

REPUBLIC OF KENYA



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DEPARTMENT OF FINANCE AND ECONOMIC PLANNING
COUNTY TREASURY**

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REF: MCG/BD/2020-21/VOL.1 (29)

Date: 21st October, 2020

The Clerk
Machakos County Assembly
P.O. Box 1168-90100
MACHAKOS

RE: MACHAKOS COUNTY BUDGET REVIEW AND OUTLOOK PAPER 2020

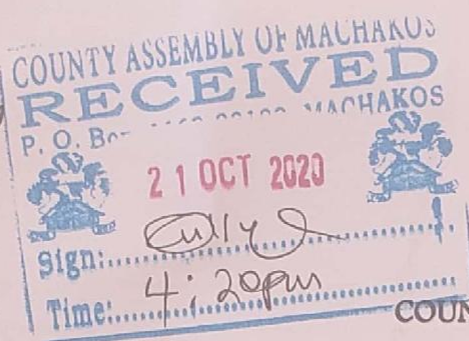
Reference is made to the Public Finance Management Act 2012 section 118 (4a) that requires County Treasury to arrange for the County Budget Review and Outlook Paper to be laid before the County Assembly.

Forwarded find the County Budget Review and Outlook Paper 2020 as approved by the County Executive Committee for the County Assembly's consideration.



Jacinta Masila

For: CECM-Finance and Economic Planning



THE COUNTY TREASURY

COUNTY BUDGET REVIEW AND OUTLOOK PAPER

SEPTEMBER, 2020

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To obtain copies of the document, please contact;
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County Government of Machakos
P. O. Box 1996-90100-MACHAKOS-KENYA

Copies of this document can also be downloaded from the county's website:
www.machakosgovernment.co.ke

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ABBREVIATIONS AND ACRONYMS

ADP	Annual Development Plan
AfCFTA	African Continental Free Trade Area
AU	African Union
CARA	County Allocation Revenue Act
CBROP	County Budget Review and Outlook Paper
CECMF	County Executive Committee Member for Finance
CFTA	Continental Free Trade Area
CFSP	County Fiscal Strategy Paper
CG	County Government
CIDP	County Integrated Development Plan
CoB	Controller of Budget
COFOG	Classification of Functions of Government
CRA	Commission on Revenue Allocation
CRF	County Revenue Fund
DANIDA	Danish International Development Agency
Dev't	Development
ECDE	Early Childhood Development Education
FIF	Facility Improvement Fund
FY	Financial Year
GDP	Gross Domestic Product
ICT	Information Communication Technology
IFMIS	Integrated Financial Management System
IMF	International Monetary Fund
KCSAP	Kenya Climate Smart Agriculture Project
KDSP	Kenya Devolution Support Program
Kshs	Kenya Shillings
KUSP	Kenya Urban Support Project
MoDP	Ministry of Devolution and Planning
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
OSR	Own Source Revenue
PBB	Programme Based Budget
PFMA	Public Finance Management Act
Rec.	Recurrent
RMFLF	Road Maintenance Fuel Levy Fund
UDG	Urban Development Grant
UIG	Urban Institutional Grant
UNECA	United Nations Economic Commission for Africa

CHAPTER ONE

1.0 INTRODUCTION

A. Legal Basis for the Preparation and Publication of the County Budget Review and Outlook Paper

1. The County Budget Review and Outlook Paper is prepared in line with Section 118 of the Public Financial Management Act, 2012.
2. The Paper highlights;
 - a) Fiscal performance in the financial year 2019/2020 compared to the budget Appropriation for that year;
 - b) Updated economic and financial forecasts with sufficient information to show changes from the forecasts in the most recent County Fiscal strategy paper
 - c) Information on how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles or the financial objectives in the latest County Fiscal strategy paper; and
 - d) The reasons for any deviation from the financial objectives together with proposals to address the deviation and the time estimated to do so.

B. County Government Fiscal Responsibility Principles

In line with chapter 12 of the Constitution of Kenya, Section 107 of the Public Financial Management (PFM) Act, 2012

3. The County Government's recurrent expenditure shall not exceed the County Government's total revenue
4. Over the medium term, a minimum of 30% of the County budget shall be allocated to development expenditure
5. The County Government's expenditure on wages and benefits for public officers shall not exceed a percentage of the County Government revenue as prescribed by the regulations.

6. Over the medium term, the County Government's borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.

C. Objectives of the County Budget Review and Outlook Paper

7. The 2020 County Budget Review and Outlook Paper reviews the fiscal performance for the FY 2019/2020 and how the outcomes impacted the County's financial objective and fiscal responsibility principles as envisaged in the PFM Act 2012 and CFSP 2020.
8. Based on the indicative County resource envelope, the CBROP 2020 will also relay the primary sector ceilings for the FY 2021/2022 budget inclusive of indicative projections for the FY 2022/2023 and 2023/2024 MTEF period. These ceilings will set off the budget preparation process for the fiscal year 2021/2022.
9. The paper is organized into four chapters: Chapter II provides a review of fiscal performance in FY 2019/2020 and its implication on the 2020 CFSP financial objectives; Chapter III looks at the recent economic developments and the updated National and County macroeconomic outlook; while Chapter IV and V outlines the resource allocation framework in the medium term and the Conclusion respectively.

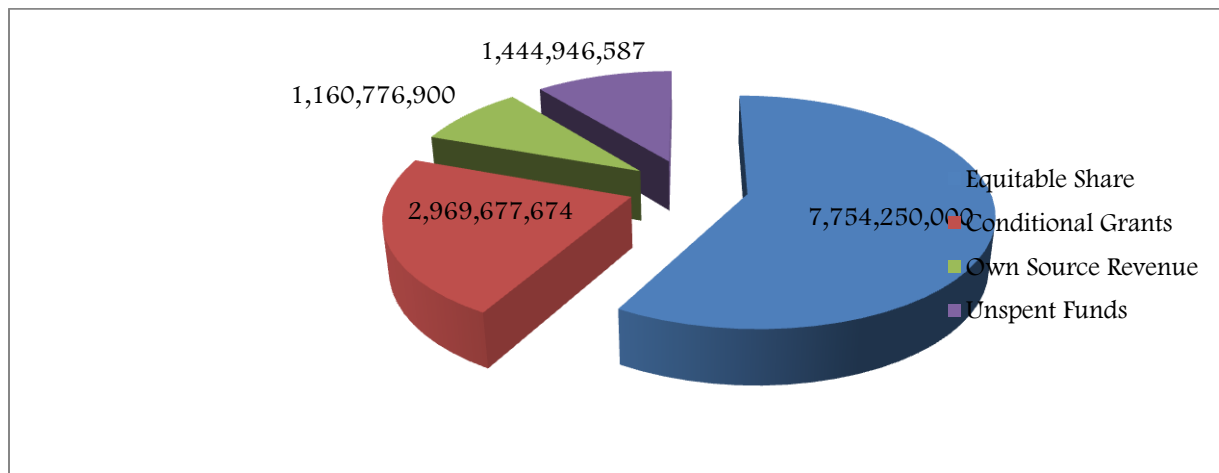
CHAPTER TWO

2.0 REVIEW OF FISCAL PERFORMANCE IN FY 2019/2020

Overview

10. The County's FY 2019/2020 Approved Budget was **Kshs.12.82 billion**, comprising of **Kshs.7.85 billion** (61 per cent) and **Kshs.4.97 billion** (39 per cent) allocation for recurrent and development expenditure respectively.
11. To finance the budget, the County expected to receive **Kshs.8.22 billion** (64 per cent) as equitable share of revenue raised nationally, **Kshs.2.39 billion** (19 per cent) as total conditional grants and generate **Kshs.2.21 billion** (17 per cent) from own revenue sources.
12. This was however revised to **Kshs. 7.75 billion**, **Kshs. 2.97 billion**, and **Kshs. 1.16 billion** for equitable share, conditional grants and owns source revenues respectively with additional **Kshs. 1.44 billion** as unspent balances in the previous financial year as highlighted in figure 1 below. The revision was occasioned by the emergence of COVID-19 pandemic which was bound to affect economic activities hence low revenue collections.

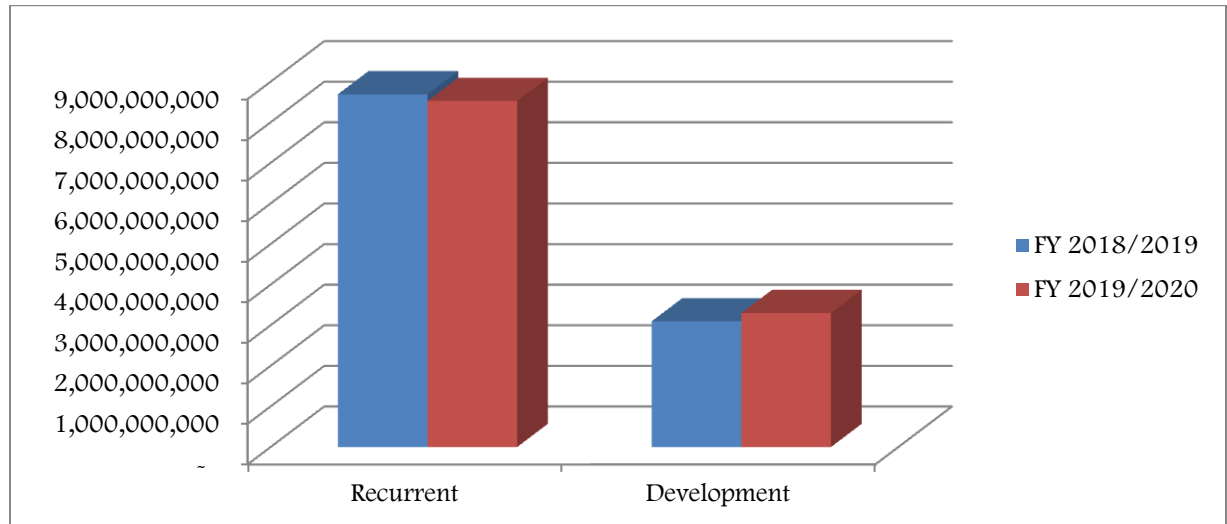
Figure 1: Supplementary Budget Revenue Sources FY 2019/2020



13. The overall budget execution increased by 10 percent from 78% in the FY 2018/2019 to 88% in the 2019/2020 financial year. The absorption of recurrent budget was **Kshs.**

8.55billion against a target of **Kshs. 8.63billion** while development stood at **Kshs. 3.19 billion** against a target of **Kshs. 4.69billion** representing 99% and 68% respectively.

Figure 2: Comparative County expenditure for FY 2018/19 and 2019/20(Amount in Kshs.



2.1 Fiscal Performance FY 2019/2020

2.1.1 Revenue performance

14. During the FY 2019/2020, the County realized total revenue of **Kshs. 12.26 billion** against a revised target of **Kshs. 13.33billion**. this comprised of **Kshs.7.09 billion** equitable share, **Kshs.2.19 billion** conditional grants, **Kshs.1.38 billion** own source revenue, and a cash balance of **Kshs.1.6 billion** from FY 2018/19.

Table 1: Fiscal Out-turn for the FY 2019/2020 (Amounts in Kshs.)

	Approved Budget 2019/20	Revised Budget 1 2019/20	Revised Budget 2 2019/20	Expenditure FY 2019/2020
Total Revenue	12,822,260,774	13,491,370,161	13,329,651,161	12,261,310,977
Equitable Share	8,223,915,000	7,754,250,000	7,754,250,000	7,087,384,500
Conditional Grants	2,385,681,028	2,683,596,674	2,969,677,674	2,194,383,272
Own Source Revenue	2,212,664,746	1,608,576,900	1,160,776,900	1,376,171,810
Unspent Balances B/f	-	1,444,946,587	1,444,946,587	1,603,371,394
Total Expenditure	12,822,260,774	13,491,370,161	13,329,651,161	11,744,054,168
Recurrent	7,850,709,244	8,105,621,418	8,634,977,192	8,550,381,962
County Assembly	911,145,156	911,145,156	911,145,156	865,644,994

	Approved Budget 2019/20	Revised Budget 1 2019/20	Revised Budget 2 2019/20	Expenditure FY 2019/2020
County Executive	6,939,564,088	7,194,476,262	7,723,832,036	7,684,736,968
Development	4,971,551,530	5,385,748,743	4,694,673,969	3,193,672,206
County Assembly	387,000,000	387,000,000	387,000,000	48,206,002
County Executive	4,584,551,530	4,998,748,743	4,307,673,969	3,145,466,204

