



SECURITY, PEACE AND PROSPERITY IN BENUE

Prepared by Benue State Planning Commission,
State Secretariat Complex

Benue State Budget 2019



Benue State
Budget 2019

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Introduction

What is a Budget?

A budget shows what the government expects to collect as revenue, what grants it expects to receive, how much it expects to save or borrow, and what the government plans to spend on.

A budget is a document that contains details about how the government plans to spend our communal wealth – the taxpayers' money. Federal, state and local governments all have a budget document which is called an Appropriation Act.

In a democracy, every responsible citizen has the right to know how communal wealth is being expended in the delivery of public infrastructure and services.

What is a Citizens Budget?

A Citizens Budgets is a simpler, less technical version of a government's budget specifically designed to present key information that is understandable by the general public. Citizens Budgets can vary widely in focus, content, and length and be presented in a number of ways, ranging from a simple brochure to a comprehensive

report. Citizens Budgets should also be accessible by the general public, including being published online on an official state website.

Why is a Citizens Budgets Important?

Every responsible citizen has the right to know how communal wealth is being expended in the delivery of public infrastructure and services. State governments must ensure that citizens have a good understanding of how the budget directly affects their lives.

Citizens budgets foster a greater understanding of how public funds are utilized, especially if the information presented is a more accessible format than standard government budgets.

Although they are not meant to replace more detailed budget documents, they are important for informing citizens and civil society and contributes to the effort of increasing government accountability on how it manages public money.



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Budget Glossary

Total Budget Expenditure: This is the total amount of budget for the given year. It is the summation of both the Recurrent Expenditure and Capital Expenditure as approved by the State House of Assembly and assented to by the Executive Governor.

This is how the government plans to spend, on behalf of the citizens, according to the resources it manages. Government expenditure has two main categories: Recurrent and Capital Expenditure.

Revenue: Revenue is all the amount of money the government believes it will collect during the year from recurring taxes, levies and fees; put simply, this refers to money collected on behalf of citizens. States in Nigeria receive a share of revenues collected federally such as oil revenues, corporate income taxes, VAT and excises and duties.

These are called statutory allocation, VAT and other statutory revenue in the

budget are transferred to the states from the federation accounts. Revenues that states directly collect and retain for its own use are called internally generated revenue (IGR); IGR includes personal income taxes, road taxes, property taxes etc.

Budget Deficit: This is generally the difference between what the government intend to spend on expenditures and the revenue generation capacity. A deficit occurs when the expenditure figure is higher than the revenue and grants figure. The total budget financing is the summation of all the financing the government intends to raise through borrowing/loans (domestic and foreign), sales of government assets or other deficit financing items.

Grants: A grant is one of the government's source of funds for funding ideas and projects to provide public services, stimulate the economy, and benefit the general public. Grants



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Budget Glossary

could be either from foreign or domestic and is normally provided for a specific project and set of expenditures. Grants are not borrowing/loans so do not need to be paid back after it has been used for the intended project and set of expenditures.

Loans: Another source of funds for the government to finance the budget is a loan. Government borrows to finance its annual budget generally when revenues and grants are not enough to fund all the expenditures in the budget. Loans could be domestic and or foreign sources. Loans can be for a specific project or set of expenditures or could be used to finance the general budget expenditures.

Why does the Government borrow? When the government intends to spend more money than they expect to collect as revenue and receive in grants, the budget is in deficit.

When they intend to spend less than

what they expect to collect in revenue and receive in grants, the budget is in surplus. A balanced budget is a budget where total revenues are equal to the total expenditures for the year.

When the budget has an expected deficit, the government will need to finance the budget deficit. It can do this through sales of government assets or through borrowing. Borrowing can be from banks, multilateral institutions, the federal government or from investors through the capital market

Recurrent Expenditure: Refers to recurring payments: wages and salaries for civil servants; overhead costs (electricity bills, purchase of diesel); consolidated revenue account charges; transfers (to local government, for example); interest payments on existing loans; and other (subsidies, for example).

