



COUNTY GOVERNMENT OF WAJIR

**DEPARTMENT OF FINANCE AND ECONOMIC
PLANNING**

**COUNTY BUDGET REVIEW
AND OUTLOOK PAPER**

SEPTEMBER 2017

© County Budget Review and Outlook Paper (CBROP) 2017

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FOREWARD

The County Budget and Outlook Paper (C-BROP) 2017 is prepared in line with the Public Finance Management Act 2012 and is the fourth to be prepared since the County Government came into place and outlines the fiscal performance of the 2016/17 financial year.

As required, the preparation of the 2017 C-BROP was a collaborative effort with all the stakeholders involved. The paper contains the approved budgets and identifies the source of funding. It further details the departmental actual expenditures and makes comparison to the revised budgets.

In reviewing the performance, the paper highlights the performance of own local revenue against both the initial and the revised target. This paper examines the budget and the expenditure of the County in reference to the fiscal responsibility Principles of the PFM Act. It should be noted that the expenditure in the Financial Year has complied with all the principles and the County Treasury will continue to be guided by these Principles.

The recent economic developments in the Country are discussed to provide macroeconomic outlook for the medium term. A further analysis of the medium term Fiscal Framework for the County has been provided and risk to the outlook identified. In addition, the 2018/19 Budget Framework has been discussed with emphasis on revenue projections, expenditure forecast, overall balance and financing. These projections will guide the stakeholders in the various Sector Working Groups in coming up with sector priorities for the 2017/18 MTEF budget. These ceilings will be re-enforced or adjusted by the CFSP 2018.

Sector Working Groups are called upon to adhere to the sector ceilings and rationalize all programs to ensure that only those programs with the least cost but highest impact on our core objective of growth, employment and poverty reduction are given consideration in resource allocation.

To strengthen the budget preparation process, the County Government of Wajir will continue to embrace programme-based budgeting and deepen financial reforms to increase efficiency and effectiveness in service delivery and value for money. Emphasis will be placed on implementation of development projects as this will spur growth of the local economy and improve the lives of Wajir County.

Ag. COUNTY EXECUTIVE MEMBER - FINANCE AND ECONOMIC PLANNING

ABBREVIATIONS AND ACRONYMS

AiA	Appropriation-In-Aid
ASAL	Arid and Semi-Arid Land
BPS	Budget Policy Statement
CA	County Assembly
C-BROP	County Budget Review and Outlook Paper
C-FSP	County Fiscal Strategy Paper
CG	County Government
CIDP	County Integrated Development Plan
FY	Financial Year
GDP	Gross Domestic Product
GoK	Government of Kenya
IFMIS	Integrated Financial Management Information System
MTEF	Medium Term Expenditure Framework
MTP	Medium Term Plan
PERs	Public Expenditure Review
PFM	Public Finance Management
PPP	Public Private Partnership
SWG	Sector Working Groups

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

The County Budget Review and Outlook Paper is prepared in accordance with Section 118 of The Public Financial Management Act, 2012. The law states that:

1. County Treasury shall prepare a County Budget Review and Outlook Paper (C-BROP) and submit the paper to the County Executive Committee for approval by the 30th September in each financial year, which should include:
 - (a) The details of the actual fiscal performance in the previous year compared to the budget appropriation for that year;
 - (b) The 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 any changes in the forecasts or how actual financial performance for the previous financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the County Fiscal Strategy Paper for that financial year; and
 - (d) Reasons for any deviation from the financial objectives in the County Fiscal Strategy Paper together with proposals to address the deviation and the time estimated for doing so.
2. The County Executive Committee shall consider the County Budget Review and Outlook Paper with a view to approving it, with or without amendments, within fourteen days after its submission.
3. Not later than seven days after the County Budget Review and Outlook Paper is approved by the County Executive Committee, the County Treasury shall:
 - (a) Arrange for the Paper to be laid before the County Assembly; and
 - (b) As soon as practicable after having done so, publish and publicise the Paper.

