

COUNTY GOVERNMENT OF KILIFI



THE COUNTY TREASURY

QUARTER II BUDGET IMPLEMENTATION REPORT FINANCIAL YEAR 2019/20

SEPTEMBER 2020

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1. INTRODUCTION

The Quarter II 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 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. 165,567,247. During the period under review, the highest revenue stream was Cess on Natural Resources where a total of KSHS. 67,993,595 was realized. HSIF and House Rent also recorded high collections in the year under review of KSHS. 58,200,467 and KSHS. 7,419,120 respectively. On the sale of tender documents no amount was collected with that being attributed the process being taken online.

Own Revenue Collection Summary

KILIFI COUNTY GOVERNMENT	
REVENUE ANNUAL ACCOUNTS REPORT	
FOR THE FINANCIAL YEAR 2019-2020	
REVENUE CLASS	Q2
HSIF	58,200,467

Land Rates and other Land Revenue	6,920,985
Cess on natural resources	67,993,595
Business Permit	2,689,227
Parking fees	7,385,867
Market fees	2,526,569
Billboards & Signage	1,244,064
Building Plan approval and Inspection	1,002,339
Rent/Stall rents	1,244,450
Survey fees and plot rents	264,200
Sale of Tender Documents	-
Plot ground rent	1,365,221
House rent	7,419,120
Refuse Collection	250,600
Food Hygiene Fees	155,900
Slaughter House and Livestock sale Yards	355,575
Others	6,549,068
TOTAL	165,567,247

EXPENDITURE

Analysis of Expenditure for Q2

DEPARTMENT	RECURRENT	DEVELOPMENT
	ACTUAL Q2 EXPENDITURE	ACTUAL Q2 EXPENDITURE
COUNTY ASSEMBLY	-	-

OFFICE OF THE GOVERNOR	103,053,065	-
COUNTY ATTORNEY	38,688,066	-
FINANCE	53,847,837	-
ECON. PLANNING	2,162,076	-
AGRICULTURE	23,168,989	-
LIVESTOCK	7,542,277	-
FISHERIES	3,819,058	2,020,000
WATER AND SANITATION	54,967,582	19,355,937
ENVIRONMENT	16,213,400	-
EDUCATION AND ICT	129,931,312	22,770,518
ICT	244,600	-
MEDICAL SERVICES	532,191,942	87,113,507
PUBLIC HEALTH	124,049,805	-
ROADS	47,940,703	179,683,182
Lands,energy	20,553,956	-
Physical planning	2,369,182	-
GENDER	30,384,596	-
Trade	19,138,958	10,354,413
COOPERATIVES	2,670,205	-
CPSB	6,379,851	-
Public Service Management	51,760,389	-
Devolution & Disaster Management	136,766,686	8,015,686
3134 Kilifi Municipality	-	-

3135 Malindi Municipality	-	-
TOTAL	1,407,844,534	329,313,242

Recurrent Expenditure

The health department recorded the highest amount of recurrent expenditure. Its spending was at KSHS. 532,191,942. The other department that recorded high amount of spending on recurrent expenses was Education having spent KSHS. 129,931,312. The total recurrent expenditure for quarter II was Ksh. 1,407,844,534.

Development Expenditure

The department of roads recorded the highest amount of development expenditure. Its spending was at KSHS. 179,683,182. The other department that recorded high amount of spending on development expenses was Medical services having spent KSHS. 87,113,507. The total development expenditure for quarter II was Ksh. 329,313,242.

3. CHALLENGES AND WAYFORWARD

Challenges

In the 2nd Quarter of FY 2019/20, the operations of the county encountered the following challenges:

- i. Late disbursement of cash from the excchequer. 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 excchequer.
- ii. Coming up with new ways to collect revenue and new revenue streams.