



REPUBLIC OF THE PHILIPPINES  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

**LOCAL BUDGET MEMORANDUM**

No. 87  
Date: June 9, 2023

To : Local Chief Executives, Members of the Local Sanggunian, Local Budget Officers, Local Treasurers, Local Planning and Development Coordinators, Local Accountants, and All Others Concerned

Subject : **INDICATIVE FY 2024 NATIONAL TAX ALLOTMENT (NTA) SHARES OF LOCAL GOVERNMENT UNITS (LGUs) AND GUIDELINES ON THE PREPARATION OF THE FY 2024 ANNUAL BUDGETS OF LGUs**

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**1.0 PURPOSE**

This Local Budget Memorandum (LBM) is being issued to:

- 1.1 Inform the LGUs of their indicative NTA shares for FY 2024 based on the certifications issued by the Bureau of Internal Revenue (BIR), Bureau of Customs (BOC), and Bureau of the Treasury (BTr) on the share of LGUs from the actual collections of national taxes in FY 2021 pursuant to the Local Government Code of 1991 (Republic Act [RA] No. 7160) and the Supreme Court (SC) decision in the consolidated cases of *Congressman Hermilando I. Mandanas, et al. vs. Executive Secretary Paquito N. Ochoa, Jr. et al. and Honorable Enrique T. Garcia, Jr. vs. Executive Secretary Paquito Ochoa, et al.*<sup>1</sup> and
- 1.2 Prescribe the guidelines on the preparation of the FY 2024 annual budgets of LGUs.

**2.0 GUIDELINES**

- 2.1 Allocation of the FY 2024 NTA
  - 2.1.1 In the computation of the FY 2024 NTA shares of LGUs, the following factors were taken into consideration:

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<sup>1</sup> G.R. Nos. 199802 and 208488 dated April 10, 2019

- 2.1.1.1 The 2020 Census of Population by Province, City, Municipality, and Barangay, as approved through Proclamation No. 1179 dated July 6, 2021;<sup>2</sup> and
- 2.1.1.2 The 2001 Master List of Land Area certified by the Land Management Bureau (LMB) pursuant to Oversight Committee on Devolution Resolution No. 1, s. 2005 dated September 12, 2005, unless the latest LMB-certified Masterlist of Land Area has been validated by the Department of the Interior and Local Government (DILG), National Mapping and Resource Information Authority, and representatives of the Leagues of Provinces, Cities, and Municipalities, and endorsed by the Secretary of the Department of Environment and Natural Resources and the Chief Minister of the Bangsamoro Autonomous Region in Muslim Mindanao to the Department of Budget and Management (DBM) on or before December 31, 2023.
- 2.1.2 Pursuant to Section 95 of the General Provisions (GPs) of the FY 2023 General Appropriations Act (GAA), RA No. 11936, all valid adjustments, changes, modifications, or alterations in any of the factors affecting the computation of the NTA that occurred or happened, including final and executory court decisions made effective, during the current fiscal year (FY 2023), shall only be considered and implemented by the DBM in the subsequent fiscal year (FY 2024) from receipt by the DBM of the notice of the said change.
- 2.1.3 All other LGUs that may be created/converted by Congress and approved by the President, the corporate existence of which will commence in FY 2023, shall likewise be included in the allocation of the FY 2024 NTA shares of LGUs.
- All LGUs concerned shall be informed of the resulting adjustments in the computation of their respective FY 2024 NTA shares through a subsequent LBM to be issued by the DBM for the purpose. It must be noted that said LBM will be issued in December 2023 inasmuch as the authorized adjustment to the NTA covers factors that occurred or happened until the end of FY 2023.
- 2.1.4 Any valid adjustments, changes, modifications, or alterations in any of the factors affecting the computation of the NTA that may occur or happen in FY 2024, including final and executory court decisions, shall be governed by the applicable GP in the FY 2024 GAA.

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<sup>2</sup> Declaring as Official the Population Count of the Philippines by Province, City/Municipality and Barangay based on the 2020 Census of Population and Housing Conducted by the Philippine Statistics Authority

## 2.2 Preparation of the FY 2024 Annual Budgets of LGUs

2.2.1 For the purpose of preparing the FY 2024 annual budgets of LGUs, the total NTA shares of LGUs shall be Php 871,375,199,000 based on the certifications of the BIR, BOC, and BTr on the actual collections of national taxes in FY 2021, broken down as follows:

<b>Collecting Agency</b>	<b>Amount (Php)</b>
BIR	687,998,360,000
BOC	183,357,236,000
Other agencies (as certified by the BTr)	19,603,000

The FY 2024 NTA level is Php 51,106,271,000 or 6.23% higher than the FY 2023 NTA shares of LGUs.

2.2.2 Pursuant to Sections 284 and 285 of RA No. 7160, and after consideration of NTA portability under RA No. 11683, summarized below are the total shares by the level of LGU in the FY 2024 NTA.

<b>Level of LGU</b>	<b>No. of LGUs</b>	<b>Total NTA Shares (Php)</b>
Provinces	83 <sup>3</sup>	200,416,295,770
Cities	148	201,216,763,239
Municipalities	1,486	295,467,100,191
Barangays	41,953	174,275,039,800
<b>TOTAL</b>	<b>43,670</b>	<b>871,375,199,000</b>

2.2.3 Further details of the FY 2024 NTA shares of LGUs by region and by level of LGU are reflected in Annex A hereof. The LGUs shall be notified of their respective indicative FY 2024 NTA allocations by the DBM Regional Offices (ROs) concerned, and said information shall be used by LGUs as basis for determining the amounts to be allocated for the budgetary requirements as prescribed under RA No. 7160 and other pertinent laws.

2.2.4 In addition to the NTA, some LGUs are entitled to the following Special Shares in the Proceeds of National Taxes:

- Share in the proceeds from the utilization and development of national wealth within their territorial jurisdiction pursuant to Sections 289 to 291 of RA No. 7160;

<sup>3</sup> The Metropolitan Manila Development Authority is included in the computation of the NTA shares of provinces pursuant to Section 10 (b) of RA No. 7924.

- Excise tax on Virginia Tobacco cigarettes pursuant to RA No. 7171,<sup>4</sup> as incorporated in RA No. 8424,<sup>5</sup> as amended by RA No. 11346;<sup>6</sup>
- Excise tax on Burley and Native Tobacco products pursuant to RA No. 8240,<sup>7</sup> as amended by RA No. 10351, and as further amended by RA No. 11346;
- Gross income taxes paid by all businesses and enterprises within the Economic Zones pursuant to RA No. 7922,<sup>8</sup> as amended by RA No. 9400;<sup>9</sup>
- Value-added Tax pursuant to RA No. 7643,<sup>10</sup> and
- Share in Fire Code Fees pursuant to RA No. 9514.<sup>11</sup>

The LGUs concerned are advised to coordinate with the appropriate revenue-collecting agencies and government corporations to reconcile their records with those of the collecting agencies to determine the amount of their shares from the said taxes.

## 2.2.5 Priorities in the Use of the NTA and Other Local Resources

2.2.5.1 Pursuant to Section 17 (g) of RA No. 7160, the NTA and other local resources shall first cover the cost of providing the basic services and facilities enumerated under Section 17 (b) thereof, particularly those devolved by the National Government (NG), before applying the same for other purposes.

2.2.5.2 Each LGU shall appropriate in its annual budget no less than twenty percent (20%) of its NTA share for development projects, which is commonly known as the 20% Development Fund (DF), as mandated under Section 287 of RA No. 7160.

<sup>4</sup> An Act to Promote the Development of the Farmers in the Virginia Tobacco-Producing Provinces

<sup>5</sup> An Act Amending the National Internal Revenue Codes, as amended, and for Other Purposes

<sup>6</sup> An Act Increasing the Excise Tax on Tobacco Products, Imposing Excise Tax on Heated Tobacco Products and Vapor Products, Increasing the Penalties for Violations of Provisions on Articles Subject to Excise Tax, and Earmarking a Portion of the Total Excise Tax Collection from Sugar-Sweetened Beverages, Alcohol, Tobacco, Heated Tobacco and Vapor Products for Universal Health Care, Amending for this Purpose Sections 144, 145, 146, 147, 152, 164, 260, 262, 263, 265, 288, and 289, Repealing Section 288(B) and 288(C), and Creating New Sections 263-A, 265-B, and 288-A of the National Internal Revenue Code of 1997, as Amended by Republic Act No. 10963, and for Other Purposes

<sup>7</sup> An Act Amending Sections 138, 139, 140, and 142 of the National Internal Revenue Code, as amended, and for Other Purposes

<sup>8</sup> Cagayan Economic Zone Act of 1999

<sup>9</sup> An Act Amending RA No. 7227, as amended, otherwise known as the Bases Conversion and Development Act of 1992, and for Other Purposes

<sup>10</sup> An Act to Empower the Commissioner of Internal Revenue to Require the Payment of the Value-Added Tax (VAT) Every Month and to Allow LGUs to Share in VAT Revenue, Amending for this Purpose Certain Sections of the National Internal Revenue Code

<sup>11</sup> Revised Fire Code of the Philippines of 2008

The 20% DF shall be utilized in accordance with the DBM-Department of Finance-DILG Joint Memorandum Circular (JMC) No. 1 dated November 4, 2020.<sup>12</sup>

2.2.5.3 As provided under Section 21 of RA No. 10121,<sup>13</sup> Rule 18 of its Implementing Rules and Regulations (IRR), and item 4.0 of National Disaster Risk Reduction and Management Council (NDRRMC)-DBM-DILG JMC No. 2013-1 dated March 25, 2013,<sup>14</sup> not less than five percent (5%) of the estimated revenue of LGUs from regular sources<sup>15</sup> shall be set aside as the Local Disaster Risk Reduction and Management Fund, and shall be utilized in accordance with the pertinent provisions of laws, rules and regulations.