Personnel Cost: include salaries, allowance and other benefits that



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Budget Glossary

Government pays to its workers (civil servants).

Overhead Cost: These are any regular expenses which are not paid directly to a civil servant or other government workers, including amounts billed directly to customers. Overheads must be paid for regularly. Examples are electricity bills, water bills, the buying diesel for generators, or the money spent on travelling during work, by civil servants.

Capital Expenditure: Capital Expenditure is money spent by government to acquire or build fixed capital assets, land or intangible assets. Capital Expenditure is how much is used for projects like the

building of schools, hospitals, roads, or buying security equipment. Capital Expenditure is sometimes called "Capex."

Sectoral Allocation: Expenditure is allocated to different ministries, departments and agencies (MDA). Each MDA will have an approved budget of recurrent and capital expenditure as part of the overall approved state government budget to run its daily activities as well as carry out projects associated with them respectively.

It is recommended that States include allocations for all MDAs in the template or at least the highest spending MDAs.

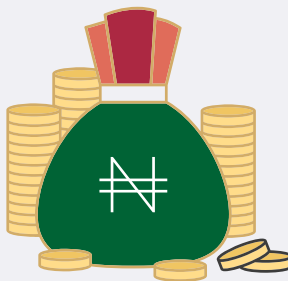
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General Framework

BUDGET SUMMARY



N199.7bn
Total Budget Expenditure

N127.9bn

Total Budget
Revenue & Grants

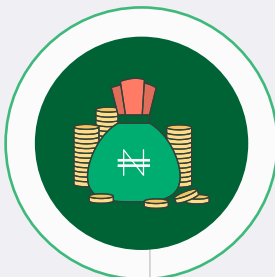
N71.9bn
Budget Deficit

Where will the Money come from?

REVENUE SUMMARY



Benue State
Budget 2019



N35.2bn
IGR

N13.9bn
Grants



N58.1bn
Statutory Allocation

N14.9bn
Value Added Tax



N5.56bn
Other Statutory Revenue

N2.67bn
Opening Balance

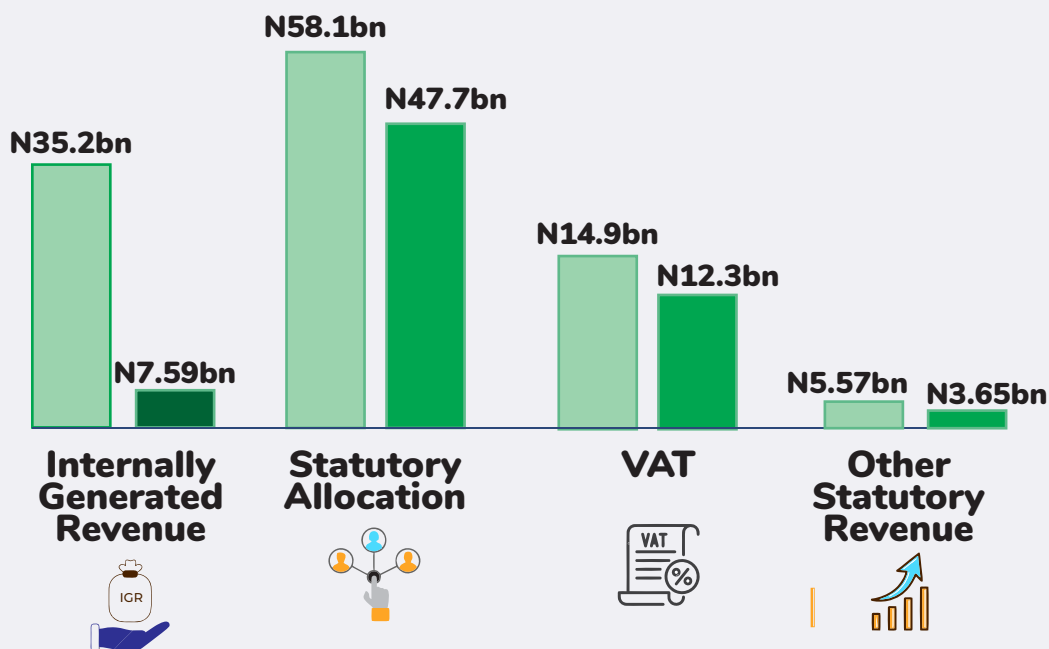
Revenue Breakdown



Benue State
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REVENUE PERFORMANCE

