

BUDGE- BUDGE MUNICIPALITY
MoA Signed on 28th day of June 2006
MANDATORY REFORMS AT THE LEVEL OF THE ULB

No.	Reforms	2005-2006	2006-2007	2007-2008	Remarks
L2	MUNICIPAL ACCOUNTING				
b	GO/Legislation/Modification of Municipal Finance Rules for migrating to double entry accounting system				Municipal Finance Rules modified
c	Appointment of consultants for development of state wide Municipal Financial Accounting Manual.				Already completed
d	Completion and adoption of Municipal Financial Accounting Manual, in line with NMAM or otherwise			√	Already completed & adopted
e	Training of personnel				Done
f	Appointment of field level consultant for implementation at the city level				Done
g	Notification of cut off date for migrating to the double entry accounting system				Notification issued. Cut off dt. 01.04.2006
h	Business process Re-engineering to align with accrual based accounting system (aligning all commercial and financial process such as procurement)				
i	Valuation of assets and liabilities, Completion of registers				Already completed
j	Drawing up of opening balance sheet (OBS):				
	i. Provisional OBS		√		Under Process
	ii. Adoption of provisional OBS		√		Under Process
	iii. Finalisation of OBS		√		Under Process
K	Full migration to double entry accounting system		√		Under Process

I	Production financial statements (income – expenditure accounts and balance sheet)			√	Under process
n	Adoption of accounts			√-	Under process
o	Preparation of outcome budget			√-	Under preparation
L 3	PROPERTY TAX				
A	Enhancing coverage of property tax regime to all properties liable to tax				Almost all holdings were covered under taxable holdings by the new assessment w.e.f. 01.10.2006
B	Elimination of exemptions		√		Same as above
C	Migration to Self-Assessment System of Property Taxation				
	i. Setting up a Committee/ Team to draft/ amend legislation		√-		Enacted and notified in 2003
	vi. Notification				Done
	vii. Preparation and notification of appropriate subordinate legislation		√		
	viii. Implementation by municipality		√-		Being implemented
d	Setting up a non-discretionary method for determination of property tax		√-		Nondiscretionary method is already in place. The swiching over to unit area valuation system has been initiated in KMC and will be initiated at other ULBs.
e	Use for GIS based property tax system				
	i. Selection of appropriate consultant		~		KMDA
	ii. Preparation of digital property maps for municipality				Maps completed
	iii. Verification of digital maps and preparation of complete data-base of properties			√	
f	Next schedule /anticipated revision of guidance values.				In the year 2011-12
g	Periodicity for revision of guidance values			√-	In every 5 years
h	Establish Taxpayer education programme				

	i. Local camps for clarification of doubts and assistance in filling out forms		√-		Presently is in operation
	ii. Setting up a website for property tax issues / FAQs etc.			√-	
i	Establish Dispute resolution mechanism			√-	Already in operation
j	Rewarding and acknowledging honest and prompt taxpayers				5% rebate is given
k	Achievement of 85% Coverage Ratio (see item e in current Status) (Specify target coverage for each year of mission)				Already more than 85% of total holdings been brought under the preview of Taxable holdings.
l	Achievement of 90% collection Ratio for current demand (see item f in current status above) (Specify target collection ratio for each year of mission)		41.60%	51.28%	Collection ratio 42.6% up to 31/12/07
L.4	USER CHARGES				
b	Establishment of proper accounting system for each service so as to determine the O & M cost seperately				Established, as double entry system of accounting is in operation from 01.04.06
	i. Water Supply and Sewerage				Demand Rs. 13,12,900 & Collection Rs. 10,22,382. 77.9% up to 30/09/07
	ii. Solid Waste Management				Under Process
	iii. Public Transport Services				
	iv. Other (please specify)				
c	The State/ULB should define standards and timelines for achieving these			√-	As the double entry system of Accounting is in operation from 01.04.06 , all these have already been implemented
d	The State/ULB should define user charge structure and timelines for achieving this				
e	The State should set up a body for				

	recommending a user charge structure				
E-GOVERNANCE					
TIMELINE FOR ACTION ON REFORMS					
No.	Reforms	2005-2006	2006-2007	2007-2008	Remarks
a.	Appointment of State-level Technology Consultant as State Technology Advisor			√-	Done
b.	Preparation of Municipal E-Governance Design Document (MEDD) on the basis of National Design Document as per NMMP			√-	E – Governance “As is and should be” have been prepared. SRS & Prototype have been developed
c.	Assessment of MEDD against National E-Governance Standards (e.g. Scalability, intra-operability & security standards etc.)			√-	NIC is doing this as per National E - Governance Program
d.	Agreement on Municipality E-Governance Action Agenda			√-	Action agenda has been finalized
e.	BPR for migration to e-governance			√-	Under process
f.	Appointment of Software consultant(s)			√-	Done
g.	Exploring PPP option for different E-Governance services				Some options are there in DPR
h.	Defining monitorable time-table for implementation of each E-Governance initiative that is being taken up			√-	Time table is in place
i.	Ongoing implementation of E-Governance initiative, against monitorable time-table			√-	Implementation is on
j.	Any other reform steps being undertaken				Central Data Monitoring Centre is being set up
INTERNAL EARMARKING FOR BASIC SERVICES FOR POOR					
TIMELINE FOR ACTION ON REFORMS					

No.	Reforms	2005-2006	2006-2007	2007-2008	Remarks
b.	Defining criteria for identification of the Urban poor	--	√		Already done
c.	Fresh enumeration based on the above	--	√		Done
d.	Define threshold service levels for the Urban poor across various services	--	--	√	This will be done after finalization of BPL list & their access to basic amenities as per threshold survey already done
e.	Strategic document which outlines the requirement both physical and financial, timeframe, sources of funding and implementation strategies including community participation, monitorable output indicators for each of the services, including outlining convergences, if any	--	--	√	This is being taken into consideration
f.	Periodic impact evaluation by independent agencies appointed by the State Government	--	--	--	
g.	Any other reform steps being undertaken	--			