2.2.5.4 Pursuant to Section 324 (c) of RA No. 7160, provinces, cities, and municipalities shall provide aid to their component barangays in the amount of not less than One Thousand Pesos (Php 1,000.00) per barangay.

2.2.5.5 The FY 2024 annual budgets of LGUs shall likewise include programs, projects, and activities (PPAs) that can be attributed and built-in within the budget levels for the following:

- Gender and Development pursuant to RA No. 7192,<sup>16</sup> RA No. 9710,<sup>17</sup> and Philippine Commission on Women-DILG-DBM-National Economic and Development Authority JMC No. 2016-01 dated January 12, 2016;<sup>18</sup>
- Senior Citizens and Persons with Disabilities pursuant to RA No. 9994<sup>19</sup> amending RA No. 7432,<sup>20</sup> and RA No. 9442<sup>21</sup> amending RA No. 7277;<sup>22</sup>
- Combatting AIDS pursuant to RA No. 8504;<sup>23</sup> and

<sup>12</sup> Revised Guidelines on the Appropriation and Utilization of the Twenty Percent (20%) of the Annual Internal Revenue Allotment (IRA) [now NTA] for Development Projects

<sup>13</sup> Philippine Disaster Risk Reduction and Management Act of 2010

<sup>14</sup> Allocation and Utilization of the Local Disaster Risk Reduction and Management Fund (LDRRMF)

<sup>15</sup> Refer to local taxes, fees, and receipts that may be collected by the LGU, including the NTA and other shares provided for in Sections 284, 290 and 291 of RA No. 7160, but exclusive of non-recurring receipts such as national aids, grants, financial assistance, loan proceeds, sales of assets, miscellaneous income/receipts and other similar receipts.

<sup>16</sup> Women in Development and Nation Building Act

<sup>17</sup> The Magna Carta of Women

<sup>18</sup> Amendments to Philippine Commission on Women-DILG-DBM-National Economic and Development Authority JMC No. 2013 01: Guidelines on the Localization of the Magna Carta of Women

<sup>19</sup> Expanded Senior Citizens Act of 2010

<sup>20</sup> An Act to Maximize the Contribution of Senior Citizens to Nation Building, Grant Benefits and Special Privileges and for Other Purposes

<sup>21</sup> An Act Amending RA No. 7227, Otherwise Known as the "Magna Carta for Disabled Persons," and for Other Purposes

<sup>22</sup> Magna Carta for Disabled Persons

<sup>23</sup> Philippine AIDS Prevention and Control Act of 1998

- Implementation of the programs of the Local Councils for the Protection of Children pursuant to RA No. 9344.<sup>24</sup>

2.2.5.6 In accordance with Section 329 of RA No. 7160 and Section 20 (a) of RA No. 10742,<sup>25</sup> as amended by RA No. 11768,<sup>26</sup> the barangays shall set aside ten percent (10%) of the general fund of the barangay for the Sangguniang Kabataan (SK). The Sangguniang Barangays shall appropriate the SK funds in lump sums which shall be disbursed for youth development and empowerment purposes.

In the appropriation, release, planning, and budgeting process for the SK funds, the barangays and the SKs are enjoined to observe the policies and procedures prescribed under DBM-DILG-National Youth Commission JMC No. 1, s. 2019 dated January 23, 2019<sup>27</sup> and Local Budget Circular No. 148 dated December 23, 2022.<sup>28</sup>

2.2.6 Pursuant to Section 305 (h) of RA No. 7160, local budget plans and goals shall, as far as practicable, be harmonized with national development plans, goals, and strategies to optimize the utilization of resources and to avoid duplication in the use of fiscal and physical resources.

2.2.6.1 To this end, the LGUs are enjoined to align their PPAs with the priorities of the NG, specifically those embodied under the Philippine Development Plan and Public Investment Program for 2023-2028.

2.2.6.2 Moreover, in accordance with EO No. 14 dated January 27, 2023,<sup>29</sup> the PPAs of LGUs shall have a results-oriented focus on national development goals and shall be in line with *AMBISYON NATIN 2040*, the 2030 Agenda for Sustainable Development, which is anchored on a set of Sustainable Development Goals, the President's 8-Point Socioeconomic Agenda, and the 2022-2028 Medium-Term Fiscal Framework.

<sup>24</sup> Juvenile Justice and Welfare Act of 2006

<sup>25</sup> Sangguniang Kabataan Reform Act of 2015

<sup>26</sup> An Act Strengthening the Sangguniang Kabataan, Institutionalizing Additional Reforms to Revitalize Youth Participation in Local Governance and by Providing Honorarium, Other Benefits and Privileges, Amending for the Purpose Certain Sections of Republic Act No. 10742, Otherwise Known as the "Sangguniang Kabataan Reform Act of 2015"

<sup>27</sup> Guidelines on the Appropriation, Release, Planning and Budgeting Process for the SK Funds

<sup>28</sup> Implementing Guidelines on the Grant of Honorarium to SK Officials Pursuant to Republic Act (RA) No. 11768

<sup>29</sup> Approving and Adopting the Philippine Development Plan for the Period 2023-2028

- 2.2.6.3 In accordance with DILG-Office of the Presidential Adviser on the Peace Process JMC No. 1 dated November 16, 2020,<sup>30</sup> LGUs are encouraged to adopt Conflict Sensitivity and Peace Promotion approaches in the preparation of their budgets.
- 2.2.6.4 The LGUs are also advised to align their development plans, investment programs, and budgets to the economic and social plans and strategies adopted by the NG to contain and prevent the spread and eliminate the threat of the Coronavirus Disease 2019 (COVID-19).
- 2.2.6.5 Finally, the LGUs are reminded to ensure that the PPAs committed to the attainment of targets in the Provincial/National Capital Region LGUs Results Matrices are prioritized in their respective budgets to ensure convergence and alignment of initiatives at the different levels of government.
- 2.2.7 Section 305 (i) of RA No. 7160 provides that local budgets shall operationalize approved local development plans. For this purpose, LGUs shall prepare the total resource Annual Investment Program (AIP)<sup>31</sup> for the budget year, which shall be culled out from the Local Development Investment Program (LDIP), which in turn shall be based on the approved Barangay Development Plan in the case of barangays, Comprehensive Development Plan in the case of cities and municipalities, and Provincial Development and Physical Framework Plan in the case of provinces.

The AIPs, as well as the LDIPs based on the approved local development plans, shall include the PPAs pertaining to the devolved functions and services pursuant to Section 17 (b) of RA No. 7160, and this LBM.

- 2.2.8 Given the uncertainty as to when the threat of COVID-19 will be finally eliminated, LGUs are encouraged to continue to provide funds for COVID-19-related PPAs and expenses, as may be necessary.

The COVID-19-related PPAs and expenses that may be funded by the LGUs may include those that are related to the prevention of the spread of COVID-19, provision of basic services to the affected population, necessary support to frontline workers, procurement and administration of COVID-19 vaccines, and ancillary supplies and services, subject to the provisions of the

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<sup>30</sup> Guidelines on Mainstreaming Conflict Sensitivity and Peace Promotion (CSPP) and Sectoral Concerns in the Comprehensive Development Plan (CDP) of Local Government Units (LGUs) in Conflict-Affected and Conflict-Vulnerable Areas.

<sup>31</sup> The template of the AIP for provinces, cities and municipalities is provided in Annex B, while the template of the AIP for barangays is provided in Annex C.

COVID-19 Vaccination Program Act of 2021 (RA No. 11525), and other PPAs related to COVID-19 response and recovery measures.

Nevertheless, it is understood that it is still the LGUs, upon their coordination with appropriate and competent authorities, that will determine the specific COVID-19-related PPAs and expenses that may be included in their respective annual budgets, taking into consideration the necessity for such PPAs and expenses and availability of funds, among others.

- 2.2.9 Section 12 of RA No. 11861<sup>32</sup> provides that the cities and municipalities shall allocate a monthly cash subsidy of One Thousand Pesos (Php 1,000.00) for solo parents earning minimum wage and below in accordance with Section 17 (b) (2) (iv) of RA No. 7160, and the guidelines to be issued by the DILG for the purpose.
- 2.2.10 In accordance with DILG Memorandum Circular (MC) No. 2018-42 dated March 26, 2018,<sup>33</sup> all LGUs are enjoined to prioritize in the allocation of local funds the PPAs included in their respective local nutrition action plans, which shall be formulated in accordance with the Philippine Plan of Action for Nutrition (PPAN) 2017-2022.
- 2.2.11 Pursuant to Section 51 of RA No. 9165,<sup>34</sup> LGUs shall appropriate a substantial portion of their respective annual budgets to assist in or enhance the enforcement of said law by giving priority to preventive or educational programs and the rehabilitation or treatment of drug dependents.
- Relative thereto, LGUs may refer to DILG MC No. 2021-044 dated April 14, 2021<sup>35</sup> for the list of anti-illegal drug programs and/or activities that they may prioritize and implement.
- 2.2.12 Pursuant to DILG MC No. 2013-98 dated September 10, 2013,<sup>36</sup> and DILG MC No. 2017-133 dated September 29, 2017,<sup>37</sup> all LGUs are encouraged to allocate funds for PPAs on culture, arts, and cultural heritage which shall be sourced from the annual cultural development plans prepared and approved by their respective local culture and arts councils. These PPAs shall be categorized under the social sector in the AIP and its precedent development plans in consonance with their respective Regional Development Plans.

