

# **COUNTY GOVERNMENT OF KILIFI**



## **THE COUNTY TREASURY**

---

### **THIRD QUARTER BUDGET IMPLEMENTATION REPORT FINANCIAL YEAR 2019/20**

---

**SEPTEMBER 2020**

## Table of Contents

<b>1. INTRODUCTION.....</b>	<b>3</b>
<b>2. FISCAL PERFORMANCE .....</b>	<b>5</b>
REVENUE.....	5
Local Revenue collection.....	5
Own Revenue Collection Summary .....	5
Development Expenditure .....	8
<b>3. CHALLENGES AND WAYFORWARD .....</b>	<b>9</b>
Challenges .....	9
Way forward.....	9

## **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 with the fourth quarter of the year experiencing a lower collection compared to the rest of the year this being attributed to the challenge of the COVID-19 pandemic impacting the County's revenue collection.

### **Local Revenue collection**

The total collection from local sources for the period under review was KSHS. 288,355,320. During the period under review, the highest revenue stream was Land Rates and other Land Revenue where a total of KSHS. 79,770,472 was realized whereas the lowest was Survey fees and plot rents KSHS. 194,698. The collection from Business permits was at its peak in this quarter with most people taking their business permits at the start of the calendar year.

### **Own Revenue Collection Summary**

**KILIFI COUNTY GOVERNMENT  
REVENUE ANNUAL ACCOUNTS REPORT  
FOR THE FINANCIAL YEAR 2019-2020**

---

<b>REVENUE CLASS</b>	<b>Q3</b>
HSIF	41,331,678

---

Land Rates and other Land Revenue	79,770,472
Cess on natural resources	72,738,771
Business Permit	35,847,916
Parking fees	9,549,245
Market fees	2,492,695
Billboards & Signage	13,052,467
Building Plan approval and Inspection	1,530,158
Rent/Stall rents	2,452,600
Survey fees and plot rents	194,698
Sale of Tender Documents	-
Plot ground rent	4,024,617
House rent	6,543,702
Refuse Collection	2,219,095
Food Hygiene Fees	2,526,100
Slaughter House and Livestock sale Yards	250,240
Others	13,830,866
<b>TOTAL</b>	<b>288,355,320</b>

## **EXPENDITURE**

### **Analysis of Expenditure for Q3**

<b>DEPARTMENT</b>	<b>RECURRENT</b>	<b>DEVELOPMENT</b>
OFFICE OF THE GOVERNOR	73,375,411	-
COUNTY ATTORNEY	7,248,661	-
FINANCE	80,470,272	-

ECON. PLANNING	2,108,358	-
AGRICULTURE	66,502,852	227,313,106
LIVESTOCK	3,456,727	48,347,500
FISHERIES	2,834,087	8,625,525
WATER AND SANITATION	60,016,711	138,695,919
ENVIRONMENT	21,810,871	-
EDUCATION AND ICT	335,772,481	48,244,151
ICT	216,600	-
MEDICAL SERVICES	641,138,126	107,837,940
PUBLIC HEALTH	36,813,469	-
ROADS	154,408,478	35,174,936
Lands,energy	48,199,719	-
Physical planning	43,042,100	-
GENDER	25,195,239	51,471,969
Trade	-	107,685,589
COOPERATIVES	3,322,925	-
CPSB	(685,436)	-

Public Service Management	316,277,822	-
Devolution & Disaster Management	9,107,594	-
3134 Kilifi Municipality	-	-
3135 Malindi Municipality	-	-
	<b>1,930,633,066</b>	<b>773,396,635</b>

### **Recurrent Expenditure**

The health department recorded the highest amount of recurrent expenditure. Its spending was at KSHS. 641,138,126 whereas ICT department recorded the least amount with a spending of KSHS. 216,600. CPSB recorded a negative amount of KSHS. 685,436. Total recurrent expenditure amounted to KSHS. 1,930,633,066.

### **Development Expenditure**

Agriculture department had the highest development expenditure amounting to KSHS. 227,313,106 whereas Fisheries department had the least development expenditure of KSHS. 8,625,525. Total development expenditure for the FY 2019/20 was KSHS. 773,396,635.



### **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. Only 72 percent of the estimated revenue was collected.
- 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.