

SHIVAMOGGA CITY CORPORATION

Medium Term Fiscal Plan

2019-20 to 2022-23

INTRODUCTION

Shivamogga city has seen rapid growth in recent years. It is one of the 100 cities selected under the Smart City mission. A number of industries have come up lately in and around Shivamogga including knowledge-based industries. Consequently, the demand for infrastructure and civic services has been steadily increasing in recent years. Meeting the ever-increasing demand on financial resources has created fiscal pressures. Managing these demands requires long-term physical planning and medium-term financial planning. This has prompted Shivamogga City Corporation (SCC) to explore the Medium-Term Fiscal Plan (MTFP) as a tool for improved budgeting and cash management.

ACH	Automated Clearing House
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
CMSMTDP	Chief Minister's Small and Medium Town Development Program
Crs	Crores
KUWSDB	Karnataka Urban Water Supply and Drainage Board
LED	Light Emitting Diode
MGCD	Mahatma Gandhi City Development
MTFP	Medium Term Fiscal Plan
O&M	Operation & Maintenance
POS	Point of Sale
PPP	Public Private Partnership
SC/ST	Scheduled Castes and Scheduled Tribes
SCC	Shivamogga City Corporation
SCP	Special Component Plan
SFC	State Finance Commission
SSCL	Shivamogga Smart City Limited
SWM	Solid Waste Management
TSP	Tribal Sub-Plan
UGD	Underground Drainage

MEDIUM TERM FISCAL PLAN

The Medium-Term Fiscal Plan is a novel initiative by SCC. The initiative has been attempted with the support of Janaagraha Centre for Citizenship and Democracy. The MTFP provides a medium-term perspective to fiscal planning at SCC. It provides the essential linkage between SCC's long-term plans as outlined in the City Development Plan and its annual budgets. With the MTFP in place, SCC will be in a better position to withstand unforeseen dips in receipts and/or spikes in expenditure and therefore maintain fiscal discipline. It also facilitates a medium-term outlook for undertaking development works and citizen welfare measures.

THE MTFP DOCUMENT

This MTFP document presents estimates of the major items of receipts and expenditure for financial years from 2019-20 to 2022-23 (the MTFP period). It also shows the movement in key fiscal indicators over the MTFP period. Schedules to the MTFP provide detailed breakdown of amounts presented in the main MTFP. Being the first attempt by SCC, this MTFP is not binding in nature. However, it will guide the preparation of annual budgets in the coming financial years.

STEPS TO THE MTFP

To begin with, each department was asked to submit estimates of receipts and expenditure for the MTFP period in line with its development and operating plans. Departmental estimates were compiled by the Accounts Section. Adjustments were made to the MTFP numbers in order to balance the expected inflows and outflows for each financial year. Adjustments were also made such that key fiscal indicators remain healthy throughout the MTFP period. The revisions were again reviewed with the department heads and finalized. Though the initial estimates were collected department-wise, the MTFP is presented for SCC as a whole. This is due to the fact that there is no correlation between receipts and expenditure at an individual departmental level. Expenditure allocations in the MTFP are expected to act as ceilings when each department prepares its annual budget expenditure estimates.

HIGHLIGHTS OF THE MTFP

COMMITMENT BASED ALLOCATIONS:

Allocation towards expenditure items is on the basis of the order of commitments. The priority of commitments is driven primarily by the obligatory functions of the Corporation as enshrined in the Twelfth Schedule of The Constitution of India followed by its discretionary functions. Receipts from tied grants are allocated towards expenditure as per the guidelines of the respective schemes. Untied grants under specific schemes are allocated towards the respective specified purposes only. Of the remaining, which comprises mainly of own revenues as well as a small portion of untied grants, allocation towards Operation and Maintenance (O&M) expenses is made. The first charge on receipts is on meeting salaries and operating expenses. This is followed by debt-servicing¹, provision for unforeseen expenditure, and discharge of pending bills in that order. The remaining amount, if any, is allocated towards new capital works.

PROVISION FOR UNFORESEEN EXPENDITURE:

In order to provide for unexpected fiscal shocks, an amount equal to 5% of the total receipts has been set aside for meeting unforeseen expenditure in each year of the MTFP period. Only the balance 95% has been allocated towards specific expenditure items. This will ensure that allocations to planned programmes and schemes remain largely unaffected by unexpected events, if any.

FISCAL INDICATORS:

Throughout the MTFP preparation process, the impact of the estimations of receipt and expenditure allocations on key fiscal indicators has been a primary consideration. This ensures that fiscal responsibility is maintained throughout the MTFP period.

DISTINCTION BETWEEN TIED AND UNTIED RESOURCES:

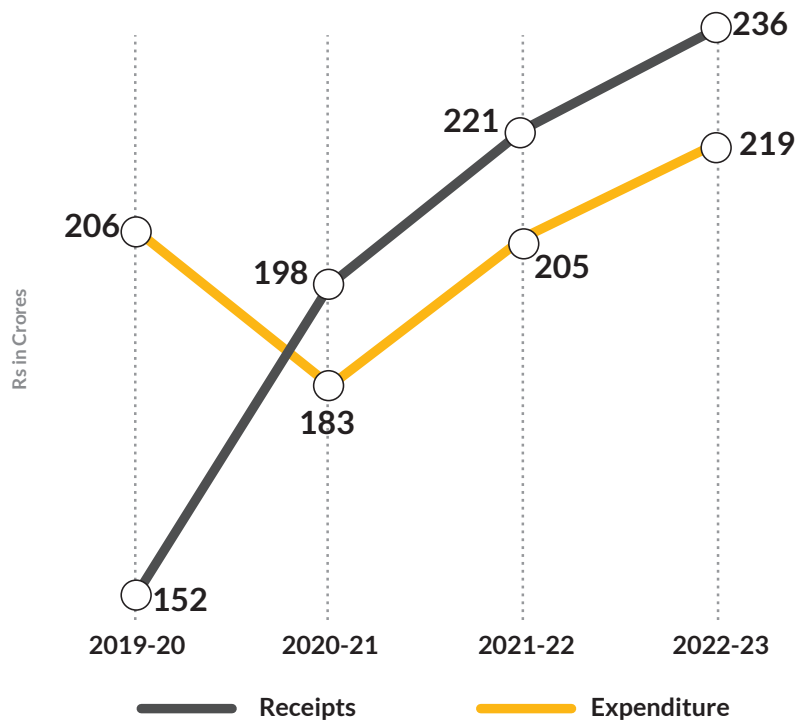
The MTFP maintains a clear distinction between tied and untied resources both on the receipts side as well as on the expenditure side. This ensures that money meant for a particular purpose is not diverted to some other purpose. However, to the extent that the grant conditions allow, SCC's matching contribution towards specific schemes may be met out of tied grants and the same has been allocated accordingly.