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<sup>32</sup> Expanded Solo Parents Welfare Act

<sup>33</sup> Adoption and Implementation of the Philippine Plan of Action for Nutrition (PPAN) 2017-2022

<sup>34</sup> Comprehensive Dangerous Drugs Act of 2002

<sup>35</sup> Guidelines for Substantial Budget Allocation for the Holistic Implementation of Anti-Drug Abuse Programs by Local Government Units

<sup>36</sup> Encouraging LGU Support to Protect and Conserve National Cultural Heritage

<sup>37</sup> Revision of DILG Memorandum Circular No. 2002-81, Titled, "Creation of Local Culture and Arts Councils"



- 2.2.13 Pursuant to EO No. 533 dated June 6, 2006,<sup>38</sup> the LGUs concerned shall allocate adequate funds for the development and implementation of integrated coastal management programs.
- 2.2.14 In accordance with Section 29 and Section 38 of RA No. 10601, Department of Agriculture (DA) – DILG JMC No. 2018-02 dated August 02, 2018, and DA-DBM-Civil Service Commission (CSC)-DILG JMC No. 02 S. 2020 dated June 24, 2020, LGUs are enjoined to allocate funds for the development and implementation of devolved and mandated local agricultural and fisheries mechanization, irrigation, farm-to-market roads, and other related infrastructure programs and projects.
- 2.2.15 Section 4 of RA No. 11315<sup>39</sup> provides that a Community-Based Monitoring System (CBMS) shall be established and instituted in every city and municipality as an economic and social tool for the formulation and implementation of poverty alleviation and development programs that are specific, targeted, and responsive to the basic needs of each sector of the community.

Hence, the LGUs concerned shall provide the needed funds for the implementation of their respective mandates and functions relative to the CBMS established under RA No. 11315.

- 2.2.16 The FY 2024 annual budgets of provinces, cities, and municipalities shall be prepared in accordance with the procedures and schedules prescribed under RA No. 7160, and the Budget Operations Manual for LGUs, 2023 Edition, which include the following Local Budget Preparation (LBP) forms:
- LBP Form No. 1 – Budget of Expenditures and Sources of Financing (Annex D);
  - LBP Form No. 2 – Programmed Appropriation and Obligation by Object of Expenditure (Annex E);
  - LBP Form No. 3 – Plantilla of Personnel (Annex F);
  - LBP Form No. 4 – Mandate, Vision/Mission, Major Final Output, Performance Indicators and Targets (Annex G);
  - LBP Form No. 5 – Statement of Indebtedness (Annex H);
  - LBP Form No. 6 – Statement of Statutory and Contractual Obligations and Budgetary Requirements (Annex I); and

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<sup>38</sup> Adopting Integrated Coastal Management as a National Strategy to Ensure the Sustainable Development of the Country's Coastal and Marine Development and Resources and Establishing Supporting Mechanisms for its Implementation

<sup>39</sup> Community-Based Monitoring System Act

- LBP Form No. 7 – Statement of Fund Allocation by Sector (Annex J).

2.2.17 In accordance with the DBM-Climate Change Commission (CCC)-DILG JMC No. 2015-01 dated July 23, 2015,<sup>40</sup> the provinces, cities, and municipalities shall identify, tag, and prioritize their respective climate change PPAs. Moreover, as required under item 5.1.5 of the same JMC, the LGUs shall submit an electronic copy of the tagged AIP to the CCC.

The Process Guide for Local Climate Change Expenditure Tagging (LCCET) (Annex K) and other LCCET knowledge products issued by the CCC shall be used as a reference by the provinces, cities, and municipalities in the identification, tagging, and prioritization of their respective climate change PPAs which can be accessed through this link: <https://bit.ly/LocalCCETKProducts>. Moreover, the LGUs may coordinate with the CCET Help Desk through [lguhlpdesk@climate.gov.ph](mailto:lguhlpdesk@climate.gov.ph) or (02) 8254-7056.

2.2.18 Together with the Local Expenditure Program, the following documents shall be prepared and submitted by the local chief executives of provinces, cities, and municipalities to the local sanggunian concerned for budget authorization purposes:

- Budget Message;
- Plantilla of LGU Personnel (LBP Form No. 3);
- Statement of Indebtedness (LBP Form No. 5);
- Annual Operating Budget for Local Economic Enterprise(s), if any; and
- AIP, duly approved by the Sanggunian through a Resolution.

It is the responsibility of the LGUs to ensure that the priorities and requirements of the various plans of LGUs were considered in the formulation of the AIP.

2.2.19 The FY 2024 annual budgets of provinces, cities, and municipalities shall be prepared consistent with the Revised Chart of Accounts for LGUs, as prescribed under Commission on Audit (COA) Circular No. 2015-009 dated December 1, 2015.<sup>41</sup>

2.2.20 In the case of barangays, their FY 2024 annual budgets shall be prepared in accordance with the procedures and schedules prescribed under RA No. 7160, using the following Barangay Budget Preparation (BBP) forms:

<sup>40</sup> Revised Guidelines for Tagging/Tracking Climate Change Expenditures in the Local Budget (Amending JMC No. 2014-01 dated August 7, 2014)

<sup>41</sup> Prescribing the Revised Chart of Accounts for Local Government Units

- BBP Form No. 1 – Budget of Expenditures and Sources of Financing (Annex L);
- BBP Form No. 2 – Programmed Appropriation by PPA, Expense Class, Object of Expenditure and Expected Results (Annex M);
- BBP Form No. 2-A – List of Projects Chargeable Against the 20% Development Fund (Annex N);
- BBP Form No. 3 – Plantilla of Personnel (Annex O); and
- BBP Form No. 4 – Statement of Indebtedness (Annex P).

2.2.21 Together with the Barangay Expenditure Program (*sample hereto attached as Annex Q*), the following documents shall be prepared and submitted by the punong barangay to the sangguniang barangay for budget authorization purposes:

- Budget Message;
- Plantilla of Personnel (BBP Form No. 3);
- Statement of Indebtedness (BBP Form No. 4), if any; and
- AIP, duly approved by the Sanggunian through a Resolution.

2.2.22 The FY 2024 annual budgets of barangays shall be prepared consistent with the Manual on Financial Management for Barangays prescribed under COA Circular No. 2015-011 dated December 1, 2015.<sup>42</sup>

2.2.23 As provided in Item 2.0 of Local Budget Circular (LBC) No. 137 dated July 13, 2021,<sup>43</sup> all positions in the LGUs shall be allocated to their proper position titles and salary grades in accordance with the Index of Occupational Services, Position Titles, and Salary Grades in the Local Government (IOS-LGU), CY 2021 Edition, and Budget Circular No. 2021-2 dated August 25, 2021.<sup>44</sup> Moreover, the LGUs are reminded to conform with the CSC MC No. 12 dated November 8, 2022.<sup>45</sup>

## 2.3 Personal Services (PS) Limitation of LGUs

2.3.1 The LGUs shall comply with the PS Limitation as prescribed under Section 325 (a) of RA No. 7160 for provinces, cities, and municipalities, and Section 331 (b) of RA No. 7160 for barangays.

2.3.2 For this purpose, the PS Limitation in an LGU budget for a budget year shall be determined as follows:

<sup>42</sup> Prescribing the Use of the Manual on Financial Management for Barangays

<sup>43</sup> Index of Occupational Services, Position Titles and Salary Grades in the Local Government (IOS-LGU), CY 2021 Edition

<sup>44</sup> Modification of Nurse Positions

<sup>45</sup> Guidelines and Standards in the Establishment of Organizational Structures and Staffing Patterns in Local Government Units.

- 2.3.2.1 For an existing Province, City, or Municipality, compute the Total Annual Income from Regular Sources realized in the next preceding fiscal years, based on the trial balance as of December 31 of said year.
- 2.3.2.2 For an Existing Barangay, compute the Total Income Actually Realized from Local Sources during the next preceding fiscal year, based on the trial balance as of December 31 of said year.
- 2.3.2.3 For newly created LGU, for the initial year of its creation, the PS Limitation on the annual and supplemental budget(s) of a newly-created LGU shall be based on the total estimated income to be generated by the LGU during the year from both internal sources, such as share from local taxes, fees, and charges, and external sources, such as shares from the NTA and utilization and development of the national wealth, among others. It must be understood that, in determining the total estimated income, the LGU shall not include the financial subsidies/assistance that it may receive from the NG and other extraordinary receipts, such as loans, donations, capital income, and other non-recurring income.

For the year immediately following the initial year of its creation, the PS Limitation on the annual and supplemental budget(s) of a newly-created LGU shall be based on the total income generated by the LGU in the preceding year, applying the specific types of income to be included and excluded as cited in the preceding paragraph.

In the succeeding years, Sections 325 (a) and 331 (b) of RA No. 7160 shall already govern the computation of the PS limitation on the annual and supplemental budget(s) of the newly-created LGU.