Source: Machakos County Financial Statements FY 2019/2020

Figure 3: Comparative County Total Receipts in FY 2018/2019 and FY 2019/2020

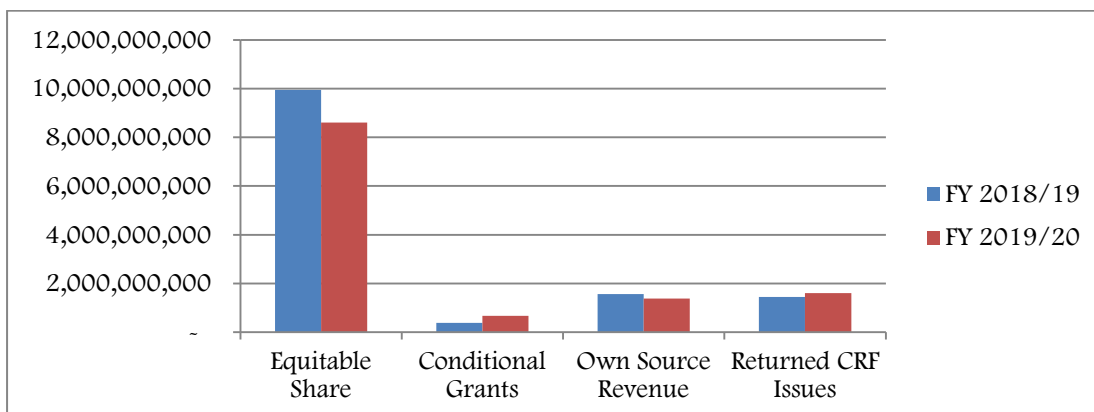
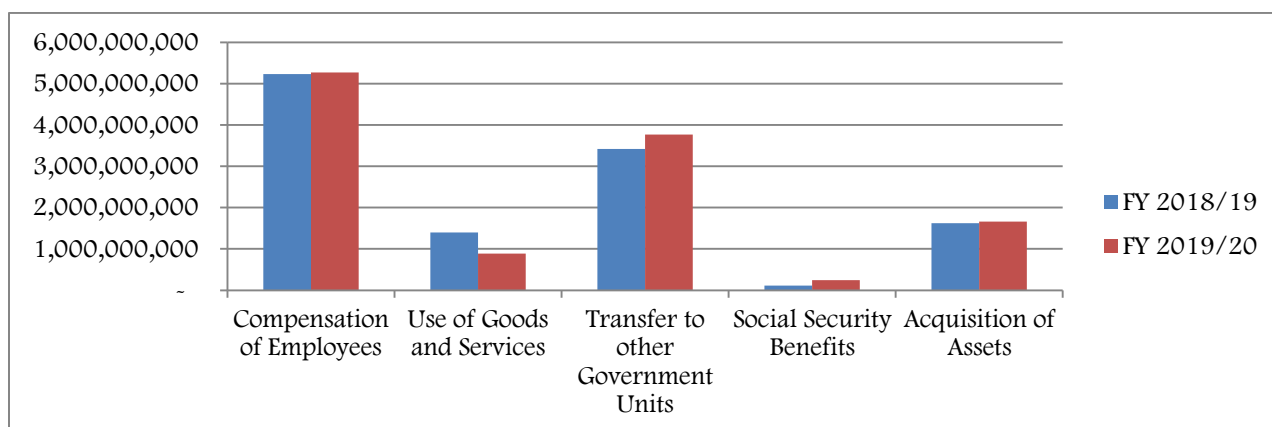


Figure 4: Comparative County Total Payments in FY 2018/2019 and FY 2019/2020



2.1.2 County Own Source Revenue

15. The county targeted to collect **Kshs. 2.21 billion** in the financial year 2019/2020 to supplement revenues expected from the national government through equitable share and conditional grants. This was revised to **Kshs. 1.61 billion** and as the effects of the COVID-19 increased towards the end of the third quarter, the county reviewed its target to **Kshs. 1.16 billion** in the fourth quarter of the financial year. The county total

collections were **Kshs. 1.38 billion** in the period under review which is 19 percent above the target.

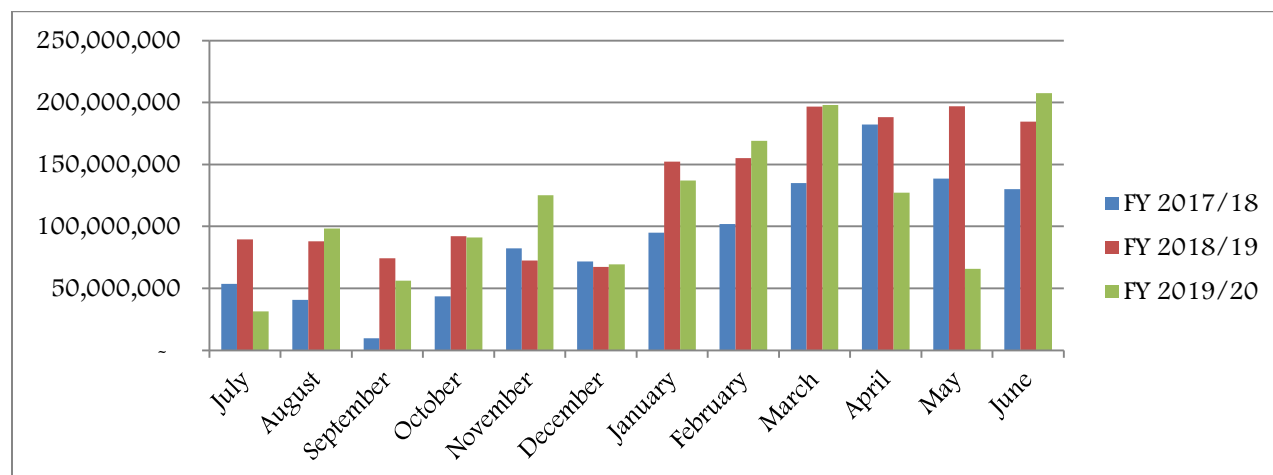
Table 2: County Own Source Revenue per Month

Month	FY 2017/18	FY 2018/19	FY 2019/2020
July	53,539,878	89,590,058	31,372,059
August	40,723,707	87,862,465	98,226,533
September	9,635,664	74,255,277	56,142,143
October	43,532,141	92,011,409	91,181,015
November	82,343,131	72,489,867	125,196,369
December	71,715,323	67,381,613	69,257,635
January	94,833,260	152,237,553	137,151,168
February	101,903,369	155,043,113	169,093,951
March	134,984,303	196,686,805	197,953,152
April	182,325,103	188,124,177	127,347,795
May	138,579,517	197,034,130	65,685,264
June	130,089,449	184,495,174	207,564,726
TOTAL	1,084,204,845	1,557,211,641	1,376,171,810

Source: Machakos County Financial Statements FY 2019/2020

16. On monthly basis, revenue collections performed better from the month of January with the highest collections being realized in March for both 2018/2019 and 2019/2020 financial years. This scenario can be attributed to the fact that most single business permits are renewed during this period. Figure 4 below gives a comparative analysis of own source revenues for the last three financial years on a monthly basis.

Figure 5: Comparative Monthly County Own Source Revenue Performance



17. On a quarterly basis, the county collections performed better in quarters three and four in the last three financial years as depicted in figure 5 below.

Table 3: County Own Source Revenue per Month

Quarter	FY 2017/18	FY 2018/19	FY 2019/2020
QTR. 1	103,899,249	251,707,800	185,740,735
QTR. 2	197,590,595	231,882,889	285,635,019
QTR. 3	331,720,932	503,967,471	504,198,271
QTR. 4	450,994,069	569,653,481	400,597,785
Total	1,084,204,845	1,557,211,641	1,376,171,810

Figure 6: Comparative Quarterly Revenue Performance

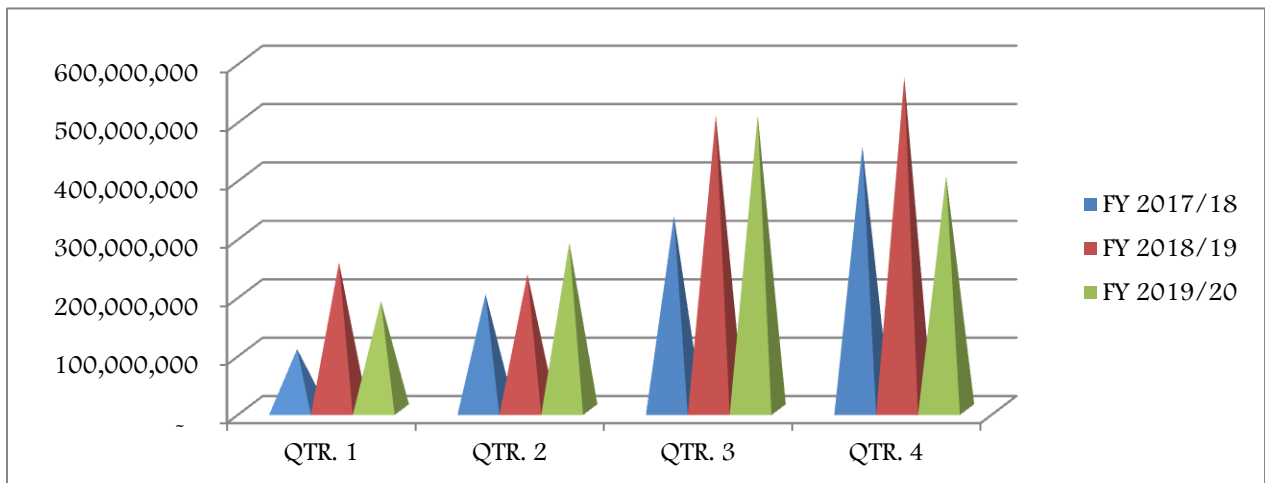
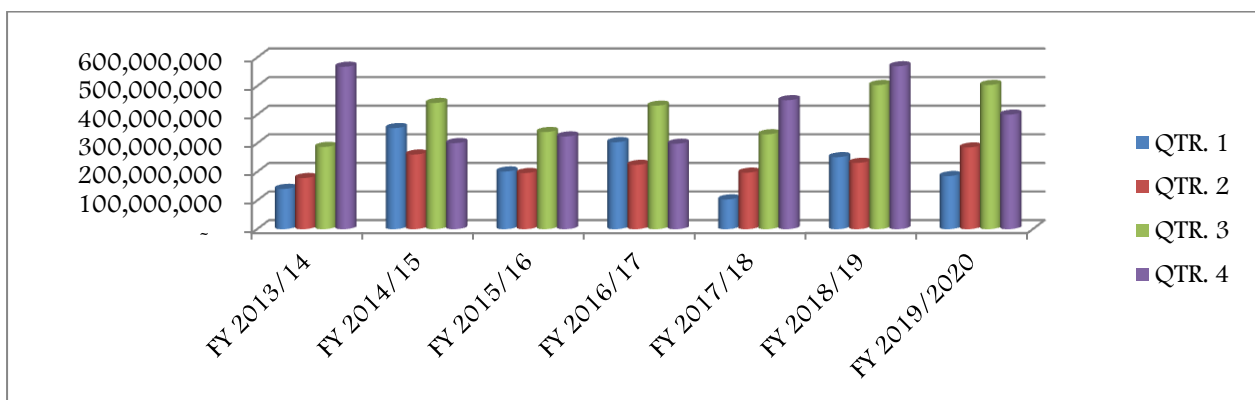


Figure 7: Trend in Yearly Own Source Revenue Collection



2.1.3 Conditional Grants

18. The County expected to receive **Kshs. 2.97 billion** as conditional grants while actual receipts amounted to **Kshs. 2.19 billion** representing a 74% performance. The individual performance of conditional grants is as indicated in table 3 below.

Table 4: Revenue Performance FY 2019/2020

Revenue Stream	Actual FY 2018/19	Approved Revenues FY 2019/2020	Revised Revenues 1 FY 2019/20	Revised Revenues 2 FY 2019/20	Actual Revenues FY 2019/20	Rate (%)
Equitable Share	8,321,000,000	8,223,915,000	7,754,250,000	7,754,250,000	7,087,384,500	91
Level 5 Hospital	383,583,815	383,583,815	477,561,850	477,561,850	383,583,813	80
Universal Healthcare in Devolved System Program	24,806,250	24,843,750	24,843,750	24,843,750	34,118,750	137
Transforming Health Systems for Universal Care Project	39,211,189	129,858,778	138,506,799	138,506,799	129,858,778	94
Kenya Devolution Support Program 1	-	83,423,784	98,982,811	98,982,811	30,000,000	30
Development of Youth Polytechnics	40,992,724	51,093,298	57,431,523	57,431,523	51,093,298	89
User Fees foregone	24,129,039	24,129,039	24,129,039	24,129,039	24,129,039	100
RMFLF	219,084,684	361,687,117	363,636,021	363,636,021	220,109,531	61
Agricultural Sector Development Project	7,684,832	17,869,663	25,554,495	25,554,495	17,308,053	68
Kenya Urban Support Programme-UDG	1,059,520,500	1,018,320,500	1,018,320,500	1,018,320,500	728,342,327	72
Urban Institutional Grant	-	8,800,000	50,000,000	50,000,000	8,800,000	18
Kenya Climate Smart Agriculture Project	41,070,411	150,156,390	188,681,926	188,681,926	112,892,547	60
Universal Health Care Project	168,066,134	-	84,033,066	84,033,066	168,066,136	200
Leasing of medical equipment	-	131,914,894	131,914,894	131,914,894	-	-

Revenue Stream	Actual FY 2018/19	Approved Revenues FY 2019/2020	Revised Revenues 1 FY 2019/20	Revised Revenues 2 FY 2019/20	Actual Revenues FY 2019/20	Rate (%)
Own Source Revenue	1,557,211,641	2,212,664,746	1,608,576,900	1,160,776,900	1,376,171,810	119
COVID-19 Allowances	-	-	-	97,560,000	97,560,000	100
COVID-19 Emergency Response	-	-	-	188,521,000	188,521,000	100
Unspent Funds	1,443,610,184	-	1,444,946,587	1,444,946,587	1,603,371,394	111
Total	13,329,971,403	12,822,260,774	13,491,370,161	13,329,651,161	12,261,310,976	92

Source: Machakos County Financial Statements FY 2019/2020

2.1.4 Expenditure Performance

19. Analysis of expenditure by economic classification shows that compensation of employees had the highest absorption rate at 100% followed by use of goods and services at 95% and finally acquisition of assets and non-financial assets at 68%. This was an improvement from the previous financial year (FY 2018/2019) where the county achieved an absorption rate of 98%, 85% and 52% for Compensation of employees, used of goods and services and acquisition of assets and non-financial assets respectively. This is tabulated in table 4 below.

