

Mayor Joy clarifies P26.5-B city funds

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Newly elected Quezon City Mayor **Ma. Josefina Belmonte** has warned that the city government's funds may be depleted by the end of the year, emphasizing the need for fiscal prudence and measures to increase its resources.

In her inaugural speech last June 30, Belmonte clarified the status of Quezon City's fiscal position and the measures to be undertaken by the government in order to shore up its coffers. "The public has been informed that the city currently has around P26.5-billion cash on hand and in the bank as of May 31, 2019. This figure may sound impressive, but it behooves us to clarify where these funds are and how they can be used," Belmonte said.

According to Belmonte, P4.6 billion of this amount is for specific purposes only, while around P2 billion are infused in long-term investments, leaving only P19.9 billion in the general fund.

"From this P19.9 billion, we have to pay off all our obligations as of the end of May 2019 amounting to P14.3 billion," she said, referring to payables, such as maintenance and other operating expenses, continuing infrastructure projects and others.

"This leaves us with P5.6 billion to cover the second half of the year," she added.

Assuming that the Quezon City government is able to meet its revenue target of P6.4 billion in the second half, Belmonte said the government would have a total fund of P12 billion for the rest of 2019.

This will be used to cover the city's projected expenses for the remaining six months, which is pegged at P10.4 billion.

Thus, she said the Quezon City government's cash position will settle at only P1.6 billion by yearend.

"For a city that has an area one-fourth of all of Metro Manila and a population of 3.1 million, this means a budget for the remainder of the year of only P516 for every Quezon City resident," Belmonte said.

"That's the real state of our general fund. And in the Office of the City Mayor, the remaining funds for infrastructure is P53 million. This is enough only for one four-story multi-purpose building," she added.

To augment the city's funds, Belmonte is planning to immediately convene the 21st Quezon City Council to enact a supplemental budget ordinance.

"The P1.6 billion will require a supplemental budget ordinance from the city council and as early as now, I enjoin the 21st Quezon City Council to convene immediately to enact this, as well as other ordinances to ensure the success of our first hundred days," the mayor said. She added that the local government is also eyeing to terminate its P1.3-billion time deposit in the Special Education Fund, pursuant to the directive of the Commission on Audit (COA).

“This allows us to mobilize more funds to be used exclusively for the education of Quezon City youth. Thus, from the original P1.6 billion on hand, we now have about P2.9 billion,” she said.

Still, Belmonte said there is a need for the leadership to practice prudence in its choice of projects to maximize the limited resources so they can last until the end of the year.

During her inaugural speech, Belmonte also laid out her administration’s priorities in the first 100 days of office. These include improvements in the four priority areas, namely housing, social services, education and health.

Belmonte said she will also honor all the contracts entered into by the past Quezon City administration, as long as they comply with existing laws.

“From January until the end of May this year, around 275 infrastructure projects amounting to P5.6 billion were awarded to contractors. I will inherit many of these projects as they are either unfinished or have not yet started, and the city will honor these contracts as long as the awarding, implementation and execution of these conform with existing government rules, regulations and laws,” she said.

In line with this, Belmonte said she is planning to issue an order involving the creation of an Internal Audit Service to ensure that all processes and documents are compliant.