1. There is no debt-servicing commitment on SCC throughout the MTFP period.

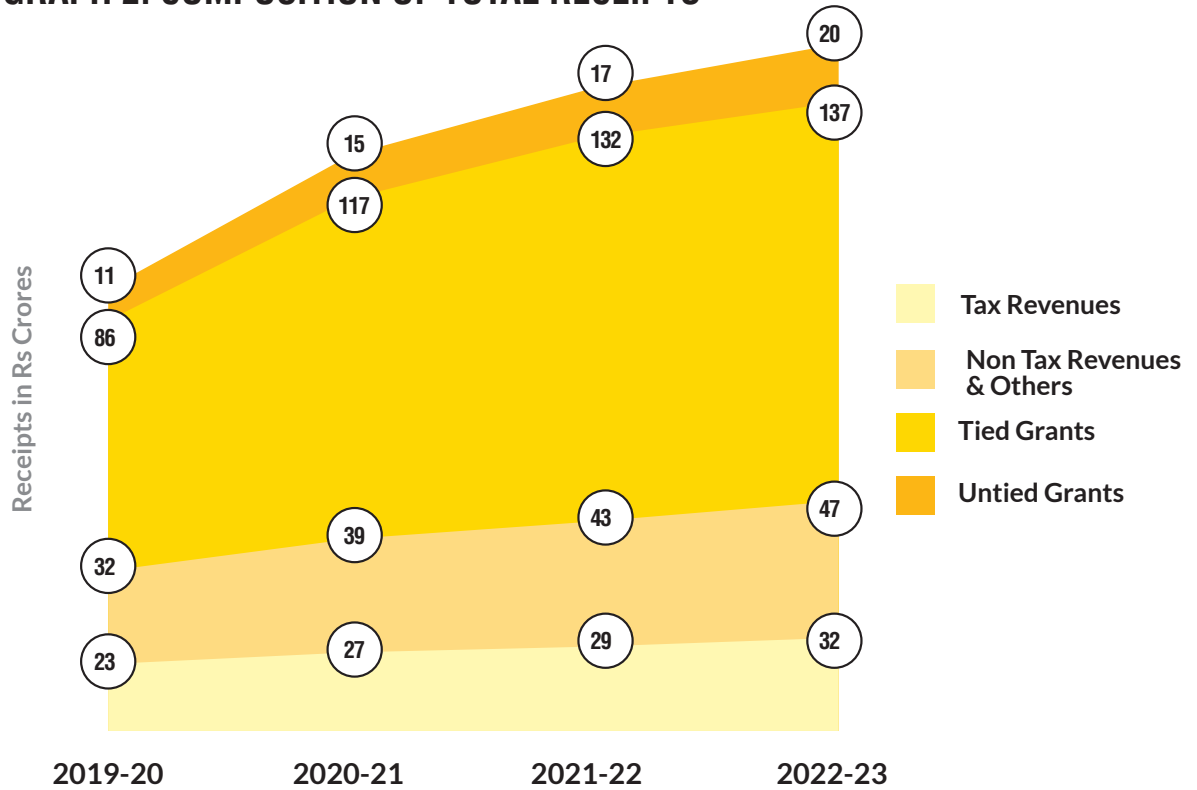
SCC MTFP OVERVIEW

Total receipts are expected to increase from Rs. 152 crores in 2019-20 to Rs. 236 crores in 2022-23 as can be seen from Graph 1. Grants under various Central and State schemes continue to constitute a significant portion of the receipts. Total expenditure is projected to increase from Rs. 206 crores to Rs. 219 crores (excluding provision for unforeseen expenditure) over the same period. Higher expenditure in 2019-20 compared to receipts is due to availability of a large opening balance of about Rs. 55 crores. Majority of the expenditure is out of tied grants. Graph 2 and Graph 3 show the composition of receipts and expenditure over the MTFP period.

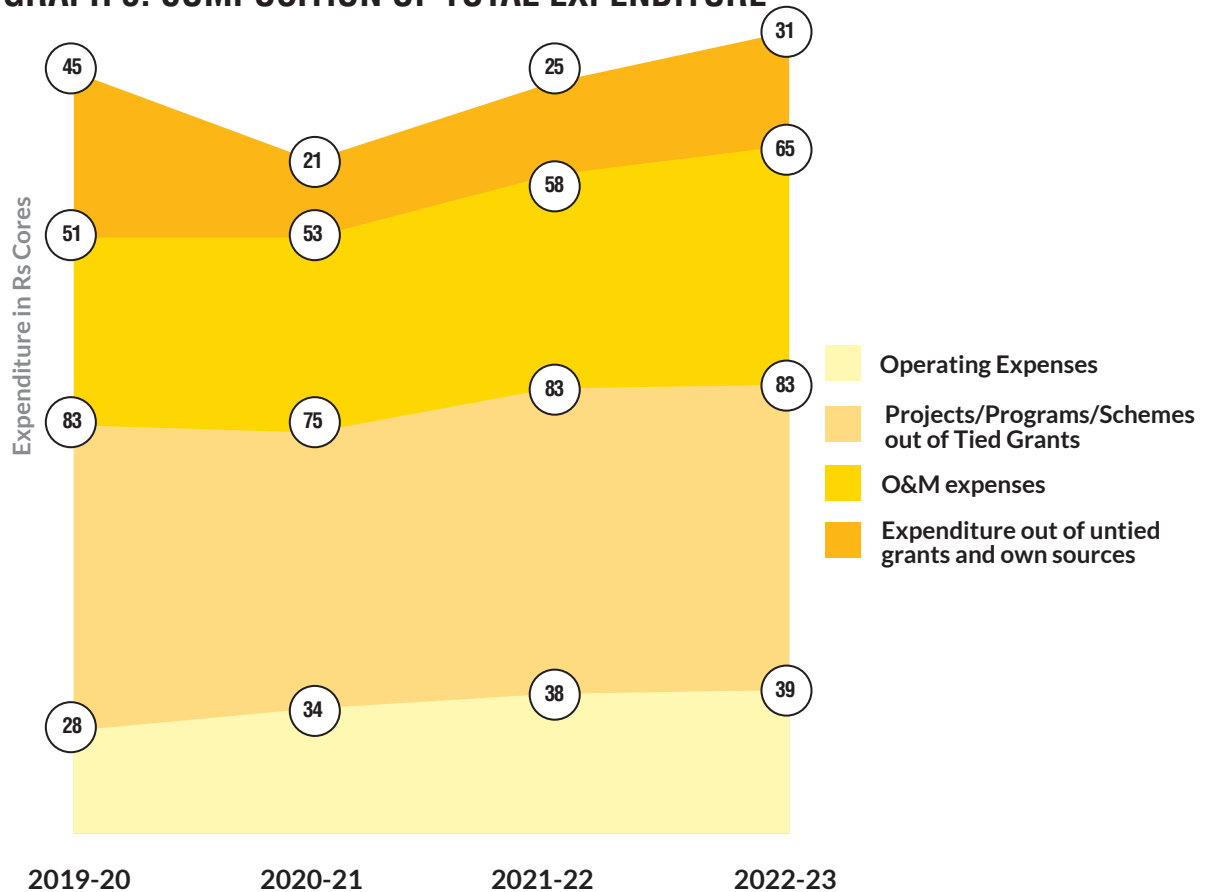
GRAPH 1: TOTAL RECEIPTS AND TOTAL EXPENDITURE



GRAPH 2: COMPOSITION OF TOTAL RECEIPTS



GRAPH 3: COMPOSITION OF TOTAL EXPENDITURE



An explanation of important items of receipts and expenditure and the key considerations behind the related estimates are discussed in the following paragraphs.

A. RECEIPTS

A1 - Tax Revenues

Tax revenues are expected to increase from Rs. 23 cr in 2019-20 to Rs. 32 cr in 2022-23, an increase of 40% over the MTFP period. Tax revenues comprise of Property Tax, SWM Cess, and Advertisement Tax. Property Tax, the main source of tax revenue, is projected to grow from Rs. 18.3 cr in 2019-20 to Rs. 24 cr in 2022-23. This will arise primarily due to a proposed revision of tax rates in 2020-21. Survey of new properties is underway-this is expected to increase the tax base in the coming years. SWM Cess rates are expected to be revised upwards from 2019-20. Delinking of SWM Cess and Trade Licence is expected to result in increasing the tax base for SWM Cess. Advertisement tax is also expected to increase due to improved collection efforts. These measures are expected to result in a double-digit growth in tax revenues (16%) in 2020-21 and steady increase thereafter.

Measures undertaken to boost tax revenues:

- Usage of Point of Sale (POS) machines by tax collectors;
- Exploring outsourcing of revenue collections;
- Delinking of SWM Cess and Trade Licence charges.

A2 – Non-Tax Revenues

The major sources of non-tax revenue for SCC are income from development charges, trade licenses, water supply charges, rent from commercial complexes, building regulation fees, ground rent from shanties, and parking fees. Non-tax revenues are projected to grow significantly in 2020-21 and show a steady increase in the range of 10% in subsequent years of the MTFP period.

Water supply charges show a jump of 41% in 2020-21 due to revision of rates and a nominal increase thereafter. Fees on Khata transfer shows an increase of 21% in 2020-21 primarily on account of the increasing number of property transactions in the city. Development charges are also expected to grow due to higher collections from new areas developed and added to the SCC jurisdiction. Moving to the Automated Clearing House (ACH) system of collection is expected to reduce both the time and cost of collecting rent from SCC properties.

