

## Measuring Financial Condition of Municipalities in Bangladesh: A Case Study on Gangni Pourashava in Meherpur District



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**ABSTRACT:** Sufficient financing in local government institutions is the key to effectively carry out a wide range of functions at the local level. In Bangladesh, municipalities play a pivotal role in delivering various services and engaging in socio-economic activities. This research aims to assess the financial conditions of urban local government organizations in Bangladesh, with a particular emphasis on Gangni Pourashava in Meherpur District. The study adopts a comprehensive approach, combining qualitative and quantitative methods, including a structured questionnaire survey and interviews for data collection. The findings reveal that local governments exhibit favorable financial conditions to cover their expenditures. However, a stark contrast emerges when considering citizen satisfaction, with widespread dissatisfaction attributed to the perceived lack of financial responsibility, citizen participation, and transparency. Notably, the research identifies several key challenges, including the absence of financial autonomy, dependence on government grants, and resource constraints. These findings suggest that municipalities need to engage in comprehensive financial planning that is transparent and involves greater citizen participation.

**KEYWORDS:** financial condition, local government, municipality, Bangladesh.

### 1. INTRODUCTION

Municipalities stand as foundational pillars in the construction of societal structures, wielding a pivotal influence over the economic and social well-being of their respective regions. At the forefront of governance, these local entities bear the responsibility of orchestrating a symphony of essential services that intricately weave into the fabric of residents' daily lives (Chandler, 2001). From the provision of basic utilities such as water, sanitation, and public safety to the cultivation of community spaces and the facilitation of local infrastructure development, municipalities serve as the linchpin connecting citizens to the broader civic framework. Their impact reverberates through the streets, schools, and public spaces, shaping the very essence of communal existence (Boyne, 1992). Therefore, they need consistent financial support to continue all the functions. Also, heightened economic uncertainties, demographic shifts, and the growing demand for improved infrastructure in recent years have accentuated the importance of robust financial management within municipal entities. As the stewards of public resources, these institutions face the complex challenge of maintaining financial stability while addressing the evolving needs of their communities. The measurement and assessment of the financial condition of municipalities have emerged as critical components in understanding the overall health and sustainability of local governance (Bird, 2001).

In the context of Bangladesh, the trend towards rapid urbanization further amplifies these challenges. The country, mirroring global patterns, is witnessing a significant shift in demographics and urban development. The financial well-being of municipalities in Bangladesh becomes paramount as they grapple with the multifaceted impacts of urbanization (Mamun & Chowdhury, 2022). Furthermore, the financial woes of municipalities have been exacerbated by external factors such as the COVID-19 pandemic, which disrupted revenue collection and highlighted their precarious financial positions. Consequently, the majority of the municipalities in Bangladesh find themselves in a state of stagnation, struggling to meet the basic needs of their residents (Abedin et al., 2019). The pressing demand for infrastructure improvements, which encompasses street construction, waste management, and urban primary healthcare, underlines the importance of addressing these financial constraints. It demonstrates the crucial role that municipalities play in shaping the well-being of urban populations, highlighting their need for adequate financial support to conduct essential functions, address infrastructure deficits, provide crucial services, and meet the evolving needs of their residents in a sustainable and effective manner.

However, despite their crucial responsibilities in urban region, many municipalities are heavily dependent on government grants and face challenges related to fund shortages and irregular tax collections. Additionally, financial shortfalls that the municipalities in Bangladesh grapple with, a topic that has received limited attention. Very few studies have been conducted to comprehensively

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assess and analyse the financial landscapes of municipalities in Bangladesh. Therefore, this research seeks to shed light on the existing literature and focus on the financial challenges that municipalities face in Bangladesh. Consequently, the main objective of this study is to assess the financial condition of the municipal government in Bangladesh, with specific reference to Gangni Pourashava (municipality) in the Meherpur district.

### 2. LITERATURE REVIEW

Measuring the financial condition of municipalities is of paramount importance for governments, policymakers, and researchers, as it directly influences their ability to deliver effective public services and maintain critical infrastructure. The existing literature on financial condition provides the foundational understanding necessary for this endeavor. The ability of a government to provide present and future services is intricately tied to its financial standing. Li et al. (2021) underlines the intrinsic link between a government's capacity to meet both immediate and long-term responsibilities and its financial situation, which can be assessed through key financial achievement metrics, such as net assets, fund equity, and net cash flows. The measurement of financial condition relies on various assessment tools and indicators. Ahmad et al. (2021) stressed the importance of using a combination of financial and demographic indicators and ratios to evaluate a municipality's financial health. These assessment tools provide a means to gauge an institution's capacity to provide public services effectively, efficiently, and economically. Moreover, McDonald III and Maher (2020) highlighted the Wang, Dennis, and Tu's solvency test introduces a comprehensive approach to evaluate financial circumstances, utilizing indicators like cash solvency, budget solvency, long-run solvency, and service solvency. These metrics offer a multifaceted view of a government's financial health and are especially crucial in urban areas, particularly in developing nations where urbanization is rapidly increasing (Srđić & Raković, 2021).

