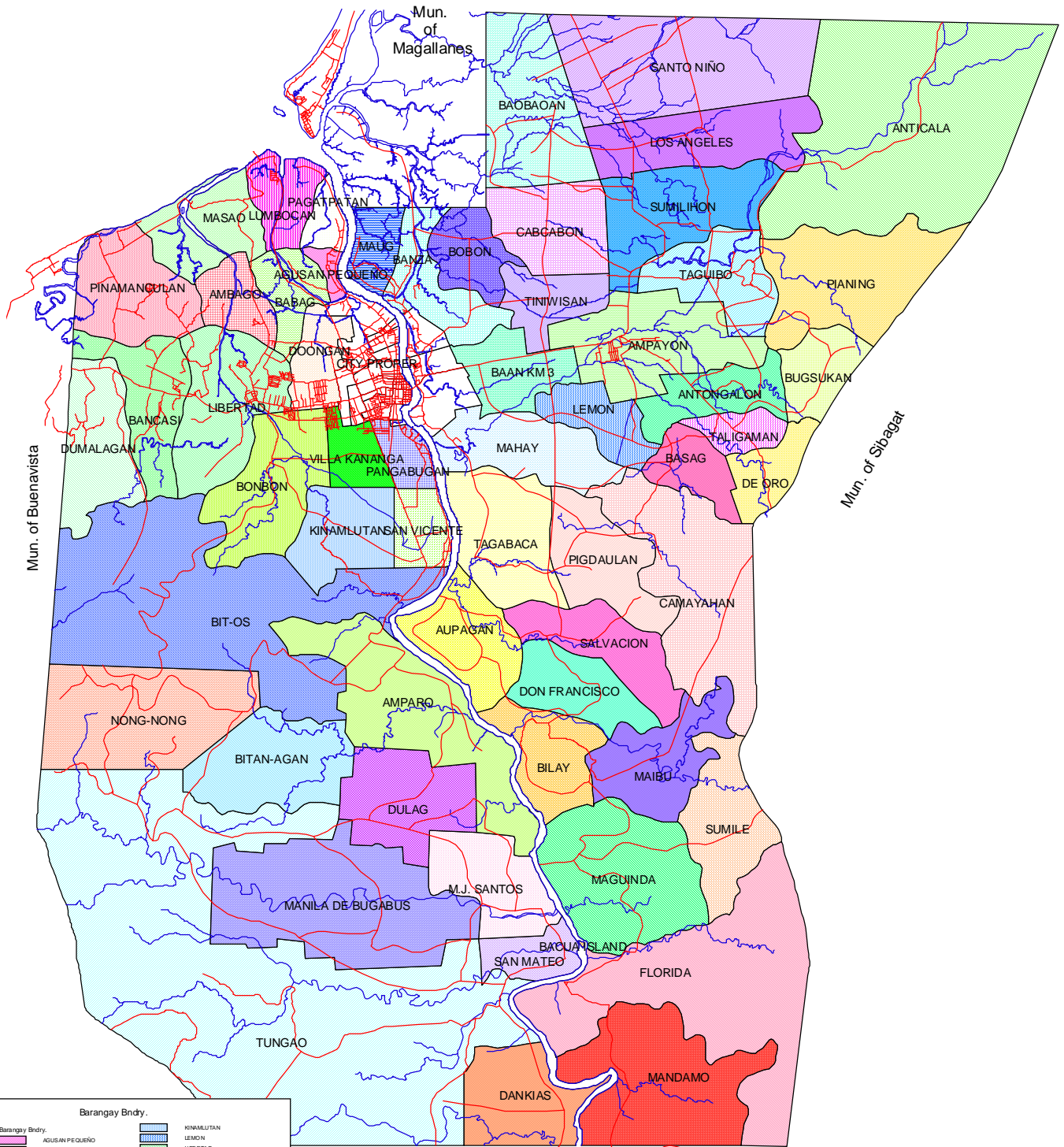
Mun. of R. T. R.

Mun. of Magallanes

Mun. of Buenavista

Mun. of Sibagat

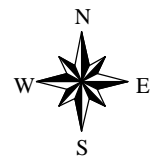
Mun. of Las Nieves



Barangay Bndry.