A new revenue source-rent from mobile towers on buildings is expected from 2019-20. Revenue from this source has been projected at Rs. 1 cr for 2019-20 onwards.

Measures undertaken to boost non-tax revenues:

- Delinking of SWM Cess and Trade Licence charges;
- ACH system for rent collections;
- Ground rent from mobile towers.

A3 – Grants

A3.1 Tied Grants

Income from tied grants is expected to show a jump in 2020-21. This is due to inflow of grants from the 15th SFC, expected jump in grants under AMRUT scheme, and a significant increase of grants from Swachh Bharat Scheme. SCC expects a one-time receipt of pending grants of Rs. 18 cr under CMSMTDP Phase 3 in 2019-20. Grants for DPR preparation are expected in 2020-21 and in 2021-22 under Swachh Bharat scheme. However, no grants are expected in 2022-23 under this scheme. SCC will attempt to obtain grants under other schemes as well as increase revenues from own sources to offset the loss from this. In recognition of timely execution of underlying projects, SCC is expecting performance grants of Rs. 4 cr from 15th SFC and Rs. 2 cr under AMRUT. SFC special grant for Mahatma Gandhi City Development (MGCD) and Anupinakatte Area Development of Rs. 3.5 cr is also expected in 2019-20. The special grant under MGCD is expected to increase to Rs. 10 cr annually in subsequent years. In addition to grant inflows to SCC, Shivamogga City will also benefit from grants under the Smart City Mission. Convergence of projects and dovetailing of schemes between SCC and Shivamogga Smart City Limited (SSCL) will help increase the aggregate resource envelope available for development spending in the MTFP period.

A3.2 Untied Grants

Untied grants primarily comprise of SFC grants towards salaries and other expenses. Only a nominal increase is expected in untied grants in the MTFP period, which will go to fund salaries and O&M expenses, thus putting pressure on fiscal position of SCC. SCC will receive untied SFC grants towards Special component Plan (SCP) and Tribal Sub-Plan (TSP) of about Rs 3 crs from 2019-20 onwards. SCC will also attempt to attract more SFC grants towards projects in the coming years. In order to undertake own projects, SCC needs to urgently explore options to reduce reliance on government grants in the coming years. Recognizing this need, while on the one hand, it is proposed to increase collection efficiencies of taxes, on the other hand, new sources of revenue and innovative methods of funding projects will be explored.

C. EXPENDITURE

C1.1.1 – Salaries & Pension

Expenditure on salaries and pension is projected to grow annually at 12% on average, except in 2020-21 where an increase of 21% over 2019-20 is projected. This is due to revision of pay scale recommended by the 6th Pay Commission and corresponding arrears burden in 2020-21. Apart from salaries for daily wagers, all expenditure on salaries and pensions is met out of SFC salary grants.

C1.1.2 – Administrative Expenses

The SCC has proposed to take stringent measures to ensure that administrative expenses do not increase abnormally. One of the measures is to cut down expenditure on programmes related to various Jayanthis and other commemorative events. However, expenditure on court expenses and legal costs are expected to increase marginally due to intense revenue recovery measures proposed to be instituted and land acquisition claims.

Measures undertaken to control expenditure:

- Rationalising spending on Jayanthis and commemorative events;
- Implementing ACH system for rent collections.

C5 – Allocation for Projects out of tied grants

Expenditure on capital projects out of tied grants is lower in 2020-21 compared to 2019-20. This is due to unspent balance of grants of approximately Rs. 34 cr of previous years which is proposed to be utilized in 2019-20. Projects under Swachh Bharat Mission are expected to come to a close from 2020-21 unless the next phase is announced, however, expenditure is expected up till 2022-23. UGD work is also proposed to be moved to KUWSDB – hence the allocation has been reduced. Land acquisition costs, however, are expected to increase steadily over the coming years. The allocation for asphaltting of roads and drainage work has been steadily increasing over the MTFP period. This is proposed to be funded out of one-time grants of Rs. 18 cr received under CMSMTDP Phase 3. SCC matching grants have also been included in proposed expenditure under AMRUT scheme.

C6 – Allocation for Operations and Maintenance (O&M) expenses

O&M of existing assets has been a weak area in municipalities due to insufficient budget allocation vis-à-vis allocation for capital projects. In SCC, O&M expenses are expected to steadily increase commensurate to creation of new capital assets as well as development of new areas. Adequate allocation has been made in the MTFP for O&M expenses before allocating money for new projects. The increase in O&M is however offset significantly due to adoption of improved technologies in replacing old assets as well as smart contracting by moving to innovative Public Private Partnership (PPP) models. Where possible, outsourcing of O&M is resorted to for reducing the cost impact. Electricity charges for street lighting included under this head will be funded out of SFC electricity grants.

Measures to reduce O&M expenses:

- Migration of street lighting to energy efficient smart LED lighting;
- Moving to efficient solid waste management under Smart City Mission;
- Smart roads under the Smart City Mission.

C7 – Allocation towards ongoing schemes

The allocation towards ongoing schemes, met out of untied resources shows a dip in 2020-21 and year-on-year increase thereafter. This is primarily due to the fact that expenditure on urban poverty alleviation and other social welfare schemes has come down from 2020-21. Significant items of spending include expenditure towards SC/ST development and O&M of Indira Canteens. Unless funded by specific grants, SCC currently has limited fiscal space to increase allocations to such schemes.

C8 – Allocation for New Capital Projects (Untied grants and own source)

Allocation for new capital projects has reduced to Rs. 15 cr in 2020-21 from Rs. 37 cr in 2019-20. This is due to availability of unspent opening balances in 2019-20. In subsequent years, own source revenues are utilized towards salaries and committed O&M expenses, leaving a small portion for asset creation. Certain works such as fish and meat market, chemical lab unit, ward offices, staff quarters are expected to be completed in 2019-20 itself. Certain other projects such as street lights and traffic lights are expected to be moved to SSCL from 2020-21 onwards. As explained earlier under the section on Own Revenues, SCC will attempt to raise revenue from innovative sources so that more money becomes available for taking up new projects in the coming years.

FISCAL INDICATORS

Part B of the MTFP includes a set of financial ratios that serve as key fiscal indicators. These indicators help in ensuring that basic fiscal discipline is maintained while preparing revenue and expenditure estimates. In other words, they act as a check against unrealistic and overenthusiastic budgeting. Fiscal indicators also help a municipality assess itself against internal and external benchmarks². Financial ratios can also be used to monitor adherence to spending ceilings imposed under specific schemes or mandated by policies of the government.

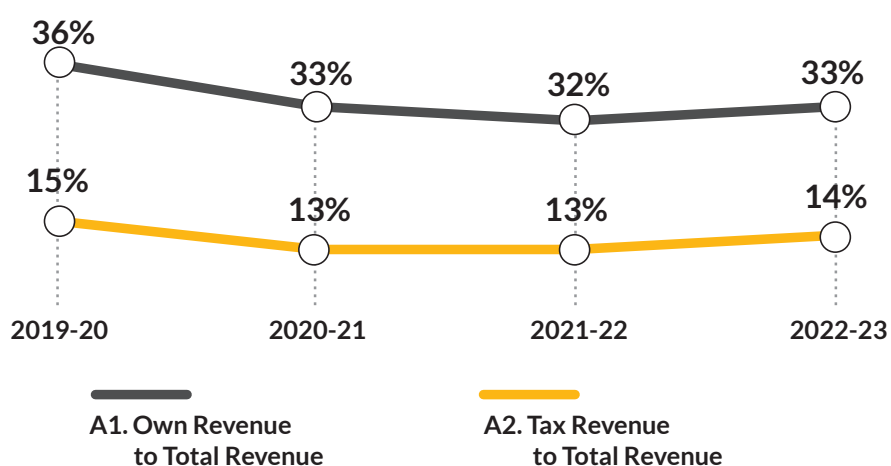
Certain key fiscal indicators shown in the SCC MTFP Part B are discussed below.