- 2019 Budget Target
- 2018 Budget Actual



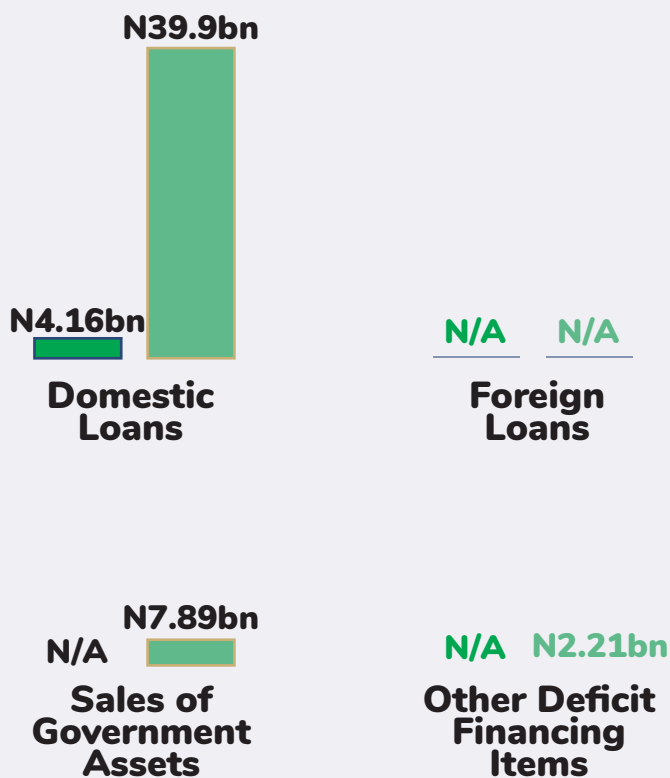


Benue State
Budget 2019

Deficit Financing

BUDGET DEFICIT FINANCING

- 2019 Budget Target
- 2018 Budget Actual

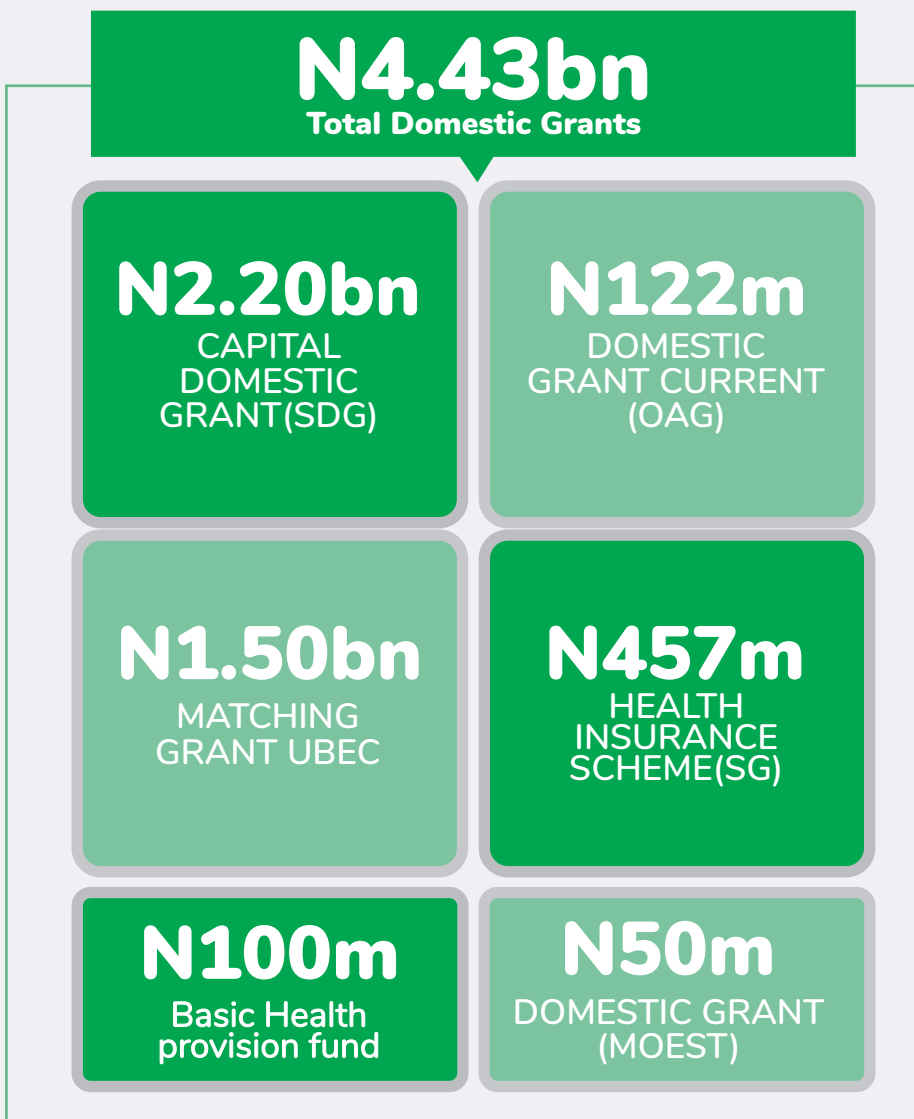


How will Government source the grants?



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DOMESTIC GRANTS





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How will Government source the grants?