AGUSAN PEQUEÑO	LIBERTAD
AMBAGO	LOS ANGELES
AMPAYON	LUMBUCAN
ANTICALA	M.J. SANTOS
ANTONGALON	MAGUINDA
AUPAGAN	MAHAY
BAAN KM 3	MAIBU
BABAG	MANDAMO
BACUA ISLAND	MANILA DE BUGABUS
BANCASI	MASAO
BANGA	MALIG
BAOBACAN	NONG-NONG
BASAG	PAGATPATAN
BAY	PANGABUGAN
BIT-OS	PANGABUGAN
BITAN-AGAN	PIANING
BOBON	PISDALIN
BUGSUKAN	PINAMANCULAN
CABACAN	SALVACION
CAMAYAHAN	SAN MATEO
CITY PROPER	SAN VICENTE
DANKIAS	SANTO NIÑO
DE ORO	SUMILIHON
DUMALAGAN	TAGABACA
FLORIDA	TAGUIBO
	TINIWISAN
	VILA KANANGA

Map of Butuan City



Scale 1 : 118000

Digitized By: ROBERT S. CURAY GIS Mapping by: JOVITO C. GIS Printing by: CRIS A.

BUDGET MESSAGE

October 15, 2009

The Honorable Members

Sangguniang Panlungsod
Butuan City

Ladies and Gentlemen:

I am submitting the proposed Annual Budget for FY 2010 of the City Government of Butuan for both the General Fund Proper and General Fund – Economic Enterprises pursuant section 318 of R.A. 7160.

INTRODUCTION

This Executive Budget was arrived at after deliberations with the concerned offices/departments and non-government and private sector organizations in line with our Transparent and Accountable Governance. We recognize the active participation of these non-government and private organizations, through their membership in the Local Development Council, in the drafting the City's Annual and Medium Term Development Investment Program.

FISCAL POLICIES

1. On Reversion to Casual Employment – The conversion of our Casual employees to Job-Order status in 2008 continued until 2009. This year some of these employees were reverted back to Casual Status. Much to our desire to revert all of them back to their Casual Status, we are constrained to implement this on staggered basis in consideration of our financial capacity and in compliance with the mandated Personal Services cap.
2. On Butuan Medical Center (City Hospital) – In 2007 and 2008, we enrolled the BMC in the Transparent and Accountable Governance

(TAG) of the Asia Foundation in our desire to improve its delivery of services and to correct their ever declining revenues. Indeed, an improvement in its delivery of services has been significantly noted. However, the problem of its declining revenues has yet to be solved. For 2009, our subsidy to the BMC has already reached P45,000,000.00 due to its failure to meet its revenue targets.

In spite of this, BMC Management has continued to demand for the full implementation of their benefits under the Magna Carta for health workers and the regularization of their Medical Staff who are currently in Job-Order/Contractual status.

Given all these, we are faced with subsidizing the BMC in 2010 with a staggering amount of P55.0 to P65.0 Million to cover their salaries and benefits alone.

This situation cannot definitely continue as it will drain the City's finances.

I will therefore be constrained to order the finalization of its privatization if no improvement is attained in 2010.

3. On the Privatization of our Garbage Collection –

This year we expect to complete the construction and operationalization of our Sanitary Landfill and Materials Recovery Facility in Barangay Dumalagan. To attain efficiency, we intend to outsource its operation including our Garbage Collection to the private sector. Along this line, we intend to impose garbage fees on households.

4. Re-engineering of the City's Financial Obligations.

Upon the recommendation of the City Finance Committee, we have made negotiations with the PNB for a financial package that will consolidate our loan obligations with the end in view of reducing our financial costs, while at the same time implement the big-ticket projects of the City.

In 2009, the PNB granted us a financial package that will be used to pay our outstanding obligations with our banks in the total amount of P285M. Likewise, the said credit facility enabled us to construct our major projects, i.e. Sanggunian Panglunsod Building, Multi-purpose Building, and our South Market, and the rehabilitation of our Langihan Market and Tabo-an Center, among others.

PROGRAM THRUST AND PRIORITIES

Tourism will continue to be my center-piece this budget year. We hope to be able to create jobs and business opportunities from our tourism industry as the infrastructures necessary for the various activities are already taking place. A tourism program called "GO TOURISMO" will be launched to provide our frontline service providers the learning capacities as Tourism Advocates.