Receipts

Ratio A1-Own Revenues to Total Revenues is hovering in the range of 34% with a slight dip in 2020-21. Although measures to improve revenue recoveries have been initiated, there is a need to explore new sources of revenue in the coming years so that the ratio can move significantly all the way up to 50%.

Ratio A2-Tax Revenues to Total Revenues shows a steady decline from a peak of 15% in 2019-20 in spite of efforts to improve the tax base and collections. While the focus in the coming years would be to keep the ratio low in order to reduce the tax burden on citizens, there is a potential for the ratio to go up to the 18%-20% range with efforts in streamlining the tax system.

GRAPH 4: REVENUE INDICATORS

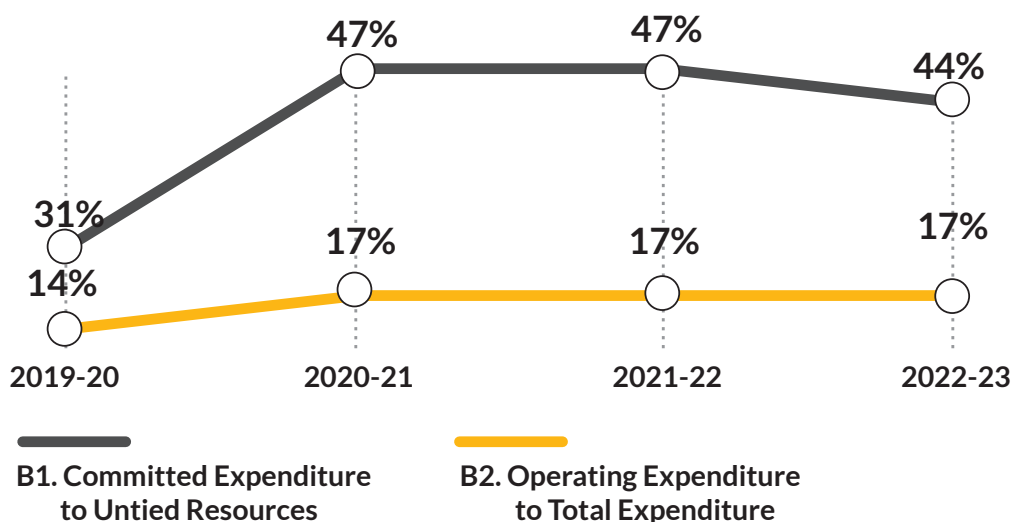


Expenditure

Ratio *B1-Committed Expenditure to Untied Resources* shows the proportion of salaries, administrative expenses, debt servicing (nil in the case of SCC) to total revenues excluding tied grants. The ratio shows a sharp increase in 2020-21 due the impact of the 6th Pay Commission and stabilizes thereafter at around 45%. This indicates a limited fiscal space for undertaking development and maintenance work. SCC will need to work towards bringing down this ratio to 25% and below in the coming years.

Ratio *B2-Operating Expenses to Total Expenditure* shows a sharp increase in 2020-21 and stabilizes thereafter showing that SCC is able to keep operating expenses under check after the initial spike due to increased manpower cost.

GRAPH 5: EXPENDITURE INDICATORS



Debt Servicing

Not relevant since SCC does not carry any debt.

Fiscal Space

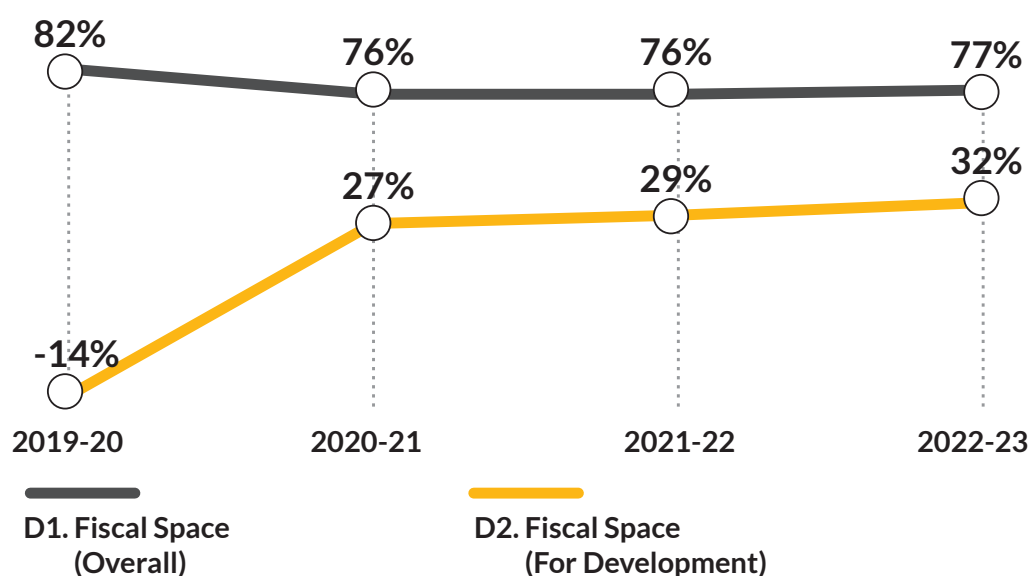
Fiscal space measures the leeway available for spending. Fiscal space can be measured at different stages of the allocation hierarchy.

Ratio D1-Fiscal Space (Overall) measures the proportion of revenues (tied as well as untied) available after knocking off committed expenditure, i.e. salaries, pensions, administrative expenses, debt servicing, and providing for unforeseen expenditure. The ratio shows a declining trend for SCC from 82% in 2019-20 down to 77% in 2022-23 which is worrying. This indicates that the money available after meeting fixed expenses is reducing year on year. This is without considering the outgo towards accumulated liabilities³ of SCC to government departments (on account of cesses) – including them would worsen the ratio further. SCC will actively work to reverse the trend in the coming years.

3. Approximately Rs. 9 cr as at the commencement of 2019-20.

Ratio D2-Fiscal space (for Development) measures the resource envelope available after providing for committed expenditure, and O&M expenses. This ratio ranges around 50% which means that only half of the total available resources are available for fresh development. Though SCC is making efforts to keep O&M expenses low by adopting new technologies and better efficiencies, the impact on this ratio is minimal. In the coming years, SCC will work towards increasing total revenues to bring improve this ratio.

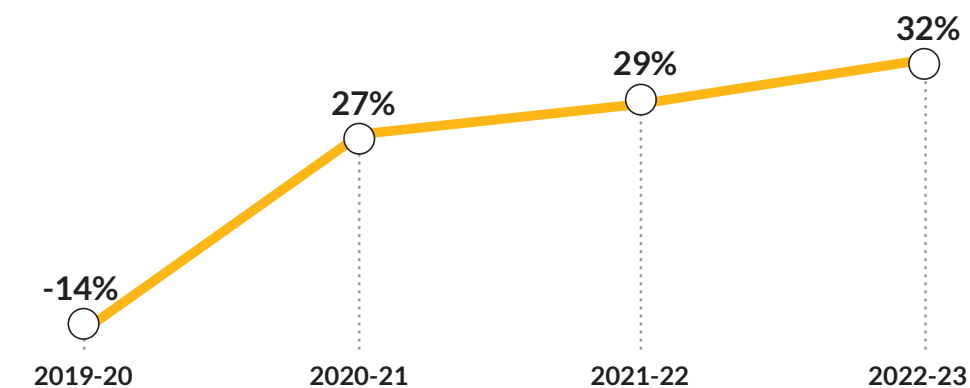
GRAPH 6:FISCAL SPACE (FOR DEVELOPMENT)



Ratio D3-Fiscal Space (out of untied resources) measures revenue from own source and untied grants available for undertaking new projects. This ratio is arrived at after deducting the allocations for committed expenditure, O&M and expenditure out of tied grants. This ratio increases from -14%⁴ 2019-20 to 32% in 2022-23. This indicates that SCC has very limited fiscal freedom to undertake projects on its own. To effectively plan and execute development activities as per the needs of the city, SCC will need to direct its efforts towards increasing the fiscal space out of untied resources in the coming years.