However, the global trend of urbanization is presenting municipalities with distinct financial challenges. As populations rapidly shift from rural to urban areas, municipal budgets are under strain, often leading municipalities to depend on federal support to meet their financial needs, as noted by Peters (2020). The financial condition of municipalities holds a direct bearing on the quality of life in urban areas, emphasizing the critical role of addressing financial challenges, especially in developing nations, for sustainable urban development. Therefore, the assessment of financial condition varies considerably among states. To address this issue, many states have introduced programs to evaluate the financial health of municipalities, typically employing a combination of financial and demographic indicators. This evaluation serves as a crucial tool for ensuring effective and efficient public service delivery (Fisher, 2022).

Moreover, there is limited consensus among states and local governments regarding the specific dimensions and metrics to capture financial condition, leading to variations in measurement systems (Dewi et al., 2019). This lack of uniformity in measurement systems emphasizes the complexity of assessing financial health at the municipal level. Additionally, beyond purely financial metrics, socio-economic factors also play a significant role in influencing a municipality's financial condition. Hamid and Loke (2021) demonstrated a clear link between an entity's credit rating and socio-economic factors, including population growth, employment, housing, poverty, and financial factors like debt history, debt burden, capital spending, and fund balances. Understanding the complicated interaction of these factors with financial condition is essential to gain a comprehensive perspective on a municipality's financial well-being.

Furthermore, the choice of using general fund data to evaluate financial health depends on the government's size. In the context of smaller governments, especially those where the general fund represents a more substantial portion of their financial transactions, relying on general fund data may be acceptable. However, for larger governments, such as states, counties, or mid-sized and large cities, the general fund typically represents a smaller portion of their financial activities (Bird, 2001). Therefore, relying solely on general fund data to assess financial health can be somewhat biased and overlook a substantial portion of the financial picture. This limitation is crucial to consider when implementing assessment methodologies, as it can lead to an incomplete understanding of a government's financial health. In the pursuit of measuring financial condition comprehensively, it is debatable whether non-financial socioeconomic elements should be taken into account when assessing financial health. Socioeconomic factors, like population growth and employment rates, certainly impact financial condition, but they do not singularly determine it (Asante & Mills, 2020). The intricate relationship between socioeconomic factors and financial health raises questions about the extent to which these elements should be integrated into financial condition assessments. Furthermore, understanding how precisely socioeconomic issues impact financial health requires in-depth exploration (McDonald, 2023). Balancing these factors while evaluating financial condition adds complexity to the assessment process and stresses the need for a more nuanced approach.

Eventually, measuring the financial condition of municipalities is a complex endeavor, encompassing various dimensions of solvency, assessment tools, and socio-economic factors. The literature reviewed highlights the importance of developing a comprehensive understanding of financial health to ensure effective public service delivery and sustainable urban development. Further research in this field is crucial to refine measurement methodologies and address the unique challenges posed by urbanization and the financial constraints faced by municipalities, especially in developing nations.

### 3. METHODOLOGY

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## 3.1 Study Area

Gangni, situated in the Meherpur District within the Khulna Division of Bangladesh, is an upazila with a rich geographic and demographic feature. Gangni boasted a population of 299,607 and was home to 43,922 households, all encompassed within a total area of 341.98 square kilometres. This region is geographically located between 23°44' and 23°52' north latitudes and 88°34' and 88°47' east longitudes. Administratively, Gangni's evolution is noteworthy. Initially established as Gangni thana, it gained upazila status in 1923, emphasising its importance within the administrative framework. This upazila comprises nine union parishads, 100 mouzas, 136 villages, and five border outposts. The local governance structure of Gangni Upazila encompasses Gangni Municipality and nine union parishads, namely Bamondi, Dhankolla, Kathuli, Kazipur, Motmura, Raipur, Shaharbari, Sholotaka, and Tentulbaria. These union parishads, in turn, are further subdivided into 90 mauzas and 137 villages. Within Gangni Municipality, the urban landscape is organized into nine wards and 29 mahallas. Notably, the city is experiencing rapid urbanization, bringing both opportunities and challenges. As it expands, one of the primary challenges lies in ensuring the continuous provision of essential services to meet the needs of its burgeoning population.