I. INTRODUCTION

1.1 Legal Background

1. The County Budget Review and Outlook Paper (C-BROP) is prepared in accordance with the Public Finance Management Act, 2012 section 118. The Act requires that The County Treasury prepares the County Budget Review and Outlook Paper (C-BROP) by the 30th of September of that financial year and submit it to the County Executive Committee (CEC) for approval. The County Executive Committee shall consider the C-BROP with a view to approving it, with or without amendments within 14 days after its submission. The Paper is then laid before the County Assembly for approval and publishing.

1.2 Objectives and Importance of the CBROP

2. It provides a review of the county fiscal performance for the FY 2016/17 and how this impacts the financial objectives and fiscal responsibility principles set out in the last County Fiscal Strategy Paper (CFSP). The C-BROP is expected to provide preliminary sector ceilings for the FY 2018/2019 budget and indicative projections for the FY 2019/2020 and 2020/2021 Medium term expenditure period. These ceilings will offer the primary reference for the Sector Workings groups (SWGs) before being firmed up in the CFSP 2018.
3. Furthermore the paper includes a review of FY 2016/2017, a brief discussion into the recent County and National Economic Developments and how these affects the County fiscal outlook going forward given the prevailing Macroeconomic environment for the Country. In addition it provides an updated economic and financial forecast with sufficient information to show changes from the forecasts in the most recent County Fiscal strategy paper
4. The paper links policy formulation, planning and budgeting.
5. County Budget Review and Outlook paper (C-BROP) is a vital document in the county budget preparation process as it is a forward and backward looking paper. It reviews the immediate past financial year fiscal performance and

postulates Medium Term Expenditure Framework within which the county government's planning, budgeting and execution of its programs are managed.

1.3 Organization of the Paper

6. The Paper is organized into five sections namely introduction, review of fiscal performance in FY 2016/17 and its implications on the financial objectives set out in the last CFSP, recent economic developments and outlook, resource allocation framework displacement, conclusion and way forward.

II. REVIEW OF FISCAL PERFORMANCE IN 2016/17

2.1 Overview

7. This section provides an overview of the performance and implementation of the budget for the Financial Year 2016/17 and how this may have affected compliance with the fiscal responsibility with regard to the CFSP. This will be useful in providing a basis for setting out broad fiscal parameters for subsequent budgets as well as a way forward for Wajir County. The fiscal performance in 2016/2017 faced a lot of challenges especially occasioned by revenue shortfalls and delayed disbursement of funds by national treasury.
8. This led to supplementary budget being presented in the county assembly for consideration. However fiscal performance was generally satisfactory. The county had initial budget of 8.201billion, in which 4.189billion (51%) was allocated for recurrent expenditure and 4.012billion (49%) development expenditure. In the supplementary budget more funds were committed to recurrent expenditure 52 %(4.473 billion) while 48 %(3.842 billion) went to development expenditure.

2.2 2016/17 Fiscal Performance

Tables 1, 2 & 3 below present the fiscal performance for the FY 2016/17 and the deviations from the Original and revised budget estimates.

Table 1: Fiscal Performance FY 2016/17				
Department	FY 2016/17		Deviation (Kshs)	% growth / change
	Revised (Kshs)	Printed (Kshs)		
1. REVUNUE & GRANTS	8,681,947,179	8,201,927,838.24	480,019,341	5.5%
a. Revenue				
Equitable Share	7,804,126,341	7,804,219,087	-92,746	-0.001%
Local revenue collection	230,212,296	150,000,000	80,212,296	34.84%
b. Grants	191,497,293	0	191,497,293	100.0%
Conditional Grants				
Grants From Partners	56,211,458	0	56,211,458	100.0%
2. Balance B/F	365,270,924	0	365,270,924	100%
2. EXPENDITURE	8,681,947,179	8,201,927,838.24	480,019,341	5.5%
a. Recurrent				
i) Compensation to employees	2,689,741,439	2,508,577,571	181,163,868	6.7%
ii) Use of goods and services	1,784,202,629	1,680,486,305	103,716,324	5.8%
b. Development	3,842,732,187	4,012,863,962	-170,131775	-4.42%

