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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Fin DEPARTMENT

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GOVERNMENT OF MADRAS.
FINANCIAL DEPARTMENT.

17th February 1879, No. 291.

Municipal—Budgets.

Read the following papers:—

No. 141. From W. S. FOSTER, Esq., President of the Municipal Commission, Godavari District, to the Acting Chief Secretary to Government, dated Cocanada, 21st January 1879, No. 3.

I have the honor to forward herewith the Budget Estimates of receipts and charges of the Ellore Municipality for 1879-80 prepared in accordance with the prescribed forms, together with copy of the Vice-President's letter of the 18th ultimo, No. 42, and I beg to explain with regard to the following items.

	RS.	A.	P.	
As per Statement No. 1	27,066	4	10	2. Receipts.—The total amount of receipts is estimated at Rupees 33,242, excluding one-third share of tolls of Local Fund Board, against the regular estimate of receipts to the amount of Rupees 23,332-15-6. The items newly budgeted are as follow:—
Deduct one-third share of tolls of Local Fund Board	3,733	5	4	
Total	23,332	15	6	

- (1) Imperial License-tax;
- (2) Fees on Elementary Schools;
- (3) Loan of Rupees 10,000 from Government.

The first item of License-tax under Act III of 1878 within the Municipal limits is estimated at Rupees 3,000 against the regular estimate of Rupees 2,800, and the increase is expected on a revision of the list of this tax.

The second item of Rupees 200 is on account of fees to be levied in four elementary schools, which the Commissioners propose to establish agreeably to paragraph 3 of G.O., No. 392, of 1st March 1878, passed on last budget estimates. The third or principal item of Rupees 10,000 is a loan asked for by the Commissioners from Government for the extension and improvement of roads and streets in the town on condition of repayment with 5 per cent. interest per annum with such conditions as Government may think proper. The Commissioners have resolved to raise the rate at which the house-tax is being demanded from $6\frac{1}{2}$ to $7\frac{1}{2}$ per cent. the maximum rate, and this gives an increase of Rupees 500 in that item, which they are willing to pledge to Government annually as interest on the proposed loan. The other items call for no particular remarks.

3. GRANT I.—*Expenditure*.—A large sum is inserted in the Budget Estimate under the head of New Works. It appears that these works are proposed to be executed if Government sanction the loan asked for. The increase of Rupees 300 in the establishment is owing to the proposed employment of a second Overseer on a salary of 25 Rupees if Government agree to grant the loan asked for.

GRANT II.—A new item of Rupees 720 is entered under the head Municipal schools. This is to provide for the four elementary schools as above-mentioned; Rupees 330 have been only entered for result grants.

GRANT IV-3.—*Avenues*.—The increase under this head is for obtaining trees, &c., for new avenues, as new streets are projected.

Police Contribution.—Rupees 1,012 are entered as the contribution to the Town Police under Act VII of 1878, being 25 per cent. of the total cost. A letter from the Vice-President under date the 16th ultimo, No. 39, was sent to me stating that the

Commissioners have resolved that Government should be asked to limit the contribution to one-fourth. The order of Government, dated 11th December 1878, No. 2195, directs that one-half of the Police costs should be contributed by all Municipalities for 1879-80. This order has since been communicated for the information of the Commissioners.

4. The license-tax was nominally entered both under the heads of receipts and expenditure.

5. Considering the recent orders, I suppose it will be impossible for Government to give the Municipality the loan of Rupees 10,000 they apply for; and even if they did, the security does not seem to me sufficient. Again, the Police cost has been estimated at 25 per cent. instead of 50 per cent. The receipts should in my supposition be, therefore, reduced by Rupees 10,000, and the expenditure reduced by Rupees 500 interest and raised by Rupees 1,012 the charge of Police. It will then be necessary to reduce the expenditure on some of the ordinary heads by Rupees 10,500. The best reductions will be the Rupees 8,000 for new streets, and the Rupees 3,700 for the bridge. The Commissioners object to the introduction of the Profession-tax. This used to bring in about Rupees 2,870, and might possibly bring in Rupees 2,500 now which could be put to under the expenditure head of New Works, Communications, if Government wish.

