



YOBE STATE GOVERNMENT

CALL CIRCULAR FOR THE 2023 BUDGET PREPARATION

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1 Introduction

Preparation of annual budget is a constitutional requirement under section 121 (1) of the 1999 constitution of the federal government of Nigeria as amended which states that “the Governor shall cause to be prepared and laid before the State House of Assembly at any time before the commencement of each financial year estimate of revenues and expenditure of the state for the next following financial year.” The 2023 Budget Call Circular sets out the requirements and instructions that MUST be satisfied and followed in the preparation of the Yobe State Government Budget proposal.

Thus, all Ministries/Chief Executives/Accounting Officers and other officers responsible for the budget preparation are advised to read this Budget Call Circular carefully and strictly adhere to these guidelines and instructions.

- 1.1 All revenue generating Ministries/Departments and Agencies (MDAs) are enjoined to use and not limit themselves to the attached list of expected revenue sources.

The preparation of the budget estimate of all MDAs should take into consideration the policies/strategies contained in the State Development Plan and try to link same into their 2023 budget proposals. In order to discourage the practice of regular incremental budget adjustment, all Ministries, Departments and Agencies (MDAs) are to carefully scrutinize and justify their projects and programmes for which resources are to be allocated in line with the immediate needs of the state as well as government’s development priorities.

- 1.2 The policy thrust of the state government in the 2023 fiscal year is the completion of all ongoing legacy projects as attention will not be given to a new capital-intensive project.

2 Background

Review of 2022 Budget.

2.1 The key underlying assumptions of the 2022 budget are as follows:

- Oil Price benchmark US\$ 57pb
- Oil Production benchmark 1.88 MBPD
- Exchange rate ₦410.15/US\$
- Inflation rate 13.00%
- GDP Growth rate 4.20%

2.2 Based on these assumptions and taking into cognisance the budget performance for the pass six (6) years i.e., 2016 – 2021, the aggregate revenue of ₦163.953 billion consisting of FAAC Revenues, Grants, Loans, Other capital receipt and opening balance was projected to fund the 2022 expenditures. Thus:

- (i) Personnel (including CRF charges) - ₦30.206 billion
- (ii) Consolidated Revenue Fund - ₦ 5.360 billion
- (iii) Other Recurrent Cost - ₦33.867 billion
- (iv) Debt Service - ₦37.426 billion
- (v) Capital Expenditure - ₦57.094 billion

2.3 Summary of Revenue Performance 2022

Economy	Description	2022 Revised Budget	2022 Q2 Performance	2022 Performance Year to Date (Q1-Q2)
1	REVENUE	163,953,384,000	25,908,550,061	68,543,744,948
11	GOVERNMENT SHARE OF FAAC	62,151,484,967	15,207,168,138	29,308,685,655
110101	STATE GOVERNMENT SHARE OF STATUTORY REVENUES	38,643,642,465	8,388,535,876	15,559,814,392
110102	STATE GOVERNMENT SHARE OF VAT	20,525,503,792	6,525,797,701	11,886,969,090
110103	STATE GOVERNMENT SHARE OF OTHER FAAC REVENUES	2,982,338,710	292,834,561	1,861,902,172
12	INDEPENDENT REVENUE	21,202,899,033	1,257,366,352	3,340,076,269
120101	PERSONAL TAXES	4,837,631,000	888,574,694	2,097,327,865
120103	OTHER TAXES	5,320,000,000	450,700,000	450,700,000
120201	LICENCES - GENERAL	213,582,000	14,286,928	44,305,265
120204	FEES - GENERAL	4,407,220,733	132,983,356	196,680,387
120205	FINES – GENERAL	221,108,000	8,088,445	18,829,505
120206	SALES – GENERAL	1,316,626,000	9,915,515	23,879,177
120207	EARNINGS - GENERAL	3,362,481,300	24,168,364	27,794,183
120208	RENT on GOVERNMENT BUILDINGS - GENERAL	50,000,000	-	-
120209	RENT on LAND & OTHERS – GENERAL	1,473,750,000	3,762,000	500,976,200
120210	REPAYMENTS – GENERAL	150,000	91,743,413	205,488,013
120211	INVESTMENT INCOME	-	3,762,000	3,762,000
120213	RE-IMBURSEMENT GENERAL	350,000	-	-
13	AID AND GRANTS	9,500,000,000	-	-
130201	DOMESTIC GRANTS	3,800,000,000	-	-
130202	FOREIGN GRANTS	5,700,000,000	-	-
14	CAPITAL DEVELOPMENT FUND (CDF) RECEIPTS	43,399,608,627	9,444,015,571	35,894,983,023
140201	OTHER CAPITAL RECEIPTS	21,177,512,367	-	-
140301	DOMESTIC LOANS/BORROWINGS RECEIPTS	36,000,000,000	9,444,015,571	35,894,983,023
140701	EXTRAORDINARY ITEMS	4,722,096,260	-	-
31	CURRENT ASSETS	9,199,391,373	-	-
310101	CONSOLIDATED REVENUE FUND	9,199,391,373	9,377,522,789	9,377,522,789