Table 2: Estimates As Per The County Departments –Recurrent Expenditure FY 2016/17				
Department	Printed Estimates Kshs(M)	Revised Estimates Kshs(M)	Deviation (Kshs)	% growth
Agriculture, Livestock and Livestock Development	175,401,404	174,401,404	1,000,000	0.6%
Roads Transport and Public works department	73,759,706	300,416,481	-226,656,775	-75%
Trade, Industrialization, Co-operative Development	124,064,240	120,182,390	-3,881,850	-3.1%
Public Health, Medical Services and Sanitation	915,440,293	922,396,960	-6,956,667	-0.8%
Education, Youth, Gender and Social Services	297,780,360	300,115,410	-2,335,050	-0.8%

Table 2: Estimates As Per The County Departments – Recurrent Expenditure FY 2016/17

Department	Printed Estimates Kshs(M)	Revised Estimates Kshs(M)	Deviation (Kshs)	% growth
Water Resources Development	192,099,405	184,639,405	7,460,000	4%
Energy, Environment and Natural Resources	84,578,090	82,097,590	2,480,500	3%
Public Works, Housing, Lands and Physical Planning	88,214,745	89,330,245	-1,115,500	-1.24%
Finance and Economic Planning	398,716,167	480,479,706	-81,763,539	-17%
County Executive	434,382,021	450,339,671	-15,957,650	-4%
County Assembly	593,839,549	645,131,099	-51,291,550	
Public Service, Labor and Decentralized Unit	668,826,188	581,331,537	87,494,651	15.1%
County Public Service Board	72,051,255	71,307,505	743,750	1.04%
WAJWASCO	69,913,453	68,848,453	1,065,000	1.5%
Total	4,189,063,876	4,473,944,068	284,880,192	6.6%

Table 3: Estimates As Per The County Departments – Development Expenditure FY 2016/17

Department	Printed Estimates Kshs(M)	Revised Estimates Kshs(M)	Deviation (Kshs)	% Growth
Agriculture, Livestock and Livestock Development	523,176,202	516,176,202	7,000,000	1.4%
Roads & Transport Department	1,053,919,600	934,007,825	119,911,775	13%
Trade, Industrialization, Co-Operative Development Information Communication and E-Government	237,000,000	237,000,000	0	0.00%
Public Health, Medical Services and Sanitation	439,140,000	376,200,000	62,940,000	17%
Education, Youth, Gender social Services	298,552,000	291,552,000	7,000,000	2.4%
Water Resources Development	930,396,960	922,396,960	8,000,000	0.9%
Energy, Environment and Natural Resources	188,000,000	267,000,000	-79,000,000	-30%

Public Works, Housing, Lands and Physical Planning.	160,000,000	177,000,000	-17,000,000	-10%
Public Service, Labor and Decentralized Unit	41,000,000	41,000,000	0	0.00%
WAJWASCO	71,399,200	71,399,200	0	0.00%
Finance and Economic Planning	70,280,000	9,000,000	61,280,000	0.9%
TOTAL	4,012,863,962	3,842,732,187	170,131,775	0.04%

2.2.1 Revenue

9. Total cumulative local revenue collection including AiA amounted to Kshs 75,150,050.00 compared to Kshs 230,212,296 in the revised budget and original target of Kshs 150 million. This represents a revenue shortfall of Kshs 155,062,246 (67.4%) deviation from the revised target. There is need to improve on local revenue by simplifying the tax administration, entrenching technology and working with the county enforcement services. The revenue section will propose adjustments to the finance act 2016 to facilitate the improvements.

