GOMBE STATE NIGERIA

Gombe State Citizen Budget 2019

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Budget Department,Gombe State.

Table of Contents

ENUGU STATE
BUDGET 2019

Introduction 04

Budget Glossary 05-07

General Framework
BUDGET SUMMARY 08

Where will the Money come from?
REVENUE SUMMARY 09

Revenue Breakdown
REVENUE PERFORMANCE 10

Deficit Financing
BUDGET DEFICIT FINANCING 11

How will Government source the loans?
DOMESTIC LOANS 12

Table of Contents

How will Government spend the money?

EXPENDITURE SUMMARY 13-14

Expenditure: Where does the money go?

CAPITAL EXPENDITURE 15

RECURRENT EXPENDITURE 16

TRACK CAPITAL PROJECTS WITH US 17-19

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.

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 signed 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 and 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 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 Government pays to its workers (civil servants).

Budget Glossary

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.

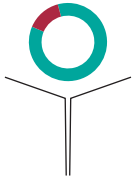
2018 Actual Budget

2018 Actual Budget as used in this report is the unaudited figures for year 2018 budget performance.

General Framework

BUDGET SUMMARY

N21.65bn
Total Budget Financing



N4.04bn
Financing Gap

N122.49bn
Total Budget Expenditure

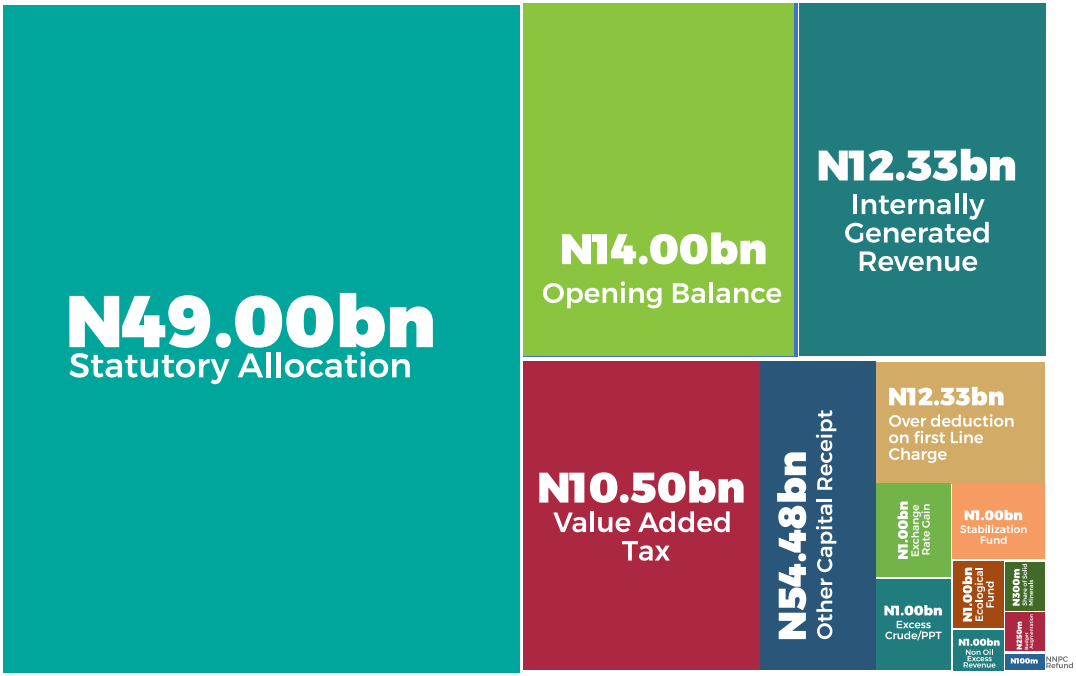
N104.88bn
Total Budget Revenue
and Grants

N17.61bn
Budget Deficit

Where will the Money come from?