2.4 Summary of Expenditure Performance 2021

Code	Economic	2022 Revised Budget	2022 Q2 Performance	2022 Performance Year to Date (Q1-Q2)
	Total Expenditure	163,953,384,000	39,719,790,685	79,864,443,282
2	EXPENDITURES	106,859,643,000	30,098,820,465	60,422,870,540
21	PERSONNEL COST	35,566,318,000	8,384,518,879	16,831,390,268
210101	SALARIES AND WAGES	29,696,318,000	7,135,093,128	14,251,989,167
210201	ALLOWANCES	50,000,000	11,850,000	32,550,000
210202	SOCIAL CONTRIBUTIONS	600,000,000	205,175,151	410,563,403
210301	SOCIAL BENEFITS	5,220,000,000	1,112,950,198	2,136,287,697
22	OTHER RECURRENT COSTS	71,293,325,000	21,714,301,586	43,591,480,273
220201	TRAVEL & TRANSPORT - GENERAL	3,028,947,000	368,512,417	1,226,438,164
220202	UTILITIES GENERAL	1,024,061,500	141,390,289	249,181,394
220203	MATERIALS & SUPPLIES – GENERAL	5,973,886,366	800,801,876	1,568,579,874
220204	MAINTENANCE SERVICES – GENERAL	4,061,258,467	1,054,520,657	2,191,084,734
220205	TRAINING - GENERAL	1,107,616,000	79,024,508	174,883,441
220206	OTHER SERVICES – GENERAL	2,842,040,500	1,293,511,210	1,983,218,636
220207	CONSULTING & PROFESSIONAL SERVICES – GENERAL	5,341,755,000	117,498,510	138,959,643
220208	FUEL & LUBRICANTS – GENERAL	1,507,527,500	393,912,871	1,182,694,368
220209	FINANCIAL CHARGES - GENERAL	294,643,167	81,023,536	216,260,967
220210	MISCELLANEOUS EXPENSES GENERAL	7,037,078,500	1,454,420,711	2,555,464,026
220301	STAFF LOANS & ADVANCES	395,025,000	4,991,480	4,991,480
220401	LOCAL GRANTS AND CONTRIBUTIONS	353,486,000	54,086,000	58,172,000
220501	SUBSIDY TO PUBLIC/PUBLIC INSTITUTIONS	900,000,000	-	-
220601	FOREIGN INTEREST/DISCOUNT	1,000,000,000	149,636,822	274,176,262
220602	DOMESTIC INTEREST/DISCOUNT	5,200,000,000	1,783,897,799	3,535,051,802
220604	DOMESTIC PRINCIPAL	31,226,000,000	14,099,950,000	28,232,323,480
3	ASSETS	57,093,741,000	9,620,970,219	19,441,572,741
32	FIXED (NON-CURRENT) ASSETS	57,093,741,000	9,620,970,219	19,441,572,741
320101	LAND & BUILDING - GENERAL	18,247,319,071	2,725,148,741	4,102,590,028
320102	INFRASTRUCTURE - GENERAL	19,847,740,000	5,029,851,942	10,553,358,671
320103	PLANT & MACHINERY - GENERAL	3,742,981,000	439,882,273	601,199,473
320104	FIXED ASSETS - GENERAL	1,923,978,000	529,900,000	1,438,933,369
320105	OFFICE EQUIPMENT - GENERAL	283,122,000	7,500,000	7,500,000
320106	FURNITURE & FITTINGS - GENERAL	1,310,735,000	99,097,250	149,402,505
320109	SPECIALISED ASSETS - GENERAL	6,182,803,000	857,851,000	1,766,996,880
320301	INTANGIBLE ASSETS	5,555,062,929	131,371,316	821,591,816