- 2.3.2.4 For the determination of the total PS cost for waived items and the total annual PS budget within the PS Limitation, and other guidelines on PS Limitation, the LGUs shall be guided by the guidelines prescribed under LBC No. 145 dated March 2, 2022.<sup>46</sup>

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<sup>46</sup> Guidelines on the Implementation of Personal Services (PS) Limitation on Local Government Budgets and Determination of Waived PS Items Pursuant to Section 93 of the General Provisions (GPs) of the Fiscal Year (FY) 2022 General Appropriations Act (GAA), Republic Act (RA) No. 11639, and Years Thereafter

2.4 The LGUs may coordinate with the DBM ROs for the necessary technical assistance in the preparation of their respective FY 2024 annual budgets. The barangays may also coordinate with the local budget officers of their mother LGUs for the necessary technical assistance in the preparation of their respective FY 2024 annual budgets.

### 3.0 **MONITORING AND EVALUATION SYSTEM**

The LGUs are enjoined to fully cooperate in the implementation of the results-oriented based monitoring and evaluation system that will be established by the oversight agencies, and/or other national government agencies, as the case may be, in order to ensure the purposive monitoring and assessment of the performance of LGUs in the delivery of devolved functions and services. This is in support of good governance, transparency, accountability, and evidence-based decision-making.

### 4.0 **RESPONSIBILITY AND ACCOUNTABILITY**

The responsibility and accountability in the disbursement of funds shall rest upon the local chief executive and other local officials concerned. It is also the responsibility of the said local officials to ensure that the funds are utilized strictly in accordance with applicable budgeting, accounting, and auditing rules and regulations, and the provisions of the Government Procurement Reform Act (RA No. 9184) and other pertinent laws.

5.0 Please be guided accordingly.

  
**AMENAH F. PANGANDAMAN**  
Secretary



REGION	PROVINCES	CITIES	MUNICIPALITIES	BARANGAYS	GRAND TOTAL
NATIONAL CAPITAL REGION	682,344,994	36,307,933,179	202,437,883	15,353,502,587	52,546,218,643
CORDILLERA ADMINISTRATIVE REGION	8,290,015,001	2,740,644,864	11,351,238,525	3,708,181,412	26,090,079,802
REGION I	10,477,223,014	6,605,378,429	18,583,288,958	10,591,751,894	46,257,642,295
REGION II	11,806,923,548	6,406,971,059	18,482,929,855	7,432,718,739	44,129,543,201
REGION III	21,329,219,209	16,307,263,435	30,186,471,073	17,008,803,260	84,831,756,977
REGION IV.A	24,363,426,888	27,145,072,068	29,426,729,028	22,163,935,498	103,099,163,482
REGION IV.B	10,664,209,038	5,055,708,624	16,591,289,655	5,543,561,353	37,854,768,670
REGION V	13,337,854,688	6,336,193,574	21,017,015,380	11,671,317,740	52,362,381,382
REGION VI	14,909,204,163	17,694,601,825	21,548,725,143	14,432,329,626	68,584,860,757
REGION VII	12,190,252,712	17,133,011,804	19,491,991,628	12,764,630,617	61,579,886,761
REGION VIII	11,875,511,596	18,708,595,528	19,789,036,596	11,798,360,741	52,171,504,461
REGION IX	7,454,017,354	8,539,452,361	12,263,172,118	6,911,954,823	35,168,596,656
REGION X	10,574,519,531	12,608,897,172	15,176,970,250	8,195,860,387	46,556,247,340
REGION XI	9,855,176,131	13,445,514,888	11,896,130,423	6,904,421,888	42,101,243,330
REGION XII	10,354,335,887	5,604,433,545	15,288,746,938	5,960,685,260	37,208,201,630
REGION XIII	9,071,792,617	7,477,904,206	12,369,011,722	4,883,540,820	33,802,249,365
BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO	13,180,269,399	3,099,186,678	21,801,915,016	8,949,483,155	47,030,854,248
<b>GRAND TOTAL</b>	<b>200,416,295,770</b>	<b>201,216,763,239</b>	<b>295,467,100,191</b>	<b>174,275,039,800</b>	<b>871,375,199,000</b>

**FY \_\_\_\_\_ Annual Investment Program (AIP)  
By Program/Project/Activity by Sector  
As of \_\_\_\_\_**

Province/City/Municipality: \_\_\_\_\_

No Climate Change Expenditure (Please tick the box if your LGU does not have any climate change expenditure)

AIP Reference Code	Program/Project/Activity Description	Implementing Office/Department	Schedule of Implementation		Expected Outputs	Funding Source	Amount (in thousand pesos)					Amount of Climate Change Expenditure (In Thousand Pesos)		CC Typology Code
			Start Date	Completion Date			Personal Services (PS)	Maintenance and Other Operating Expenses (MOE)	Financial Expenses (FE)	Capital Outlay (CO)	Total	Climate Change Adaptation	Climate Change Mitigation	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12) 8+9+10+11	(13)	(14)	(15)
General Services (1000)														
Social Services (3000)														
Economic Services (8000)														
Other Services (9000)														

Prepared by:

Attested by:

\_\_\_\_\_  
Local Planning and Development Coordinator  
Date: \_\_\_\_\_

\_\_\_\_\_  
Local Budget Officer  
Date: \_\_\_\_\_

\_\_\_\_\_  
Local Chief Executive  
Date: \_\_\_\_\_

**FY \_\_\_\_\_ Annual Investment Program (AIP)  
By Program/Project/Activity by Sector**

Barangay: \_\_\_\_\_  
City/Municipality: \_\_\_\_\_  
Province: \_\_\_\_\_

AIP Reference Code	Program/Project/Activity Description	Implementing Office/Unit	Schedule of Implementation		Expected Outputs	Funding Source	Amount (in thousand pesos)				
			Start Date	Completion Date			Personal Services (PS)	Maintenance and Other Operating Expenses (MOOE)	Financial Expenses (FE)	Capital Outlay (CO)	Total (12) 8+9+10+11
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
General Services (1000)											
Social Services (3000)											
Economic Services (8000)											
Other Services (9000)											

Prepared by:

Attested by:

\_\_\_\_\_  
Barangay Secretary  
Date: \_\_\_\_\_

\_\_\_\_\_  
Barangay Treasurer  
Date: \_\_\_\_\_

\_\_\_\_\_  
Punong Barangay  
Date: \_\_\_\_\_



## BUDGET OF EXPENDITURES AND SOURCES OF FINANCING

 LGU: \_\_\_\_\_  
 GENERAL FUND

Particulars 1	Account Code 2	Past Year (Actual) <sup>1</sup> 3	Current Year			Budget Year (Proposed) 7
			First Semester (Actual) 4	Second Semester (Estimate) 5	Total 6	
<b>I. Beginning Cash Balance</b>						
<b>II. Receipts</b>						
<b>Regular Income</b>						
A. Local Sources						
1. Tax Revenue						
a. Real Property Tax (RPT)						
i. Basic RPT						
b. Business Tax						
c. Other Local Taxes						
Total Tax Revenue						
2. Non-Tax Revenue						
a. Regulatory Fees						
b. Service/User Charges						
c. Receipts from Economic Enterprise						
d. Other Receipts						
Total Non-Tax Revenue						
Total Local Sources						
B. External Sources						
1. Shares from National Tax Allotment (formerly Internal Revenue Allotment)						
2. Shares from GOCCs (PAGCOR and PCSO)						
3. Other Shares from National Tax Collections						
a. Share from Ecozone						
b. Share from EVAT						
c. Share from National Wealth						
d. Share from Tobacco Excise Tax						
Total External Sources						
<b>Total Regular Income</b>						
<b>Non-Regular Income</b>						
C. External Sources						
1. Inter-Local Transfer						
2. Extraordinary Receipts/Grants/Donations/Aids						
Total External Sources						
D. Non-Income Receipts						
1. Capital Investment Receipts						
a. Proceeds from Sale of Assets						
b. Proceeds from Sale of Debt Securities of Other Entities						
c. Collection of Loan Receivables						
Total Capital Investment Receipts						
2. Receipts from Loans and Borrowings						
a. Acquisition of Loans						
b. Issuance of Bonds						
Total Receipts from Loans and Borrowings						
Total Non-Income Receipts						
<b>Total Non-Regular Income</b>						
<b>Total Receipts</b>						

Particulars 1	Account Code 2	Past Year (Actual) <sup>1</sup> 3	Current Year			Budget Year (Proposed) 7
			First Semester (Actual) 4	Second Semester (Estimate) 5	Total 6	
<b>III. Expenditures</b>						
<b>Personal Services</b>						
Salaries and Wages - Regular/Others						
Personal Economic Relief Allowance						
<b>Maintenance and Other Operating Expenses</b>						
Traveling Expenses						
Training and Scholarship Expenses						
<b>Financial Expenses</b>						
<b>Capital Outlays</b>						
Buildings						
Office Equipment						
<b>Special Purpose Appropriations (SPAs)</b>						
Appropriation for Development Programs/Projects (20% Development Fund)						
Appropriation for Local Disaster Risk Reduction and Management (LDRRM)						
Programs/Projects						
Appropriation for Debt Service						
Subsidy to Local Economic Enterprises/Public Utilities						
Aid to Barangays						
Other Authorized SPAs						
<b>Total Expenditures</b>						
<b>IV. Ending Balance</b>						

<sup>1f</sup> Based on the Trial Balance for the Applicable Year

*We hereby certify that the information presented are true and correct. We further certify that the foregoing estimated receipts are reasonably projected as collectible for the Budget Year*