Table 5: Expenditure Performance by Economic Classification for FY 2018/2019 and FY 2019/2020

Economic Item	Actual FY 2018/2019	Approved FY 2019/2020	Revised Estimates FY 2019/2020	Actual FY 2019/2020
Compensation of Employees	5,239,389,192	4,490,961,863	5,619,958,538	5,682,186,645
Use of goods and Services	4,924,864,200	3,359,747,382	3,015,018,675	2,868,195,317
Acquisition of Assets	1,623,733,886	4,971,551,530	4,694,673,948	3,193,672,206
Sub Total	11,787,987,278	12,822,260,775	13,329,651,161	11,744,054,168

Source: Machakos County Financial Statements FY 2019/2020

2.1.5 County Entities Expenditure Analysis

20. All county entities achieved an absorption rate of above 95% of their recurrent budget allocations hence 99% overall recurrent expenditure. On development expenditure, all

county entities achieved above 70% with exception of Health and County Assembly at 39% and 12% respectively. Table 5 below gives the detailed analysis of every county entity.

Table 6: Expenditure Performance for Period Ending 30th June, 2019 per County Entity

County Entity		Approved Budget FY 2019/20	Revised Estimates 1 FY 2019/20	Revised Estimates 2 FY 2019/20	Actual Expenditure FY 2019/20	Budget Execution %
Office of the Governor	Recurrent	552,706,200	552,706,199	562,706,199	558,112,387	99
	Development	5,422,300	5,422,300	5422300	5,234,967	97
	Total	558,128,500	558,128,499	568,128,498	563,347,354	99
County Public Service Board	Recurrent	59,009,725	55,341,042	52,074,133	50,826,976	98
	Development	10,000,000	7,647,903	-	-	-
	Total	69,009,725	62,988,944	52,074,133	50,826,976	98
Roads, Transport and Public Works.	Recurrent	202,268,477	180,551,951	159,286,031	158,634,117	100
	Development	1,364,097,057	1,257,786,139	1,360,802,629	1,101,426,987	81
	Total	1,566,365,534	1,438,338,090	1,520,088,660	1,260,061,104	83
Health Services and Emergency Services	Recurrent	3,368,590,374	3,395,512,272	3,540,992,099	3,535,456,315	100
	Development	586,173,909	643,719,406	734,106,046	284,766,161	39
	Total	3,954,764,283	4,039,231,678	4,275,098,145	3,820,222,476	89
Agriculture, Food Security and Co-operative Development.	Recurrent	383,449,083	369,505,035	339,547,931	334,596,037	99
	Development	354,525,927	362,765,786	255,474,498	188,169,287	74
	Total	737,975,010	732,270,821	595,022,429	522,765,324	88
County Assembly	Recurrent	911,145,156	911,145,156	911,145,156	865,644,994	95
	Development	387,000,000	387,000,000	387,000,000	48,206,002	12
	Total	1,298,145,156	1,298,145,156	1,298,145,156	913,850,996	70
Water, Irrigation, Environment and Natural Resources	Recurrent	122,720,525	112,863,059	109,792,679	106,330,896	97
	Development	500,220,026	810,180,177	404,344,963	354,332,955	88
	Total	622,940,551	923,043,236	514,137,642	460,663,851	90
Finance and Economic Planning.	Recurrent	556,162,299	480,662,299	473,937,094	471,286,368	99
	Development	89,738,163	89,738,163	87,546,843	68,323,126	78
	Total	645,900,462	570,400,462	561,483,937	539,609,494	96
Public Service, Quality Management and ICT	Recurrent	509,030,705	783,571,383	1,356,406,403	1,354,162,765	100
	Development	11,765,400	33,633,824	6,243,079	5,689,310	91
	Total	520,796,105	817,205,207	1,362,649,482	1,359,852,075	100
Tourism, Youth, Sports and Culture.	Recurrent	103,897,125	141,461,247	109,906,265	107,326,848	98
	Development	130,000,000	206,422,738	85,438,544	60,333,844	71
	Total	233,897,125	347,883,985	195,344,809	167,660,692	86
Trade, Industrialization and Innovation.	Recurrent	255,701,124	289,462,620	251,503,418	249,373,546	99
	Development	133,303,750	143,549,414	90,621,804	82,514,931	91
	Total	389,004,874	433,012,034	342,125,222	331,888,477	97
Education, Skills Training and Social Welfare	Recurrent	309,916,439	360,333,298	337,767,096	335,645,491	99
	Development	158,543,298	233,981,523	169,774,457	159,869,291	94
	Total	468,459,737	594,314,821	507,541,553	495,514,782	98
Energy, Lands,	Recurrent	120,506,865	160,182,216	143,937,316	139,569,416	97

County Entity		Approved Budget FY 2019/20	Revised Estimates 1 FY 2019/20	Revised Estimates 2 FY 2019/20	Actual Expenditure FY 2019/20	Budget Execution %
Housing and Urban Development.	Development	1,152,661,700	1,136,523,345	1,071,851,293	802,010,746	75
	Total	1,273,168,565	1,296,705,561	1,215,788,609	941,580,162	77
County Administration and Decentralized Units.	Recurrent	395,605,149	312,323,642	285,975,374	283,415,806	99
	Development	88,100,000	67,378,025	36,047,513	32,794,599	91
	Total	483,705,149	379,701,667	322,022,887	316,210,405	98
Total Recurrent		7,850,709,246	8,105,621,418	8,634,977,192	8,550,381,962	99
Total Development		4,971,551,530	5,385,748,743	4,694,673,969	3,193,672,206	68
County Total		12,822,260,776	13,491,370,161	13,329,651,161	11,744,054,168	88

Source: Machakos County Financial Statements FY 2019/2020

CHAPTER THREE

3.1 Recent Economic Developments and Fiscal Outlook

3.1.1 Introduction

21. This section gives an overview of recent economic developments, risks to the outlooks and medium-term fiscal framework. The County performance is largely dependent on her economic performance and the prudent policies formulated and implemented.

3.2 Macroeconomic outlook and policies

3.2.1 Global Economic Outlook

22. There was a sharp decline in world economic activity due to the Covid-19 pandemic. Global economic growth is projected at 4.9 percent in 2020 and is expected to pick up at 5.4 percent in 2021 as forecasted in IMF World Economic Outlook report June, 2020.

23. All regions are projected to experience negative growth in 2020 as the pandemic has caused uncertainty leading to declined consumption and services output due to the measures undertaken to contain the virus which have led to global decline in work hours and contraction in global trade.

3.2.2 Sub Saharan Africa Economic Outlook

24. The Sub-Saharan African region has not been spared the negative impact of the pandemic with the region projected to contract by 3.2 percent in 2020. However due to continue easing of restrictions enforced due to Covid-19, the economic growth in the region is expected to recover to 3.4 percent in 2021. (IMF Sub-Saharan Africa Economic Outlook, June 2020 Update).

3.2.3 East African Community Economic Outlook

25. The region has experienced disruptions of fiscal expenditure plans, revenue mobilization, supply chains and bi-international market demands due to Covid 19. This in-turn will lead to slow region growth which is projected at 1.2 percent in the baseline scenario and 0.2 percent in the worst-case scenario. A recovery of 3.7 percent in the baseline scenario and 2.8 percent in the worst-case scenario is however

projected in 2021 under the assumption that COVID-19 would be contained in the short-to-medium term.(East Africa Economic Outlook- Africa Development Bank July, 2020)

3.2.4 Domestic Economy Outlook

26. On the domestic scene, prior to the outbreak of Covid-19 pandemic, Kenya's economy was strong and resilient despite the challenging global environment. The economy expanded by 4.9 percent in the first quarter of 2020 supported by the agricultural sector on account of favorable weather conditions. 97. Leading economic indicators for the second quarter point to continued strong performance in agriculture, mainly due to favorable weather conditions and lifting of restrictions in the key export markets. However, the negative effects of covid-19 on the economy are projected to more than offset the gains in the agricultural sector leading to an overall projected growth, in calendar years, of 2.6 percent in 2020. However the economy is projected to rebound to 5.3 percent in 2021 and 5.9 percent over the medium term.

27. In terms of fiscal years, the economy is projected to grow by 4.0 percent in the FY 2020/21 and 5.9 percent over the medium term. The slowdown in the first quarter of 2020 was mainly due to the uncertainty surrounding the Covid-19 pandemic that was already slowing economic activity in most of the country's major trading partners. (Source-National Treasury draft Budget Review and Outlook Paper)

3.2.5 County's Economic Outlook

28. The County economic outlook will depend on the global and national economic stability and improvement. Despite the challenges faced due to Covid-19 pandemic, the County Government will continue investing in agricultural production, affordable healthcare, manufacturing activities and infrastructure development. The County Government will further continue investing in the socio-economic sectors of education and social protection.

29. The County Government will invest in improving the quality of health services in existing and new health facilities through equipping them. Further they it will increase agricultural productivity by providing seeds, subsidized fertilizer, promoting

mechanized agriculture, breed improvement and promoting agro processing. The County will continue enhancing access to agriculture markets and extension services to farmers.

30. The County will further continue rehabilitating dams and water pans for water harvesting, drilling and reticulation of boreholes to supply water across the County to reduce the distance taken to access clean water by households.
31. The County is also investing in Early Child Education to promote transition to Primary education. There has been increased enrollment in Early Childhood. Transfers to polytechnics are expected to continue which will enable them acquire teaching and learning materials.
32. To enhance County resource envelope, the County will carry out strict enforcement, train and motivate Directorate of revenue staff, re-introduce Rapid Results Initiative (RRI) and develop County Property Valuation Roll.
33. Risks to this outlook include high wage bill, delayed disbursement of funds by the National Government, weather shocks and low revenue inflows due to the impact of Covid-19.

3.2.6 Risks to the Domestic Economic Outlook

34. The domestic economic outlook is not without risks from both external and domestic sources. Risks from the global economies relate to persistence of the Covid-19 pandemic and required lockdowns, voluntary social distancing and its effect on consumption, the ability of laid off workers securing employment in other sectors, rising operating cost to make work places more hygienic and safe, reconfiguration of disrupted global supply chains, extent of cross-border spill overs occasioned by weaker external demand and funding shortfalls.
35. On the domestic and the County Scene, risks will emanate from weaker external demand, reduced tourist arrivals due the Covid-19 fears and restrictions and further restrictions of movement should they become necessary to control the surge in infections. In addition, the economy will continue to be exposed to risks arising from

public expenditure pressures, particularly wage related recurrent expenditures and the erratic weather related shocks that could have negative impact on energy generation and agricultural output leading to higher inflation that could slow down growth.

36. At the County level the Government will continually monitor these risks and taking appropriate measures to sustain the economy. These measures include; promoting value addition in agriculture, investing more on provision of water for both agriculture to reduce dependence on rain-fed agriculture. Further, the Government is accelerating development to enhance service delivery and job creation. In addition the County will enhance domestic resource mobilization and expenditure rationalization which will significantly reduce wage related pressures.

CHAPTER FOUR

4.0 RESOURCE ALLOCATION FRAMEWORK

37. This section determines the resource envelope that the County expects and how it will be allocated across all the sectors for 2020/2021 FY and in the medium term.

4.1 Adjustment to the FY 2020/2021 Budget

38. Taking into account the previous year's FY 2019/2020 budget execution and the updated fiscal outlook, the risks to the FY 2020/2021 budget include expenditure pressures with respect to remuneration of employees and the absorption rate by the different sectors especially for development expenditure.

39. Adjustments to the FY 2020/2021 budget will take into account actual performance of expenditure so far and absorption capacity in the remainder of the financial year. Because of the resource constraints, the County's supplementary funding will consider unspent balances in the previous year to ensure that implementation of programmes and projects in the last financial year are fast-tracked within the wards.

4.2 Medium Term Expenditure Framework.

40. The County will continue to implement the Medium Term Expenditure Framework (MTEF) through policies, projects, and programs set out in the County Integrated Development Plan (CIDP)-2018-2022, County Annual Development Plan and County Fiscal Strategy Paper. The MTEF will involve adjusting non-priority expenditures to cater for priority programmes and projects.