4. Negative figure due to higher spending in 2019-20 out of large opening cash balance

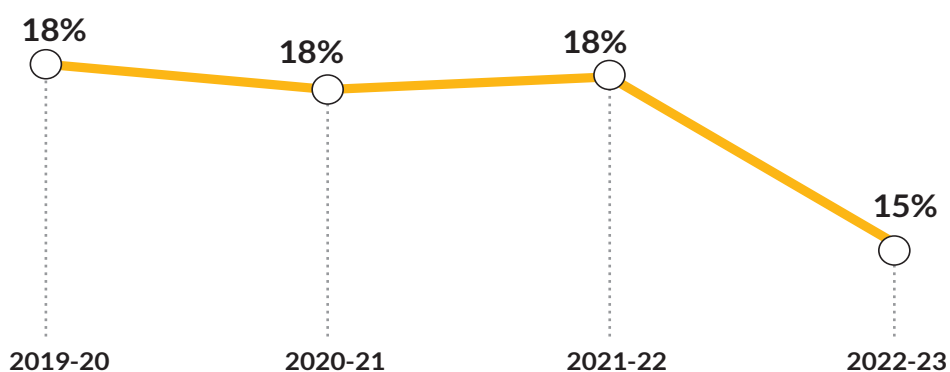
GRAPH 7: FISCAL SPACE (OUT OF UNTIED RESOURCES)



D3. Fiscal Space
(Out of untied resources)

Ratio D4-Fiscal Space (out of Own Source revenue) measures the fiscal space available for new spending out of tax and non-tax revenues of SCC after providing for daily wages, administrative expenses, discharge of pending bills and government dues, and O&M expenses. This ratio is continuously below 20% and shows a reducing trend year on year. This indicates that SCC is more and more constrained over the MTFP period in taking up new development work due to limited fiscal space.

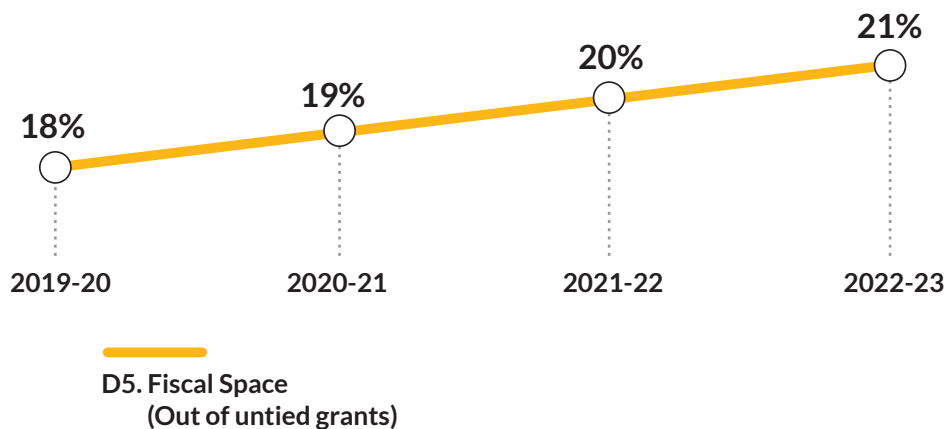
GRAPH 8: FISCAL SPACE (OUT OF OWN SOURCE REVENUE)



D4. Fiscal Space
(Out of own source revenue)

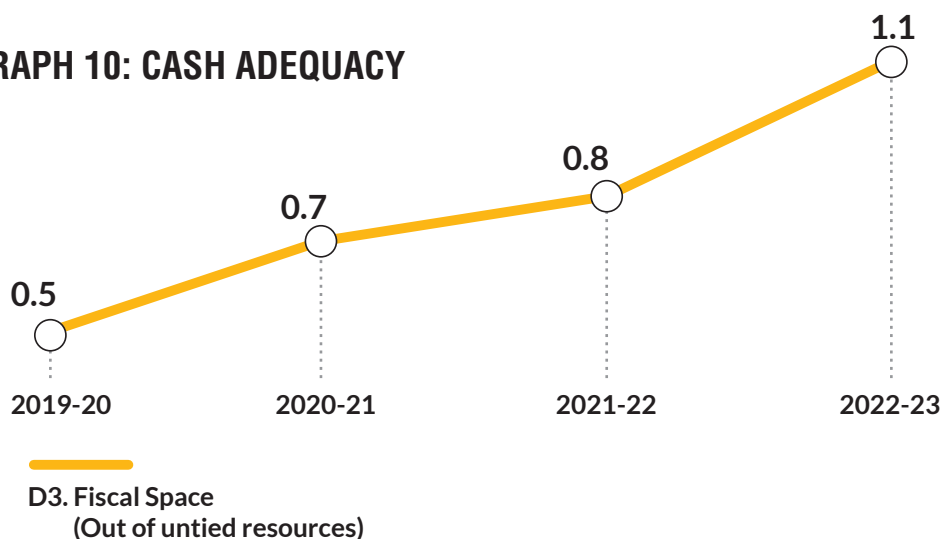
Ratio D5-Fiscal space (out of untied grants) shows the fiscal space for new spending out of grants received that are not tied to specific projects. The ratio is continuously less than 25% showing that more than three fourths of untied grants are not available for development spending.

GRAPH 9: FISCAL SPACE (OUT OF UNTIED GRANTS)



Ratio D6-Cash adequacy measures the resilience of SCC to fluctuations in receipts as well as expenditure. It indicates how long the SCC can continue to operate and meet its personnel expenses and administrative expenses in the event that cash inflows dry up completely. The ratio steadily improves from half month's in 2019-20 to slightly above 1 month in 2022-23. A lower than 2 months' coverage throughout the MTFP period combined with less fiscal space is a worrying factor since it indicates liquidity risks for SCC.

GRAPH 10: CASH ADEQUACY





Shivamogga Municipal Corporation

Medium Term Fiscal Plan

2019-20 to 2022-23

Revenue

Rs. in Lakhs

	Particulars	2019-20	2020-21	2021-22	2022-23
A	Revenue				
A1	Tax Revenues	2,290.40	2,663.49	2,922.22	3,200.95
A2	Non Tax Revenues	3,188.55	3,855.38	4,235.01	4,642.10
A3	Grants				
A3.1	Tied Grants	8,606.00	11,748.20	13,163.20	13,720.00
A3.2	Untied Grants	1,131.00	1,480.00	1,715.00	1,950.00
		9,737.00	13,228.20	14,878.20	15,670.00
A4	Others	25.00	30.00	35.00	45.00
	Total for A	15,240.95	19,777.07	22,070.43	23,558.05
B	Borrowings	-	-	-	-
	Total Receipts	15,240.95	19,777.07	22,070.43	23,558.05

C	Expenditure				
C1	Committed Expenditure				
C1.1	Operating Expenses				
C1.1.1	Salaries & Pension	2,188.20	2,648.20	3,013.20	3,080.00
C1.1.2	Administrative Expenses	629.20	711.80	804.80	864.50
	Total for C1.1	2,817.40	3,360.00	3,818.00	3,944.50
C2	Debt-servicing				
C2.1	Interest on loans	-	-	-	-
C2.2	Repayment of loans	-	-	-	-
	Total for C2	-	-	-	-
C3	Provision for Unforeseen Expenditure 5%	762.05	988.85	1,103.52	1,177.90
C4	Discharge of Pending Bills	-	450.00	400.00	400.00
	Total for C3 to C4		1,438.85	1,503.52	1,577.90
	Total Committed Expenditure	2,817.40	4,798.85	5,321.52	5,522.40
	Balance	12,423.55	14,978.22	16,748.91	18,035.65