2.2.2 Expenditure

10. Total expenditure amounted to Kshs 8.22billion against a target of Kshs 8.63billion, representing 95% absorption. This was an improvement from the previous year whereby the spending was 92.7% of the total budget. The improvement can be attributed to higher absorption in development expenditures by the county departments compared to previous periods. Table 4 and 5 below shows the spending analysis.

Table 4: Estimates As Per The County Departments and Expenditure Type for FY2016/17						
Department	Recurrent Expenditure	Revised Estimates	Deviation	Development Expenditure	Revised Estimates	Deviation
County Executive	447,965,366	450,339,671	10,905,897	-	-	-
County Assembly	641,795,636	645,131,099	13,121,338	-	-	-
Finance and Economic Planning	430,123,397	250,719,484	-179,403,913	1,750,000	10,040,138	8,290,138

Department	Recurrent Expenditure	Revised Estimates	Deviation	Development Expenditure	Revised Estimates	Deviation
Roads and Transport Department	277,587,160	300,416,481	22,829,321	937,643,114	937,966,267	323,153
Water Resources Development	184,383,615	184,639,405	255,790	956,710,254	959,147,587	2,437,333
WAJWASCO	36,224,474	68,848,453	32,623,979	74,981,736	76,003,877	1,022,141
Energy, Environment and Natural Resources	76,252,714	82,097,590	5,844,876	227,083,954	308,913,651	81,829,697
Public Health, Medical Services and Sanitation	919,001,308	922,323,843	3,322,535	433,708,329	394,293,536	-39,414,793
Education, Youth, Gender and Social Services	410,325,597	413,115,410	2,789,813	180,764,377	200,767,807	20,003,430
Agriculture, Livestock and Livestock Development	167,595,017	178,901,404	11,306,387	536,365,235	555,932,276	19,567,041
Trade, Industrialization, Co-operative Development and ICT & E-government	108,021,656	120,182,390	12,160,734	175,753,868	276,089,261	100,335,393
Public Works, Lands, Housing and Physical Planning	77,710,115	89,330,245	11,620,130	270,260,586	273,541,533	3,280,947
Public Service, Labour and Decentralized Unit	558,329,206	581,271,537	25,459,328	43,842,582	44,595,720	753,138
County Public Service Board	48,131,871	71,007,505	2,067,113	-	-	-
TOTAL	4,383,447,132	4,358,324,517	-25,096,672	3,838,864,035	4,037,291,653	198,427,618

	Approved Estimates	Actual Expenditure	Deviation	% Change
Recurrent	4,563,440,141	4,383,447,132	179,993,009	3.94%
Development	3,842,732,187	3,838,864,035	3,868,152	0.10%

Total Expenditure	8,406,172,328	8,222,311,167	183,861,161	2.19%
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11. Recurrent expenditure amounted to Kshs 4.38 billion against a target of Kshs 4.56 billion a deviation of Kshs 180 million from the targeted expenditure. The departments of Health services and Water resources had the highest absorption rate of 100% while the county public service board had the lowest at 68%.

12. Development expenditure amounted to Kshs 3.838 billion compared to a target of Kshs 3.842 billion. This represents an absorption rate of 95%. The Departments of Roads & Transport and Water resources had the highest absorption rate of 100%. The lowest absorption of development expenditure was recorded by department of Finance and Economic Planning at 17% with the department of Trade and ICT also performed poorly recording 64% absorption.

2.2.3 Overall balance and financing

13. The county received a total of Kshs 8,126,985,142 against a target of 8,681,947,179.14 representing 94% financing. Local revenue reported underperformance of 155,062,246 while 399,992,537 was not received in disbursements from the national government as equitable share, conditional grants and donor funding.