ENCLOSURE No. 1.

From W. J. TATE, Esq., Vice-President of the Municipal Commission, Ellore, to the President of the Municipal Commission, Godavari District, dated Ellore, 18th December 1878, No. 42.

Herewith I have the honor to submit the Budget Estimates of the Ellore Municipality for 1879-80, prepared in accordance with the directions laid down in G.O. of 25th April 1877, No. 1347. Regular Estimates of Receipts and Expenditure for the current official year accompany the same.

2. RECEIPTS.—The receipts are much swelled this year, being estimated at Rupees 55,712 as against the regular estimate of Rupees 27,066-4-10. The Local Fund share of tolls (Rupees 3,733-5-4) having been entered on the side of receipts and deducted again (for the sake of convenience) on that of expenditure in the regular estimate, we have really to account for the difference between the regular estimate and this amount (i.e., Rupees 23,332-15-6) and our present budgeted receipts. This difference is owing to a proposed loan of Rupees 10,000, of which more hereafter. There is a slight increase of Rupees 200 odd in the demand on account of house-tax, because the Commissioners resolve that all outstanding arrears must be collected within next year, but think that more than about half of the total present arrear (Rupees 1,250) cannot be collected before the end of March 1879. The remainder of the increase under this head will be explained further on. The budget estimate for tolls has been slightly reduced from the regular estimate, as it is not likely the tolls will again fetch so large a sum as in this year. That on account of licenses under Sections 123 and 130 is reduced from the figures in the regular estimate by nearly Rupees 500. This is because it is not likely that the cartstands can be leased out for more than Rupees 800 next year, as against Rupees 1,000 in the current year, and because the remaining sum (Rupees 600 nearly) represents a two years' demand. The difference under the head "Contribution from Local Funds, Dispensary," is due to the whole of the building grant for the new hospital being paid by the Local Fund Board in the current year. The hospital is fast approaching completion.

3. NEW ITEMS OF RECEIPTS.—The items newly budgeted for this year under receipts are as follow:—

- (1) Loan of Rupees 10,000;
- (2) Fees in Elementary Schools;
- (3) Imperial License-tax.

Item No. 3 stands in the regular estimate as Rupees 2,800. It is expected that a revision of the list will raise the amount to be collected on licenses to about Rupees 3,000. It is improbable that in this first year in which the tax is levied the list should be sufficiently comprehensive and accurate. Rupees 2,800 in the regular estimate allows also a wide margin for reduction on account of objection petitions. The original license-tax list gave a total of Rupees 3,450. Rupees 400 have been hitherto taken off on account of objection petitions, and some petitions are still pending. These will be disposed of by the end of the present month. Item No. 2 allows for fees to be levied in four elementary schools the Commissioners propose to establish, agreeably to the remarks of Government in paragraph 3 of their G.O., No. 392, of 1st March 1878, passing

the last year's budget. The fees are calculated at annas per child on an average of thirty children a school, with a margin of Rupees 20.

4. Loan.—With respect to the application for the loan I have to submit the following remarks. Government are aware that Ellore is an old town, irregularly and badly built; that the streets are narrow and dirty, the people poor, and, consequently, the income received by the Municipality scanty. This is so much so that the Municipality can only put aside a small sum annually for Grant I, New Works, and in some years is obliged to omit this head altogether. This will be seen to have been the case in the current year and in three preceding years:—

Year.	Amount spent on account of New Works.
1875-76	Rs. 778
1876-77	247 (Rupees 1,500 budgeted, but could not be spent as the money was required for other item).
1877-78	Nil.
1878-79	500 (regular estimate).