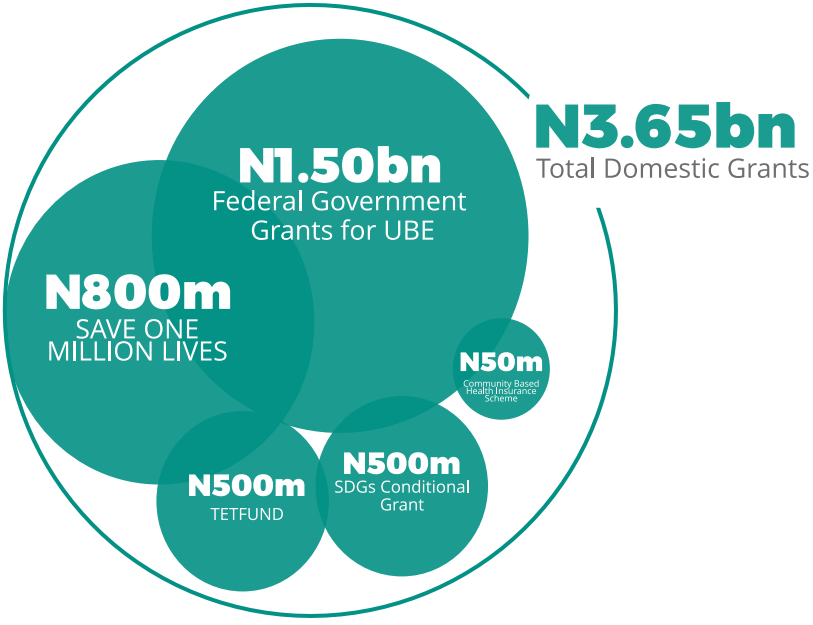
REVENUE SUMMARY

GOMBE STATE BUDGET 2019



GRANTS

Domestic Grants



External Grants

How will the Government Source the Loans

N11.20bn
Total Domestic Loans

N8.20bn
Gombe State Contractual Bond

N3.00bn
Commercial & Other Bank Loans

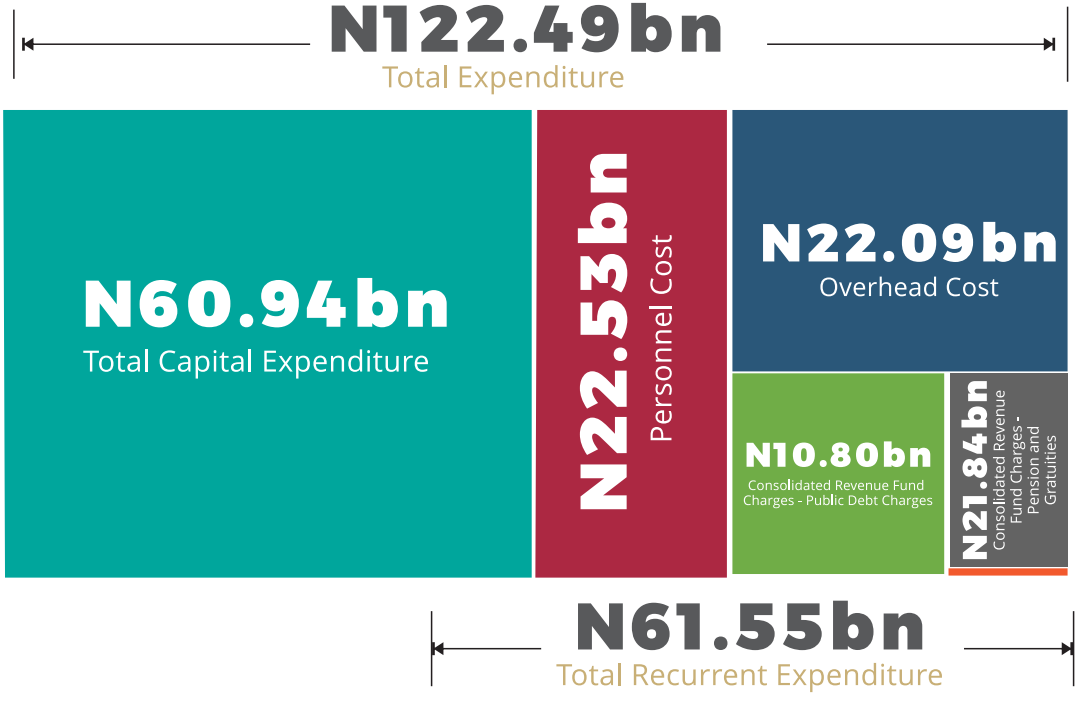
Foreign Loans

N10.45bn
Total Foreign Loans

How will Government spend the money?

