

Form BUD - 3

SHILLONG MUNICIPAL BOARD

SUMMARY OF BUDGET FOR THE PERIOD 2018 - 19

Sr. No. _____

Particulars	Actual for the previous year 2016-17	Budget Estimates for the current year 2017-18	Revised Estimates for the current year 2017-18	Budget Estimates for the next year 2018-19
	Rs.	Rs.	Rs.	Rs.
1	2	3	4	5
Opening Balance*	34580611.47	34079561.47		18427361.47
Add:				
Revenue Receipts	148874932.00	150000000.00		161500000.00
Capital Receipts	51994511.00	50400000.00		60600000.00
Total Rupees	200869443.00	200400000.00	0.00	222100000.00
Less:				
Revenue expenditure	129742729.00	143752200.00		150067100.00
Capital Expenditure	71627764.00	72300000.00		108400000.00
Total Rupees	201370493.00	216052200.00	0.00	258467100.00
Closing Balance *	34079561.47	18427361.47	0.00	(17939738.53)

* Balances denote Boards own balance(Cash & Bank) but exclusive of ongoing scheme money

Form BUD - 4
SHILLONG MUNICIPAL BOARD
MAJOR ACCOUNT HEAD WISE BUDGET
FOR THE PERIOD 2018 -19

S No	Major Account Head	Code	Actual for the previous year 2016-17	Budget Estimates for the current year 2017-18	Revised Estimates for the current year 2017-18	Budget Estimates for the next year 2018-19
			Rs.	Rs.	Rs.	Rs.
	1		2	3	4	5
	REVENUE RECEIPTS					
	Tax Revenue	110	27689704.00	48500000.00		49000000.00
	Assigned Revenues and Compensation	120				
	Rental Income - Municipal Properties	130	22867560.00	27000000.00		27500000.00
	Fees and User Charges	140	23567860.00	32500000.00		33000000.00
	Sale and Hire Charges	150	56780.00	600000.00		600000.00
	Revenue Grants, Contributions and Subsidies	160	73385570.00	40000000.00		50000000.00
	Income from Investments	170	1056780.00	1000000.00		1000000.00
	Interest Earned	171	190678.00	200000.00		200000.00
	Other Income	180	60000.00	200000.00		200000.00
	Total		148874932.00	150000000.00	0.00	161500000.00
	REVENUE EXPENDITURE					
	Establishment Expenses	210	105785601.00	119052200.00		124067100.00
	Administrative Expenses	220	2205670.00	2200000.00		2300000.00
	Operations and Maintenance	230	19896780.00	20000000.00		21000000.00
	Interest and Finance Charges	240	1654678.00	2500000.00		2700000.00
	Program Expenses	250				
	Revenue Grants, Contributions and Subsidies	260				
	Miscellaneous Expenses	271				
	Prior Period Item	280	200000.00			
	Total		129742729.00	143752200.00	0.00	150067100.00

CAPITAL RECEIPTS					
Grants, Contributions for Specific purposes	320	12267806.00	20000000.00		30000000.00
Secured Loans	330	0.00			
Unsecured Loans	331				
Deposits Received	340	367800.00	400000.00		600000.00
Deposit Works	341	20780000.00	10000000.00		10000000.00
Investments - Other Funds	421				
Earmarked Funds (UPA)	311				
Other Receipts					
Tax Revenue Collected in Advance	350	18578905.00			
Receivables	431		20000000.00		20000000.00
Total		51994511.00	50400000.00	0.00	60600000.00
CAPITAL EXPENDITURE					
Fixed Assets	410	3245670.00	20000000.00		30000000.00
Capital Work in Progress	412				
Investments - General Fund	420				
Investments - Other Funds	421	3567451.00			
Purchase of Stores	430		300000.00		400000.00
Prepaid Expenses	440				
Loans, advances and deposits	460	5678902.00	7000000.00		8000000.00
Other Assets	470				
Deposit Works	341	18567890.00	10000000.00		10000000.00
Other Liabilities (Sundry Creditors)	350	40567851.00	35000000.00		60000000.00
Deposits Received (Refund)	340				
Earmarked Funds (UPA)	311				
Other Expenses	320				
Total		71627764.00	72300000.00	0.00	108400000.00
Basic services to Urban Poor/ Slums:					
Housing (Due to the different land tenure system that the state is having, the SMB has got no control on any housing project, the Urban poor are generally residing in rented houses.)					N.A
Water Supply		12256740.00	13820000.00		14520000.00
Sanitation		14454132.00	14970050.00		15496775.00
Solid Waste		5467800.00	6348000.00		7000000.00
Primary Education					
Health Care		52450.00	500000.00		300000.00
Social Security		204560.00	300000.00		200000.00
TOTAL OF BASIC SERVICES TO URBAN POOR/SLUMS		32435682.00	35938050.00	0.00	37516775.00

Note: Total Revenue Expenditure Budget of SMB for 2018-19 is Rs. 15,00,67,100.00 out of which 25% ,i.e Rs.3,75,16,775/- is to be provided for Basic Services to Urban Poor/ Slum.