Another priority is the strengthening of our cooperatives in the different barangays as our way of combating poverty and unemployment. Started last 2009, the program this year is to provide technical support, expertise, and market and supply linkages to our cooperatives.

REVENUE

DISTRIBUTION BY TYPE OF REVENUE

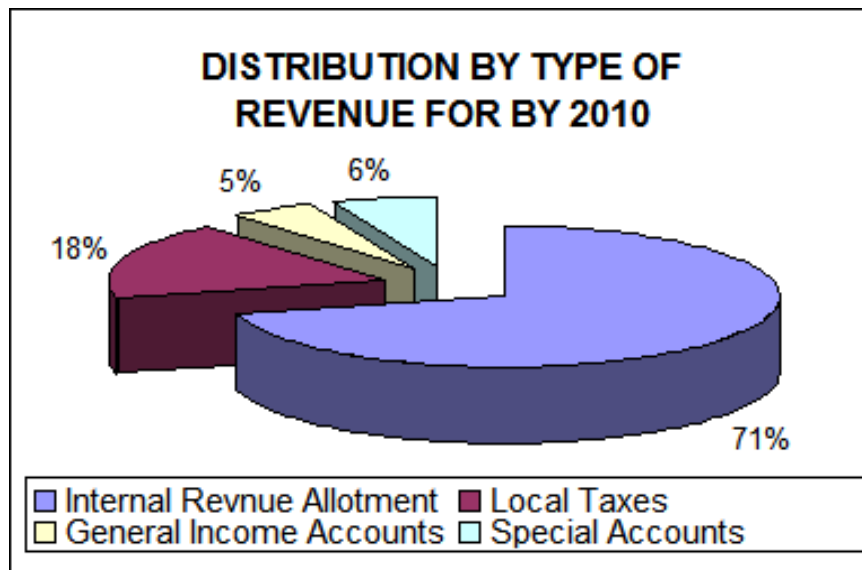
BUDGET YEAR 2010

Internal Revenue Allotment	P 717,483,368.00	71%
Local Taxes	185,556,000.00	18%
General Income Accounts	52,260,000.00	5%
Special Accounts	56,750,000.00	6%
	<hr/>	<hr/>
TOTAL	<u>P1,012,049,368.00</u>	<u>100%</u>

We continue to be IRA dependent with our IRA comprising the bulk of our revenue at 71%.

I have given instructions to the City Treasurer and the City Finance Committee to vigorously pursue other revenue measures to increase our local revenues.

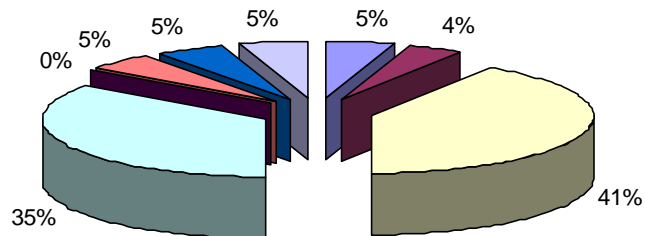
I would expect the SP Committee on Ways and Means to fully support our revenue measures.



**EXPENDITURE PROGRAM
Distribution by Sector
Budget Year 2010**

Health, Nutrition, Population Services	P 53,243,335.00 - 5%
Social, Housing and Welfare Services	43,150,689.00 - 4%
Economic Services	403,234,846.00 - 41%
General Public Services	356,627,169.00 - 35%
Aid to Barangays	4,110,800.00 - 0%
Adv./Subsidy to Economic Enterprises	54,500,000.00 - 5%
Debt Services	50,000,000.00 - 5%
5% Budgetary Reserve	<u>47,164,968.00 - 5%</u>
Total	<u>P1,012,031,807.00 – 100%</u>

