

COUNTY GOVERNMENT OF KILIFI



THE COUNTY TREASURY

QUARTER ONE BUDGET IMPLEMENTATION REPORT FINANCIAL YEAR 2019/20

SEPTEMBER 2020

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1. INTRODUCTION

The Quarterly Budget Implementation Report is published in accordance to Section 104(1) (r) of the Public Finance Management (PFM) Act, 2012 which requires a County Treasury to monitor, evaluate and oversee the management of public finances and economic affairs of the county government including reporting regularly to the County Assembly on the implementation of the Annual County Budget; and Section 166 of the same Act which states;

1. An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity.
2. In preparing a quarterly report for a county government entity, the accounting officer shall ensure that the report—
 - a) contains information on the financial and non-financial performance of the entity; and
 - b) is in a form determined by the Accounting Standards Board.
3. Not later than fifteen days after the end of each quarter, the accounting officer shall submit the quarterly report to the County Treasury.
4. Not later than one month after the end of each quarter, the County Treasury shall—
 - a) Consolidate the quarterly reports and submit them to the County Assembly;
 - b) Deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation; and
 - c) Publish and publicize them.

5. In the case of an entity that is a County Corporation, the accounting officer for the corporation shall also submit a copy of the quarterly report to the County Executive Committee member responsible for the corporation, who, upon approving it, shall submit a copy to the County Treasury.

2. FISCAL PERFORMANCE

REVENUE

In the FY 2019/20, the County estimated to collect own source revenue amounting to KSHS. 1,100,000,000. However, the County fell short of meeting its target by 28%. The total collection for the financial year was KSHS. 788,782,226 which was spread out between the four quarters.

Local Revenue collection

The total collection from local sources for the period under review was KSHS. 188,860,641. During the period under review, the highest revenue stream was Cess on Natural Resources where a total of KSHS. 85,058,281 was realized. HSIF and Land rates also recorded high collections in the year under review of KSHS. 29,579,967 and KSHS. 32,486,326 respectively. On the sale of tender documents, no amount was collected with that being attributed the process being taken online. Refuse Collection and food hygiene fees registered the lowest amounts of the revenue collection in the first quarter recording KSHS. 239,525 and KSHS. 216,400 respectively.

Own Revenue Collection Summary

KILIFI COUNTY GOVERNMENT	
REVENUE ANNUAL ACCOUNTS REPORT	
FOR THE FIRST QUARTER OF F/Y 2019-2020	
REVENUE CLASS	Q1
HSIF	29,579,967
Land Rates and other Land Revenue	32,486,326
Cess on natural resources	85,058,281
Business Permit	3,814,385
Parking fees	10,292,219
Market fees	2,845,868
Billboards & Signage	3,700,059
Building Plan approval and Inspection	1,372,834
Rent/Stall rents	1,687,900
Survey fees and plot rents	247,250
Sale of Tender Documents	-
Plot ground rent	1,118,394
House rent	8,564,323
Refuse Collection	239,525
Food Hygiene Fees	216,400
Slaughter House and Livestock sale Yards	305,540
Others	7,331,370
TOTAL	188,860,641

EXPENDITURE

Analysis of Expenditure for Q1

DEPARTMENT	RECURRENT	DEVELOPMENT
COUNTY ASSEMBLY	-	-
OFFICE OF THE GOVERNOR	13,820,964	-
COUNTY ATTORNEY	15,382,393	-
FINANCE	7,870,074	-
ECON. PLANNING	707,770	-
AGRICULTURE	52,701,229	-
LIVESTOCK	96,600	-
FISHERIES	-	-
WATER AND SANITATION	19,394,630	-
ENVIRONMENT	715,200	-
EDUCATION AND ICT	195,753,774	-
ICT		
MEDICAL SERVICES	520,564,701	-
PUBLIC HEALTH	-	-
ROADS	12,508,938	
Lands, energy	401,171	-
Physical planning	-	-
GENDER	3,498,818	-
Trade	11,130,532	35,000,000
COOPERATIVES	-	-

CPSB	6,718,569	-
Public Service Management	40,009,413	-
Devolution & Disaster Management	-	-
3134 Kilifi Municipality	-	-
3135 Malindi Municipality	-	-
TOTAL QUARTER 1	901,274,776	35,000,000

Recurrent Expenditure

The health department recorded the highest amount of recurrent expenditure. Its spending was at KSHS. 520,564,701. Other departments that recorded high amount of spending on recurrent expenses were the Education and Agriculture departments having spent KSHS. 195,753,774 and KSHS. 52,701,229 respectively. Total recurrent expenditure in the first quarter amounted to KSHS. 901,274,776.

Development Expenditure

Trade is the only department that spent any amount in development in the first quarter of the FY 2019/20, spending KSHS. 35,000,000 which was spent on the Mbegu fund. The insignificant development spending in the first quarter can be attributed to failure by the exchequer to disburse funds for development.

3. CHALLENGES AND WAYFORWARD

Challenges

In the FY 2019/20, the operations of the county encountered the following challenges:

- i. Collection of revenue was lower than its target.
- ii. Late disbursement of cash from the exchequer. Development funds were not disbursed on time heavily impacting the first quarter.

Way forward

- i. Comply with fiscal requirement to ensure timely disbursement of funds from the exchequer.
- ii. Coming up with new ways to collect revenue and new revenue streams.