## 3.2 Research Design

The primary objective of this research is to assess the financial condition of municipalities in Bangladesh, with a specific focus on Gangni Pourashava situated in the Meherpur District. To achieve this goal, a comprehensive research methodology has been crafted, which encompasses both primary and secondary data sources, enabling a comprehensive evaluation of the financial well-being of the municipality. To explore into the financial landscape of Gangni Pourashava, we conducted primary data collection through structured questionnaires administered during field surveys. A total of 160 respondents actively participated in the survey, sharing their valuable insights and perceptions concerning the financial status of Gangni Pourashava. The questionnaire was thoughtfully designed to capture not only socio-demographic information, such as age, occupation, and education, but also to gauge respondents' perspectives on the municipality's financial condition. This assessment employed a 5-point Likert scale, ranging from responses like 'Strongly Disagree' or 'Very Dissatisfied,' rated as 1, to 'Strongly Agree' or 'Very Satisfied,' scored as 5.

In addition to primary data, secondary data sources were explored, drawing from a variety of materials, including published and unpublished articles, books, notes, and relevant literature. This secondary data enriched the overall understanding of financial conditions, providing a broader context for our study. Furthermore, we sought valuable insights through key informant interviews. These interviews involved 20 participants representing a diverse array of stakeholders within the context of Gangni Pourashava. The participants included municipal officials, representatives, academicians, civil society members, and researchers. The primary objective of these interviews was to gain an in-depth understanding of the challenges faced by Gangni Pourashava concerning its financial condition. This qualitative dimension of the research added depth and context to complement the quantitative analysis derived from the surveys.

## 3.3 Population and Sampling

Sampling is an indispensable aspect of research that involves the deliberate selection of a subset of individuals or elements from a larger population to represent and provide insights into the entire population. This approach offers several advantages, including increased research efficiency, cost-effectiveness, and the ability to obtain valuable information from a manageable subset of the population when surveying the entire population is impractical. In this research, a purposive sampling approach was chosen, resulting in a sampling size of 180. The decision to employ purposive sampling was driven by the specific nature of the study, which centered on evaluating the financial condition of Gangni Pourashava in the Meherpur District. This particular approach involves intentionally selecting individuals based on predefined criteria, with a focus on capturing specific groups with the necessary information and insights relevant to the study's objectives. The chosen sampling method allowed for the inclusion of individuals who were best positioned to provide in-depth knowledge and expertise related to the financial condition of Gangni Pourashava.

## 3.4 Data Analysis

In order to enhance the ease and meaningfulness of data visualization, the collected data was presented using statistical charts, tables, and other tools. To eliminate inconsistencies, the data was meticulously examined. For the analysis of both qualitative and quantitative data sets, a variety of statistical tools were employed, alongside advanced software such as Microsoft Word and Excel. Several statistical operations, including editing, classification, and tabulation, were performed once the data had been processed.

## 4. RESULT

### 4.1 Sociodemographic information

Table 1 presents the sociodemographic information of the 160 participants in the study, offering insight into key features of the research sample. Notably, the gender distribution indicates a slightly high presentation of male participants at 56.25%, showcasing a balanced yet distinct gender composition. The age groups exhibit an even distribution, enabling a comprehensive analysis across various life stages, with the largest cohort falling within the 41-50 age range, accounting for 26.88% of the participants. Diverse educational backgrounds are evident in the literacy variable, with more than 20% of participants holding an undergraduate degree

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or higher, higher secondary, and secondary school education, aligning the percentages effectively for comparative research. The income distribution demonstrates variation, with 25% of participants reporting an income of more than 20,000, and approximately 20% reporting incomes between 5,000 and 14,999, reflecting a broad financial spectrum. These salient features in Table 1 offer valuable insights into the sociodemographic makeup of the study, which is crucial for assessing the potential impact of these factors on research outcomes.