41. The Medium Term Expenditure Framework for the FY 2020/2021-202/22/2023 will ensure continuity in resource allocation based on prioritized programmes. The allocation of resources in the medium term will be based on;

- i. PFM Act, 2012 principles
- ii. The Big Four Agenda
- iii. The Medium Term Plan of Vision 2030
- iv. Equitable share of revenue allocation from the National Government
- v. Ongoing projects
- vi. Emerging priorities

- vii. Programmes prioritized in the County Integrated Development Plan (2018-2022)
- viii. Cost effectiveness and sustainability of the programmes
- ix. Annual Development Plan (ADP)
- x. Budget ceilings allocated by the Commission of Revenue Allocation
- xi. Degree to which the programmes address the strategic objectives of the County.
- xii. Degree to which the programmes are addressing the core function and responsibilities of the ministry.

Approved Budget FY 2020/2021

42. In the FY 2020/2021, the County Assembly has approved a budget of **Kshs. 11.02 billion**. This will finance recurrent and development expenditures at **Kshs. 7.34billion** and **Kshs. 3.68billion** respectively

Revenues FY 2020/2021

43. The FY 2020/2021 has a budget target of Kshs. **11.02 billion** to be financed through Equitable Share, Conditional Grants and Own Source Revenue collections at **Kshs. 8.04 billion**, **Kshs. 1.25 billion** and **Kshs. 1.73 billion** respectively.

Table 7: County Entities Expenditure Projections in the Medium Term

County Entity		Revised Estimates FY 2019/20	Actual Expenditure FY 2019/20	Approved FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
Office of the Governor	Rec.	562,706,198	558,112,387	554,115,826	565,198,143	569,502,105
	Dev't	542,230	5,234,967	3,681,732	3,755,367	3,868,028
	Total	568,128,498	563,347,354	557,797,558	568,953,509	573,370,133
County Public Service Board	Rec.	52,074,133	50,826,976	41,682,382	52,189,920	53,755,617
	Dev't	-	-	5,976,219	6,095,743	6,278,616
	Total	52,074,133	50,826,976	47,658,601	58,285,663	60,034,233
Roads, Transport and Public Works.	Rec.	159,286,031	158,634,117	172,340,664	175,787,477	177,579,262
	Dev't	1,360,802,629	1,101,426,987	1,109,876,646	1,152,074,179	1,186,636,404
	Total	1,520,088,660	1,260,061,104	1,282,217,310	1,327,861,656	1,364,215,666
Health Services and Emergency Services	Rec.	3,540,992,099	3,535,456,315	3,551,240,610	3,622,265,422	3,628,933,385
	Dev't	734,106,046	284,766,161	546,372,604	622,250,911	640,918,438
	Total	4,275,098,145	3,820,222,476	4,097,613,214	4,244,516,333	4,269,851,823
Agriculture, Food Security and Co-operative Development.	Rec.	339,547,931	334,596,037	260,157,143	332,517,081	338,649,190
	Dev't	255,474,498	188,169,287	311,093,813	390,315,689	402,025,160
	Total	595,022,429	522,765,324	571,250,956	722,832,771	740,674,350
County Assembly	Rec.	911,145,156	865,644,994	911,145,156	911,145,156	882,857,741
	Dev't	387,000,000	48,206,002	365,000,000	369,789,114	297,085,535

County Entity		Revised Estimates FY 2019/20	Actual Expenditure FY 2019/20	Approved FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
	Total	1,298,145,156	913,850,996	1,276,145,156	1,280,934,270	1,179,943,276
Water, Irrigation, Environment and Natural Resources	Rec.	109,792,679	106,330,896	49,779,699	121,352,763	124,993,346
	Dev't	404,344,963	354,332,955	589,468,560	631,257,931	650,195,669
	Total	514,137,642	460,663,851	639,248,259	752,610,694	775,189,015
Finance and Economic Planning.	Rec.	473,937,094	471,286,368	422,545,883	600,996,801	605,090,639
	Dev't	87,546,843	68,323,126	41,618,632	57,981,005	59,720,435
	Total	561,483,937	539,609,494	464,164,515	658,977,805	664,811,074
Public Service, Quality Management and ICT	Rec.	1,356,406,403	1,354,162,765	395,750,188	408,665,192	412,838,496
	Dev't	6,243,079	5,689,310	20,355,778	30,762,894	31,685,780
	Total	1,362,649,482	1,359,852,075	416,105,966	439,428,085	444,524,276
Tourism, Youth, Sports and Culture.	Rec.	109,906,265	107,326,848	97,649,075	164,954,074	166,985,029
	Dev't	85,438,544	60,333,844	135,050,680	161,751,694	166,604,244
	Total	195,344,809	167,660,692	232,699,755	326,705,767	333,589,273
Trade, Industrializatio n and Innovation.	Rec.	251,503,418	249,373,546	83,192,185	199,856,986	201,030,910
	Dev't	90,621,804	82,514,931	147,000,000	157,774,000	162,507,220
	Total	342,125,222	331,888,477	230,192,185	357,630,986	363,538,130
Education , Skills Training and Social Welfare	Rec.	337,767,096	335,645,491	334,170,969	404,214,527	406,034,419
	Dev't	169,774,457	159,869,291	261,090,927	266,312,746	274,302,128
	Total	507,541,553	495,514,782	595,261,896	670,527,273	680,336,547
Energy, Lands, Housing and Urban Development.	Rec.	143,937,316	139,569,416	70,770,524	112,917,002	116,304,512
	Dev't	1,071,851,293	802,010,746	98,149,569	146,112,560	150,495,937
	Total	1,215,788,609	941,580,162	168,920,093	259,029,563	266,800,450
County Administration and Decentralized Units.	Rec.	285,975,374	283,415,806	393,514,702	463,508,586	466,568,294
	Dev't	36,047,513	32,794,599	44,158,472	42,941,641	44,229,891
	Total	322,022,887	316,210,405	437,673,174	506,450,228	510,798,184
Total Recurrent		8,634,977,192	8,550,381,962	7,338,055,006	8,135,569,130	8,151,122,944
Total Development		4,694,673,969	3,193,672,206	3,678,893,632	4,039,175,473	4,076,553,485
County Total		13,329,651,161	11,744,054,168	11,016,948,638	12,174,744,603	12,227,676,429

Source: Machakos County Treasury, 2020

CHAPTER FIVE

CONCLUSION

44. From the analysis in this paper, it is evident that the County has improved tremendously in budget absorption by posting 88% percent of the budget and 92% of the funds being disbursed. The County Government generally complied with the principles of fiscal responsibility apart from the personnel emoluments.
45. The County will endeavor to budget for personnel emoluments adequately and encourage the departments to fast-track its operations so that they much the personnel costs in the required ratios.
46. The county will also strengthen its revenue collection and management systems with the goal of generating more revenues to strive towards budgetary self-reliance.
47. Fiscal discipline will be important in ensuring proper management of funds and delivery of expected output. Effective and efficient utilization of funds by the various departments will be crucial in ensuring the county delivers her functions. Plans and programme are strictly adhered to achieve the objectives of the County government.

ANNEXES

Annex 1: County Total Revenue Projections in the Medium Term

Description		Actual FY 2019/2020	Approved FY 2020/2021	Projected Estimates	
				FY 2021/2022	FY 2022/2023
Equitable Share		7,087,384,500	8,039,100,000	9,162,300,000	9,162,300,000
Conditional Grants/Loans	Level Five Hospital	383,583,813	383,583,815	383,583,815	383,583,815
	Compensation for user fees foregone	24,129,039	24,129,039	24,129,039	24,129,039
	Leasing of medical equipment	~	132,021,277	132,021,277	132,021,277
	Rehabilitation of Youth Polytechnics	51,093,298	62,749,894	62,749,894	62,749,894
	Road Maintenance Levy Fund	220,109,531	239,604,947	239,604,947	239,604,947
	Kenya Climate Smart Agriculture Project (KCSAP)	112,892,547	279,999,640	279,999,640	279,999,640
	Kenya Devolution Support Project (KDSP) – level 1	30,000,000.00	45,000,000	45,000,000	45,000,000
	Kenya Urban Support Project (UIG)	8,800,000.00	~	~	~
	Kenya Urban Support Project (UDG)	728,342,327.30	~	~	~
	Universal Healthcare in Devolved System Program	34,118,750	22,050,000	22,050,000	22,050,000
	Transforming Health Systems for Universal Care Project	129,858,778	45,165,352	45,165,352	45,165,352
	Agriculture Sector Development Support Program	17,308,053	13,746,442	13,746,442	13,746,442
	Universal Health Care	168,066,136	~	~	~
	COVID-19 Emergency Response	286,081,000	~	~	~
	Unspent Funds	1,603,371,394	~	~	~
Own Source Revenue		1,376,171,810	1,729,798,232	1,764,394,197	1,817,326,023
Total County Allocation		12,261,310,976	11,016,948,638	12,174,744,603	12,227,676,429

Source: Machakos County Financial Statements FY 2019/2020

Annex 2: County Entity Expenditure in the Medium Term

County Entity		Approved Budget FY 2019/20	Revised Estimates FY 2019/20	Approved FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
Office of the Governor	Recurrent	552,706,200	562,706,197.8	554,115,826	565,198,143	569,502,105
	Development	5,422,300	5,422,300	3,681,732	3,755,367	3,868,028
	Total	558,128,500	568,128,498	557,797,558	568,953,509	573,370,133
County Public Service Board	Recurrent	59,009,725	52,074,133	41,682,382	52,189,920	53,755,617
	Development	10,000,000	-	5,976,219	6,095,743	6,278,616
	Total	69,009,725	52,074,133	47,658,601	58,285,663	60,034,233
Roads, Transport and Public Works.	Recurrent	202,268,477	159,286,031	172,340,664	175,787,477	177,579,262
	Development	1,364,097,057	1,360,802,629	1,109,876,646	1,152,074,179	1,186,636,404
	Total	1,566,365,534	1,520,088,660	1,282,217,310	1,327,861,656	1,364,215,666
Health Services and Emergency Services	Recurrent	3,368,590,374	3,540,992,099	3,551,240,610	3,622,265,422	3,628,933,385
	Development	586,173,909	734,106,046	546,372,604	622,250,911	640,918,438
	Total	3,954,764,283	4,275,098,145	4,097,613,214	4,244,516,333	4,269,851,823
Agriculture, Food Security and Co- operative Development.	Recurrent	383,449,083	339,547,931	260,157,143	332,517,081	338,649,190
	Development	354,525,927	255,474,498	311,093,813	390,315,689	402,025,160
	Total	737,975,010	595,022,429	571,250,956	722,832,771	740,674,350
County Assembly	Recurrent	911,145,156	911,145,156	911,145,156	911,145,156	882,857,741
	Development	387,000,000	387,000,000	365,000,000	369,789,114	297,085,535
	Total	1,298,145,156	1,298,145,156	1,276,145,156	1,280,934,270	1,179,943,276
Water, Irrigation, Environment and Natural Resources	Recurrent	122,720,525	109,792,679	49,779,699	121,352,763	124,993,346
	Development	500,220,026	404,344,963	589,468,560	631,257,931	650,195,669
	Total	622,940,551	514,137,642	639,248,259	752,610,694	775,189,015
Finance and Economic Planning.	Recurrent	556,162,299	473,937,094	422,545,883	600,996,801	605,090,639
	Development	89,738,163	87,546,843	41,618,632	57,981,005	59,720,435
	Total	645,900,462	561,483,937	464,164,515	658,977,805	664,811,074
Public Service, Quality Management and ICT	Recurrent	509,030,705	1,356,406,403	395,750,188	408,665,192	412,838,496
	Development	11,765,400	6,243,079	20,355,778	30,762,894	31,685,780
	Total	520,796,105	1,362,649,482	416,105,966	439,428,085	444,524,276
Tourism, Youth, Sports and Culture.	Recurrent	103,897,125	109,906,265	97,649,075	164,954,074	166,985,029
	Development	130,000,000	85,438,544	135,050,680	161,751,694	166,604,244
	Total	233,897,125	195,344,809	232,699,755	326,705,767	333,589,273
Trade, Industrializatio n and Innovation.	Recurrent	255,701,124	251,503,418	83,192,185	199,856,986	201,030,910
	Development	133,303,750	90,621,804	147,000,000	157,774,000	162,507,220
	Total	389,004,874	342,125,222	230,192,185	357,630,986	363,538,130
Education , Skills Training and Social Welfare	Recurrent	309,916,439	337,767,096	334,170,969	404,214,527	406,034,419
	Development	158,543,298	169,774,457	261,090,927	266,312,746	274,302,128
	Total	468,459,737	507,541,553	595,261,896	670,527,273	680,336,547
Energy, Lands, Housing and Urban Development.	Recurrent	120,506,865	143,937,316	70,770,524	112,917,002	116,304,512
	Development	1,152,661,700	1,071,851,293	98,149,569	146,112,560	150,495,937
	Total	1,273,168,565	1,215,788,609	168,920,093	259,029,563	266,800,450
County Administration and Decentralized Units.	Recurrent	395,605,149	285,975,374	393,514,702	463,508,586	466,568,294
	Development	88,100,000	36,047,513	44,158,472	42,941,641	44,229,891
	Total	483,705,149	322,022,887	437,673,174	506,450,228	510,798,184
Total Recurrent		7,850,709,246	8,634,977,192	7,338,055,006	8,135,569,130	8,151,122,944

County Entity		Approved Budget FY 2019/20	Revised Estimates FY 2019/20	Approved FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
Total Development		4,971,551,530	4,694,673,969	3,678,893,632	4,039,175,473	4,076,553,485
Total County Budget		12,822,260,776	13,329,651,161	11,016,948,638	12,174,744,603	12,227,676,429