	Particulars	2019-20	2020-21	2021-22	2022-23
C5	Allocation for Projects/Programs/Schemes out of Tied Grants	8,252.00	7,506.00	8,331.00	8,291.00
	Total for C5	8,252.00	7,506.00	8,331.00	8,291.00
	Balance	4,171.55	7,472.22	8,417.91	9,744.65
C6	Allocation for O&M expenses	5,070.50	5,266.70	5,804.80	6,549.00
C7	Allocation for ongoing Programs/Schemes (untied grants and own sources)	809.46	595.20	673.90	723.00
	Total for C6 to C7	5,879.96	5,861.90	6,478.70	7,272.00
	Balance	(1,708.41)	1,610.32	1,939.21	2,472.65
C8	Allocation for New Capital Projects (Untied grants and own sources)	3,660.00	1,527.00	1,865.00	2,365.00
C9	Allocation for new Programs/Schemes (Untied grants and own sources)	-	-	-	-
	Total for C8 to C9	3,660.00	1,527.00	1,865.00	2,365.00
	Total Expenditure	20,609.36	19,693.75	21,996.22	23,450.40
	Surplus/(Deficit)	(5,368.41)	83.32	74.21	107.65
D	Cash Balance				
D1	Balance at the beginning of the year	5,476.16	107.75	191.07	265.28
D2	Balance at the end of the year	107.75	191.07	265.28	372.93

Part B - Key Fiscal Indicators

	Fiscal Indicators	2019-20	2020-21	2021-22	2021-22
A1	Own Revenue to Total Revenue	36%	33%	32%	33%
A2	Tax Revenue to Total Revenue	15%	13%	13%	14%
B1	Committed Expenditure to Untied Resources	31%	47%	47%	44%
B2	Operating Expenditure to Total Expenditure	14%	17%	17%	17%
C1	Debt-servicing to Own Revenue				
C2	Debt servicing to Total Expenditure				
D1	Fiscal Space (Overall)	82%	76%	76%	77%
D2	Fiscal Space (for Development)	48%	49%	50%	49%
D3	Fiscal Space (out of untied resources)	-14%	27%	29%	32%
D4	Fiscal Space (out of own source revenue)	19%	18%	18%	16%
D5	Fiscal Space (out of untied grants)	18%	19%	20%	21%
D6	Cash Adequacy (number of months)	0.5	0.7	0.8	1.1



Shivamogga Municipal Corporation Schedules to Medium Term Fiscal Plan 2019-20 to 2022-23

A1 - Tax Revenues

Particulars	2019-20	2020-21	2021-22	2022-23
Property Tax	2,300.00	2,600.00	2,800.00	3,000.00
Less: Cess	474.60	536.51	577.78	619.05
	1,825.40	2,063.49	2,222.22	2,380.95
Solid Waste Management Cess	400.00	500.00	600.00	700.00
Advertisement Tax	65.00	100.00	100.00	120.00
	2,290.40	2,663.49	2,922.22	3,200.95

A2 - Non Tax Revenues

Particulars	2019-20	2020-21	2021-22	2022-23
Rent from commercial complex	500.00	550.00	550.00	600.00
Rent from buildings - Others	1.00	2.00	2.00	3.00
Rent from lease of land - Commercial	1.00	2.00	2.00	3.00
Application and Extract Fee, NOC, Right to Information	1.00	1.00	1.00	1.00
Rent from Staff Quarters	4.00	5.00	5.00	5.00
Election Voter ID Card Income + Grants	1.00	1.50	1.50	2.00
Fees relating to building regulation (EC/BC/CC)	350.00	400.00	450.00	500.00
Slum Improvement Cess	14.00	16.00	18.00	20.00
Ground Rent / Debries	125.00	130.00	135.00	140.00
Fees others	1.00	1.00	1.00	1.00
Trade License fees	100.00	130.00	140.00	150.00
Fees for enrollment/Registration of Contractos, Plumbers etc..	0.05	0.10	0.10	0.10
Parking Fees/ Entrance Fees / Private Bus Stand fees	20.00	25.00	28.00	30.00
Other fees for License - Others	1.00	1.00	1.00	1.00
Sales of tender forms	0.50	0.50	0.50	0.50
Sales of forms and publications - Others	1.00	1.00	1.00	1.00
Sale of Scrap - Others	2.00	4.00	5.00	5.00

Particulars	2019-20	2020-21	2021-22	2022-23
Road cutting and Restoration charges	8.00	10.00	10.00	10.00
Road cutting and Restoration charges (Commercial)	20.00	20.00	20.00	20.00
Fees for Birth & Death Certificate	3.50	6.00	7.00	8.00
User charges other - Burial ground/cre-matorium charges	1.00	1.00	1.00	1.00
Other fees - Slaughter house fees & Tan-neries fees	1.00	1.00	1.00	1.00
Rent - Ground rent form Shandies, Jatra, Sante and other ground rent	10.00	10.00	10.00	10.00
Rent - Ground rent from Food Court	6.00	8.00	10.00	12.00
Market Fees	8.00	9.68	10.65	11.00
Entry fees - Parks, Gardens & Play grounds	19.00	22.00	24.00	25.00
Enrry fees - Parking in Concervancies	2.00	2.00	2.00	2.00
Penalties and fines on Property tax	175.00	200.00	250.00	300.00
Development Charges	250.00	300.00	350.00	400.00
Fee for Khata Extract	15.00	15.00	20.00	20.00
Fees for khata transfer	200.00	242.00	265.00	270.00
Cess Collection charges	50.00	54.00	58.00	62.00
Services Charges in lieu of property tax	2.00	2.00	2.00	2.00
Sale of SAS Forms	1.00	1.00	1.00	1.00
Fees - Others	4.00	5.00	5.00	6.00
Ground rents on Mobile Towers	100.00	100.00	100.00	100.00
UGD Charges for Septic tanks cleaning	1.00	2.00	2.00	2.00
UGD charges	75.00	70.00	80.00	90.00
UGD Connection charges (Prorata Charges)	125.00	150.00	200.00	250.00
Interest from Investment	1.00	5.00	5.00	5.00
Interest on Bank Accounts	40.00	40.00	40.00	40.00
Audit Recoveries	3.00	3.00	3.00	3.00
User Charges - Water Supply Charges	850.00	1,200.00	1,300.00	1,400.00
Water Connection Fees	90.00	100.00	110.00	120.00
Regularisation fee - Water supply con-nections (Regularisation of unauthorised water connection)	5.50	6.60	7.26	8.50
	3,188.55	3,855.38	4,235.01	4,642.10

A3.1 Tied Grants

Particulars	2019-20	2020-21	2021-22	2022-23
14th Central Finance Commission	1,754.00	-	-	-
15th Central Finance Commission	-	1,500.00	1,650.00	1,750.00
15th Central Finance Commission - Performance Grant	-	-	200.00	200.00
AMRUT Scheme	1,200.00	3,500.00	4,000.00	5,000.00
AMRUT Incentive	-	-	100.00	100.00
CMSMTDP Phase 3 - 100 Crores	1,800.00	-	-	-
MLA Local Area Development Fund	2.00	10.00	10.00	10.00
MP Local Area Development Fund	2.00	10.00	10.00	10.00
Grant received - SFC Salary Grant	2,127.00	2,578.20	2,938.20	3,000.00
SFC Electricity Grant	1,238.00	1,500.00	1,600.00	1,600.00
SFC Special - Land Acquisition	50.00	250.00	300.00	300.00
SFC Special Grants	1.00	200.00	200.00	200.00
SFC Special Grants - Mahatma Gandhi City Development	100.00	1,000.00	1,000.00	1,000.00
SFC Special Grants - Anupinakatte Area Development	250.00	-	-	-
State Government Grants - Others	2.00	500.00	500.00	500.00
State Government Grants - Others (To solve water scarcity)	30.00	50.00	50.00	50.00
Swachh Bharat (DPR)	50.00	650.00	605.00	-
	8,606.00	11,748.20	13,163.20	13,720.00

A3.2 Untied Grants

Particulars	2019-20	2020-21	2021-22	2022-23
Grants received - Untied SFC Grant	718.00	1,000.00	1,200.00	1,400.00
Grants received - Untied SFC Grant - SCP	222.00	250.00	275.00	300.00
Grants received - Untied SFC Grant - TSP	71.00	80.00	90.00	100.00
State Government Grant for Dasara	100.00	100.00	100.00	100.00
Grant received - Others	20.00	50.00	50.00	50.00
	1,131.00	1,480.00	1,715.00	1,950.00