**Table 1 Socio-Demographic Information of the Respondents**

Indicators	Variables	Frequency (n)	Percentage (%)
<b>Gender</b>	Male	90	56.25
	Female	70	43.75
<b>Age</b>	20-30	38	23.75
	31-40	39	24.38
	41-50	43	26.88
	51-60	40	25.00
<b>Literacy</b>	Illiterate	18	11.25
	Primary	27	16.88
	SSC	37	23.13
	HSC	40	25.00
<b>Income</b>	Undergraduate or above	38	23.75
	<5000	26	16.25
	5000-9999	33	20.63
	10000-14999	32	20.00
	15000-19999	29	18.13
	>20000	40	25.00

### 4.2 Financial condition of the municipality

Table 2 offers a structured depiction of the financial performance of Gangni Pourashava over the fiscal years 2020-21, 2021-22, and 2022-23, with a focus on two pivotal financial ratios: the cash ratio and the revenue to expenditure ratio. The cash ratio serves as a measure of Gangni Pourashava's liquidity, signifying the extent to which its liquid assets, encompassing cash and cash equivalents, can satisfy its short-term debts. Maintaining this ratio above 0.20 is imperative to evade cash shortages, particularly significant for municipal entities (Sunmola, 2021). A notable facet of the table is the consistent presence of a cash ratio above 0.20, culminating at its highest point of 1.02 in the fiscal year 2021-22. On the other hand, the revenue to expenditure ratio assumes a crucial role by gauging the relationship between the total revenue and total expenditure of the Pourashava. This ratio furnishes valuable insights into the Pourashava's adeptness in managing expenses concerning the revenue generated (Yasin, 2020). When this ratio exceeds 1, it suggests that the Pourashava's revenue surpasses its expenditures, reflecting efficacious cost management and financial soundness. A ratio equivalent to 1 denotes equilibrium between revenue and expenditure, whereas a ratio lower than 1 implies that expenditure outstrips revenue, potentially signifying financial challenges (Gunerath & Wickremasing).

The table unveils that in the fiscal year 2020-21, the ratio equates to 1, indicating an equilibrium between revenue and expenditure. Subsequently, in the following fiscal year, 2021-22, the ratio transcends 1, reflecting the Pourashava's adept financial management. In the fiscal year 2022-23, the ratio persists above 1, though marginally less than the preceding fiscal year, 2021-22. These financial metrics not only highlight Gangni Pourashava's sound financial health, characterized by a healthy cash ratio, but also affirm its capacity to judiciously manage revenue in relation to expenditure, reflecting prudent financial stewardship and fiscal sustainability.

**Table 2: Financial performance of the municipality**

Fiscal year	Cash ratio	Revenue to expenditure ratio
2020-21	1.0024	1.003439
2021-22	1.02	1.0214
2022-23	1.0107	1.010772

Additionally, Table 3 provides a snapshot of Gangni Pourashava's financial performance over three consecutive years, namely 2020-2021, 2021-2022, and 2022-2023. It specifically highlights two key financial indicators: per capita revenue and per capita expenditure. In 2020-2021, the per capita revenue stood at 512.46, reflecting the amount of revenue collected per resident. Simultaneously, the per capita expenditure was 510.01, indicating the financial investment in services and infrastructure within the Pourashava. Moving to the subsequent year, 2021-2022, the per capita revenue increased significantly to 877.14, signifying a notable improvement in revenue collection per resident. The per capita expenditure also rose to 858.21, showcasing a higher allocation of

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financial resources for services and infrastructure. The most recent year, 2022-2023, exhibited a further substantial growth in per capita revenue, reaching 1658.75, marking a considerable positive financial trend for Gangni Pourashava. Concurrently, the per capita expenditure rose to 1641.11, signifying a continued commitment to investing in services and infrastructure. These key features underline a favorable financial trajectory, with increasing per capita revenue and expenditure over the three years, indicative of the Pourashava's improving financial health and its capacity to support essential services and infrastructure projects.

**Table 3: Overall per capita revenue and expenditure in the fiscal year**

Year	Per capita revenue	Per capita expenditure
2020-2021	512.46	510.01
2021-2022	877.14	858.21
2022-2023	1658.75	1641.11

### 4.3 Perception of General Citizen

Table 4 provides valuable insights into how citizens perceive the financial condition of the municipality. This table encapsulates the collective sentiment of the general population regarding various aspects of the municipality's financial management and budget allocation. An analysis of the key features reveals a nuanced and multifaceted perception. Fiscal responsibility emerges as a major concern, with a significant portion (30%) of citizens perceiving it as very poor. This indicates a substantial level of dissatisfaction with the municipality's financial management. A combined 49.5% of citizens view fiscal responsibility as very poor to poor, highlighting widespread apprehensions about financial challenges. This finding suggests the need for substantial improvements in the way the municipality manages its finances. Financial transparency presents a more divided perception among citizens. While 24.5% perceive it as poor, a noteworthy 18.5% view it as very good. This divergence indicates a range of opinions, with some citizens having confidence in the transparency of financial management, while others harbor concerns. Resource allocation, on the other hand, draws the largest neutral perception at 29.5%. This suggests that a significant portion of citizens maintains a middle-of-the-road opinion regarding how resources are allocated. However, a combined 36% perceive resource allocation as very poor and poor, indicating that there are overarching concerns about the effectiveness of this aspect of financial management. Service value receives a substantial 34% of neutral responses, indicating that many citizens are undecided about the value they receive for the taxes they pay.