Source	Revised Target 2016/17	Actual Receipt 2016/17	Deficit 2016/17
Equitable Share & B/F	8,169,397,265	7,804,126,341	365,270,924
Local Revenue	230,212,296	75,150,050	154,969,500
DANIDA	10,045,000		
Result Based Financing (World Bank)	46,166,458	247,708,751 (Total Conditional)	34,628,867
Maternal Health	55,574,174		
User fees Forgone	16,011,344		
Fuel Levy	119,911,775		

KDSP Grant	34,628,867.00		
TOTAL	8,681,947,179	8,126,985,142	554,869,291

2.3 Implication of 2016/17 Fiscal Performance

14. The fiscal performance for the year under review necessitated some adjustments on the medium term objectives in the C-FSP 2017:

- i) The revenue base has changed significantly as a result of the new revenue formula adopted in the 2017/18 as well as the shortfalls in local revenue; as a result the medium term projections have been adjusted to accommodate these changes;
- ii) Following the change in political leadership of the county; there are some policy shifts that will be expected as the implementation of the new manifesto begins in earnest, the C-FSP 2018 will adjust the baseline ceilings of county departments and agencies.

15. Nationally, the economic growth looks favorable going forward. The country's GDP growth is estimated by the Kenya National Bureau of Statistics (KNBS) to have increased to 5.8% in 2016 up from 5.6% in 2015 mainly supported by significant infrastructure investments, mining, and lower energy prices.

16. The county macroeconomic environment looks favorable, this is bolstered by the near-normal to above normal (enhanced) rains forecasted for the October - November - December season. This is expected to boost crop production, ensure water availability that can go a long way to saving government resources that can subsequently be directed to development and social programmes.

17. The local revenue collection is projected at 200 million. The bills for enhancing revenue collection like the land rates bill will be expedited to ensure the target is reached and possibly surpassed. The C-FSP 2017 MTEF ceilings shall be adjusted in this document to reflect the favourable short term outlook and also accommodate the medium term objectives of the new political leadership.

18. This C-BROP has undertaken required adjustments, in reference to budget outturn for FY 2016/17. The C-FSP 2018 will provide the final ceiling for

preparation of final budget estimates after considering outcomes of the adjustments included here having assumed favourable weather and enhanced local revenue. The county treasury will focus on efficiency and effectiveness in budget utilization; this will be achieved through capacity enhancements for the line departments and agencies.

- 19.** The focus of the government in the key productive sectors of livestock and agriculture; efficient transport, water and energy infrastructure has been reflected in this document. In addition, continuous assessment of the prevailing natural factors as well as the macro-economic factors shall be taken into consideration as measures aimed at improvement of business environment, efficient budget implementation and efficient social services. Table 6 below provides the approved t for FY2016/17 and the printed budget for FY2017/18, comparison between C-FSP 2017 and C-BROP 2017 ceilings and the projections in the medium term.