A4 Others

Particulars	2019-20	2020-21	2021-22	2022-23
Stamp Duty Surcharge Collected by State Government	25.00	30.00	35.00	45.00
	25.00	30.00	35.00	45.00

C1 Committed Expenses

C1.1 Operating Expenses

C1.1.1 Salaries & Pension

Particulars	2019-20	2020-21	2021-22	2022-23
Pay, Allowances and Benefits	1,930.00	2,345.00	2,665.00	2,700.00
Terminal and Retirement Benefits	186.00	190.00	200.00	210.00
Daily Wages	60.00	70.00	75.00	80.00
Employees Pension Contributions	11.20	42.20	72.20	89.00
Death cum Retirement Benefits	1.00	1.00	1.00	1.00
	2,188.20	2,648.20	3,013.20	3,080.00

C1.1.2 Administrative Expenses

Particulars	2019-20	2020-21	2021-22	2022-23
Programme Expenses	197.50	153.50	153.50	160.00
Court Expenses, Attachments & Legal Expenses	100.00	130.00	155.00	165.00
Advertisement and publicity	50.00	50.00	50.00	60.00
Other General Expenses (Telephone, Stamp, Refreshments & Computer Maintenance)	40.50	54.80	65.80	70.00
Honorarium for Mayor/Members	40.00	35.00	40.00	50.00
General Expenses (Control of Stray Dogs/Pigs/ Monkeys, Mosquito killing machine, Pulse Polio etc.,)	45.00	60.00	75.00	85.00
Prevention of cruelty of animals	50.00	50.00	60.00	60.00
Plastic Free City Programme	10.00	50.00	60.00	60.00
Study Tour for Corporators (including Smart Cities and AMRUT Cities)	20.00	20.00	20.00	20.00
Printing & Stationery	26.00	38.00	45.00	50.00

Particulars	2019-20	2020-21	2021-22	2022-23
Medical Reimbursement	10.00	14.00	16.00	20.00
Audit Fee	10.00	15.00	15.00	15.00
Contributions to CMAK, KMDS & Other contribution	10.00	10.00	10.00	10.00
Travelling and conveyance	4.00	8.00	8.00	8.00
Office Expenses (Help Line)	4.00	6.00	6.00	6.00
Election Expenses / Salary	4.00	5.00	5.00	5.00
FBAS Audit Fee	4.00	6.00	6.00	6.00
Contribution made by Municipality toward (Red Cross and Family Planning)	-	2.00	2.00	2.00
Other General Expenses - Census	2.00	2.00	10.00	10.00
Books and periodicals	1.20	1.50	1.50	1.50
Computer and Other Training for Staff	1.00	1.00	1.00	1.00
	629.20	711.80	804.80	864.50

C2 Debt Servicing

C2.1 Interest on Loans

Particulars	2018-19	2019-20	2020-21	2021-22

C4 Discharge of Pending Bills

Particulars	2019-20	2020-21	2021-22	2022-23
Discharge of Pending Bills & Govt Dues	-	450.00	400.00	400.00
	-	450.00	400.00	400.00

C5 Allocation for Projects/Programs/Schemes out of Tied Grants

Particulars	2019-20	2020-21	2021-22	2022-23
Swatch Bharth (SWM DPR)	250.00	250.00	250.00	250.00
Vehicles purchase for SWM (DPR)	-	650.00	650.00	-
Building Group 1	500.00	300.00	300.00	300.00
AMRUT scheme works + Matching Grants from ULB	1,800.00	1,300.00	1,200.00	1,200.00
Anupinakatte Area development	250.00	-	-	-
Interest of CMSMTDP/ Other repayment	2.00	1.00	1.00	1.00
Road Asphaltting	2,200.00	2,100.00	2,300.00	2,600.00
Drains / Box Drains	2,450.00	2,100.00	2,500.00	2,750.00
Toilets & Underground Drainage Lines (Mobile Toilets, E-Toilets)	300.00	140.00	250.00	250.00
Water distribution System (Mini Water Supply)	200.00	240.00	300.00	350.00
Water Supply Works	25.00	75.00	80.00	90.00
Land - acquired from Road widening	200.00	250.00	300.00	300.00
Other Fixed Assets - Other Burial Ground	75.00	100.00	200.00	200.00
	8,252.00	7,506.00	8,331.00	8,291.00

C6 Allocation for O&M expense

Particulars	2019-20	2020-21	2021-22	2022-23
Computerisation of Revenue Section (+SAS collections charges (Khata transfer and Khata extract simplification software)	25.00	15.00	15.00	15.00
Conservancy repairs	5.00	15.00	20.00	25.00
Door to Door Collections (Ghante Gadi) + Bulk waste	300.00	-	-	-
Fuel for Administrative & Working Vehicles	55.00	110.00	120.00	150.00
Fuel for Fogging Machine, Weed Cutter, Sprayers	12.00	14.00	16.00	18.00
Fuel for Solid Waste Transporting Vehicles	200.00	250.00	300.00	350.00
General Stores (Bleaching Powder/ Alum/Chlorine/pipes and materials)	120.00	140.00	154.00	160.00
Maintenance of SWD Raja Kalve	50.00	55.00	60.00	65.00
Manpower - Drivers / Loaders	350.00	375.00	400.00	425.00

Particulars	2019-20	2020-21	2021-22	2022-23
Office Equipments	35.00	35.00	37.00	40.00
Operatig Expenses (Dumping & Dip-ping)	130.00	130.00	135.00	140.00
Other Fixed Assets	10.00	3.00	3.00	3.00
Other Fixed Assets - Others (ice Box)	5.00	7.00	8.00	8.00
Other General Expenses	5.00	5.00	5.00	5.00
Other General Expenses	2.00	5.00	5.00	5.00
Other General Expenses	50.00	60.00	66.00	70.00
Other General Expenses - Maintenance & Repair+Manpower	25.00	5.00	5.00	5.00
Other General Expenses (Broom Sticks and Head Pan)	5.00	15.00	20.00	20.00
Other General Expenses (Burial Ground Maintenance)	30.00	20.00	25.00	30.00
Other General Expenses Swachh Bharat	65.00	-	-	-
Other Operating Expenses	70.00	15.00	16.00	20.00
Other Operating Expenses	20.00	25.00	30.00	30.00
Other Operating Expenses	5.00	5.00	5.00	5.00
Other Operating Expenses	40.00	75.00	80.00	80.00
Other Operating Expenses (Vehicels hire - Engineering Department) + Standing Committee Chairman	50.00	65.00	70.00	75.00
Outsourced Opearting Expenses	80.00	130.00	145.00	150.00
Outsourced Operating Expenses	350.00	550.00	600.00	750.00
Outsourced Operating Expenses (Street Light Maintenance)	180.00	-	-	-
Outsourced Operating Expenses SWM Expenses	600.00	600.00	650.00	700.00
Pole Shifting	40.00	28.00	30.00	33.00
Power & Fuel (Electrical Fees)	718.00	820.00	900.00	900.00
Power & Fuel (Electricity Charges Street Lighting)	520.00	350.00	350.00	400.00
Programmer Salary	20.00	10.00	10.00	10.00
Public Works Related Stores / Quality Testing equipment	20.00	20.00	20.00	20.00
Purchase of Electrical meteres	1.00	-	-	-
Removal of Debries	10.00	30.00	40.00	50.00