Source: Machakos County Financial Statement FY 2019/2020

Annex 3: Programme Based Expenditure in the Medium Term

a) Recurrent Expenditure

Programme	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
OFFICE OF THE GOVERNOR						
Office of the Governor	351,196,578	362,196,579	362,050,448	337,499,625	344,249,618	345,134,610
Transport Department	23,135,676	23,135,676	22,336,208	27,135,676	27,678,390	28,231,957
Human Resource and Administration Section	86,840,760	75,840,760	75,578,065	86,840,760	88,577,575	89,349,127
ICT Section	11,387,204	11,387,204	10,761,975	13,387,204	13,654,948	13,928,047
Hospitality Services Section	14,580,000	14,579,999	14,064,171	14,580,000	14,871,600	15,169,032
Cabinet Office	6,493,176	6,493,176	5,988,670	6,493,175	6,623,039	6,755,499
Office of the Deputy Governor	36,000,000	46,000,000	45,237,934	36,000,000	36,720,000	37,454,400
Directorate of Projects Delivery, Monitoring and Evaluation	5,652,500	5,652,500	5,158,300	9,759,080	9,954,262	10,153,347
Office of the County Secretary	8,466,246	8,466,245	8,465,304	13,466,246	13,735,571	14,010,282
Office of the County Advisors	8,954,060	8,954,060	8,471,312	8,954,060	9,133,141	9,315,804
TOTAL	552,706,200	562,706,199	558,112,387	554,115,826	565,198,143	569,502,105
PUBLIC SERVICE, QUALITY MANAGEMENT AND ICT						
General Administration and support services	359,484,762	1,214,936,017	1,214,384,267	328,440,140	340,008,943	342,809,122
Quality Management	3,300,000	809,056	540,360	625,000	637,500	650,250
Training, Research and Development	93,436,384	95,369,767	94,615,797	50,009,537	51,009,728	52,029,922
Information Communication Technology	39,492,840	36,241,705	36,151,358	4,875,011	4,972,511	5,071,961

Programme	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
ICT Infrastructure	11,071,719	8,684,518	8,470,983	10,175,000	10,378,500	10,586,070
Closed Circuit Television	2,245,000	365,340	-	1,625,500	1,658,010	1,691,170
TOTAL	509,030,705	1,356,406,403	1,354,162,765	395,750,188	408,665,192	412,838,496
TRADE, INDUSTRIALIZATION AND INNOVATION						
Headquarter Administration Services	76,141,600	65,098,124	65,085,724	55,466,852	61,576,189	62,807,713
Trade Development	14,350,000	12,349,495	12,270,443	5,500,213	5,610,217	5,722,422
Business and Enterprise Development	8,600,000	6,568,647	6,380,003	-	8,000,000	8,160,000
Industrialization and Innovation	1,300,000	1,300,000	350,100	-	2,000,000	2,060,000
Investment Facilitation and Support	5,009,324	2,389,000	2,141,269	4,660,890	4,754,108	4,896,731
Legal Office	150,300,200	163,798,152	163,146,007	11,756,150	106,992,231	106,132,075
Hygiene and Sanitation	-	-	-	5,808,080	10,924,242	11,251,969
TOTAL	255,701,124	251,503,418	249,373,546	83,192,185	199,856,986	201,030,910
FINANCE AND ECONOMIC PLANNING						
Revenue Management	128,690,000	128,690,000	127,819,293	29,413,986	130,002,266	130,902,334
Budget formulation, Coordination and Implementation Section	115,652,240	31,927,035	31,167,888	3,500,000	23,570,000	24,277,100
Supply Chain Management Section	4,271,964	4,271,964	4,157,991	900,003	10,918,003	11,245,543
Accounts Services	9,735,603	9,735,603	9,579,410	1,900,001	11,938,001	12,296,141
Audit Services	4,101,320	4,101,320	3,797,730	2,700,000	12,754,000	13,136,620
Human Resource Management and Support Services	282,149,172	282,149,172	281,736,073	376,084,863	393,606,560	394,478,691

Programme	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
County Planning and Statistical Information Services	11,562,000	13,062,000	13,027,983	8,047,030	18,207,971	18,754,210
TOTAL	556,162,299	473,937,094	471,286,368	422,545,883	600,996,801	605,090,639
COUNTY ADMINISTRATION AND DECENTRALIZED UNITS						
General Administration and support services	229,890,713	207,956,721	207,820,179	377,014,702	384,554,996	385,246,096
Civic Engagement	99,436,310	35,981,670	35,147,028	500,000	20,510,000	21,125,300
Administration and Co-ordination Services	24,492,254	18,940,448	18,895,883	-	19,273,801	19,852,015
Environmental Management	-	-	-	-	10,000,000	10,300,000
Solid Waste Management	10,800,000	4,396,750	4,255,069	11,000,000	11,220,000	11,556,600
Sanitation Management	2,000,000	1,530,000	1,200,000	-	-	-
Forensic Services	16,290,000	8,557,234	8,156,847	-	5,000,000	5,150,000
Inspectorate Services and Management	12,695,872	8,612,550	7,940,800	5,000,000	12,949,789	13,338,283
TOTAL	395,605,149	285,975,373	283,415,806	393,514,702	463,508,586	466,568,294
AGRICULTURE, FOOD SECURITY AND CO-OPERATIVE DEVELOPMENT						
General Administration and support services	103,363,325	99,741,823	98,959,649	131,706,239	134,340,364	134,527,171
Crop Development and Management	114,174,991	103,926,072	103,700,857	46,772,409	47,707,857	49,139,093
Livestock Resources Management and Development	52,626,412	46,278,651	45,866,075	43,831,291	44,707,917	46,049,154
Fisheries						

Programme	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
Development	13,660,645	10,560,980	10,130,000	10,184,848	10,388,545	10,700,201
Veterinary Services	58,131,122	48,275,668	48,049,582	22,962,356	23,421,603	24,124,251
Agriculture Training Centre	9,628,231	7,413,453	7,024,390	-	9,820,796	10,115,419
Co-operative Development and Marketing	25,164,357	19,417,495	18,781,884	4,700,000	34,794,000	35,837,820
Capacity Building to Co-operative Societies	1,150,000	699,800	549,000	-	4,692,000	4,832,760
Promotion of Co-operative Marketing and Value Chain	1,150,000	353,400	334,600	-	4,692,000	4,832,760
Co-operative Financial Services	1,550,000	550,000	-	-	6,324,000	6,513,720
Promotion and growth of Co-operative Societies	1,400,000	1,481,232	1,200,000	-	5,712,000	5,883,360
Co-operative Audit Support Services	1,450,000	849,355	-	-	5,916,000	6,093,480
TOTAL	383,449,083	339,547,929	334,596,037	260,157,143	332,517,081	338,649,190
WATER, IRRIGATION, ENVIRONMENT AND NATURAL RESOURCES						
Water Supply and Sewerage	38,867,739	32,010,273	31,648,794	8,943,200	39,645,094	40,834,447
Irrigation Schemes, Development and Promotion	31,014,626	29,864,275	29,592,203	56,000	31,634,919	32,583,966
Development and Promotion of Irrigation Schemes	5,562,474	5,562,474	5,126,630	-	5,673,723	5,843,935
General Administration and support	40,529,708	39,370,707	38,706,311	36,782,480	37,518,130	38,643,673

Programme	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
services						
Environment and Natural Resources	6,745,978	2,984,950	1,256,958	3,998,019	6,880,898	7,087,324
TOTAL	122,720,525	109,792,679	106,330,896	49,779,699	121,352,763	124,993,346
HEALTH AND EMERGENCY SERVICES						
Medical Services	2,672,930,628	3,035,263,923	3,034,958,390	3,155,893,679	3,219,011,553	3,220,581,899
Machakos Level 5	548,971,455	393,163,686	392,811,971	275,046,711	280,547,645	281,964,075
Kangundo Level 4	39,211,500	35,191,200	34,475,465	36,967,617	37,706,969	38,838,178
Matuu Level 4	34,426,000	23,191,700	22,606,581	34,123,954	34,806,433	35,850,626
Kathiani Level 4	22,783,900	14,235,310	13,603,895	22,749,302	23,204,288	23,900,417
Mwala Level 4	15,142,000	10,783,800	9,500,000	11,374,651	11,602,144	11,950,208
Emergency Services	14,615,000	12,979,280	11,500,000	7,723,310	7,877,776	8,114,109
Public Health	20,509,891	16,183,200	16,000,013	7,361,386	7,508,614	7,733,872
TOTAL	3,368,590,374	3,540,992,099	3,535,456,315	3,551,240,610	3,622,265,422	3,628,933,385
ROADS, TRANSPORT AND PUBLIC WORKS						
Head quarter Administrative services	120,336,447	113,734,699	113,686,976	145,278,414	148,183,982	149,147,662
Road Development and Management	5,762,500	1,000,000	973,672	2,062,250	2,103,495	2,166,600
County Government Buildings	26,464,617	2,254,370	1,766,489	15,000,000	15,300,000	15,759,000
County Fleet Management	49,704,913	42,296,962	42,206,980	10,000,000	10,200,000	10,506,000
TOTAL	202,268,477	159,286,031	158,634,117	172,340,664	175,787,477	177,579,262
EDUCATION, YOUTH AND SOCIAL WELFARE						
Head quarter Administrative services	177,645,916	277,817,821	277,114,319	324,170,969	330,654,388	331,267,476
Basic Education	105,144,456	45,061,315	44,991,716	-	45,891,550	46,268,297
Youth Development Services	10,719,960	3,737,960	2,555,206	-	10,934,359	11,262,390

Programme	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
Gender and Social Services	16,406,107	11,150,000	10,984,250	10,000,000	16,734,229	17,236,256
TOTAL	309,916,439	337,767,096	335,645,491	334,170,969	404,214,527	406,034,419
ENERGY, LANDS, HOUSING AND URBAN DEVELOPMENT						
Lands	62,012,957	48,290,386	45,536,197	48,903,860	53,253,216	54,850,813
Housing and Urban Development	31,185,368	62,795,211	61,781,778	10,627,822	31,809,075	32,763,348
Energy and County Electrification	27,308,540	32,851,719	32,251,441	11,238,842	27,854,711	28,690,352
TOTAL	120,506,865	143,937,316	139,569,416	70,770,524	112,917,002	116,304,512
TOURISM, CULTURE, YOUTH AND SPORTS						
General administrative and Support Services	65,715,063	53,159,381	53,158,680	89,967,332	91,766,679	91,602,012
Heritage & Culture	5,149,882	5,120,000	4,890,553	553,986	5,252,880	5,410,466
Liquor Management	1,330,790	678,430	284,483	159,695	162,889	167,776
Tourism Development and Marketing	2,870,405	9,423,366	9,332,082	344,449	9,611,833	9,900,188
Machawood	1,790,873	2,790,873	1,467,200	1,790,873	1,826,690	1,881,491
County Image Directorate	800,000	29,788,420	29,327,644	800,000	29,568,188	30,455,234
Youth and Sports	26,240,112	8,945,795	8,866,206	4,032,740	26,764,914	27,567,862
TOTAL	103,897,125	109,906,265	107,326,848	97,649,075	164,954,074	166,985,029
COUNTY PUBLIC SERVICE BOARD						
Human Resource and Administration	59,009,725	52,074,133	50,826,976	41,682,382	52,189,920	53,755,617
TOTAL	59,009,725	52,074,133	50,826,976	41,682,382	52,189,920	53,755,617
COUNTY ASSEMBLY						
Legislative Services	911,145,156	911,145,156	865,644,994	911,145,156	911,145,156	882,857,741
TOTAL	911,145,156	911,145,156	865,644,994	911,145,156	911,145,156	882,857,741
RECURRENT TOTAL	7,850,709,246	8,634,977,191	8,550,381,962	7,338,055,006	8,135,569,130	8,151,122,944

Source: Machakos County Financial Statements FY 2019/2020

b) Development Expenditure

	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
OFFICE OF THE GOVERNOR						
Co-ordination and Supervisory Services	5,422,300	5,422,300	5,234,967	3,681,732	3,755,367	3,868,028
TOTAL	5,422,300	5,422,300	5,234,967	3,681,732	3,755,367	3,868,028
PUBLIC SERVICE, LABOUR AND ICT						
General Administration and support services	-	-		762,229	777,474	800,798
ICT Infrastructure	11,765,400	6,243,079	5,689,310	13,093,549	23,355,420	24,056,083
Training, Research and Development	-	-		6,500,000	6,630,000	6,828,900
TOTAL	11,765,400	6,243,079	5,689,310	20,355,778	30,762,894	31,685,780
TRADE, INDUSTRIALIZATION AND INNOVATION						
General Administration and support services	1,700,000	691,500	679,578	-	1,734,000	1,786,020
Trade Development	19,500,000	28,300,000	28,195,815	88,478,061	90,247,622	92,955,051
Industrial Development	104,750,000	61,630,304	53,639,538	35,000,000	35,700,000	36,771,000
Investment Promotion	6,750,000	-	-	6,750,000	6,885,000	7,091,550
Legal Office	603,750	-	-	-	1,000,000	1,030,000
Business and Enterprise Development	-	-	-	16,771,939	17,107,378	17,620,599
Sanitation Management					5,100,000	5,253,000
TOTAL	133,303,750	90,621,804	82,514,931	147,000,000	157,774,000	162,507,220
FINANCE AND ECONOMIC PLANNING						
Resource Mobilization	58,238,163	63,381,883	57,209,189	37,077,803	47,819,359	49,253,940
Accounts Services	1,000,000	999,901	-	848,770	1,865,745	1,921,718
Economic Planning	1,500,000	1,500,000	-	-	1,530,000	1,575,900
County Statistics	29,000,000	21,665,059	11,113,937	3,550,000	3,621,000	3,729,630
Budget formulation, Coordination and Implementatio n	-	-	-	142,059	3,144,900	3,239,247