FOREIGN GRANTS

N9.53bn

Total Foreign Grants

N6.13bn

STFAS (WORLD
BANK)(OAG)

N2.05bn

STFAS WOFE
(WORLD BANK)(BSPC)

N1bn

GCCCE(SUBEB)

N50m

WOFE(MOWA)

N300m

COMMUNITY AND SOCIAL
DEVELOPMENT PROGRAMME (WB)

How will Government source the loans?



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LOANS



N39.98bn
Domestic Loans

N39.9bn

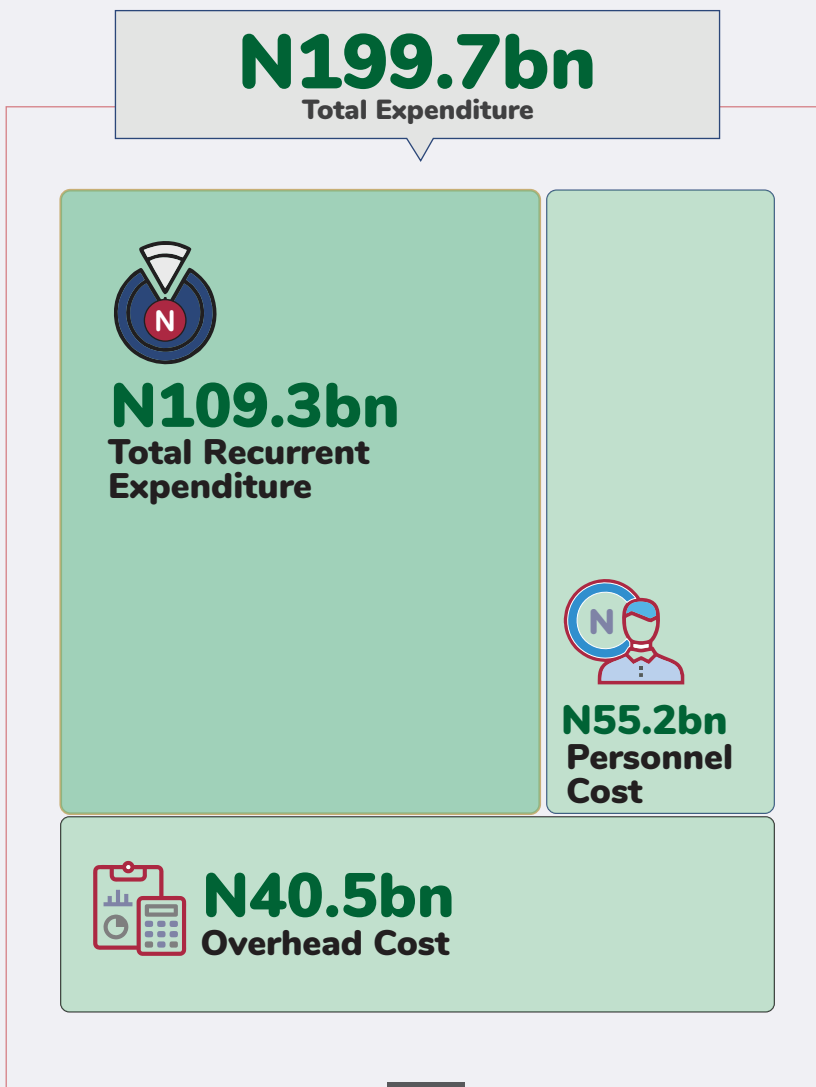
BORROWING FROM
FINANCIAL
INSTITUTIONS
(OAG)