GOMBE STATE BUDGET 2019

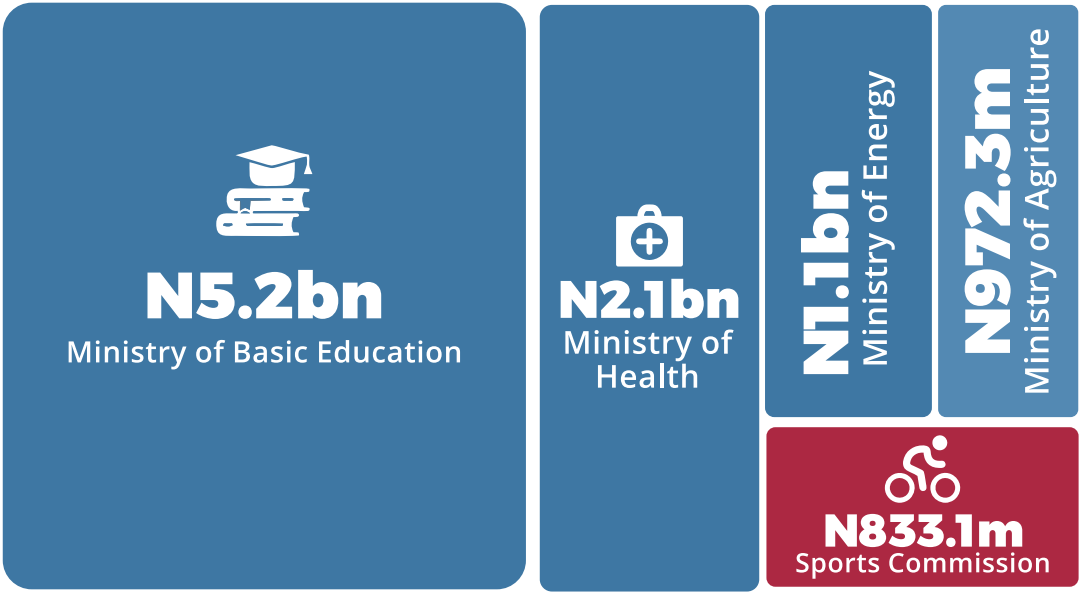
EXPENDITURE SUMMARY



Expenditure: Where does the money go?

GOMBE STATE BUDGET 2019

RECURRENT EXPENDITURE



Expenditure: Where does the money go?

GOMBE STATE BUDGET 2019

TRACK CAPITAL PROJECTS WITH US

Project	Line Ministry/Agency	Location	Amount
Fertilizer Procurement/ Subsidy	Ministry of Agriculture	Statewide	2,000,000,000
Implementation of 2017 U B E Programs	State Universal Basic Education	kebbe/Silame/ Rabah	2,400,000,000
Implementation of 2018 UBEC/SUBEB Projects	State Universal Basic Education	-	2,700,000,000
Dualization of 25km section of Gombe - Bauchi Federal Highway from Mile 3 to Airport	Ministry of Works	-	2,600,000,000
Rural Electrification Projects	Ministry of Rural Development	Kwale	1,700,000,000
Environmental Sanitation	Ministry of Environment and Forest Resources	Statewide	1,327,000,000
Construction of Gombe Township Roads Phase 6	Ministry of Works and Infrastructure		1,250,000,000
Construction of Mega Motor Park	Rural Water Supply and Sanitation Agency (RUWASSA)	-	1,200,000,000
Dualization of 25km section of Gombe - Bauchi Federal Highway from Mile 3 to Airport	Ministry of Works and Infrastructure	Statewide	1,000,000,000
Dualisation of Federal Secretarial Roads and Some Links Roads	Ministry of Works and Infrastructure	Statewide	700,000,000
Gona-Garko-Kalshingi with Spur to Maidugu Road	Ministry of Works and Infrastructure	-	700,000,000

Expenditure: Where does the money go?

GOMBE STATE BUDGET 2019

TRACK CAPITAL PROJECTS WITH US

Project	Line Ministry/Agency	Location	Amount
Construction of Roads in LGA & Other Towns	Ministry of Works and Infrastructure	-	600,000,000
Drainage Sewage and Erosion Control	Ministry of Environment and Forest Resources	-	600,000,000
Constituency Project	Ministry of Rural Development	-	650,000,000
Malam Inna - Kurba - Gerkwami - Gombe/ Potiskum Road with Spur to Kundulum and Wuro Dole	Ministry of Works and Infrastructure	-	545,000,000
Youth Empowerment and Reorientation	Agency for Social Services		500,000,000
Rehabilitation & Upgrading of Dukku-Wawa-Biri-Wuro Bapparu Road	Ministry of Works and Infrastructure	-	500,000,000
Contruction of Faculty of Education	Gombe State University	-	500,000,000
Gombe Township Road Network	Ministry of Works and Infrastructure	-	500,000,000
Ture-Awak-Dogon Ruwa-Gelengu Road	Ministry of Works and Infrastructure	-	450,000,000
Dukku-Dokoro-Jamari Road	Ministry of Works and Infrastructure	-	400,000,000

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