	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
TOTAL	89,738,163	87,546,843	68,323,126	41,618,632	57,981,005	59,720,435
COUNTY ADMINISTRATION AND DECENTRALIZED UNITS						
General Administration and support services	54,100,000	25,379,668	24,627,484	35,158,472	35,861,641	36,937,491
Solid waste management	2,000,000	1,634,858	1,582,788	-	-	-
Forensic & Inspectorate Services	24,000,000	7,047,987	4,663,360	2,000,000	2,040,000	2,101,200
Forensic & Inspectorate Services	8,000,000	1,985,000	1,920,967	-	-	-
Sanitation Management	-	-	-	5,000,000	-	-
Civic Engagement	-	-	-	2,000,000	5,040,000	5,191,200
TOTAL	88,100,000	36,047,513	32,794,599	44,158,472	42,941,641	44,229,891
AGRICULTURE, FOOD SECURITY AND CO-OPERATIVE DEVELOPMENT						
General Administration and support services	158,535,847	196,930,523	162,215,966	269,371,943	284,759,382	293,302,163
Crop Development and Management	65,000,000	35,275,201	22,965,517	23,633,218	54,105,882	55,729,059
Livestock Resources Management and Development	40,500,000	5,685,500		8,000,000	38,160,000	39,304,800
Fisheries Development	1,092,000	11,092,000	2,987,804	550,000	561,000	577,830
Veterinary Services	24,197,280	3,863,108	-	4,938,652	5,037,425	5,188,548
Agriculture Training Centre	6,000,000	683,704	-	2,000,000	5,040,000	5,191,200
Co-operative Development	59,200,800	1,944,462	-	200,000	204,000	210,120
Promotion of Co-operative Marketing and Value Chain	-	-	-	1,500,000	1,530,000	1,575,900
Promotion and growth of Co- operative Societies	-	-	-	900,000	918,000	945,540
TOTAL	354,525,927	255,474,498	188,169,287	311,093,813	390,315,689	402,025,160
WATER, IRRIGATION, ENVIRONMENT AND NATURAL RESOURCES						
Water Supply and Sewerage	283,090,530	223,993,212	210,055,076	343,702,909	360,576,967	371,394,276

	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
Water Resources Management and Storage	16,106,520	42,449,913	32,655,807	2,654,800	2,707,896	2,789,133
Irrigation Schemes Development and Promotion	157,000,000	111,861,272	90,140,982	206,410,851	220,539,068	227,155,240
General Administration and support services	44,022,976	26,040,566	21,481,090	3,000,000	3,060,000	3,151,800
Environment and Natural Resources	-	-	-	33,700,000	44,374,000	45,705,220
TOTAL	500,220,026	404,344,963	354,332,955	589,468,560	631,257,931	650,195,669
HEALTH AND EMERGENCY SERVICES						
General Administration and planning	157,391,028	157,391,028	67,995,976	70,038,277	101,439,043	104,482,214
Machakos Level 5	306,776,261	490,048,242	180,353,426	381,614,425	389,246,714	400,924,115
Kangundo Level 4	5,255,900	5,255,900	-		5,361,018	5,521,849
Matuu Level 4	6,851,600	4,548,361	-		6,988,632	7,198,291
Kathiani Level 4	7,088,000	5,095,073	-		7,229,760	7,446,653
Mwala Level 4	5,266,122	2,594,504	-		5,371,444	5,532,588
Emergency Services	9,772,500	6,859,770	-	10,261,125	10,466,348	10,780,338
Public Health and Community Outreach	87,772,498	62,313,168	36,416,759	84,458,777	96,147,953	99,032,391
TOTAL	586,173,909	734,106,046	284,766,161	546,372,604	622,250,911	640,918,438
ROADS, TRANSPORT AND PUBLIC WORKS						
General Administration and support services	112,000,000	52,000,000	13,824,563	111,964,142	114,203,425	117,629,528
Road Development and Management	916,737,117	924,219,241	848,845,789	744,186,555	769,070,286	792,142,395
County Government Buildings Services	255,359,940	304,583,388	183,545,053	198,725,949	202,700,468	208,781,482
County Fleet Management	80,000,000	80,000,000	55,211,582	55,000,000	66,100,000	68,083,000
TOTAL	1,364,097,057	1,360,802,629	1,101,426,987	1,109,876,646	1,152,074,179	1,186,636,404
EDUCATION, SKILLS TRAINING AND SOCIAL WELFARE						

	Approved Budget FY 2019/2020	Revised Budget FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Budget FY 2020/2021	Projections FY 2021/2022	Projections FY 2022/2023
General Administration and support services	100,000,000	97,586,122	95,939,711	153,898,517	156,976,487	161,685,782
Basic Education	1,450,000	786,124	-	7,000,000	7,140,000	7,354,200
Youth Development Services	57,093,298	71,402,211	63,929,580	100,192,410	102,196,258	105,262,146
TOTAL	158,543,298	169,774,457	159,869,291	261,090,927	266,312,746	274,302,128
ENERGY, LANDS, HOUSING AND URBAN DEVELOPMENT						
Urban Planning and Development	1,018,320,500	1,018,320,500	770,716,751	19,149,569	45,532,560	46,898,537
Lands and Physical Planning	73,800,600	8,544,856	1,277,193	15,000,000	35,300,000	36,359,000
County Electrification	60,540,600	44,985,937	30,016,802	64,000,000	65,280,000	67,238,400
TOTAL	1,152,661,700	1,071,851,293	802,010,746	98,149,569	146,112,560	150,495,937
TOURISM, YOUTH, SPORTS AND CULTURE						
Heritage & Culture	-	-	-	-	5,000,000	5,150,000
Liquor Management	-	-	-	-	5,000,000	5,150,000
Tourism Development and Marketing	5,500,000	4,520,306	-	23,950,680	24,429,694	25,162,584
Management of Recreational Facilities	6,000,000	17,847,509	13,992,234	2,375,000	7,422,500	7,645,175
Talent Management	2,000,000	8,000,004	5,513,293	1,000,000	8,020,000	8,260,600
County Beautification	2,000,000	1,480,093	-	1,000,000	1,020,000	1,050,600
Management and Development of Sports	114,500,000	53,590,632	40,828,317	105,000,000	107,100,000	110,313,000
Sports	-	-	-	475,000	484,500	499,035
Youth Empowerment	-	-	-	1,250,000	3,275,000	3,373,250
TOTAL	130,000,000	85,438,544	60,333,844	135,050,680	161,751,694	166,604,244
COUNTY PUBLIC SERVICE BOARD						
Human Resource and Administration	10,000,000	-	-	5,976,219	6,095,743	6,278,616
TOTAL	10,000,000	-	-	5,976,219	6,095,743	6,278,616
COUNTY ASSEMBLY						
Legislative Services	387,000,000	387,000,000	48,206,002	365,000,000	369,789,114	297,085,535
TOTAL	387,000,000	387,000,000	48,206,002	365,000,000	369,789,114	297,085,535
DEVELOPMENT TOTAL	4,971,551,530	4,694,673,969	3,193,672,206	3,678,893,632	4,039,175,473	4,076,553,485

Source: Machakos County Financial Statements FY 2019/2020

Annex 4: Expenditure by Economic Classification in the Medium Term

i. Recurrent

County Entity	Item	Approved Estimates FY 2020/21	Projected Estimates	
			FY 2021/22	FY 2022/23
Office of the Governor	Compensation to Employees	160,901,960	174,769,832	183,508,324
	Use of goods and services	393,213,866	390,428,311	385,993,782
	Other Current Transfers			
	Total	554,115,826	565,198,143	569,502,105
Public Service, Quality Management and ICT	Compensation to Employees	219,163,418	230,121,589	241,627,668
	Use of goods and services	129,336,770	128,931,103	119,117,702
	Other Current Transfers	47,250,000	49,612,500	52,093,125
	Total	395,750,188	408,665,192	412,838,496
Trade, Industrialization and Innovation	Compensation to Employees	49,587,352	52,066,720	54,670,056
	Use of goods and services	33,604,833	147,790,267	146,360,854
	Other Current Transfers			
	Total	83,192,185	199,856,986	201,030,910
Finance and Economic Planning	Compensation to Employees	370,302,058	388,817,161	408,258,019
	Use of goods and services	52,243,825	212,179,640	196,832,620
	Other Current Transfers			
	Total	422,545,883	600,996,801	605,090,639
County Administration and Decentralized Units	Compensation to Employees	356,342,845	374,159,987	392,867,987
	Use of goods and services	37,171,857	89,348,599	73,700,307
	Other Current Transfers			
	Total	393,514,702	463,508,586	466,568,294
Agriculture, Food Security and Co-operative Development	Compensation to Employees	185,782,451	195,071,574	204,825,152
	Use of goods and services	12,378,501	72,349,507	65,473,237
	Other Current Transfers	61,996,191	65,096,001	68,350,801
	Total	260,157,143	332,517,081	338,649,190
Health and Emergency Services	Compensation to Employees	3,095,657,402	3,235,740,272	3,397,527,286
	Use of goods and services	359,687,254	285,834,398	125,680,810
	Other Current Transfers	95,895,954	100,690,752	105,725,289
	Total	3,551,240,610	3,622,265,422	3,628,933,385
Roads, Transport and Public Works	Compensation to Employees	140,136,106	147,142,911	154,500,056
	Use of goods and services	32,204,558	28,644,566	23,079,205
	Other Current Transfers			
	Total	172,340,664	175,787,477	177,579,262
Education, Skills Training and Social Welfare	Compensation to Employees	280,836,038	294,877,840	309,621,732
	Use of goods and services	3,073,483	56,562,166	40,999,440
	Other Current Transfers	50,261,448	52,774,520	55,413,246
	Total	334,170,969	404,214,527	406,034,419
Energy, Lands, Housing and Urban Development	Compensation to Employees	50,805,261	53,345,524	56,012,800
	Use of goods and services	19,965,263	59,571,478	60,291,712
	Other Current Transfers			
	Total	70,770,524	112,917,002	116,304,512
Tourism, Youth, Sports and Culture	Compensation to Employees	86,403,556	90,723,734	95,259,920
	Use of goods and services	8,118,646	70,790,780	68,084,090
	Other Current Transfers	3,126,873	3,439,560	3,641,018
	Total	97,649,075	164,954,074	166,985,029
Water, Irrigation, Environment and Natural Resources	Compensation to Employees	31,247,920	32,810,316	34,450,832
	Use of goods and services	18,531,779	88,542,447	90,542,514
	Other Current Transfers			
	Total	49,779,699	121,352,763	124,993,346
County Public	Compensation to Employees	27,736,634	29,123,465	30,579,639

County Entity	Item	Approved Estimates FY 2020/21	Projected Estimates	
			FY 2021/22	FY 2022/23
Service Board	Use of goods and services	13,945,748	23,066,454	23,175,978
	Other Current Transfers	-	-	-
	Total	41,682,382	52,189,920	53,755,617
County Assembly	Compensation to Employees	446,839,875	474,287,859	497,491,653
	Use of goods and services	414,305,281	436,857,297	385,366,088
	Other Current Transfers	50,000,000	-	-
	Total	911,145,156	911,145,156	882,857,741
Total Compensation to Employees		5,501,742,875	5,773,058,784	6,061,201,124
Total Net Use of goods and services		1,527,781,665	2,090,897,013	1,804,698,341
Total Net Other Current Transfers		308,530,466	271,613,333	285,223,480
TOTAL NET EXPENDITURE		7,338,055,006	8,135,569,130	8,151,122,944

