

A CITIZENS' GUIDE TO UNDERSTAND 2019 BUDGET OF HOPE



State of Osun

Ministry of Economic Planning, Budget & Development



CITIZENS' GUIDE TO 2019 BUDGET OF HOPE

1.0 STATE OF OSUN BUDGET

Section 121 of 1999 Constitution requires the Governor to submit a Budget Proposal (Appropriation Bill) for enactment of the State House of Assembly before the end of relevant financial year. After the House of Assembly passes the Appropriation Bill and it is assented to by the Governor, it becomes an Appropriation Law. Hence, the responsibility of the State Budget is between the Executive and the Legislative arms of Government.

2.0 STATE OF OSUN DEVELOPMENT PLAN 2019 -2028

State of Osun Development Plan 2019 - 2028 is designed to decisively address diverse strategic issues of widespread unemployment, low productivity, infrastructural deficit and low agricultural productivity. The Plan consists of thirteen (13) sectors into which the economy of the State was classified and mapped against the four (4) Development Pillars which are:

- (i) Economic Development,
- (ii) Infrastructural Development,
- (iii) Human Capital Development and Security, and
- (iv) Environmental Sustainability.

The Plan includes the mission, vision and core values of the State. These provide the general direction, strategic or priority issues in which the strategies need will be developed. This will help to ameliorate the core development pillars and their constituent sectors, goals, expected outcomes and Key Performance Indicators (KPIs).

2.1 Vision

To be a prosperous State in a secure and sustainable environment.

2.2 Mission

To promote sustainable development through pragmatic, transparent, accountable and inclusive governance that mobilizes human and material resources towards making the state a socio-economic and cultural hub for Nigeria.

2.3 Core Values

Virtue, diligence, resilience, responsibility and hospitality.



3.0 PLANNING FRAMEWORK

STATE OF OSUN PLANNING FRAMEWORK

State Development Plan (2019 - 2028)	Long-Term Policy and Strategy
MTEF (3 years) 2019 - 2021 Short Term Fiscal Plan	Medium Term Expenditure Framework
Sector Strategies (MTSS) 2019-2021	Medium Term Sector Strategies for MDAs
Annual Budget	Yearly spending plan for MDAs
Implementation, Monitoring, Evaluation and Reporting	Budget Operation Guidelines, Quarterly Review, Monitoring, Evaluation and Control

4.0 BUDGET PROCESS

In public sector, budget is an indication of how a Government plans to generate income (revenue) and how it intends to utilize (spend the income & expenditure) within a specified period, usually a year. Hence, it sets out the priority areas for spending in line with the Government Policies/ Programmes and needs assessment of the people based on the expected revenue for the year.

A budget process, however, is a system of rules governing the decision-making that leads to a budget from its formulation stage to Legislative approval and its execution.

4.1 Stages of Annual Budget Preparation Process

- Preparation of EFU-FSP-BPS Document
- Submission of EFU-FSP-BPS to EXCO for review and approval
- Submission of EFU-FSP-BPS to House of Assembly and Political Engagement
- Completion/update of MTSS
- Issuance of Budget Call Circular with Capital expenditure and Recurrent envelopes
- Stakeholders' Consultation (MDAs, CSOs, Other Stakeholders)
- Preparation and submission of MDAs Budget Proposals
- Bilateral discussions and defence
- Consolidation of MDAs' proposals
- EXCO Review and Approval of Draft Budget
- Presentation of Draft Budget to the House of Assembly
- Budget defence by MDAs before the House of Assembly
- Debate and Approval of Budget by the House of Assembly
- The Governor's Assent

5.0 THE MAIN FEATURES OF THE 2019 BUDGET

In formulating the 2019 Budget tagged "**Budget of Hope**", inputs were sought from a broad range of stakeholders. Through Stakeholders' engagement in the three Senatorial Districts of the State from 22nd to 24th October, 2018, meaningful contributions which form inputs into the Budget were gathered. Arising from the agreement reached by the stakeholders, there will be aggressive mobilization of IGR to ensure optimum performance of the Budget. Year 2019 budget is a detailed plan to set the State on a clear path of development.