\_\_\_\_\_  
Local Treasurer

\_\_\_\_\_  
Local Budget Officer

\_\_\_\_\_  
Local Planning and Development Coordinator

\_\_\_\_\_  
Local Accountant

**Approved by:**

\_\_\_\_\_  
Local Chief Executive

PROGRAMMED APPROPRIATION AND OBLIGATION BY OBJECT OF EXPENDITURE

LGU: \_\_\_\_\_

Office: \_\_\_\_\_

Object of Expenditure 1	Account Code 2	Past Year (Actual) 3	Current Year			Budget Year (Proposed) 7
			First Semester (Actual) 4	Second Semester (Estimates) 5	Total 6	
<b>Personal Services</b> Salaries and Wages Salaries and Wages - Regular Other Compensations Personal Economic Relief Allowance Personnel Benefit Contributions Other Personnel Benefit  <b>Maintenance and Other Operating Expenses</b> Traveling Expenses Training and Scholarship Expenses Supplies and Materials Expenses Utility Expenses Communication Expenses Awards/Rewards Expenses  <b>Financial Expenses</b>  <b>Capital Outlays</b> Investment Property Land and Buildings Property, Plant and Equipment Land Land Improvement  <b>Special Purpose Appropriations</b> Appropriation for Development Programs/Projects (20% Development Fund) Appropriation for Local Disaster Risk Reduction and Management (LDRRM) Programs/Projects Appropriation for Debt Service Subsidy to Local Economic Enterprises/Public Utilities Aid to Barangays Other Authorized SPAs  <b>Total Appropriations</b>						

Prepared by:

Reviewed by:

Approved by:

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Local Budget Officer

\_\_\_\_\_  
Local Chief Executive

**INSTRUCTIONS**

Column 1 – Indicate the applicable Objects of Expenditure for the programmed appropriation and Special Purpose Appropriations, if any.

Column 2 – Indicate account code using the Revised Chart of Accounts for LGUs, as prescribed under Commission on Audit Circular No. 2015-009 dated December 1, 2015.

Column 3 - Indicate the actual expenditures incurred in the Past Year.

Columns 4 and 5 - Indicate current year's expenditures, as follows:

-First semester – actual expenditures as certified by the Local Accountant.

-Second semester – estimated expenditures prepared by the Department Head. The totals of this column for all Departments/Offices should tally with the amount of Expenditures per Columns 4 and 5 of LBP Form No. 1.

Column 6 – Indicate the totals of the amounts under Columns 4 and 5.

Column 7 – Indicate the proposed expenditures for the budget year.

**Note:** The Local Budget Officer shall prepare a summary for all offices using LBP Form No. 1.

LBP Form No. 3

PLANTILLA OF PERSONNEL CY \_\_\_\_\_  
 LGU: \_\_\_\_\_

Item Number		Position Title (3)	Name of Incumbent (4)	Current Year Authorized Rate/Annum		Budget Year Proposed Rate/Annum		Increase / Decrease (9)
Old (1)	New (2)			SG / Step (5)	Amount (6)	SG / Step (7)	Amount (8)	

Prepared by:

Reviewed by:

Approved by:

\_\_\_\_\_  
 Human Resource Management Officer

\_\_\_\_\_  
 Local Budget Officer

\_\_\_\_\_  
 Local Chief Executive

**INSTRUCTIONS**

Columns 1 and 2 - Indicate the old and new item numbers of the plantilla position.

Columns 3 and 4 - Indicate the position title and the name of the incumbent occupying each position. If the position is unfilled, indicate the word "vacant" under Column 4. If the position is proposed for abolition, place the position title inside a bracket. If a position is proposed for reclassification, place the previous position title in a bracket and indicate the proposed position title below it.

Columns 5 and 6 - Indicate the current salary grade/step and corresponding rate per annum of each position. Include as a footnote the compensation law/circular being implemented. For the initial implementation of changes, attach a copy of the Position Allocation List.

Columns 7 and 8 - Indicate the salary grade/step and corresponding rate per annum of each position proposed for the budget year.

Column 9 - Indicate the difference between the old and the new rates of compensation per annum for the budget year.

Additional Instructions:

1. The plantilla of personnel shall be presented according to department/office.
2. Use the same form for each local economic enterprise/public utility.
3. Using the same form, a separate plantilla shall be prepared for Casual Employees whose salaries are chargeable against Personal Services appropriation.
4. Only funded vacant positions shall be included in the plantilla, unfunded positions shall be removed/deleted from the plantilla.

LBP Form No. 4

Mandate, Vision/Mission, Major Final Output, Performance Indicators and Targets CY \_\_\_\_\_

LGU: \_\_\_\_\_

Department/Office :  
 Mandate :  
 Vision :  
 Mission :  
 Organizational Outcome :

AIP Reference Code 1	Program/Project/ Activity Description 2	Major Final Output 3	Performance Indicator/ Output 4	Target for the Budget Year 5	Proposed Budget for the Budget Year				
					PS 6	MOOE 7	FE 8	CO 9	Total 10

Prepared by:

Reviewed by: Local Finance Committee

\_\_\_\_\_  
 Department Head

\_\_\_\_\_  
 Local Planning and Development Coordinator

\_\_\_\_\_  
 Local Budget Officer

\_\_\_\_\_  
 Local Treasurer

Approved by:

\_\_\_\_\_  
 Local Chief Executive

**INSTRUCTIONS**

Mandate: Quote the provision of the LGC on the mandate of the Department/Office.

Vision: Indicate the future role of the Department/Office in the LGU's development.

Mission: Indicate the significant role of the Department/Office in attaining the vision.

Organizational Outcome: The specific short-term benefits to clients and the community as a result of the LGU's delivery of Major Final Outputs as defined in the organization's results framework.

Column 1- Indicate the PPA reference code reflected in the AIP by each PPA.

Column 2- Indicate a concise description of the work to be done under a particular sector to achieve specific objectives. Present the PPAs following the structure prescribed in the Budget Operations Manual for LGU, 2023 Edition.

Column 3- Indicate the good or service that a department/agency is mandated to deliver to external clients through the implementation of PPAs.

Column 4- Indicate the means for measuring the quantity, quality, and timeliness of service delivery to the clients.

Column 5- Indicate the target for the budget year in terms of the performance indicator expressed in quantity, quality, and timeliness.

Columns 6,7,8 and 9 – Indicate the proposed budget for the PPA, broken down by expense class - Personal Services (PS) Maintenance and Other Operating Expenses (MOOE), Financial Expenses (FE), and Capital Outlay (CO), including Special Purpose Appropriations attributed to and implemented by the Department/Office.

Column 10 - Indicate the total amount of the proposed budget.

Note: This Form shall be prepared by the Department Head, reviewed by the Local Planning and Development Coordinator for the targets, and Local Budget Officer and Local Treasurer for the proposed budget, and approved by the Local Chief Executive.

LBP Form No. 5

Statement of Indebtedness

LGU: \_\_\_\_\_

Creditor	Date Contracted	Term	Principal Amount	Purpose	Previous Payments Made			Amount Due			Balance of the Principal
					Principal	Interest	Total	Principal	Interest	Total	
1	2	3	4	5	6	7	8	9	10	11	12

Certified Correct by:

\_\_\_\_\_  
Local Accountant

Noted by:

\_\_\_\_\_  
Local Chief Executive

**INSTRUCTIONS**

Column 1 – Indicate the full name of creditors with their corresponding addresses under each fund/special account and under each office.

Column 2 – Indicate the date when the obligation is incurred.

Column 3 – Indicate the period (months/years) within which to pay the loan.

Column 4 – Indicate the principal amount of the loan.

Column 5 – Indicate the purpose of the loan incurred.

Columns 6, 7, and 8 – Indicate the total payments prior to budget year, including payments within the current year.

Columns 9, 10, and 11 – Indicate the amounts due and budgeted for the budget year.

Column 12 – Indicate the balance of the principal after deducting previous payments and amount due for the budget year (Columns 6 to 11).

Note: Prepare the same form for each local economic enterprise/public utility.

LBP Form No. 6

Statement of Statutory and Contractual Obligations and Budgetary Requirements CY \_\_\_\_\_

LGU: \_\_\_\_\_

Description 1	Amounts 2
<p><b>1. Statutory and Contractual Obligations</b></p> <p>1.1 5% MMDA Contribution for LGUs in NCR only (RA No. 7924)</p> <p>1.2 Retirement Gratuity</p> <p>1.3 Terminal Leave Benefits</p> <p>1.4 Debt Service</p> <p>1.5 Employees Compensation Insurance Premiums</p> <p>1.6 PhilHealth Contributions</p> <p>1.7 Pag-IBIG Contribution</p> <p>1.8 Retirement and Life Insurance Premiums</p> <p><b>2. Budgetary Requirements</b></p> <p>2.1 20% of NTA (formerly IRA) for Development Fund</p> <p>2.2 5% Local Disaster Risk Reduction and Management Fund (LDRRMF)</p> <p>2.3 Financial Assistance to Barangays (Php 1,000.00 minimum aid)</p> <p><b>TOTAL</b></p>	

**Certified Correct by:**

\_\_\_\_\_  
Local Budget Officer

\_\_\_\_\_  
Local Treasurer

\_\_\_\_\_  
Local Planning and Development Coordinator

**Approved by:**

\_\_\_\_\_  
Local Chief Executive

**Instructions:**

Column 1 – Indicate the Statutory and Contractual Obligations and Budgetary Requirements for the budget year.

Column 2 – Indicate the amount for each Contractual Obligations and Budgetary Requirements for the budget year.