**Table 4: Perception of general citizen of financial condition (in percentage)**

Variables	Very Poor	Poor	Neutral	Good	Very Good
<b>Fiscal Responsibility</b>	30	19.5	23	15.5	11
<b>Financial Transparency</b>	15	24.5	23	19	18.5
<b>Resource Allocation</b>	15.5	20.5	29.5	19.5	15
<b>Service Value</b>	12.5	24	34	25	4.5
<b>Cost-Effectiveness</b>	13	32	35.5	15.5	4
<b>Citizen Participation</b>	27.5	20	24	19.5	8

In terms of cost-effective services, there is a small portion (4%) that perceives it as very good. Citizen participation emerges as a significant area of concern, with 27.5% perceiving it as very poor. This indicates a high level of dissatisfaction with their involvement in the municipality's financial decisions. In summary, Table 4 reflects the complex overview of citizen perceptions regarding the municipality's financial condition. It highlights the importance of addressing concerns related to fiscal responsibility and citizen participation while maintaining efforts to improve financial transparency, resource allocation, and service value. This detailed perception analysis is invaluable for policymakers and municipal authorities aiming to align financial management with citizens' expectations and needs.

### 4.4 Major Challenges

Table 5 shows the major challenges of the municipality identified by key informants. These challenges shed light on critical issues that impact the financial condition and management of the municipality. Each challenge, represented as a percentage of the total, signifies the magnitude of concern associated with specific financial obstacles. The cumulative percentage provides a holistic view of the overarching financial challenges faced by the municipality. The most prominent challenge, accounting for 22% of the total, is the need to take government grants. This indicates a heavy reliance on external financial support to maintain the municipality's operations. Insufficient funds closely follow, at 20%, revealing the municipality's struggle to meet financial obligations due to



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inadequate resources, highlighting the pressing need for financial resource enhancement. Furthermore, less revenue collection constitutes 22% of the challenges, signifying a substantial dependence on external funding sources and a deficiency in internal revenue generation. The challenges of corruption and lack of accountability hold 8% and 10%, respectively, indicating concerns about ethical financial practices and transparency. Resistance to change and complex bureaucracy, both at 10%, suggest internal barriers that hinder the municipality's adaptability to evolving financial practices. The challenge of not involving citizens comprises 4%, implying a need for improved citizen engagement in financial decisions. Collectively, take government grants, insufficient funds, and less revenue collection constitute 68% of the challenges, emphasizing the financial vulnerability and reliance on external financial support. In conclusion, Table 5 presents a comprehensive view of the municipality's financial challenges, emphasizing the necessity of addressing funding gaps, promoting transparency, and encouraging citizen participation. It highlights the multifaceted nature of financial hurdles faced by the municipality and provides valuable insights for policymakers and municipal authorities aiming to enhance financial stability and resilience.

**Table 5: Major financial challenges of the municipality**

Challenges	Percent	Cumulative Percent
Take government grants	22%	22.0
Insufficient funds	20%	42.0
Complex bureaucracy	4%	46.0
Corruption	8%	54.0
Lack of accountability	10%	64.0
Not involving citizens	4%	68.0
Less revenue collection	22%	90.0
Resistance to change	10%	100.0
<b>Total</b>	<b>100</b>	<b>100</b>