The fact is that we cannot proceed to do any good in the town without removing walls, corners of houses, and other obstructions, and to do this we have to pay compensation. Aware, therefore, that Rupees 10,000 is a small sum to ask for as a loan, still a majority of the Commissioners were of opinion that it was better than nothing at all, and that if this sum is allowed them, they will be able to make such use of it as will embolden them to ask Government for more hereafter. To pay the interest on this loan, which the Commissioners presume would be 5 per cent., they have resolved to raise the rate at which house-tax is being demanded from 6½ to 7½ per cent., the maximum rate. This gives an increase of Rupees 500 in the house-tax demand, and this sum they are willing to pledge to Government annually as interest on the loan. With the exception of the re-introduction of the profession-tax, a measure which, at least while the License-tax Act is in force, the Commissioners would strongly object to, taxation in this Municipality can go no further, and the Commissioners can, therefore, find no other funds from which to appropriate money as interest on a larger loan, they trust, therefore, that Government will, for the present, grant them a loan of Rupees 10,000 at 5 per cent. per annum, with such conditions as to repayment as Government think suitable.

5. GRANT I.—Expenditure.—I now come to the expenditure. Of the Rupees 10,000 mentioned above Rupees 2,000 is to be spent on drainage, and Rupees 8,000 on widening, clearing, and metalling four of the most frequented streets. The drainage is to include V shaped culverts and sinks for dirty water at the side of the principal streets. It is not thought that the construction of new streets will swell the item of repairs, because money is now being absolutely thrown away in patching, and Rupees 2,000 or 3,000 should, if the streets were once properly metalled, be sufficient as an annual maintenance grant; Rupees 2,000 has been entered this year accordingly.

Rupees 5,000 entered under New Works, Buildings, includes a contribution of Rupees 4,200 for a new bridge at Ellore. This sum is one-fourth of the total estimate (Rupees 16,760), and was passed by the Commissioners at a meeting on 3rd October last. Out of this sum Rupees 500 will probably be saved as one-fourth share of the sale of such materials of the old bridge as are not needed for the new one. The estimated value of these materials is Rupees 2,000. This new bridge is most urgently needed. It was sanctioned, finally, in G.O., No. 1491, dated 5th September of 1874, and will be built in the coming year. The other items under Grant I call for no special remark. They are adjusted with reference to probable requirements. Rupees 600 (instead of Rupees 300) has, however, been entered under this Grant for establishment, as, if Government agree to the proposed loan, the Commissioners think that a second Overseer will be required on the same pay (Rupees 25) to assist in seeing to the expenditure of the money.

GRANT II.—Under Grant II the Commissioners have entered Rupees 720 under the head Municipal Schools. This is to provide for the four elementary schools abovementioned. Each school will have a Master on Rupees 10, and be allowed Rupees 5 for house-rent and contingencies. Only Rupees 330 has been entered for result grants, as it is not likely that the schools in the town will earn more under the new rules, *vide* regular estimate.

GRANT III.—As, in preparing the current year's budget, the Municipality have already budgeted for a separate Dresser, the total under "Hospital Establishment" is not changed. The Commissioners have, however, made a slight change in the details of this head. They wish to pay the Municipal Dresser to be appointed for the new hospital only Rupees 25 instead of Rupees 30, and spend the Rupees 5 so saved monthly in providing a nurse. Rupees 200 only has been entered for medicines and supplies, as a large stock of medicines has been lately got in, Rupees 50 for dieting, and Rupees 50 for contingencies are calculated on the actuals. This gives a total of Rupees 900, of which the Local Fund Board pays half, *vide* regular estimate of receipts.

during the year. The contribution to the Medical College should be 116 not 75 as provided in the budget, and the contribution for the Police should be 2024 or 50 per cent. of the total cost as decided in G.O., 11th December 1878, No. 2195. The Government note that 5 per cent. of the license-tax receipts is claimed for cost of collection, &c.

The budget is passed subject to the above alterations.

(True Extract.)

H. B. Pigg
Acting Under Secy. to Govt.

To the President of the Municipal Commission, Godavari.

- " Revenue Department.
- " Public Works Department.
- " Board of Revenue.
- " Surgeon-General, Indian Medical Department.
- " Sanitary Commissioner.
- " Director of Public Instruction.
- " Accountant-General.
- " President of the Local Fund Board, Godavari.