3 The 2023 Budget Framework

In line with the global and domestic economic outlook, the key parameters as well as other Macro-economic projections driving the Medium-Term and Expenditure Framework (MTEF) 2023 – 2025 used by the Federal Ministry of Finance, Budget and National Planning is adopted by the State Budget Working Group (BWG) in the preparation of the State Medium Term Expenditure Framework (MTEF) 2023-2025.

Macro-Economic Framework

Item	2023	2024	2025
National Inflation	17.16%	16.21%	17.21%
National Real GDP Growth	3.75%	3.30%	3.46%
Oil Production Benchmark (MBPD)	1.6900	1.8300	1.8300
Oil Price Benchmark	\$70.00	\$66.00	\$62.00
NGN:USD Exchange Rate	435.57	435.92	437.57
Other Assumptions			
Mineral Ratio	21.75%	21.75%	21.75%

Fiscal Framework

Item	2023	2024	2025
Opening Balance	3,500,000,000	3,500,000,000	3,500,000,000

Recurrent Revenue			
Statutory Allocation	38,555,340,512	38,417,505,914	38,632,720,311
VAT	25,793,593,004	31,553,845,036	39,131,348,999
IGR	12,251,676,727	14,902,440,557	17,998,264,614
Excess Crude/Other FAAC Revenue	4,654,755,431	2,982,338,710	2,982,338,710
Total Recurrent Revenue	81,255,365,673	87,856,130,217	98,744,672,635

Recurrent Expenditure

Personnel Costs	31,354,376,168	32,138,235,572	32,941,691,461
Social Contribution and Social Benefit	4,874,682,421	4,996,549,481	5,121,463,218
Overheads	26,768,236,596	26,768,236,596	26,768,236,596
Grants, Contributions and Subsidies	1,148,511,000	1,148,511,000	1,148,511,000
Public Debt Service	16,500,000,000	16,500,000,000	16,500,000,000
Total	80,645,806,185	81,551,532,650	82,479,902,276
Transfer to Capital Account	4,109,559,489	9,804,597,567	19,764,770,359

Capital Receipts

Grants	32,400,000,000	30,300,000,000	28,300,000,000
Other Capital Receipts	25,000,000,000	0	0
Total	57,400,000,000	30,300,000,000	28,300,000,000

Reserves

Contingency Reserve	0	0	0
Planning Reserve	4,237,768,284	4,567,806,511	5,112,233,632
Total Reserves	4,237,768,284	4,567,806,511	5,112,233,632

Capital Expenditure	64,271,791,205	37,536,791,056	44,952,536,727
Discretionary Funds	56,871,791,205	34,736,791,056	42,152,536,727
Non-Discretionary Funds	7,400,000,000	2,800,000,000	2,800,000,000

Financing (Loans)	7,000,000,000	2,000,000,000	2,000,000,000
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Total Revenue (Including Opening Balance)	149,155,365,673	123,656,130,217	132,544,672,635
Total Expenditure (including Contingency Reserve)	149,155,365,673	123,656,130,217	132,544,672,635

4 Guidelines for Budget Preparation

4.1 General Instruction

All spending agencies are advised to adhere strictly to the following INSTRUCTIONS in the preparation of their 2023 budget proposals.