Table 6: County Government Fiscal Projections FY 2017/18 – 2019/20 in Kshs

Department	Expenditure Type	Printed Budget 2016/17	C-FSP Ceiling 2017/18	Budget Estimates 2017/18	C-BROP Ceiling 2018/19	Projections	Projections
						2019/20	2020/21
Agriculture, Livestock and Livestock Development	Sub-Total	698,577,606	715,401,676	535,918,011	485,207,290	497,237,743	506,924,630
	Rec. Gross	175,401,404	185,305,474	204,059,809	213,083,564	223,737,743	234,924,630
	Salaries	125,419,435	133,246,507	145,098,059	152,352,962	159,970,610	167,969,141
	Other Recurrent	48,981,969	52,058,967	58,961,750	60,730,603	63,767,133	66,955,489
	Dev. Gross	523,176,202	530,096,202	331,858,202	272,123,726	273,500,000	272,000,000
Roads & Transport Services	Sub-Total	1,127,679,306	1,362,609,905	1,264,835,463	1,173,208,833	1,179,369,275	1,185,837,738
	Rec. Gross	73,759,706	312,609,905	118,295,644	123,208,833	129,369,275	135,837,738
	Salaries	43,868,486	46,061,910	68,215,984	71,626,783	75,208,122	78,968,528
	Other Rec.	29,891,220	266,547,995	50,079,660	51,582,050	54,161,152	56,869,210
	Dev. Gross	1,053,919,600	1,050,000,000	1,146,539,819	1,050,000,000	1,050,000,000	1,050,000,000
ICT, Trade, Industrialization, Co-Operative Development	Sub-Total	361,064,240	370,267,452	339,791,937	309,471,990	316,671,789	324,231,579
	Rec. Gross	124,064,240	130,267,452	137,991,937	143,995,990	151,195,789	158,755,579
	Salaries	72,044,126	75,646,332	93,214,737	97,875,474	102,769,248	107,907,710
	Other Rec.	52,020,114	54,621,120	44,777,200	46,120,516	48,426,542	50,847,869
	Dev. Gross	237,000,000	240,000,000	201,800,000	165,476,000	165,476,000	165,476,000
Public Health, Medical Services and Sanitation	Sub-Total	1,353,620,293	1,369,352,308	1,457,168,457	1,477,200,483	1,537,560,507	1,600,938,533
	Rec. Gross	914,480,293	969,212,308	1,156,768,457	1,207,200,483	1,267,560,507	1,330,938,533
	Salaries	714,608,626	757,445,788	786,448,615	825,771,046	867,059,598	910,412,578
	Other Rec.	199,871,667	211,766,520	370,319,842	381,429,437	400,500,909	420,525,955
	Dev. Gross	439,140,000	400,140,000	300,400,000	270,000,000	270,000,000	270,000,000
Education, Youth, Gender and Social Services	Sub-Total	596,332,359.60	625,669,378	743,317,185	721,009,404	747,231,852	774,765,421
	Rec. Gross	297,780,360	440,669,378	503,609,304	524,448,942	550,671,389	578,204,959
	Salaries	242,631,900	254,763,495	286,567,944	300,896,341	315,941,158	331,738,216
	Other Rec.	55,148,460	185,905,883	217,041,360	223,552,601	234,730,231	246,466,742
	Dev. Gross	298,552,000	185,000,000	239,707,881	196,560,462	196,560,462	196,560,462
Water Development Services	Sub-Total	1,122,496,365	1,253,101,335	1,187,985,583	1,015,551,759	1,025,430,215	1,035,802,593
	Rec. Gross	192,099,405	192,704,375	190,445,766	197,569,109	207,447,565	217,819,943
	Salaries	70,498,525	74,023,451	70,498,525	74,023,451	77,724,624	81,610,855
	Other Rec.	121,600,880	118,680,924	119,947,241	123,545,658	129,722,941	136,209,088
	Dev. Gross	930,396,960	1,060,396,960	997,539,817	817,982,650	817,982,650	817,982,650
Energy, Environment and Natural Resources	Sub-Total	272,575,089.80	296,803,844	337,404,041	294,152,937	298,257,256	302,566,791
	Rec. Gross	84,575,090	88,803,844	78,786,291	82,086,382	86,190,701	90,500,236
	Salaries	58,340,490	61,257,514	46,825,091	49,166,346	51,624,663	54,205,896