EXPENDITURE PROGRAM BY SECTOR BY 2010

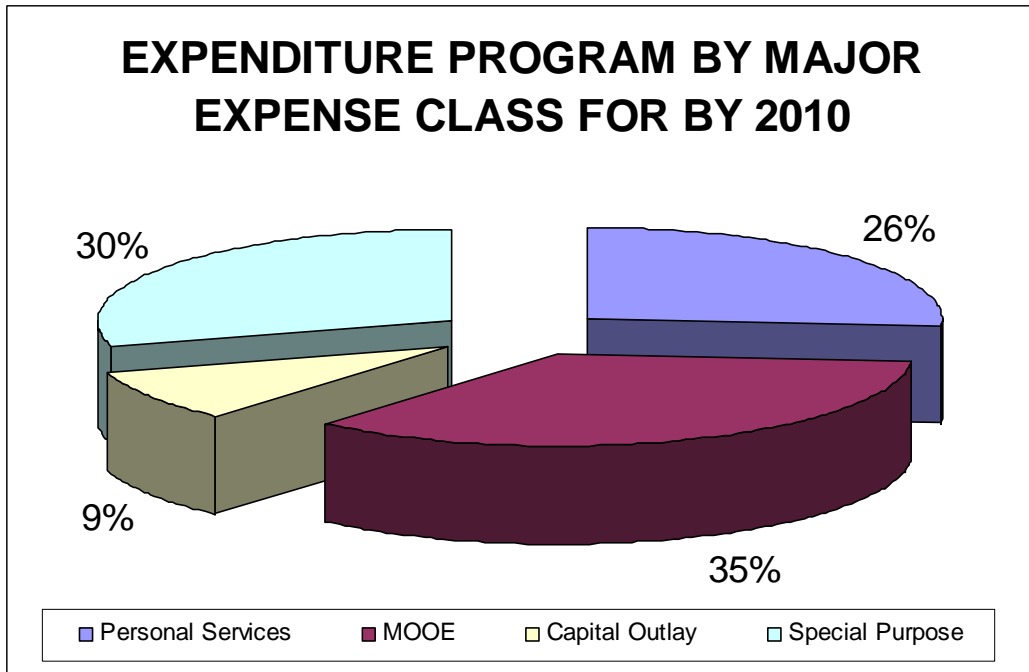


Health, Nutrition, Population P53.2m	Soc. Sec. and Welfare P43.2M
Economic Services P403.2M	Gen. Public Services P356.6M
Aid to Barangays P4.1M	Adv./Subsidy to Economic Ent P54.5M.
Debt Servicing P50M	Reserve for Calamity P47.1M

EXPENDITURE PROGRAM BY MAJOR EXPENSES CLASS

SECTOR	PERSONAL SERVICES	MAINT. & OTHER OPERATING EXP.	CAPITAL	TOTAL	%AGE
1) Health, Nutrition, Population Services	28,369,875.00	24,873,460.00		53,243,335.00	5%
2) Social, Housing & Com. Dev. & Welfare Services	16,580,681.00	23,794,008.00	2,776,000.00	43,150,689.00	4%
3) Economic Services	86,245,872.00	86,907,300.00	86,585,000.00	259,738,172.00	26%
4) General Services	132,049,384.00	222,627,785.00	1,950,000.00	356,627,169.00	35%
5) Special Purpose:		130,775,768.00	168,496,674.00	299,272,442.00	30%
5% Calamity Fund		22,164,968.00	25,000,000.00	47,164,968.00	5%
20% Dev. Fund			143,496,674.00	143,496,674.00	14%
Aid to Barangays		4,110,800.00		4,110,800.00	0%
Debt Services		50,000,000.00		50,000,000.00	5%
Advances to Eco. Ent.		54,500,000.00		54,500,000.00	6%
Total	263,245,812.00	488,978,321.00	259,807,674.00	1,012,031,807.00	100%
Percentage	26%	48%	26%		