Particulars	2019-20	2020-21	2021-22	2022-23
Repairs & Maintenance - Basic Infrastructure	75.00	110.00	115.00	120.00
Repairs & Maintenance - Basic Infrastructure	50.00	65.00	70.00	75.00
Repairs & Maintenance - Box Drain/Slab Drain	30.00	50.00	55.00	60.00
Repairs & Maintenance - Infrastructure Assets (MWS)	20.00	220.00	240.00	350.00
Repairs & Maintenance - Infrastructure Assets (Pumpset and others)	150.00	85.00	95.00	95.00
Repairs & Maintenance - Office buildings & Electricity charges	27.00	32.00	35.00	35.00
Repairs & Maintenance - Other Fixed Assets/Parks	60.00	110.00	120.00	120.00
Repairs & Maintenance - Infrastructure Assets	10.00	25.00	30.00	30.00
Road Metalling	150.00	180.00	200.00	300.00
Safety Equipments for Pourakarmikas	30.00	37.00	39.00	40.00
Security Guard	50.00	65.00	70.00	70.00
Segregation and processing of waste at source	35.00	55.00	60.00	60.00
Staff for Office Work through out-source Computer operator	110.00	120.00	130.00	130.00
Unclaimed Corpse cremation	1.50	1.70	1.80	2.00
Vehicles Rent (Solid Waste Transporting Vehicles)	4.00	4.00	4.00	5.00
Vehicles Repairs & Insurance	65.00	125.00	200.00	300.00
	5,070.50	5,266.70	5,804.80	6,549.00

C7 Allocation for ongoing Programs/Schemes (untied grants and own sources)

Particulars	2019-20	2020-21	2021-22	2022-23
SC/ST Development 24.10% Fund (From Own source income)	25.00	-	-	-
SC/ST Development 24.10% fund (SFC)	293.00	289.20	337.40	350.00
7.25% Fund Economically weaker (From Own source income)	8.50	-	-	-
7.25% Fund Economically weaker (SFC)	52.06	87.00	101.50	120.00
3% Disabled persons (From Own source income)	3.00	-	-	-
3% Disabled persons (SFC)	35.90	36.00	42.00	50.00

Particulars	2019-20	2020-21	2021-22	2022-23
1% Fund Sports (From Own source income)	3.00	6.00	6.00	6.00
Relief for Rain, Fire, Health etc.,	2.00	10.00	10.00	10.00
Welfare Programme to Retired Army	2.00	2.00	2.00	2.00
Welfare Programme to PKs (Mid Day meals and others)	25.00	15.00	15.00	15.00
Urban - Poverty Alleviation & Other Social Welfare Schemes	210.00	-	-	-
Operation & Maintenance of Indira Canteen	150.00	150.00	160.00	170.00
	809.46	595.20	673.90	723.00

C8 Allocation for New Capital Projects (Untied grants and own sources)

Particulars	2019-20	2020-21	2021-22	2022-23
Development of Conservancy	220.00	242.00	265.00	275.00
Land - Others Land Acquisition	400.00	-	-	
Purchase of Land	200.00	100.00	300.00	200.00
Fish and Meat Market	50.00	-	-	
Citizen Service Centre	50.00	50.00	-	-
Ward Office	50.00	-	-	-
Building Group 1	300.00	150.00	200.00	300.00
Building Group 2 (Construction of Staff Quarters)	50.00	-	-	-
Road Asphaltting	200.00	150.00	175.00	300.00
Drains / Box Drains	200.00	200.00	300.00	600.00
Construction of Corporation Tourist Centre	40.00	-	-	
Computer + Paper less Office (PLO)	25.00	10.00	10.00	10.00
Digitisation of Records	30.00	20.00	10.00	10.00
Civil Works Others - Compound fencing & Footpath etc.,	200.00	100.00	120.00	150.00
Construction of Cement Road	150.00	75.00	100.00	125.00
Providing New Street Lights & Traffic Lights	300.00	-	-	-
Solar Lighting	20.00	-	-	-
Erection of Street Light poles	10.00	-	-	-

Particulars	2019-20	2020-21	2021-22	2022-23
Purchase of modern equipments	20.00	50.00	60.00	70.00
Slaughter house	25.00	-	-	-
E-waste	5.00	-	-	-
Zero waste Management System + Vehicle Tracking System + JCB + Others	100.00	-	-	-
Water Supply Works - Water Tanker Purchase	50.00	-	-	-
Construction of Chemical Lab Unit	15.00	-	-	-
Purchase of Jetting and Sucking Machine	100.00	-	-	-
Parks & Garden (100 Parks)	800.00	350.00	300.00	300.00
Rain Water Harvesting	50.00	30.00	25.00	25.00
	3,660.00	1,527.00	1,865.00	2,365.00

Particulars	2019-20	2020-21	2021-22	2022-23
A. Receipts				
A1. Own Revenue to Total Revenue				
Total Own Revenue	5,479	6,519	7,157	7,843
Total Revenue	15,241	19,777	22,070	23,558
Percentage %	36%	33%	32%	33%

A2. Tax Revenue to Total Revenue				
Tax Revenue	2,290	2,663	2,922	3,201
Total Revenue	15,241	19,777	22,070	23,558
Percentage %	15%	13%	13%	14%

B. Expenditure				
B1. Committed Expenditure to Un-tied Resources				
Committed Expenses	2,055	3,810	4,218	4,345
Total Own Revenue	6,635	8,029	8,907	9,838
Percentage %	31%	47%	47%	44%

B2. Operating Expenditure to Total Expenditure				
Operating Expenses	2,817	3,360	3,818	3,945
Total Expenditure	20,609	19,694	21,996	23,450
Percentage %	14%	17%	17%	17%

Particulars	2019-20	2020-21	2021-22	2022-23
C. Debt Servicing				
C1. Debt-servicing to Own Revenue				
Debt Servicing (Principal + Interest)				
Own Revenue				
Percentage %				

A1. Own Revenue to Total Revenue				
Debt Servicing (Principal + Interest)				
Total Expenditure				
Percentage %				

D. Fiscal Space				
D1. Fiscal Space (Overall)				
Balance after committed expenditure	12,424	14,978	16,749	18,036
Total Receipts	15,241	19,777	22,070	23,558
Percentage %	82%	76%	76%	77%

D2. Fiscal Space (for Development)				
Balance (after committed expenditure and O&M)	7,353	9,712	10,944	11,487
Total Receipts	15,241	19,777	22,070	23,558
Percentage %	48%	49%	50%	49%

D3. Fiscal Space (out of untied re-sources)				
Balance (after committed expenditure, O&M, and expenditure out of tied grants)	(899)	2,206	2,613	3,196
Total Receipts less tied grants	6,635	8,029	8,907	9,838
Percentage %	-14%	27%	29%	32%

D4. Fiscal Space (Out of own source revenue)				
Own Source Revenue	5,479	6,519	7,157	7,843
Expenditure out of Own source revenue	4,457	5,329	5,835	6,594
Balance	1,022	1,190	1,323	1,250
Percentage %	19%	18%	18%	16%

Particulars	2019-20	2020-21	2021-22	2022-23
D5. Fiscal Space (Out of untied grants)				
Untied grants	1,131	1,480	1,715	1,950
Expenditure out of untied grants	931	1,203	1,369	1,540
Balance	200	277	347	410
Percentage %	18%	19%	20%	21%

D6. Cash Adequacy				
Closing Cash Balance	108	191	265	373
Monthly operating Expenses	235	280	318	329
Coverage (Number of months)	0.5	0.7	0.8	1.1

Sub Schedules	2019-20	2020-21	2021-22	2022-23
D5a. Expenditure out of untied Grants				
Untied SFC Grant - SCP	222.00	250.00	275.00	300.00
Untied SFC Grant - TSP	71.00	80.00	90.00	100.00
State Government Grant for Dasara	100.00	100.00	100.00	100.00
Operation & Maintenance of Indira Canteen	150.00	150.00	160.00	170.00
7.25% Fund Economically weaker (SFC)	52.06	87.00	101.50	120.00
5% Disabled persons (SFC)	35.90	36.00	42.00	50.00
PK Salary	100.00	200.00	200.00	200.00
AMRUT Contribution	200.00	300.00	400.00	500.00
	930.96	1,203.00	1,368.50	1,540.00

SHIVAMOGGA CITY CORPORATION

Medium Term Fiscal Plan
2018-19 to 2021-22

Knowledge Partners



JANAAGRAHA CENTRE FOR CITIZENSHIP & DEMOCRACY

4th Floor, UNI Building, Thimmaiah Road, Vasanth Nagara, Bengaluru-560052

Phone: 080-40790400 | Fax: 080-41277104 | Email: info@janaagraha.org

www.janaagraha.org | www.balajanaagraha.org | www.ipaidabribe.com

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