**Note:** Prepare the same form for each local economic enterprise/public utility.



LBP Form No. 7

Statement of Fund Allocation by Sector CY \_\_\_\_\_

LGU: \_\_\_\_\_

Particulars 1	Account Code 2	General Public Services 3	Social Services 4	Economic Services 5	Other Services 6	Total 7
<b>TOTAL APPROPRIATIONS</b>						

Certified Correct by:

Approved by:

\_\_\_\_\_  
Local Budget Officer

\_\_\_\_\_  
Local Chief Executive

**INSTRUCTIONS:**

Column 1 - Specify all allocations by sector/service, inclusive of lump-sum appropriations for 5% Disaster Risk Reduction Management Fund, 20% Development Fund, Aid to Barangays and Financial Expenses.

Column 2 - Indicate account code using the Revised Chart of Accounts for LGUs, as prescribed under Commission on Audit Circular No. 2015-009 dated December 1, 2015.

Column 3 - Indicate all PPAs that provide planning, financial, administrative, legal and legislative services to the front-line services of the LGU.

Column 4 - Indicate all PPAs that promote the well-being and general welfare of constituents or people such as education, health, public safety, and protection of the marginalized and disadvantaged members of the society.

Column 5 - Indicate all PPAs directed towards promoting growth in the economy, using all factors in production, such as increasing productivity in agriculture and all other industries, generating employment, and other livelihood projects.

Column 6 - Indicate all PPAs that cannot be categorized in any of the sectors identified above.

Column 7 - Indicate the total amount of all PPAs.

**Note:** Prepare the same form for each local economic enterprise/public utility



# Process Guide for Climate Change Expenditure Tagging (CCET)

Strengthening the mainstreaming of climate change in domestic plans and programs necessitates allocation of public funds for the implementation of climate adaptation and mitigation initiatives. Recognizing this, DBM, CCC, and DILG led the institutionalization of Climate Change Expenditure Tagging through DBM-CCC-DILG Joint Memorandum Circular 2015-01 for LGUs to take stock, track, and report climate change PPAs and expenditures identified in their Annual Investment Programs.

## 1 Establish climate change rationale

The climate and disaster risk assessment (CDRA) provides a summary of the impacts of climate change to the socio-economic conditions of the planning area and its spatial and sectoral implications in the future.

The greenhouse gas inventory (GHGI) explains the scope and sectors of greenhouse gas emissions.

Together, the CDRA and GHGI form the climate change rationale which serves as the basis for determining adaptation and mitigation strategies in view of development objectives.

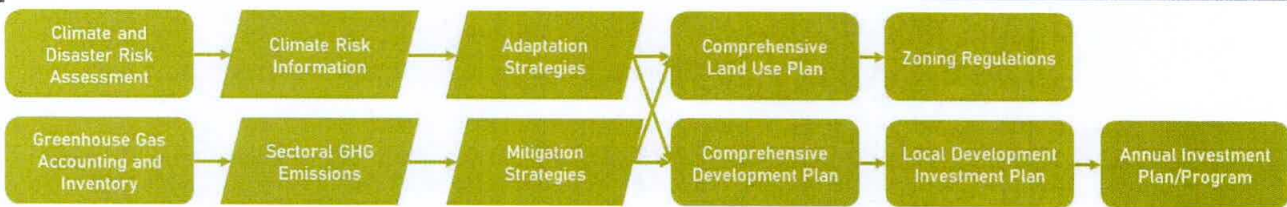
## 2.1 Determine climate change adaptation strategies

Adaptation is the process of adjustment or facilitate adjustment to actual or expected climate and its effects to moderate or avoid harm or to exploit beneficial opportunities (IPCC, AR5).

Using CDRA outputs as reference in designing and prioritizing adaptation strategies is key to ensuring that these are responsive to current and future issues and opportunities in the planning area.

The CCET Typologies may also be used as reference in designing and deciding on adaptation strategies.

Strategic Priority 2 - Water Sufficiency			
1 - Water Supply			
Code	4 - Service Delivery	Code	4 - Service Delivery
A214-04	Incorporate changes in design of sanitation systems, wastewater treatment, and disposal system in response to extreme weather and flood events arising from climate change and climate variability.		
A214-05	Implement/install water harvesting technologies (e.g. small water impounding project)		



## 2.2 Determine climate change mitigation strategies

Mitigation, in the context of climate change, refers to human intervention that reduce anthropogenic emissions sources and enhance removals by sinks of all GHG, including ozone-depleting substances and their substitutes (Climate Change Act of 2009 as amended)

In generating low emission development strategies, one may consider reviewing existing mitigation activities in solid waste management, wastewater control and treatment, forest management, or energy efficiency. This way, GHG emissions reduction is achieved while pursuing sustainable development.

The CCET Typologies may also be used as reference in designing and deciding

## 3 Tag climate change adaptation and mitigation prioritized PPAs

It is strongly suggested that the LDIP and AIP with CCET be used in the implementation of adaptation and mitigation options since they are the primary implementation instruments for local plans.

AIP Reference Code (S)	Program/Activity/Project Description (S)	Implementing Office/Department (S)	Schedule of Implementation				Budget (in Philippine pesos)				Priority of Climate Change Mitigation/Adaptation	
			Start Date (S)	Completion Date (S)	Estimated Budget (S)	Actual Budget (S)	Priority (S)	Category (S)				

Strategic Priority 3 - Ecological and Environmental Stability			
2 - Solid Waste			
Code	4 - Service Delivery	Code	4 - Service Delivery
		M324-01	Waste reduction and diversion program/intensity waste segregation at source, discard recovery, composting, and recycling
		M324-02	Construction and operation of Materials Composting and Recovery Facility (MCRF), Buyback Center, Purchase of MCRF equipment.

## 4 Transmit soft copy of AIP to CCET Help Desk

The Climate Change Commission tracks climate actions on the ground and CCET plays a crucial role in it. Monitoring adaptation and mitigation informs policy- and decision-making at the national and local level.

Attachments include the AIP, AIP in CCET Analysis Tool, and Quality Assurance and Review Form.

Send to: lguhlpdesk@climate.gov.ph  
cc: lguhlpdesk.ccet@gmail.com



Barangay Budget Preparation Form No. 1

BUDGET OF EXPENDITURES AND SOURCES OF FINANCING, FY \_\_\_\_\_

Barangay \_\_\_\_\_

City/Municipality of \_\_\_\_\_

Province of \_\_\_\_\_

GENERAL FUND

Particulars  (1)	Account Code  (2)	Income Classification  (3)	Past Year (Actual)  (4)	Current Year Appropriation			Budget Year (Proposed)  (8)
				First Semester (Actual)  (5)	Second Semester (Estimate)  (6)	Total  (7)	
<b>I. Beginning Cash Balance</b>							
<b>II. Receipts</b>							
Shares in Real Property Tax							
Business Tax(es)							
Fees and Charges							
Receipts from Economic Enterprise							
National Tax Allotment							
Share from National Wealth							
Inter-Local Transfer							
Extraordinary Receipts/Grants/ Donations/Aids							
Proceeds from Sale of Assets							
Collection of Loans Receivable							
Acquisition of Loans							
Other Receipts							
<b>III. Expenditures</b>							
<b>Personal Services (PS)</b>							
Salaries and wages (permanent and casual employees)							
Honoraria							
Cash Gift							

Particulars  (1)	Account Code  (2)	Income Classification  (3)	Past Year (Actual)  (4)	Current Year Appropriation			Budget Year (Proposed)  (8)
				First Semester (Actual)  (5)	Second Semester (Estimate)  (6)	Total  (7)	
Other Personnel Benefits of permanent and casual employees Associated PS costs (GSIS, PAGIBIG, etc.) of permanent and casual employees <b>Total PS</b>  <b>Maintenance and Other Operating Expenses (MOOE)</b> Travelling Expenses – Local Training Expenses Supplies and Materials Expenses Utility Expenses Communication Expenses Professional Services General Services Repairs and Maintenance Taxes, Insurance Premiums and Other Fees Other MOOE <b>Total MOOE</b>  <b>Financial Expenses</b> Interest Expenses Bank Charges Other Financial Expenses  <b>Capital Outlay (CO)</b> Land and Buildings Property, Plant and Equipment Land Improvements <b>Total Capital Outlay</b>							

Particulars  (1)	Account Code  (2)	Income Classification  (3)	Past Year (Actual)  (4)	Current Year Appropriation			Budget Year (Proposed)  (8)
				First Semester (Actual)  (5)	Second Semester (Estimate)  (6)	Total  (7)	
<b>Special Purpose Appropriation (SPA)</b> Appropriation for Debt Service Appropriation for Sangguniang Kabataan Appropriation for Development Fund Appropriation for Barangay Disaster Risk Reduction and Management Fund Other Authorized SPAs <b>Total SPA</b>							

*We hereby certify that the information presented above are true and correct. We further certify that the foregoing estimated receipts are reasonably projected as collectible for the Budget Year.*

Prepared by:

Approved by:

\_\_\_\_\_  
Barangay Treasurer

\_\_\_\_\_  
Barangay Secretary

\_\_\_\_\_  
Punong Barangay

## **INSTRUCTIONS**

Column 1 – Indicate the receipts by major source. The beginning cash balance shall be net of amounts earmarked for specific purposes (e.g., continuing appropriations, 20% Development Fund). The amount for each expense class shall exclude the appropriations for the SPAs.