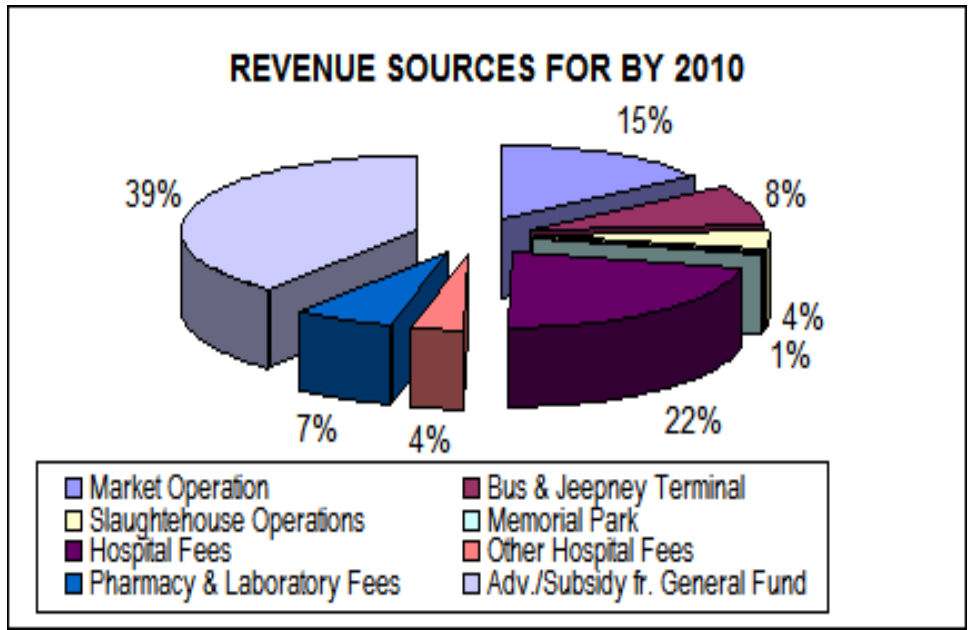
EXPENDITURE PROGRAM BY MAJOR EXPENSE CLASS FOR BY 2010



THE CITY ECONOMIC ENTERPRISES

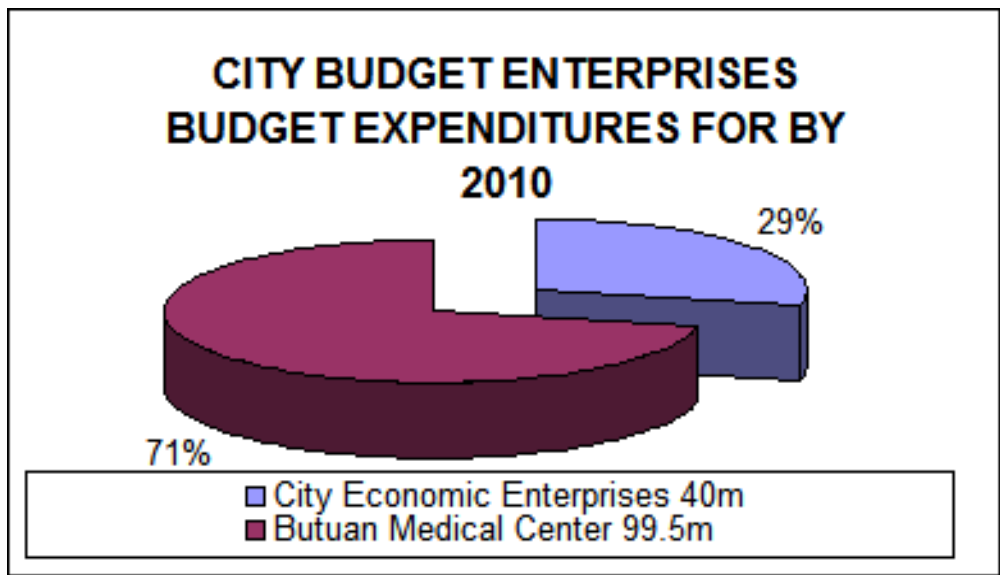
Our estimated revenue for 2010 Budget for the City Economic Enterprises, including the hospital is P139,510,000.00 sourced from the following:

Market Operation - - - - -	-P 21,402,000.00
Bus & Jeepney Terminal- - - - -	11,405,000.00
Slaughterhouse Operations - - - - -	6,203,000.00
Memorial Park - - - - -	1,000,000.00
Hospital Fees - - - - -	30,000,000.00
Other Hospital Fees - - - - -	5,000,000.00
Pharmacy & Laboratory Fees - - - -	10,000,000.00
Advances/Subsidy from General Fund - - - - -	<u>54,500,000.00</u>
TOTAL - - - - -	<u>P 139,510,000.00</u>