Source: Machakos County Financial Statements FY 2019/2020

ii. Development

County Entity	Details	Approved Estimates FY 2020/21	Projected Estimates	
			FY 2021/22	FY 2022/23
Office of the Governor	Acquisition of Non-Financial Assets	3,681,732	3,755,367	3,868,028
	Other Capital Grants and Transfers	-	-	-
	Total Development	3,681,732	3,755,367	3,868,028
Public Service, Quality Management and ICT	Acquisition of Non-Financial Assets	20,355,778	30,762,894	31,685,780
	Other Capital Grants and Transfers	-	-	-
	Total Development	20,355,778	30,762,894	31,685,780
Trade, Industrialization and Innovation	Acquisition of Non-Financial Assets	147,000,000	157,774,000	162,507,220
	Other Capital Grants and Transfers	-	-	-
	Total Development	147,000,000	157,774,000	162,507,220
Finance and Economic Planning	Acquisition of Non-Financial Assets	41,618,632	57,981,005	59,720,435
	Other Capital Grants and Transfers	-	-	-
	Total Development	41,618,632	57,981,005	59,720,435
County Administration and Decentralized Units	Acquisition of Non-Financial Assets	44,158,472	42,941,641	44,229,891
	Other Capital Grants and Transfers	-	-	-
	Total Development	44,158,472	42,941,641	44,229,891
Agriculture, Food Security and Co-operative Development	Acquisition of Non-Financial Assets	45,443,922	111,383,304	109,146,155
	Other Capital Grants and Transfers	265,649,891	278,932,386	292,879,005
	Total Development	311,093,813	390,315,689	402,025,160
Health and Emergency Services	Acquisition of Non-Financial Assets	141,469,391	249,602,537	249,637,646
	Other Capital Grants and Transfers	404,903,213	372,648,374	391,280,792
	Total Development	546,372,604	622,250,911	640,918,438
Roads, Transport and Public Works	Acquisition of Non-Financial Assets	868,807,557	898,951,635	920,857,734
	Other Capital Grants and Transfers	241,069,089	253,122,543	265,778,671
	Total Development	1,109,876,646	1,152,074,179	1,186,636,404
Education, Skills Training and Social	Acquisition of Non-Financial Assets	198,341,033	200,425,357	205,120,370
	Other Capital Grants and Transfers	62,749,894	65,887,389	69,181,758
	Total Development	261,090,927	266,312,746	274,302,128

County Entity	Details	Approved Estimates FY 2020/21	Projected Estimates	
			FY 2021/22	FY 2022/23
Welfare				
Energy, Lands, Housing and Urban Development	Acquisition of Non-Financial Assets	74,149,569	77,653,477	78,613,900
	Other Capital Grants and Transfers	24,000,000	68,459,083	71,882,037
	Total Development	98,149,569	146,112,560	150,495,937
Tourism, Youth, Sports and Culture	Acquisition of Non-Financial Assets	132,575,680	161,751,694	166,604,244
	Other Capital Grants and Transfers	2,475,000		
	Total Development	135,050,680	161,751,694	166,604,244
Water, Irrigation, Environment and Natural Resources	Acquisition of Non-Financial Assets	555,768,560	631,257,931	650,195,669
	Other Capital Grants and Transfers	33,700,000		
	Total Development	589,468,560	631,257,931	650,195,669
County Public Service Board	Acquisition of Non-Financial Assets	5,976,219	6,095,743	6,278,616
	Other Capital Grants and Transfers	-	-	-
	Total Development	5,976,219	6,095,743	6,278,616
County Assembly	Acquisition of Non-Financial Assets	365,000,000	369,789,114	297,085,535
	Other Capital Grants and Transfers	-	-	-
	Total Development	365,000,000	369,789,114	297,085,535
Total Acquisition of Non-Financial Assets		2,644,346,545	3,000,125,699	2,985,551,222
Total Other Capital Grants and Transfers		1,034,547,087	1,039,049,774	1,091,002,263
TOTAL NET EXPENDITURE		3,678,893,632	4,039,175,473	4,076,553,485

Source: Machakos County Financial Statements FY 2019/2020

Annex 5: County Sector Ceilings

Sector	County Entity	Vote	Approved FY 2019/2020	Revised Estimates 1 FY 2019/2020	Revised Estimates 2 FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Estimates FY 2020/2021	Projected Estimates FY 2021/2022	Projected Estimates FY 2021/2022
Agriculture and Co-operative Development	Co-operatives Development	Rec	31,864,357	23,164,357	21,516,650	20,865,484	4,700,000	62,130,000	63,993,900
		Dev't	59,200,800	53,103,857	1,944,462	-	2,600,000	2,652,000	2,731,560
		Total	91,065,157	76,268,214	23,461,112	20,865,484	7,300,000	64,782,000	66,725,460
	Livestock & Veterinary	Rec	110,757,534	105,578,354	94,554,318	93,915,657	66,793,647	68,129,520	70,173,406
		Dev't	64,697,280	24,193,886	9,548,608	-	12,938,652	43,197,425	44,493,348
		Total	175,454,814	129,772,240	104,102,926	93,915,657	79,732,299	111,326,945	114,666,753
	Agriculture	Rec	227,166,547	228,389,857	212,915,983	209,684,896	178,478,648	191,869,017	193,781,683
		Dev't	229,535,847	274,376,043	232,889,428	185,181,483	295,005,161	343,905,264	354,222,422
		Total	456,702,394	502,765,900	445,805,411	394,866,379	473,483,809	535,774,281	548,004,106
	Fisheries	Rec	13,660,645	12,372,467	10,560,980	10,130,000	10,184,848	10,388,545	10,700,201
		Dev't	1,092,000	11,092,000	11,092,000	2,987,804	550,000	561,000	577,830
		Total	14,752,645	23,464,467	21,652,980	13,117,804	10,734,848	10,949,545	11,278,031
Energy, Infrastructure and ICT	Transport	Rec	170,041,360	163,324,834	156,031,661	155,893,956	155,278,414	158,383,982	159,653,662
		Dev't	192,000,000	192,000,000	132,000,000	69,036,145	166,964,142	180,303,425	185,712,528
		Total	362,041,360	355,324,834	288,031,661	224,930,101	322,242,556	338,687,407	345,366,190
	Housing and Urban Development	Rec	31,185,368	67,756,368	62,795,211	61,781,778	10,627,822	31,809,075	32,763,348
		Dev't	1,018,320,500	1,018,320,500	1,018,320,500	770,716,751	19,149,569	45,532,560	46,898,537
		Total	1,049,505,868	1,086,076,868	1,081,115,711	832,498,529	29,777,391	77,341,636	79,661,885
	Public Works	Rec	26,464,617	14,464,617	2,254,370	1,766,489	15,000,000	15,300,000	15,759,000
		Dev't	255,359,940	304,583,388	304,583,388	183,545,053	198,725,949	202,700,468	208,781,482
		Total	281,824,557	319,048,005	306,837,758	185,311,542	213,725,949	218,000,468	224,540,482
	Roads	Rec	5,762,500	2,762,500	1,000,000	973,672	2,062,250	2,103,495	2,166,600
		Dev't	916,737,117	761,202,751	924,219,241	848,845,789	744,186,555	769,070,286	792,142,395
		Total	922,499,617	763,965,251	925,219,241	849,819,461	746,248,805	771,173,781	794,308,995
	Energy	Rec	27,308,540	39,823,399	32,851,719	32,251,441	11,238,842	27,854,711	28,690,352
		Dev't	60,540,600	66,000,600	44,985,937	30,016,802	64,000,000	65,280,000	67,238,400
		Total	87,849,140	105,823,999	77,837,656	62,268,243	75,238,842	93,134,711	95,928,752
	ICT	Rec	52,809,559	52,522,359	45,291,563	44,622,341	16,675,511	17,009,021	17,349,202
		Dev't	11,765,400	33,633,824	6,243,079	5,689,310	19,593,549	23,355,420	24,056,083
		Total	64,574,959	86,156,183	51,534,642	50,311,651	36,269,060	40,364,441	41,405,284
Commercial, Tourism and	Trade	Rec	90,491,600	92,979,613	79,836,620	84,571,719	65,627,955	90,864,756	92,838,834
		Dev't	21,200,000	63,750,000	28,991,500	28,875,393	112,000,000	121,074,000	124,706,220

Sector	County Entity	Vote	Approved FY 2019/2020	Revised Estimates 1 FY 2019/2020	Revised Estimates 2 FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Estimates FY 2020/2021	Projected Estimates FY 2021/2022	Projected Estimates FY 2021/2022
Labour Affairs		Total	111,691,600	156,729,613	108,828,120	113,447,112	177,627,955	211,938,756	217,545,054
	Industrialization	Rec	14,909,324	11,579,106	7,868,646	350,100	-	2,000,000	2,060,000
		Dev't	111,500,000	79,195,664	61,630,304	53,639,538	35,000,000	35,700,000	36,771,000
		Total	126,409,324	90,774,770	69,498,950	53,989,638	35,000,000	37,700,000	38,831,000
	Tourism	Rec	72,507,131	109,671,253	95,840,470	93,570,089	93,062,349	132,936,280	134,006,701
		Dev't	15,500,000	47,500,000	31,847,912	19,505,527	29,575,680	45,892,194	47,268,959
		Total	88,007,131	157,171,253	127,688,382	113,075,616	122,638,029	178,828,473	181,275,661
Health	Health	Rec	3,368,590,374	3,395,512,273	3,540,992,099	3,535,456,315	3,551,240,610	3,622,265,422	3,628,933,385
		Dev't	586,173,909	643,719,406	734,106,046	284,766,161	546,372,604	622,250,911	640,918,438
		Total	3,954,764,283	4,039,231,679	4,275,098,145	3,820,222,476	4,097,613,214	4,244,516,333	4,269,851,823
Public Administration	Office of the Governor	Rec	552,706,199	552,706,199	562,706,198	558,112,387	554,115,826	565,198,143	569,502,105
		Dev't	5,422,300	5,422,300	5,422,300	5,234,967	3,681,732	3,755,367	3,868,028
		Total	558,128,499	558,128,499	568,128,498	563,347,354	557,797,558	568,953,509	573,370,133
	Finance	Rec	544,600,299	467,600,299	460,875,094	458,258,385	413,598,850	582,788,830	586,336,429
		Dev't	59,238,163	59,238,163	64,381,784	57,209,189	38,068,632	52,830,005	54,414,905
		Total	603,838,462	526,838,462	525,256,878	515,467,574	451,667,482	635,618,835	640,751,334
	Legal Services	Rec	150,300,200	184,903,900	163,798,152	163,146,007	11,756,150	106,992,231	106,132,075
		Dev't	603,750	603,750	-	-	-	1,000,000	1,030,000
		Total	150,903,950	185,507,650	163,798,152	163,146,007	11,756,150	107,992,231	107,162,075
	Economic Planning	Rec	11,562,000	13,062,000	13,062,000	13,027,983	8,947,033	18,207,971	18,754,210
		Dev't	30,500,000	30,500,000	23,165,059	11,113,937	3,550,000	5,151,000	5,305,530
		Total	42,062,000	43,562,000	36,227,059	24,141,920	12,497,033	23,358,971	24,059,740
	Public Service	Rec	359,484,762	730,099,024	1,311,114,839	1,310,305,784	378,449,677	391,018,671	394,839,044
		Dev't	-	-	-	-	762,229	7,407,474	7,629,698
		Total	359,484,762	730,099,024	1,311,114,839	1,310,305,784	379,211,906	398,426,144	402,468,742
	Quality Management	Rec	96,736,384	950,000	-	540,360	625,000	637,500	650,250
		Dev't	-	-	-	-	-	-	-
		Total	96,736,384	950,000	-	540,360	625,000	637,500	650,250
	County Public Service Board	Rec	59,009,725	55,341,042	52,074,133	50,826,976	41,682,382	52,189,920	53,755,617
		Dev't	10,000,000	7,647,903	-	-	5,976,219	6,095,743	6,278,616
		Total	69,009,725	62,988,945	52,074,133	50,826,976	47,658,601	58,285,663	60,034,233
	Decentralized Units	Rec	28,985,872	24,022,542	17,169,784	16,097,647	5,000,000	17,949,789	18,488,283
		Dev't	32,000,000	24,531,012	9,032,987	6,584,327	2,000,000	2,040,000	2,101,200

Sector	County Entity	Vote	Approved FY 2019/2020	Revised Estimates 1 FY 2019/2020	Revised Estimates 2 FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Estimates FY 2020/2021	Projected Estimates FY 2021/2022	Projected Estimates FY 2021/2022
	County Administration	Total	60,985,872	48,553,554	26,202,771	22,681,974	7,000,000	19,989,789	20,589,483
		Rec	366,619,277	288,301,099	268,805,590	267,318,159	394,322,782	445,558,797	448,080,011
		Dev't	56,100,000	42,847,013	27,014,526	26,210,272	42,158,472	40,901,641	42,128,691
		Total	422,719,277	331,148,112	295,820,116	293,528,431	436,481,254	486,460,438	490,208,701
	County Assembly	Rec	911,145,156	911,145,156	911,145,156	865,644,994	911,145,156	911,145,156	882,857,741
		Dev't	387,000,000	387,000,000	387,000,000	48,206,002	365,000,000	369,789,114	297,085,535
		Total	1,298,145,156	1,298,145,156	1,298,145,156	913,850,996	1,276,145,156	1,280,934,270	1,179,943,276
	Education and Social Welfare	Education	Rec	282,790,372	333,207,231	322,879,136	322,106,035	324,170,969	376,545,939
			Dev't	101,450,000	162,450,000	98,372,246	95,939,711	160,898,517	164,116,487
			Total	384,240,372	495,657,231	421,251,382	418,045,746	485,069,486	540,662,426
		Sports	Rec	26,240,112	26,640,112	8,945,795	8,866,206	4,032,740	26,764,914
			Dev't	114,500,000	158,922,738	53,590,632	40,828,317	105,475,000	107,584,500
			Total	140,740,112	185,562,850	62,536,427	49,694,523	109,507,740	134,349,414
		Social Welfare	Rec	16,406,107	16,406,107	11,150,000	10,984,250	10,000,000	16,734,229
			Dev't	-	-	-	-	-	-
			Total	16,406,107	16,406,107	11,150,000	10,984,250	10,000,000	16,734,229
		Culture	Rec	5,149,882	5,149,882	5,120,000	4,890,553	553,986	5,252,880
			Dev't	-	-	-	-	5,000,000	5,150,000
			Total	5,149,882	5,149,882	5,120,000	4,890,553	553,986	10,252,880
		Youth	Rec	10,719,960	10,719,960	3,737,960	2,555,206	-	10,934,359
			Dev't	57,093,298	71,531,523	71,402,211	63,929,580	100,192,410	105,471,258
			Total	67,813,258	82,251,483	75,140,171	66,484,786	100,192,410	116,405,617
Water and Irrigation	Water	Rec	79,397,447	69,539,981	71,380,980	70,355,105	45,725,680	77,163,223	79,478,120
		Dev't	343,220,026	441,430,177	292,483,691	264,191,973	349,357,709	366,344,863	377,335,209
		Total	422,617,473	510,970,158	363,864,671	334,547,078	395,083,389	443,508,087	456,813,329
	Irrigation	Rec	36,577,100	36,577,100	35,426,749	34,718,833	56,000	37,308,642	38,427,901
		Dev't	157,000,000	368,750,000	111,861,272	90,140,982	206,410,851	220,539,068	227,155,240
		Total	193,577,100	405,327,100	147,288,021	124,859,815	206,466,851	257,847,710	265,583,141
Land Environment and Natural Resources	Lands and Physical Planning	Rec	62,012,957	52,602,448	48,290,386	45,536,197	48,903,860	53,253,216	54,850,813
		Dev't	73,800,600	52,202,245	8,544,856	1,277,193	15,000,000	35,300,000	36,359,000
		Total	135,813,557	104,804,693	56,835,242	46,813,390	63,903,860	88,553,216	91,209,813
	Environment and Natural Resources	Rec	6,745,978	6,745,978	2,984,950	1,256,958	3,998,019	6,880,898	7,087,324
		Dev't	-	-	-	-	33,700,000	44,374,000	45,705,220