- (i) Every spending entity is advised to ensure that all liabilities and other relevant activities considered important in 2023 fiscal year are included in their proposed budget;
- (ii) Articulate their budget against the background of the overall goals of the State Development Plan (i.e., YOSERA) and the Sustainable Development Goals (SDG);
- (iii) Ensure the link between MTSS and the annual budget;
- (iv) Report on the revenue and expenditure performance of the current year January – June MUST be attached.
- (v) Inputs from the citizens' need collected during the Public Consultations (Budget Dialogue) meetings at the Headquarters of the three (3) Senatorial Districts should form part of the 2023 budget proposals.
- (vi) Ensure that budget estimates are within the ceiling provided and use appropriate budget classification and codes.
- (vii) To liaise with their respective departments and units in coming up with their budgetary proposals.
- (viii) In allocating capital budget resources, MDAs are enjoined to accord priority to ongoing projects, especially those nearing completion that fit into government's current priorities. MDAs may not be allowed to initiate new projects/programmes unless they can demonstrate that adequate provisions have been made for ongoing projects;
- (ix) MDAs are required to provide full information on the projects that require counterpart funding (see Annex II). Counterpart funds will be available to any MDAs that justify the projects and make necessary provisions in their budgets;
- (x) All MDAs are required to prepare and submit their 2023 budgets proposals using the Budget Template (available at our website <https://budget.pfm.yb.gov.ng>);
- (xi) All MDAs are advised to adopt a balanced framework that promotes inclusive growth, equality and security as ensuring a life of dignity to all Yobeans through the budget;
- (xii) Ensure consistency with sector strategy plan;
- (xiii) Ensure that the appropriate forms and formats are used.

5 Internally Generated Revenue

5.1 All Accounting Officers may wish to note that: -

- Our continuous dependence on Federation Account implies that our internally generated revenue is nothing to write home about, it is therefore imperative for all MDAs to remain steadfast and prudent in revenue collection and curb imminent leakages;
- The budget classification and chart of account has comprehensive list of sources which could be used by all revenue generating institutions;
- MDAs are advised to open more windows and initiate for more sources of generating revenue in addition to the ones provided (refer to Annex I)

6 Grants and Loans

MDAs are expected to clearly indicate expected grants and loans (if any) from federal, local government, international development organizations, non-governmental organizations etc. to form part of their capital program using Annex II

7 Recurrent Expenditure

It is expected that each organization will aim at reducing wastages and eliminating flows to curtail overblowing the budget with over costed material. MDAs are therefore advised to study the attached annexes carefully, putting more emphasis on public accountability and prudent spending of public funds.

- I) Staff list
Refer to Annex III, you may wish to liaise with other department in other to obtain adequate information on each category of staff.

- II) Personnel cost
Refer to Annex IV, your organization is to work within the sum of
 =N= _____ 2023
 =N= _____ 2024
 =N= _____ 2025 as the allocated ceiling
 for the personnel cost

- III) Overhead Cost
Refer to Annex V. Your organization is to work within the sum of
 =N= _____ 2023
 =N= _____ 2024
 =N= _____ 2025 as the allocated ceiling
 for your organization operating cost. i.e., fixed and other recurrent
 services.

8 Capital Expenditure

All accounting officers are reminded to strictly observe the following: -

- (i) Priority must be given to all ongoing projects and payment of liabilities
- (ii) You may need an expert to assist in estimating the cost of the project in order to achieve the laudable programs of this administration
- (iii) The ceilings allocated for your capital expenditure are as follows:
2023 _____
2024 _____
2025 _____

You are to work within these parameters and also note that the ceilings given include payments of liabilities and the completion of ongoing projects, refer to Annex VI & VII

9 Submission and Defence of Budget Proposals

All MDAs are required to submit their budgets using the Budget Template not later than Friday 14 October, 2022. Upon submission, their proposals would be reviewed for compliance with this circular, and subsequently bilateral discussion will be scheduled for MDAs as may be determine by the Ministry of Budget and Economic Planning. The objectives are to critically evaluate the submissions and finalise MDAs 2023 budget before the presentation of the proposed budget to the State Legislature by His Excellency the Executive Governor, Hon. Mai Mala Buni (Chiroman Gujba).