Table 6: County Government Fiscal Projections FY 2017/18 – 2019/20 in Kshs

Department	Expenditure Type	Printed Budget 2016/17	C-FSP Ceiling 2017/18	Budget Estimates 2017/18	C-BROP Ceiling 2018/19	Projections	Projections
						2019/20	2020/21
	Other Rec.	26,234,600	27,546,330	31,961,200	32,920,036	34,566,038	36,294,340
	Dev. Gross	188,000,000	208,000,000	258,617,750	212,066,555	212,066,555	212,066,555
	Sub-Total	248,214,745.2	277,625,482	306,723,134	271,613,925	315,079,621	320,083,602
Public works, Lands, Housing and Physical Planning	Rec. Gross	88,214,745	92,625,482	91,723,134	95,313,925	100,079,621	105,083,602
	Salaries	37,258,665	39,121,598	41,954,834	44,052,576	46,255,204	48,567,965
	Other Rec.	50,956,080	53,503,884	49,768,300	51,261,349	53,824,416	56,515,637
	Dev. Gross	160,000,000	185,000,000	215,000,000	176,300,000	215,000,000	215,000,000
	Sub-Total	503,625,034.1	506,492,805	928,092,614	1,415,616,266	1,443,897,080	1,473,591,934
Finance and Economic Planning	Rec. Gross	433,345,034	487,651,975	545,636,122	565,616,266	593,897,080	623,591,934
	Salaries	140,811,987	152,852,586	180,553,033	189,580,685	199,059,719	209,012,705
	Other Rec.	292,533,047	334,799,389	365,083,089	376,035,582	394,837,361	414,579,229
	Dev. Gross	70,280,000	18,840,830	382,456,492	850,000,000	850,000,000	850,000,000
	Sub-Total	434,802,021.0	465,664,289	441,025,816	460,332,999	483,349,649	507,517,131
County Executive	Rec. Gross	434,802,021.0	465,664,289	441,025,816	460,332,999	483,349,649	507,517,131
	Salaries	285,299,021	296,563,972	303,820,416	319,011,437	334,962,009	351,710,109
	Other Rec.	149,503,000	169,100,317	137,205,400	141,321,562	148,387,640	155,807,022
	Dev. Gross	-	0				
	Sub-Total	645,131,099.2	643,968,360	643,968,360	673,260,827	706,923,868	742,270,062
County Assembly	Rec. Gross	645,131,099.2	643,968,360	643,968,360	673,260,827	706,923,868	742,270,062
	Salaries	498,670,802	350,130,281	498,670,802	523,604,342	549,784,559	577,273,787
	Other Rec.	146,460,298	293,838,079	145,297,558	149,656,485	157,139,309	164,996,274
	Dev. Gross	-	0				
	Sub-Total	720,326,187.2	653,267,497	817,105,099	854,788,325	896,277,741	939,841,628
Public Service, Labor and Decentralized Unit	Rec. Gross	679,326,187	608,267,497	796,605,099	829,788,325	871,277,741	914,841,628
	Salaries	332,809,499	339,449,974	464,253,656	487,466,339	511,839,656	537,431,639
	Other Rec.	346,516,689	268,817,523	332,351,443	342,321,986	359,438,086	377,409,990
	Dev. Gross	41,000,000	45,000,000	20,500,000	25,000,000	25,000,000	25,000,000
	Sub-Total	141,312,653.3	164,808,326	165,645,705	150,769,341	154,338,671	158,086,467
WAJWASCO	Rec. Gross	69,913,453	73,409,126	68,837,487	71,386,602	74,955,932	78,703,729
	Salaries	23,600,275	24,780,288	24,199,520	25,409,496	26,679,971	28,013,969
	Other Rec.	46,313,179	48,628,838	44,637,967	45,977,106	48,275,961	50,689,759
	Dev. Gross	71,399,200	91,399,200	96,808,218	79,382,739	79,382,739	79,382,739
	Sub-Total	72,051,255.1	75,653,818	72,956,708	75,838,183	79,630,093	83,611,597
CPSB	Rec. Gross	72,051,255.1	75,653,818	72,956,708	75,838,183	79,630,093	83,611,597

Department	Expenditure Type	Printed Budget 2016/17	C-FSP Ceiling 2017/18	Budget Estimates 2017/18	C-BROP Ceiling 2018/19	Projections	Projections
						2019/20	2020/21
	Salaries	43,879,603	46,073,583	34,638,708	36,370,643	38,189,176	40,098,634
	Other Rec.	28,171,652	29,580,235	38,318,000	39,467,540	41,440,917	43,512,963
	Dev. Gross	-					
	Total Recc.	4,284,944,293	4,766,813,283	5,050,709,934	5,263,130,431	5,526,286,952	5,802,601,300
	Total Dev	4,012,863,962	4,013,873,192	4,191,228,179	4,114,892,132	4,154,968,406	4,153,468,406
	TOTAL	8,297,808,255	8,780,686,475	9,241,938,113	9,378,022,562	9,681,255,358	9,956,069,706