BUDGET HIGHLIGHTS

2019 Budget at a Glance

6.0 2019 Budget at a Glance

Budget Size - N154.407bn

7.0 Projected Revenue Sources

- Total Independent Revenue (Capital Receipts inclusive) - N76.065bn
- Federal Transfers - N51.075bn
- Budget Financing (Domestic & Foreign Loans) - N27.267bn
- N154.407bn

8.0 Projected Expenditure

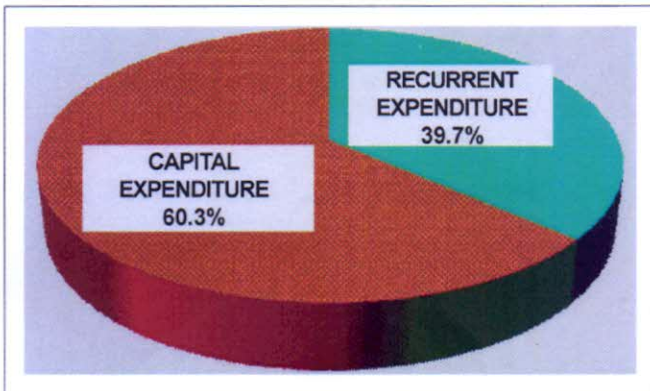
- Personnel - N36.933bn
- Consolidated Salaries & Pension Arrears - N 8.000bn
- Overhead - N13.965bn
- Consolidated Revenue Charges - N 2.423bn
- Recurrent Expenditure - N61.321bn

Capital Expenditure - N93.086bn

Budget Size - N154.407bn

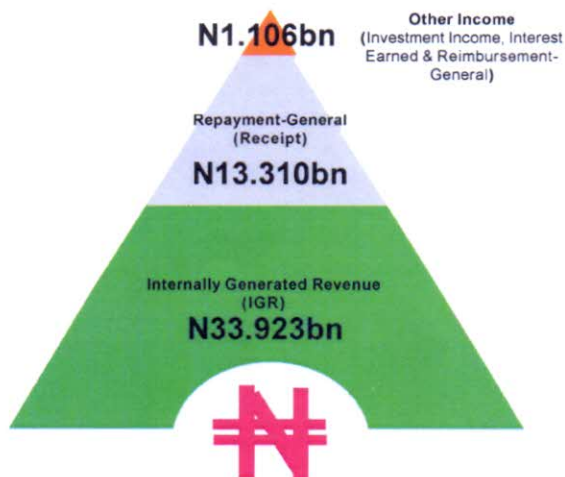
9.0 Capital / Recurrent Expenditure Mix 60.3% : 39.7%

CAPITAL / RECURRENT EXPENDITURE MIX



10.0 Where the Money Comes From

INDEPENDENT REVENUE BREAKDOWN

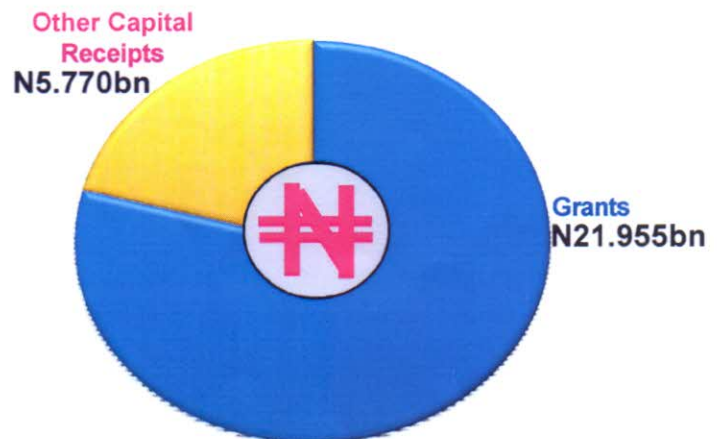


FEDERAL TRANSFERS

N38.500bn



CAPITAL RECEIPTS



11.0 Where the Money Goes (Expenditure)

11.1 Sectoral Group Allocation

The Year 2019 Budget Size Sectoral Group Disaggregation and percentage share:

SECTOR	YEAR 2019 ALLOCATION (Nbn)	%
Governance & Administration	21.592	14.0
Agriculture	3.721	2.4
Economic Planning & Budget	3.627	2.3
Commerce & Industry	3.766	2.4
Education	23.901	15.5
Environment	2.017	1.3
Health	15.920	10.3
Infrastructure	23.378	15.1
Social Development & Welfare	1.475	1.0
Security, Law & Justice	2.391	1.5
Information & Communication	0.579	0.4
Water & Sanitation	1.653	1.1
Finance & Revenue Mobilization	42.387	27.5
Consolidated Salary & Pension Arrears	8.000	5.2
Total	154.407	100.0