### 5. DISCUSSION

This study conducted an assessment of the financial statements of Gangni Pourashava in Bangladesh. The findings reveal that the institution is currently unable to deliver the services that citizens expect from the municipality. The primary objective behind establishing municipalities is to ensure the provision of essential services at the grassroots level, and Gangni Pourashava was formed with this very purpose in mind. However, the residents of this municipality express dissatisfaction with the services provided. A significant number of them believe that financial issues are the primary impediments preventing the municipality from functioning as an autonomous institution. The residents have identified various weaknesses within Gangni Pourashava, including undefined functions, a lack of citizen participation, instances of corruption, inadequate resource allocation, coordination challenges between the Mayor and Councillors, Upazila Chairman, and Zilla Parishad Chairman, as well as a shortage of essential data for effective municipal management. Furthermore, they observe that budget planning is not conducted with a focus on priorities and citizen participation. The tax sector is also identified as an area of concern, and some residents believe that the councillors in reserved women's seats lack competence. There is a perceived decline in social responsibility within the community, and transparency and accountability are lacking (Islam, 2019; Rahman et al., 2020). These weaknesses are closely linked to financial instability, with financial problems being a root cause. Additionally, most of the officials responsible for providing services within Gangni Pourashava acknowledge that the current income is insufficient for the proper management of the municipality. They emphasize that government grants allocated to the municipality are inadequate, which further compounds their challenges. The officials also highlight difficulties encountered during the process of tax collection. These collective issues paint a complex picture of the municipality's financial condition, indicating that financial challenges in allocation of resources have far-reaching implications on its ability to deliver essential services and meet the expectations of the residents.

The findings of this study also provide valuable insights into the financial challenges faced by Gangni Pourashava, highlighting a significant struggle with financial stability. It becomes evident that a substantial portion of the population in Gangni experiences difficulties in the decision-making process, primarily due to a lack of financial responsibility. The lack of responsibility in financial transactions is a critical issue in Bangladesh that significantly contributes to the municipality's ongoing financial challenges, as pointed out by Mamun and Chowdhury (2022). Moreover, the research brings to light another concerning aspect, revealing a limited level of citizen participation in the fiscal decision-making processes within the municipality. This lack of citizen input in budgeting and resource allocation further exacerbates the financial problems faced by Gangni Pourashava. In light of these issues, the municipality has been grappling with a consistently poor financial performance, which poses a severe challenge to its overall development and service provision. To address these concerns effectively, it is imperative to implement measures that enhance financial responsibility and encourage citizen involvement in budgetary and resource allocation processes. Such steps can pave the

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way for improved financial stability and more robust decision-making practices within Gangni Pourashava, ultimately contributing to the municipality's overall well-being and development.

Additionally, key informant interviews uncovered significant challenges for the municipality, including heavy reliance on government grants, issues related to revenue collection, and insufficient funding. These challenges highlight the need for comprehensive solutions to enhance financial stability and sustainability within Gangni Pourashava. In summary, the study highlights a multifaceted financial landscape within the municipality, where various solvency measures and citizen perceptions do not always align. It suggests that addressing financial challenges goes beyond the availability of resources and requires a comprehensive understanding of the local context and effective strategies for financial management and service delivery.

### 6. CONCLUSION

This research sheds light on the financial condition and management of Gangni Pourashava, offering valuable insights into its strengths and challenges. This research goes beyond the surface and delves deep into the intricate financial landscape of Gangni Pourashava, offering a comprehensive understanding of its financial health and management practices. In doing so, it uncovers both the municipality's strengths and challenges, providing a nuanced perspective on its fiscal journey. One of the bright spots revealed by the study is the positive flight in per capita revenue and expenditure. This indicates the municipality's commitment to invest in essential services and infrastructure for the betterment of its residents. It showcases a proactive approach towards community development and improving the quality of life for its citizens. This positive momentum is undoubtedly an asset to be harnessed and built upon. However, this research also unveils a multifaceted outlook when it comes to citizen perceptions. While there is an evident commitment to improving the quality of life, there are concerns related to fiscal responsibility and the need for enhanced citizen involvement in financial decisions. This demonstrates the complexity of the financial landscape which unearths some major financial challenges that Gangni Pourashava faces. These challenges include heavy reliance on government grants, insufficient funds, and transparency issues. Such issues accentuate the critical need for the development and implementation of comprehensive strategies to enhance financial stability. Achieving this financial stability is not only a matter of securing financial resources but also hinges on effective financial management, increased transparency, and active citizen engagement. Strengthening the financial condition of Gangni Pourashava is not merely a financial endeavor; it is vital for fulfilling the municipality's mandate of providing essential services, improving residents' well-being, and contributing to regional development. The research findings should serve as a valuable resource for policymakers and municipal authorities, offering insights that can guide their efforts in addressing these challenges and achieving their goals. By working collaboratively with the community and adopting the lessons learned from this research, Gangni Pourashava can move closer to realizing its vision of a financially stable, prosperous, and vibrant municipality that truly serves the needs and aspirations of its residents.

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