How will Government spend the money?



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EXPENDITURE SUMMARY



How will Government spend the money?

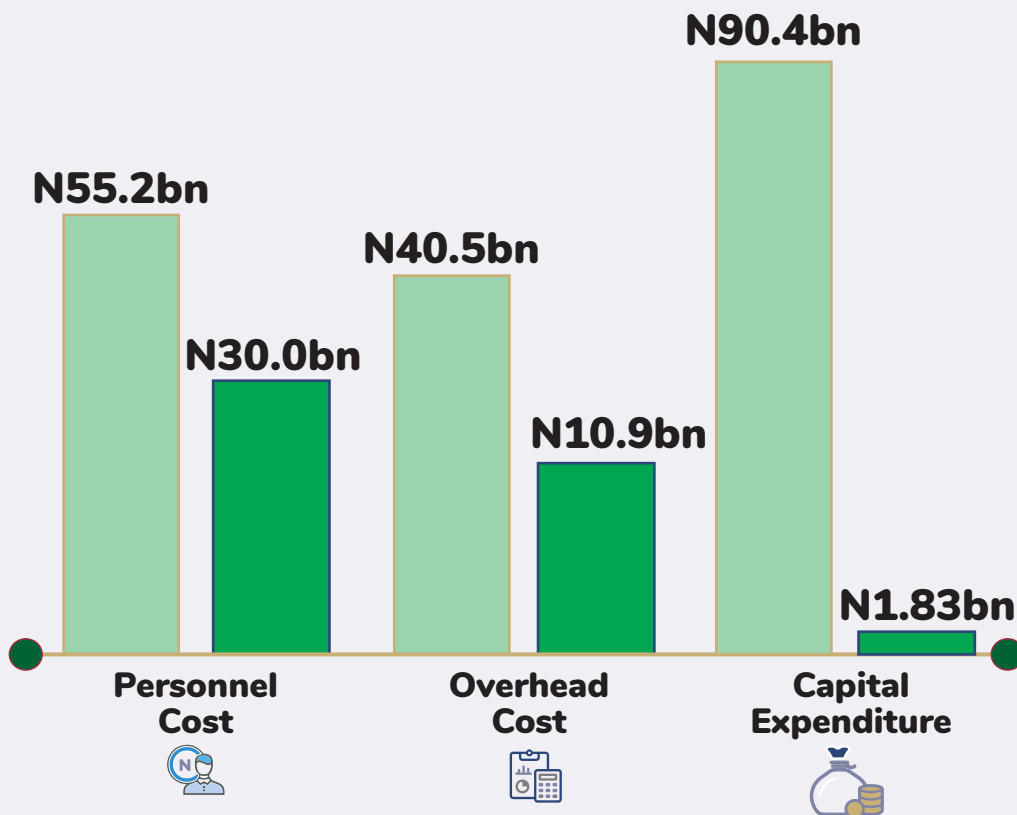


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EXPENDITURE SUMMARY

2019 Budget Target

2018 Budget Actual





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Expenditure: Where does the money go?