The breakdown of the MOOE, i.e., supplies and materials expenses, utility expenses, communication expenses, professional services, general services, repairs and maintenance, taxes, insurance premiums and other fees, and other MOOE, shall be provided in a separate list. Example:

<b>Account Title</b>	<b>Account Code</b>
<b>Utility Expenses</b>	
Water Expenses	5-02-04-010
Electricity Expenses	5-02-04-020
<b>Communication Expenses</b>	
Postage and Courier Services	5-02-05-010
Telephone Expenses	5-02-05-020
<b>Repairs and Maintenance</b>	
Land Improvement	5-02-09-010
Machinery and Equipment	5-02-09-040

<b>Account Title</b>	<b>Account Code</b>
<b>Professional Services</b>	
Auditing Services	5-02-07-010
Consultancy Services	5-02-07-020
<b>General Services</b>	
Janitorial Services	5-02-08-020
Security Services	5-02-08-030
<b>Supplies and Materials Expenses</b>	
Office Supplies Expenses	5-02-03-010
Drugs and Medicines Expenses	5-02-03-040

Column 2 – Indicate the account code for each itemized receipt using the Manual on Financial Management for Barangays, as prescribed under Commission on Audit Circular No. 2015-011 dated December 1, 2015.

Column 3 – Classify the income into regular (R) or non-regular (NR).

Column 4 - Indicate the past year's actual receipts and expenditures. The past year's actual receipts and expenditures shall be certified by the Barangay Treasurer.

Columns 5 and 6 – Indicate current year's estimated receipts and expenditures, as follows:

- First semester – actual receipts and expenditures certified by the Barangay Treasurer.
- Second semester – estimated receipts and expenditures prepared by the Barangay Treasurer.

Column 7 – Indicate the totals of the amounts under Columns 5 and 6.

Column 8 – Indicate the proposed amount of receipts and expenditures for the budget year.

Note:

Based on the Bureau of Local Government Finance Memorandum Circular No. 16-2015 dated June 19, 2015 re Local Public Financial Management (PFM) Tools for the Electronic Statement of Receipts and Expenditures (which include the Guidebook for the New Local Government Financial Performance Monitoring System), regular revenues refer to taxes, fees and receipts actually realized, including the IRA and other shares provided for in Sections 284, 290 and 291 of RA No. 7160, but exclusive of non-recurring receipts such as national aids, grants, financial assistance, loan proceeds, sales of assets, miscellaneous income/receipts and other similar receipts.

Barangay Budget Preparation Form No. 2

PROGRAMMED APPROPRIATION BY PPA, EXPENSE CLASS, OBJECT OF EXPENDITURE AND EXPECTED RESULTS, FY \_\_\_\_\_

Barangay \_\_\_\_\_

City/Municipality of \_\_\_\_\_

Province of \_\_\_\_\_

<p>Program, Projects, Activities (By Expense Class and Object of Expenditure)</p> <p>(1)</p>	<p>AIP Reference Code</p> <p>(2)</p>	<p>Account Code</p> <p>(3)</p>	<p>Proposed Amount (Budget Year)</p> <p>(4)</p>	<p>Expected Outputs</p> <p>(5)</p>
<p><b>1. GENERAL ADMINISTRATION PROGRAM</b></p> <p><b>Personal Services (PS)</b>                      Salaries and wages (permanent and casual employees)                      Honoraria                      Cash Gift                      Other Personnel Benefits of permanent and casual employees                      Associated PS costs (GSIS, PAGIBIG, etc.) of permanent and casual employees  <b>Total PS</b></p> <p><b>Maintenance and Other Operating Expenses (MOOE)</b>                      Travelling Expenses – Local                      Training Expenses                      Supplies and Materials Expenses                      Utility Expenses                      Communication Expenses                      Professional Services                      General Services                      Repairs and Maintenance                      Taxes, Insurance Premiums and Other Fees                      Other MOOE  <b>Total MOOE</b></p>				

<b>Program, Projects, Activities (By Expense Class and Object of Expenditure)</b>  <b>(1)</b>	<b>AIP Reference Code</b>  <b>(2)</b>	<b>Account Code</b>  <b>(3)</b>	<b>Proposed Amount (Budget Year)</b>  <b>(4)</b>	<b>Expected Outputs</b>  <b>(5)</b>
<p><b>Financial Expenses</b> Interest Expenses Bank Charges Other Financial Expenses</p> <p><b>Capital Outlay (CO)</b> Land and Buildings Property, Plant and Equipment Land Improvements <b>Total Capital Outlay</b></p> <p><b>Special Purpose Appropriation (SPA)</b> Appropriation for Debt Service Appropriation for Sangguniang Kabataan Other Authorized SPAs <b>Total SPA</b></p> <p><b>2. BASIC SERVICES AND FACILITIES PROGRAM (BSFP)</b></p> <p><b>Day Care</b> PS MOOE CO <b>Total</b></p> <p><b>Health and Nutrition</b> PS MOOE CO <b>Total</b></p>				



<b>Program, Projects, Activities</b> <b>(By Expense Class and Object of Expenditure)</b>  <b>(1)</b>	<b>AIP</b> <b>Reference</b> <b>Code</b>  <b>(2)</b>	<b>Account</b> <b>Code</b>  <b>(3)</b>	<b>Proposed</b> <b>Amount</b> <b>(Budget Year)</b>  <b>(4)</b>	<b>Expected Outputs</b>  <b>(5)</b>
<p><b>Peace and Order</b>  PS  MOOE  CO  <b>Total</b></p> <p><b>Agricultural Services</b>  PS  MOOE  CO  <b>Total</b></p> <p><b>Katarungang Pambarangay</b>  PS  MOOE  CO  <b>Total</b></p> <p><b>Infrastructure</b>  CO – 20% DF  Non – DF  <b>Total</b></p> <p><b>BDRRMF</b>  Quick Response Fund  Disaster Preparedness, Prevention &amp;  Mitigation, Response  <b>Total</b></p> <p><b>Information and Reading Center</b>  PS  MOOE  CO  <b>Total</b></p>				

<b>Program, Projects, Activities (By Expense Class and Object of Expenditure)</b>  <b>(1)</b>	<b>AIP Reference Code</b>  <b>(2)</b>	<b>Account Code</b>  <b>(3)</b>	<b>Proposed Amount (Budget Year)</b>  <b>(4)</b>	<b>Expected Outputs</b>  <b>(5)</b>
<b>Other Services</b> GAD (if provided through direct appropriation) Senior Citizens & Persons with Disability VAWC Others (specify)  <b>TOTAL BSFP</b>				
<b>TOTAL PPA (GAP + BSFP)</b>				

We hereby certify that the information presented above are true and correct.

Prepared by:

Approved by:

\_\_\_\_\_  
Barangay Treasurer

\_\_\_\_\_  
Barangay Secretary

\_\_\_\_\_  
Punong Barangay

**Note:**

This form is intended to reflect the details of programmed appropriation by program, project and activity, expense class, object of expenditure and expected results in the Barangay Budget.

**INSTRUCTIONS**

Column 1 – Indicate the name of the Program, Sub-Program (if any), Projects and Activities (PPA) per major type of expenditures, i.e., General and Administration Program and Basic Services and Facilities Program and Expense Class, i.e., PS, MOOE, FE and CO; and provide breakdown of object expenditures per each PPA.

The breakdown of the MOOE, i.e., supplies and materials expenses, utility expenses, communication expenses, professional services, general services, repairs and maintenance, taxes, insurance premiums and other fees, and other MOOE, shall be provided in a separate list.

Column 2 - Indicate the PPA reference code reflected in the AIP corresponding to each item of appropriation.

Column 3 – Indicate the account code for each of the itemized expenses using the Manual on Financial Management for Barangays, as prescribed under Commission on Audit Circular No. 2015-011 dated December 1, 2015.

Column 4 – Indicate the proposed amount for the budget year.

Column 5 – Indicate the good or service that the barangay is expected to deliver through the implementation of the items of appropriation described in quantified terms (i.e., X (no.) of children ages 5 years and below with low weight for age provided with nutritious meals for X (no.) of days; X (no.) of meters of pathwalk repaired/rehabilitated/constructed.)

**Barangay Budget Preparation Form No. 2-A**

**LIST OF PROJECTS CHARGEABLE AGAINST THE 20% DEVELOPMENT FUND, FY \_\_\_\_\_**

Barangay \_\_\_\_\_  
City/Municipality of \_\_\_\_\_  
Province of \_\_\_\_\_

<b>AIP Reference Code</b>	<b>Details of the Project</b>	<b>Amount</b>	<b>Implementation Schedule (Start Date and Completion Date)</b>	<b>Expected Output</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
<b>Total</b>				

Prepared by:

Approved by:

\_\_\_\_\_  
Barangay Secretary

\_\_\_\_\_  
Punong Barangay

**INSTRUCTIONS**

- Column 1 - Indicate the PPA reference code reflected in the AIP corresponding to each item of appropriation
- Column 2 - Indicate a concise description and details of each of the development projects to be implemented
- Column 3 - Indicate the amount allocated for each development project
- Column 4 - Indicate the timelines of the implementation of each development project
- Column 5 - Indicate the good or service that the barangay is expected to deliver through the implementation of each development project

**Barangay Budget Preparation Form No. 3**

**PLANTILLA OF PERSONNEL, FY \_\_\_\_\_**  
 Barangay \_\_\_\_\_  
 City/Municipality of \_\_\_\_\_  
 Province of \_\_\_\_\_

Item Number (1)	Position Title (2)	Name of Incumbent (3)	Compensation				Increase/Decrease (8)
			Current Year		Budget Year		
			SG (4)	Rate (5)	SG (6)	Rate (7)	

Prepared by:

Approved by:

\_\_\_\_\_  
 Barangay Secretary

\_\_\_\_\_  
 Punong Barangay

**INSTRUCTIONS**

Column 1– Indicate the item number of the plantilla position.