Sector	County Entity	Vote	Approved FY 2019/2020	Revised Estimates 1 FY 2019/2020	Revised Estimates 2 FY 2019/2020	Actual Expenditure FY 2019/2020	Approved Estimates FY 2020/2021	Projected Estimates FY 2021/2022	Projected Estimates FY 2021/2022
		Total	6,745,978	6,745,978	2,984,950	1,256,958	37,698,019	51,254,898	52,792,544
TOTAL RECURRENT			7,850,709,245	8,105,621,417	8,634,977,192	8,550,381,962	7,338,055,006	8,135,569,130	8,151,122,944
TOTAL DEVELOPMENT			4,971,551,530	5,385,748,743	4,694,673,969	3,193,672,206	3,678,893,632	4,039,175,473	4,076,553,485
Total County Budget.			12,822,260,775	13,491,370,160	13,329,651,161	11,744,054,168	11,016,948,638	12,174,744,603	12,227,676,429

Source: Machakos County Financial Statements FY 2019/2020

Annex 6: Key Activities Implemented in FY 2019/2020

Department	Key Activities
Health and Emergency Services	<ul style="list-style-type: none"> • Constructed 37 Community Hospitals • Completed 20 Dispensaries • Renovated 31 Operational Health Centers. • Procured 9 advanced life support ambulances.
Agriculture, Food Security and Cooperative Development	<ul style="list-style-type: none"> • Artificial Insemination of 1,109 local cows. • Supplied 12,129 breeding stock chicks to 6,313 farmers. • Ploughed 1,030 acres for various farmers across the County. • Supplied free certified seeds to 20,000 farmers. • Vaccinated 46,297 livestock. • Meat inspection (93,147 carcasses inspected) in 89 slaughter houses. • Quarter acre Pond excavations for 984 households. • Capacity building, sensitization, cooperative education, and registration of the cooperative movement, 17 No. trainings.
Education, Skills Training and Social Welfare	<ul style="list-style-type: none"> • Routine assessment of ECDE 240 centers for quality assurance and standards. • Supported 7,000 needy High School Students with Basic Education bursaries. • Upgraded 79 selected VTCs for Youth Polytechnic infrastructure program. • Child protection and support for orphans and vulnerable children in 6 homes and 14 primary schools benefited. • Provided assistive devices to 310 persons with disabilities. • Conducted capacity building for 15 groups of persons with disabilities. Each group had 30 members. • Organized International Day for Persons with Disability celebrations, 350 participants were invited in the year.

	<ul style="list-style-type: none"> • Conducted capacity building for 16 women groups, 35 participants were trained from each group. • Established of Gender Based Violence (GBV) Technical working groups in the sub Counties, 350 women were invited.
Water, irrigation, Environment and Natural Resources	<ul style="list-style-type: none"> • Supplied 1,000 PVC 10,000 litre water tanks, to primary schools and other public institutions. • Constructed of 23 water pans. • Constructed one mega dam (Nthungululu Dam in Yatta Sub-County). • Rehabilitated and equipped 10 boreholes as follows: <ul style="list-style-type: none"> • Masii ward-Muusini rehabilitation & reticulation. • Mbiuni ward-Masawa community – rehabilitation. • Wamunyu ward-Nunga & Kilembwa – rehabilitation. • Ndalani-Kisiiki reticulation. • Ekalakala ward- Ekalakala Market rehabilitation. • Ikombe ward-Kinaka equipping & Powering. • Kinanie ward-Itimboni Tank Elevation & Reticulation. • Mutituni Ngelani Ward-Muvae Equipping & Reticulation. <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> Muvuti/Kiima Kimwe Ward- Kyeni Equipping & Powering. <ul style="list-style-type: none"> • Kithimani Ward-Kauthuilini Primary School Rehabilitation. </div> <ul style="list-style-type: none"> • Kithimani Ward-Kauthuilini Primary School Rehabilitation. • Elevated 12 tank structures. • Distributed 43,000 seedlings for planting.
Public Service , Quality Management and ICT	<ul style="list-style-type: none"> • Installed 50 CCTV cameras across the County. • Uploaded 100 Government tender and policy

	<p>documents.</p> <ul style="list-style-type: none"> • Placed 50 Job adverts on the website. • Conducted departmental staff audit. • Implemented performance contracting in the County as a tool to manage staff performance in line with the CIDP goals and targets. • Conducted Sensitization workshop on performance contracting upto the directors' level. • Developed quality performance standards in all departments and a quality management manual.
Energy, Lands, Housing and Urban Development	<ul style="list-style-type: none"> • Recommended for approval of Regional Plan and Spatial Plans for 16 towns in the County. The 16 targeted towns are Wamunyu, Mbiuni, Mwala, Katangi, Yathui, Matuu, Ekalakala, Masinga, Kivaa, Kithyoko, Kathiani, Mitaboni, Kangundo, Tala, Kola and Masii. • Procured materials and installed 114 floodlights in 112 markets • 31.9km Street lights installed.
Tourism, Youth , Sports and Culture	<ul style="list-style-type: none"> • Organized a Mr. and Miss Tourism event to promote talent among beauty pageants in Machakos County. Over 1,000 artists were given a platform to showcase their talents • Organized a short film competition dubbed Machakos Fest. Over 500 film makers were able to exploit and showcase film development talent. • Organized a top choir competition to promote film development. 300 choirs members showcased their talents • Organized a cycling competition to promote sports tourism over 1,000 cyclists participated in the competition. • A Draft of sports policy document was done for enhancing sporting environment.

	<ul style="list-style-type: none"> • Allocated 20 teams with sporting equipment. • Established 5 sports academies. • Improved infrastructure in 4 stadia's and 4 social halls.
County Administration and Decentralized units	<ul style="list-style-type: none"> • Purchased 460 inspectorate uniforms. • Installed 10 traffic marshals to control vehicle movement; trained 5 motorbike riders for traffic control in Mavoko and Machakos; deployed 1 Deputy Commander as coordinator for traffic control. • Conducted a crackdown on hawkers at Mlolongo and Chumvi junction. • Coordinated with KeNHA to involve their police patrol units in decongesting traffic between Gateway Mall and Chumvi junction. • Purchased 320 skip bins and rotating bins in 11 wards; Mlolongo, Athiriver, Kinanie, Muthwani, Mua, Machakos town, Muvuti, Mumbuni, Mutituni, Tala, Kangundo Central.
Transport, Roads and Public Works.	<ul style="list-style-type: none"> • Kathithyamaa-Maiuni road: Constructed 1 drift, installed gabions, culverts and spot improvement. • Kivandini-kwa ndoo-kanzalu road: Constructed 4 drift, gabions, installed culvert, scour and spot improvement. • Kibauni-kaseve-katangi road: Constructed 3 drifts, gabions, installed culverts and scour checks. • Kituluni-kitambaasye road: Spot improvement and installed culverts. • Kwa malibe-kwa endelea-misuuni-ngonda road: Constructed 1 box culvert, gabions and scour checks. • Nguluni-isooni-mukukuni road: Spot improvement. • Mukaawani-makyau-kyanda road: Constructed culverts, gabions and scour checks.

	<ul style="list-style-type: none"> • Mutituni-ngomeni-kasaini-kaloleni road: Constructed 2 box culverts, rock fills and scour checks. • Kalama-mutuyu rd: Installed box culverts, scour checks and spot improvement • Kikumbo-kitulani market-kitulani catholic church: Constructed 1 Drift, installed culverts, scour checks and spot improvement. • Mitatini-prayer centre-ndovoini: Installed Culvert, scour checks and spot improvement • Syokaowe-mutula rd: Constructed of 3 box culvert, 1 drift, stone pitching and scour check • Kyua-kavingo rd: Constructed 2 box culverts. • Nduini-kamale: Constructed 1 non-vented drift and gabions. • Nduini-kamale: Constructed 1 non-vented drift and gabions. • Kisikii-ilumanthi-uvaini: Constructed 4 box culverts, installed culverts and gabions • Kinyaata-ikombe: Spot improvement. • Matuu level 4 –equity lane: Installed culvert and constructed lined drain. • Kisikii-ilumanthi-uvaini: Constructed 4 box culverts and gabions • Kilaatu-wa kaela-miandoni: Constructed 3 Drifts scour checks and rock blasting. • Constructed 110 modern toilets in all wards
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Source: Machakos County Financial Statements FY 2019/2020

Annex 7: Machakos County Sector Composition

Sector	County Entity
Agriculture and Cooperative Development	<ul style="list-style-type: none"> • Agriculture, Food Security and Co-operatives Development
Energy, Infrastructure and ICT	<ul style="list-style-type: none"> • Roads, Transport and Public Works • Housing and Urban Development • Energy and Electrification • Information, Communication Technology
Commercial, Tourism and Labour Affairs	<ul style="list-style-type: none"> • Trade, Industrialization and Innovation • Tourism
Health	<ul style="list-style-type: none"> • Health and Emergency Services
Education and Social Welfare	<ul style="list-style-type: none"> • Education, Skills Training and Social Welfare • Youth, Sports and Culture
Public Administration	<ul style="list-style-type: none"> • Office of the Governor • Finance and Economic Planning • Public Service and Quality Management • County Public Service Board • County Administration and Decentralized Units • County Assembly • County Law Office
Water and Irrigation	<ul style="list-style-type: none"> • Water and Irrigation
Land, Environment and Natural Resources	<ul style="list-style-type: none"> • Lands and Physical Planning • Environment and Natural Resources

Source: Machakos County Integrated Development Plan 2018-2022

Annex 8: Budget Calendar FY 2021/2022

No.	ACTIVITY	RESPONSIBILITY	TIMELINES
1.	Issue guidelines for preparation of FY 2021/2022 and Medium Term County Budget Estimates	County Executive Committee Member for Finance (CECMF)	30 th August 2020
2.	Draft County Budget Review and Outlook Paper (CBROP)-2020	County Treasury	15 th September 2020
3.	Submission of CBROP 2020 to the County Executive Committee for deliberation and approval	County Treasury	30 th September 2020
4.	Deliberation and approval of CBROP 2020	County Executive Committee	14 th October 2020
5.	Submission of CBROP 2020 to County Assembly	County Treasury	21 st October 2020
6.	Draft County Fiscal Strategy Paper (CFSP)-2021 circulated to stakeholders/Public Participation	County Treasury	24 th January, 2021
7.	Submission of CFSP 2021 comments to County Treasury	Accounting Officers/Stakeholders	31 st January, 2021
8.	Submission of the CFSP- 2021 to County Executive Committee	County Treasury	14 th February, 2021
9.	Submission of the CFSP-2021 to County Assembly	County Treasury	28 th February, 2021
10	Adoption/Approval of CFSP	County Assembly	14 th March, 2021
11	Submission of Budget Estimates proposal for 2021/2022 to County Treasury	Accounting Officers	10 th March, 2021.
12	Consolidation of Budget Estimates for FY 2021/2022	County Treasury	30 th March, 2021.
13	Submission of County Budget Estimates to County Executive Committee	CECMF	20 th April, 2021
14	Submission of County Budget Estimates to County Assembly	CECMF	30 th April, 2021
15	Submission of Finance Bill to County Assembly	CECMF	June 2021
16	Approval of the Budget Estimates	County Assembly	30 th June 2021
17	Approval of Finance Bill	County Assembly	30 th September, 2021

Source: Public Finance Management Act 2012