RECURRENT EXPENDITURE



Administrative Sector
N45.9bn



Economic
Sector
N22.9bn



Social Sector
N36.8bn



Law & Justice
Sector
N3.63bn



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Expenditure: Where does the money go?

CAPITAL EXPENDITURE



**Economic
Sector
N63.4bn**



**Social Sector
N18.4bn**



**Administrative
Sector
N7.49bn**



**N1.13bn
Law & Justice
Sector**



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Expenditure: Where does the money go?

TRACK CAPITAL PROJECTS WITH US

Project	Line Ministry/Agency	Location	Amount
LAND & BUILDINGS - OFFICE	Benue state universal basic education board	xxxxxxx	5,895,331,381
ROADS & BRIDGES: CONSTRUCTION OF GBAJIMBA - TSE UPEV - TSE AKAAHENA - NASSARAWA BORDER HIGHWAY, 32KM LONG. GUMA LGA	Bureau of rural development & cooperative	xxxxxxx	1,396,205,036
Fertilizer procurement	Ministry of Agriculture	Makurdi	1,000,000,000
Land development scheme	Ministry of agriculture	Makurdi	1,000,000,000
ROADS & BRIDGES: Construction of Awajir-Oju Road (52.0km)	Ministry of works, transport & energy	xxxxxxx	1,000,000,000
ROADS & BRIDGES: Construction of Awajir-Oju Road (52.0km)	Ministry of works ,transport & energy	xxxxxxx	1,000,000,000
ROADS & BRIDGES: Construction of Makurdi-Yogbo-Udei-Udei Branch Road.	Ministry of works ,transport & energy	xxxxxxx	1,000,000,000
ROADS & BRIDGES: Construction of Origbo-Imade Akpu-Gbajimba Road.	Ministry of works ,transport & energy	xxxxxxx	1,000,000,000
ROADS & BRIDGES: Construction of Otukpo Ichio-Odudaje-Aondona Road.	Ministry of works ,transport & energy	xxxxxxx	1,000,000,000
ROADS & BRIDGES: Construction of Road from Obussa-Ogori Oju II Constituency.	Ministry of works ,transport & energy	xxxxxxx	1,000,000,000
ROADS & BRIDGES: Construction of Road from Obussa-Ogori Oju II Constituency.	Ministry of works, transport & energy	xxxxxxx	1,000,000,000
ROADS & BRIDGES: Construction of Zaki Biam - Tor Donga Road, with Spur to Tsewuaze-Tiza-Abiki Shila Road.	Ministry of works ,transport & energy	xxxxxxx	1,000,000,000



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Expenditure: Where does the money go?

TRACK CAPITAL PROJECTS WITH US

ROADS & BRIDGES: Construction of Zaki Biam - Tor Donga Road, with Spur to Tsewuaze-Tiza-Abiki Shila Road.	Ministry of works ,transport & energy	xxxxxxxxx	1,000,000,000
ROADS & BRIDGES: Surfacing and Construction of New Township Roads in Makurdi, Gboko, Otukpo, Katsina Ala, Vandeikya, Oju, and others.	Ministry of works ,transport & energy	xxxxxxxxx	1,000,000,000
WATER DISTRIBUTION NETWORK: Greater Makurdi Reticulation Network	Ministry of water resources and environment	xxxxxxxxx	1,000,000,000
BOREHOLES & OTHER WATER FACILITIES	Benue state planning commission	xxxxxxxxx	980,000,000
SEWAGE/ DRAINAGE NETWORK: Ecological projects	Ministry of water resources and environment	xxxxxxxxx	800,000,000
LAND & BUILDINGS - ADMINISTRATIVE:Reconstru ction and Renovation of Burnt (PHC)	Primary Health Care Board	xxxxxxxxx	625,000,000
ROADS & BRIDGES: Construction of Makurdi Outer Ring Road (Mobile Police Road Junction-Police Barracks-Welfare Qtrs-Yaikyo-Apir).	Ministry of works ,transport & energy	xxxxxxxxx	600,000,000
WATER DISTRIBUTION NETWORK: Operation and Maintenance of Katsina Ala Water Works	Ministry of water resources and environment	xxxxxxxxx	600,000,000
LAND & BUILDINGS - ADMINISTRATIVE:Constructi on/Renovation Projects in Post-Pri. Schs (Outstanding Balance)	Ministry of education science & technology	xxxxxxxxx	527,000,000
LAND & BUILDINGS - ADMINISTRATIVE: Construction of Classroom Blocks in Benue State.	Development cooperations,sustainabl e development goals(SDG)	xxxxxxxxx	520,000,000