10 Information on who to contact for further clarification or support

For enquiries and further clarifications, contact the following:

- 08062154168
- 08038867351
- 08037179745

YOBE STATE GOVERNMENT OF NIGERIA

Table 1: PROPOSED RECURRENT REVENUE 2023

Annex I

ADMIN CODE:

Sn	ECON CODE	DESCRIPTION	APPROVED REVISED	ACTUAL REVENUE 2022	PROPOSED BUDGET 2023
			₦	₦	₦

YOBE STATE GOVERNMENT NIGERIA

Table 2: PROJECTS WITH EXTERNAL FINANCE (GRANTS/LOANS) 2023

Annex II

ADMIN CODE:

S/N	ECONS CODE	PROJECT TITLE	PROJECT DESCRIPTION	DONOR AGENCY	DURATION	TOTAL PACKAGE	DRAWDOWN 2021	DRAWDOWN JAN-AUG 2022	APPROVED REVISED ESTIMATE 2022	AMOUNT REQUIRED		
										2023	2024	2025
						₦	₦	₦	₦	₦	₦	
		Loans										
		From International Sources										
		From Foreign Govt										
		From other Govt Agencies										
		From Financial Institution										
		From Individuals										
		From NGO										
		WB Drawdown										
		ADB Drawdown										
		JAICA Drawdown										
		Good Governance										
		Other loans										

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Table 3: COMPREHENSIVE STAFF LIST 2022

Annex III

ADMIN CODE:

S/N	Name	GL/STEP	ID No.	Rank	Date of 1 st Appointment	Date of last Promotion

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Table 4: PROPOSED PERSONNEL COST 2023

Annex iv

ADMIN CODE:

ECONOMIC CODE	GL	ACTUAL NO. OF STAFF 2021	ACTUAL SALARIES JAN-DEC 2021	APPROVED REVISED ESTIMATES 2022	ACTUAL SALARIES JAN-AUG 2022	PROPOSED ESTIMATES 2023	PROJECTION 2024	PROJECTION 2025
			₦	₦	₦	₦	₦	₦
	1							
	2							
	3							
	4							
	5							
	6							
Total 01-06								
	7							
	8							
	9							
	10							
	12							
	13							
Total 07-13								
	14							
	15							
	16							
	17							
Total 14-17								
Total 01-17								
Hon. Commissioner								
Perm. Sec								
Total								
Leave Transport Grant								
Allowance								
Total Staff & Personnel Cost								

YOBE STATE GOVERNMENT

Table 5: PROPOSED OVERHEAD COST 2023

Annex v

ADMIN CODE:

ECONS CODE	DESCRIPTION	FUND CODE	FUNCT CODE	LOCATION CODE	PROG. CODE	APPROVED REVISED BUDGET 2022	ACTUAL 2022	PROPOSED BUDGET 2023	PROJECTION 2024	PROJECTION 2025
						₦	₦	₦	₦	₦

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Table 6: ON-GOING CAPITAL PROJECTS 2022

Annex vi

ADMIN CODE:

ECONS CODE	DESCRIPTION	FUND CODE	FUNCTIONAL CODE	LOCATION CODE	PROG. CODE	APPROVED REVISED BUDGET 2022	ACTUAL AMOUNT EXPENDED	BALANCE	LEVEL OF WORK
						₦	₦	₦	

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Table 7: PROPOSED CAPITAL PROJECTS 2023

Annex vii

ADMIN CODE:

ECONS CODE	DESCRIPTION	FUND CODE	FUNCT CODE	LOCATION CODE	PROG. CODE	APPROVED REVISED BUDGET 2022	PROPOSED BUDGET 2023	COMPLETION PERIOD	REMARKS
						N	N	-	