This amount is distributed as follows:

PARTICULARS	TOTAL	P.S.	MOOE	CO
City Economic Enterprises	40,007,866.00	17,585,366.00	21,822,500.00	600,000.00
Butuan Medical Center	99,497,368.00	60,980,561.00	37,516,807.00	1,000,000.00
Total	139,505,234.00	78,565,927.00	59,339,307.00	1,600,000.00



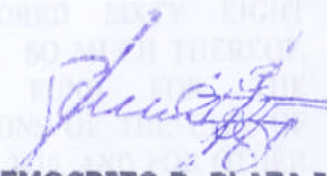
Our revenue estimates for both the Market and Terminal Operations and the Butuan Medical Center remained at the 2009 level in spite of the increase in their Personal Services and Maintenance and Other Operating Expenditures appropriations. This is because we expect interruptions in our market operations by the 1st quarter of 2010 in view of the repair of our Langihan Market and Tabo-an Bagsakan Center. We, however project that our New South Market and Terminal to be operational by the 2nd quarter of 2010 where we may be able to realize additional revenue by the 2nd semester of 2010 to compensate the losses in the 1st quarter.

As mentioned, our Butuan Medical Center will eat up to 70% of our budget for the Economic Enterprises in 2010, while their revenue target remained at the 2009 level. We believe that their projected revenue is very much attainable if they would exert more effort in their collection.

CONCLUSION

Our revenue for both the General Fund and the Economic Enterprises has broken the 1 billion mark, as we have forecasted. And yet, we still have to vigorously find new sources of local revenues in anticipation of a decreasing IRA share in view of the possible creation of new Cities.

With our Tourism Program, our cooperative endeavors, and with our improving infrastructures, coupled with capacitated citizen, we look forward to a more vibrant Butuan City in the next decade.


DEMOCRITO D. PLAZA II
City Mayor



Republic of the Philippines
TANGGAPAN NG SANGGUNIANG PANLUNGSOD
Lungsod ng Butuan

Lungsod ng Butuan
11th Sangguniang Panlungsod
55th Regular Session
Series of 2009

**AN ORDINANCE ADOPTED BY THE HONORABLE SANGGUNIANG
PANLUNGSOD OF THE CITY OF BUTUAN IN ITS REGULAR
SESSION HELD AT THE SP SESSION HALL ON
DECEMBER 29, 2009**

PRESENT:

<i>Honorable Dino Claudio M. Sanchez</i>	<i>- City Vice Mayor Presiding Officer</i>
<i>Honorable Josephine P. Marticion-Salise</i>	<i>- Member</i>
<i>Honorable Raul O. Amoc</i>	<i>- Member</i>
<i>Honorable Lawrence Lemuel H. Fortun</i>	<i>- Member</i>
<i>Honorable Ramon P. Carampatana</i>	<i>- Member</i>
<i>Honorable Salvador V. Calo</i>	<i>- Member</i>
<i>Honorable Randolph B. Plaza</i>	<i>- Member</i>
<i>Honorable Lope A. Buñol</i>	<i>- Member</i>
<i>Honorable Rodrigo L. Dayaday</i>	<i>- Member</i>
<i>Honorable Sabiniano O. Olandria</i>	<i>- Member, President Liga ng mga Punong Barangay</i>

ABSENT:

<i>Honorable Erwin L. Dano</i>	<i>- Member</i>
<i>Honorable Audie G. Bernabe</i>	<i>- Member On Official Business-Manila</i>
<i>Honorable Shiela D. Gado</i>	<i>- Member SK Federation President</i>

***The meeting was called to order at exactly
12:40 in the afternoon.***

<<>>

SP ORDINANCE NO. 3568-2009

**AN ORDINANCE APPROPRIATING THE SUM OF ONE
BILLION TWELVE MILLION FORTY NINE
THOUSAND THREE HUNDRED SIXTY EIGHT
(P1,012,049,368.00) PESOS, OR SO MUCH THEREOF,
FROM THE GENERAL FUND FOR THE
GOVERNMENTAL OPERATIONS OF THE CITY OF
BUTUAN FOR FISCAL YEAR 2010, AND FOR OTHER
PURPOSES**