NOTES ON BUDGET

In fulfilment of its commitment to implement reforms in urban management, the SMB has shifted to the Accrual Based Double Entry System of Accounting. The accounting system is now maintained in accordance with the Accounting Manual for ULB in Meghalaya. The budget estimate for the year 2018-19 is purely of Shillong Municipal Board's income and expenditure exclusive of the schemes. Tally accounting software is being used for maintenance of the accounting system in the SMB.

The objective of the Accrual Based Double Entry System of Accounting is to ensure bringing in more accountability and transparency in the functioning and overall service delivery system of the SMB.

The budget of 2018-19 has been prepared in the format specified by the Municipal Accounting Manual of ULB in Meghalaya as approved by the Government as well as by the Accountant General Meghalaya. The salient features of the budget are as follows.

Revenue:

1. Tax Revenue:

The major sources of tax revenue for the SMB are , Property Tax which includes house tax, sanitation, water and street lighting levied on all holdings within the Municipality. The tax is also levied on State government holdings. This also includes service charges from Union government buildings. The estimated revenue is based on the estimated demand of tax for the current year .

Another source of tax revenue is the advertisement tax which is levied on outdoor advertisement from Hoardings

2. Non-Tax revenue:

The non tax revenue constitutes another major revenue generating source of the Board , viz, rent of commercial spaces, parking lots and public toilets, License fee, water charges and supply of water by tanker, cleaning of septic tank , garbage collection fees & Income from Maxi Cabs , Buses , Airport Shuttles as public transports provided by Govt. from Finance Commission Award .

1. Salary and establishment expenses form the largest part of the expenditure of the SMB . Almost the entire amount of income is required for payment of salary with EPF contribution resulting to huge deficit that occurs every year . The estimated expenditure under salary head is based on actual estimates worked out in L –Form as per provision of the Budget Manual of the Govt .
2. Operation and maintenance of basic services to the city are estimated at about Rs 2.10 crores . The bulk of expenditure under this head is for Street lighting, P.O.L expenses and maintenance of other civic amenities.

The estimates in the budget are based on the rates of tax and user fees adopted by the SMB in 2007 . The revised tax rates on self assessment basis with effect from 1st April 2016 have been approved by the Govt. of Meghalaya, but the same has not been taken into account in this estimate.

In order to further improve and to strengthen its financial position, the SMB has initiated several steps some of which are highlighted below.

- a. A State level Property Tax Board was constituted by the Government and notified in the Official Gazette dt 30th March 2012 to initiate the process of implementation of the Self Assessment System of Property Taxation. The Committee has submitted its report to the Government and the same has been approved by the Government as per Self Assessment System of Municipal Tax effective from 1st April 2016. The System is supported by GIS database mapping. The self assessment system of property tax being a new concept for the tax payers, it will require some more months to implement the same and after implementation the revenue income of SMB will improve .
- b. Bye-law 136 has been amended to add new trades/businesses to the list of trades/businesses licensed by the SMB. The rates have also been increased and efforts are being taken to increase the coverage.
- c. The SMB has also initiated development of Commercial Complexes and Markets through PPP mode.
- d. 25% of the Board's budget has been earmarked for the provision of services to the Urban Poor. This is as per the reforms committed under JNNURM.

Accordingly Meghalaya Municipal Act 1973 (as amended upto 2011) was further modified as Meghalaya Municipal (amendment) Act 2012 and notified in the Official Gazette dt 30.3.2012 under clause 60 (1) (e).

- e. Presently the Board has liabilities towards water charges payable to PHED , Cess to Pollution Control Board Meghalaya, Employers contribution towards EPF ,Repayment of loan to MUDA Agency,Leave Encashment and Gratuity.

It is expected that with the aforementioned efforts being taken by the SMB further improvement in the revenue will be achieved and it is hoped that gradually the SMB will be able to sustain itself with an image of a transparent and accountable organisation and in providing efficient civic service to the citizens.



Chief Executive Officer
Shillong Municipal Board