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Expenditure: Where does the money go?

TRACK CAPITAL PROJECTS WITH US

LAND & BUILDINGS - ADMINISTRATIVE:Renov of 32 No. Govt Schools and Colleges in Benue State	Ministry of education science & technology	xxxxxxxxx	500,000,000
LAND & BUILDINGS - OFFICE	Ministry of lands,survey and solid minerals	xxxxxxxxx	500,000,000
ROADS & BRIDGES: Constraction of Ge-Ikyobo- Agbeede-Amua-Anshagba Road.	Ministry of works ,transport & energy	xxxxxxxxx	500,000,000
ROADS & BRIDGES: Construction of Township Roads	Ministry of works ,transport & energy	xxxxxxxxx	500,000,000
ROADS & BRIDGES: Construction of Abuku-Ortese- Jingir-Ugah-Iorchor Road, with Jingir-Tyogbenda Wombo as spur.	Ministry of works ,transport & energy	xxxxxxxxx	500,000,000
ROADS & BRIDGES: Construction of Adoka- Odugbo-Okokolo-Road.	Ministry of works ,transport & energy	xxxxxxxxx	500,000,000
ROADS & BRIDGES: Construction of Igumale-Agila Road.	ministry of works ,transport & energy	xxxxxxxxx	500,000,000
ROADS & BRIDGES: Construction of Oju-Obussa- Utonkon Road.	Ministry of works ,transport & energy	xxxxxxxxx	500,000,000
ROADS & BRIDGES: Rehabilitation of 3 No. Selected Township Roads in Makurdi	Ministry of works ,transport & energy	xxxxxxxxx	466,000,000
LAND & BUILDINGS - ADMINISTRATIVE:Fire House,Senate Building	Benue state university	xxxxxxxxx	420,000,000
ROADS & BRIDGES: Construction of Igbor-Ikpa- Wannune Road.	Ministry of works ,transport & energy	xxxxxxxxx	400,000,000
ROADS & BRIDGES: Construction of 5 No. Selected Township Roads in Makurdi	Ministry of works ,transport & energy	xxxxxxxxx	366,229,529



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Expenditure: Where does the money go?

TRACK CAPITAL PROJECTS WITH US

LAND & BUILDINGS - ADMINISTRATIVE: Construction of PHCs in 3 Senatorial Districts.	development cooperations,sustainabl e development goals(SDG)	xxxxxxxxx	315,000,000
BOREHOLES & OTHER WATER FACILITIES:Provision of Safe and Portable Water.	development cooperations,sustainabl e development goals(SDG)	xxxxxxxxx	210,000,000
LABORATORY/MEDICAL EQUIPMENTS -Procurement of modern medical equipment for all the 23 general hospitals in the state and BSUTH	ministry of health and human services	xxxxxxxxx	149,000,000
LABORATORY/MEDICAL EQUIPMENTS -Procurement of modern medical equipment for all the 23 general hospitals in the state and BSUTH	ministry of health & human services	xxxxxxxxx	149,000,000
LABORATORY/MEDICAL EQUIPMENTS -Furnishing and Equipping of Ophthalmology complex and Radiology department offices at BSUTH.	ministry of health & human services	xxxxxxxxx	50,000,000