Columns 2 and 3 – Indicate the position title and the name of the incumbent occupying each position. If the position is unfilled, indicate the word “vacant” under column 3. If the position is proposed for abolition, place the position title inside a bracket. If the position is proposed for reclassification, place the previous position title in a bracket and indicate the proposed position title below it.

Columns 4 and 5 – Indicate the current salary grade/step and corresponding rate per annum of each position. Include as a footnote the compensation law/circular being implemented. For the initial implementation of changes, attach a copy of the Position Allocation List.

Columns 6 and 7 – Indicate the salary grade/step and corresponding rate per annum of each position proposed for the budget year.

Column 8 – Indicate the difference between the old and the new rates of compensation per annum for the budget year.

Additional Instructions:

1. This form shall cover both elective and appointive officials of the barangay whose salaries are chargeable against Personal Services Appropriation.
2. Only funded vacant positions shall be included in the plantilla. All unfunded vacant positions shall be removed/deleted from the plantilla.

## Barangay Budget Preparation Form No. 4

## STATEMENT OF INDEBTEDNESS, FY \_\_\_\_\_

Barangay \_\_\_\_\_

City/Municipality of \_\_\_\_\_

Province of \_\_\_\_\_

Creditor (1)	Date Contracted (2)	Term (3)	Purpose (4)	Principal Amount (5)	Previous Payments Made			Amounts Due for the Budget Year			Balance of the Principal (12)
					Principal (6)	Interest (7)	Total (8)	Principal (9)	Interest (10)	Total (11)	

Prepared by:

Approved by:

\_\_\_\_\_  
Barangay Treasurer\_\_\_\_\_  
Punong Barangay**INSTRUCTIONS**

This form is intended to reflect the following:

Column 1 – Full name of creditors with their corresponding addresses.

Column 2 – Date when the obligation is incurred.

Column 3 – Period (months/years) within which to pay the loan.

Column 4 – Purpose of the loan incurred.

Column 5 – Principal amount of the loan.

Columns 6, 7 and 8 – Total payments prior to budget year, including payments within the current year.

Columns 9, 10 and 11 – Amounts due and budgeted for the budget year.

Column 12 – Balance of the principal after deducting previous payments and amount due for the budget year.

## Sample Barangay Annual Budget

(Accounts provided are based on COA Manual)

Object of Expenditure	Account Code	Budget Year Expenditures (Proposed)	Expected Results	Performance Indicator
Part I. Receipts Program				
Shares in Real Property Tax	4-01-01-010	60,000		
Tax Revenue – Goods and Services				
Business Tax	4-01-02-010	7,000		
Share on the tax from sand, gravel and other quarry products	4-01-02-020	12,000		
Tax Revenue - Permit Fees				
Fees and charges on commercial breeding of fighting cocks, cockfights and cockpits	4-01-03-010	7,000		
Fees and charges on places of recreation which charge Admission fees	4-01-03-020	5,000		
Fees and charges on billboards, signboards, neon signs and outdoor advertisements	4-01-03-030	6,000		
Tax Revenue – Others				
Share from NTA	4-01-04-010	3,000,000		
Tax Revenue – Fines and Penalties				
Property	4-01-05-010	8,000		
Goods and Services	4-01-05-020	2,500		
Permit Fees				
Others	4-01-05-030	1,200		
Assistance and Subsidy				
Subsidy from National Government	4-02-01-010	25,000		
Subsidy from LGUs	4-02-01-020	2,500		
Shares, Grants and Donations				
Share from National Wealth	4-03-01-010	600,000		
Grants and Donations	4-03-02-010	12,000		
Service and Business Revenue				
Clearance and Certification Fees	4-04-01-010	12,000		
Other Service Revenue	4-04-01-990	6,000		

<b>TOTAL ESTIMATED FUNDS AVAILABLE FOR APPROPRIATION</b>		<b><u>3,766,200</u></b>		
Part II. Expenditure Program				
GENERAL ADMINISTRATION PROGRAM: CURRENT OPERATING EXPENDITURES				
<b>Personal Services (PS)</b>				
Salaries and Wages (permanent/casual employees)				
a. Honoraria	5-01-02-050	500,000		
b. Cash Gift	5-01-02-070	50,000		
c. Other Personnel Benefits	5-01-02-990	50,000		
d. Associated PS costs (GSIS, Pag-IBIG, etc.)	5-01-02-070	55,000		
<b>TOTAL PS</b>		<b>655,000</b>		
<b>Maintenance and Other Operating Expenses (MOOE)</b>				
Traveling Expenses – Local	5-02-01-010	10,000		
Training Expenses	5-02-02-010	10,000		
Office Supplies Expenses	5-02-03-010	20,000		
Accountable Forms Expenses	5-02-03-020	20,000		
Welfare Goods Expenses	5-02-03-030	5,000		
Drugs and Medicines Expenses	5-02-03-040	5,000		
Fuel, Oil and Lubricant Expenses	5-02-03-050	50,000		
Other Supplies and Material Expenses	5-02-03-990	10,000		
Water Expenses	5-02-04-010	24,000		
Electricity Expenses	5-02-04-020	120,000		
Postage and Courier Services	5-02-05-010	10,000		
Telephone Expenses	5-02-05-020	12,000		
Internet Subscription Expenses	5-02-05-030	15,000		
Auditing Service	5-02-07-010	60,000		
Environment/Sanitary Services	5-02-08-010	50,000		
Janitorial Services	5-02-08-020	120,000		
Security Services	5-02-08-030	120,000		
Repairs and Maintenance				
Land Improvements	5-02-09-010	100,000		
Infrastructure Assets	5-02-09-020	50,000		
Buildings and Other Structures	5-02-09-030	50,000		
Machinery and Equipment	5-02-09-040	50,000		
Transportation Equipment	5-02-09-050	50,000		



Other MOOE				
Advertising Expenses	5-02-99-010	5,000		
Transportation and Delivery Expenses	5-02-99-030	10,000		
Rent/Lease Expenses	5-02-99-040	14,000		
Membership Dues and Contributions to Organizations	5-02-99-050	30,800		
Subscription Expenses	5-02-99-060	6,000		
Donations	5-02-99-070	10,000		
<b>TOTAL MOOE</b>		<b>1,036,800</b>		
<b>Capital Outlay (CO)</b>				
Land and Buildings		300,000		
Property, Plant and Equipment		300,000		
<b>TOTAL CO</b>		<b>600,000</b>		
<b>Special Purpose Appropriations (SPA)</b>				
Appropriation for Debt Service		123,380		
Appropriations for SK		376,620		
<b>TOTAL SPA</b>		<b>400,000</b>		
<b>TOTAL GENERAL ADMINISTRATION PROGRAM</b>		<b><u>2,691,800</u></b>		
<b>BASIC SERVICES AND FACILITIES PROGRAM</b>				
a. <u>Day Care</u>				
PS				
Honoraria		12,000	More preschoolers enrolled in Day Care centers	Number of enrollees in the Day Care Center
MOOE				
Supplies and Expenses		18,000		
CO				
<b>Total</b>		<b>30,000</b>		
b. <u>Health and Nutrition</u>				
PS				
Honoraria		12,000	Improvement of health services	Number of medicines distributed to the constituents
MOOE				
Drugs and Medicine		22,000		Number of patients served in health centers
CO				
<b>Total</b>		<b>34,000</b>		

c. <u>Peace and Order (includes BADAC)</u>			Peaceful community	Percentage decrease of crime rate in the barangay
PS		21,200		
Honoraria				
MOOE		10,000		
Uniform/Food Supplies				
CO				
<b>Total</b>		<b>31,200</b>		
d. <u>Agricultural Support Services</u>			Increase in agricultural production	Number of farm inputs, such as pesticides and fertilizers, distributed
PS		12,000		
MOOE		12,000		
Supplies and Materials				
CO				
<b>Total</b>		<b>24,000</b>		
e. <u>Katarungang Pambarangay</u>			Peaceful community	Percentage decrease of crime rate in the barangay
PS		12,000		
MOOE		12,000		
Supplies and Materials				
CO				
<b>Total</b>		<b>24,000</b>		
f. <u>Infrastructure</u>			Improved facilities in the barangay	Number of buildings repaired/rehabilitated
20% Development Fund		600,000		
Others				
<b>Total</b>		<b>600,000</b>		
g. <u>BDRRMF</u>			Resilient community	Number of relief goods distributed Decrease in the number of casualties during calamities
QRF		60,000		
Disaster Preparedness, Prevention & Mitigation, Response, Rehabilitation & Recovery		140,000		
<b>Total</b>		<b>200,000</b>		
h. <u>Information and Reading Center</u>			More students and researchers in the barangay can access the reading center	Number of books purchased Number of students accommodated
PS		12,000		
Honoraria				
MOOE		12,000		
<b>Total</b>		<b>24,000</b>		
i. <u>Other Services</u>				
Senior Citizen/PWD		30,000		
Others		77,200		
<b>Total</b>		<b>107,200</b>		

Total for Basic Services & Facilities Program		1,074,400		
<b>TOTAL EXPENDITURE PROGRAM</b>		<u>3,766,200</u>		
ENDING BALANCE		- 0 -		