2.4 Fiscal Responsibility Principles

20. In line with the 2010 Constitution and PFM Act. 2012 the County Government has adhered to the fiscal responsibilities as set out in the law as follows;

i. The county government's recurrent expenditure shall not exceed the county government's total revenue.

21. The total recurrent expenditure under the period of review as indicated in Table 5 amounted to Kshs. 4.47 billion which is lower than the total revenue of Kshs. 8.32 billion for the same period.

ii. Over medium term a minimum of thirty percent of the county government's budget shall be allocated to the development expenditure.

22. In the fiscal year under review the county allocated Kshs 4.21 billion which was 48% the county total budget for the 2016/2017.

iii. The county expenditure on wages and benefits for its public officers shall not exceed a percentage of the county government total revenue as prescribed by the County Executive Member for finance in regulations and approved by the County Assembly.

23. In the year 2016/17 the county government planned to spend Kshs 2.69 billion amounting to 31% of the total expenditure. The county shall abide by the proportions prescribed once tabled in the assembly and approved. It should be noted the proportion is lower than the share set by the national treasury of 35%.

iv. Over medium term the county government borrowings shall be used only for the purpose of financing development expenditure and not for recurrent expenditure.

24. During the period under review the County Government did not borrow and when the regulations are set in place that allow County Governments to borrow, all the borrowings will be for financing of development projects.

v. Fiscal risks shall be managed prudently

25. The county treasury has considered all possible risks and provided for unforeseen emergencies and disaster in the budget in the tune of 80 Million in the financial year under review.

vi. A reasonable degree of predictability with respect to the level of tax rates and tax bases shall be maintained, taking into account any tax reforms that may be made in future.

26. The county treasury has maintained a degree of predictability in tax rates and the tax base. In the medium term, the treasury is focusing on administrative adjustments to achieve efficiency and improve revenue collection. There are no major shifts in the tax rates and introduction of new taxes planned in the short to medium term.

III. RECENT ECONOMIC DEVELOPMENTS AND OUTLOOK

3.1 Macroeconomic Review

27. National macroeconomic outlook remains favourable supported by significant infrastructure investments, accommodation and food services, information and communication as well as real estate and transport and storage.

28. Kenya's GDP is estimated by the Kenya National Bureau of Statistics (KNBS) to have expanded by 5.8 per cent in 2016 compared to a revised growth of 5.6 per cent in 2015. However, the National Treasury has lowered its 2017 economic growth forecast to 5.5 per cent due to drought and political uncertainty.

29. In Wajir County; the County government has made significant investments in roads, health and water structures; Private investments in construction sector is rapidly expanding as a result of the increased demand for business premise as well as residential units; the investment in infrastructure has also contributed to the growth in the construction industry. These were the main drivers of economic activities in the county for 2016/2017.
30. The County government of Wajir has developed strategies and better policy framework to accelerate economic growth in different sectors to increase the capacity of the county for better service delivery. To this effect the county has invested in road construction which has greatly improved accessibility to market places as well as movement of human capital to all parts of the county.
31. In the social sector, Healthcare system has improved tremendously through provision of medical supplies that increased from Kshs 88million in 2015/16 to Kshs 110million in 2016/17, the government has also maintained its fleet of 10 ambulances to ensure efficient emergency services. Construction and equipping of additional 53 boreholes has improved water accessibility for both human and animals.

3.2 Recent Economic Developments

32. According to KNBS 2017 economic survey, national GDP growth was mainly supported by expansion in accommodation and food services, information and technology, real estate and transport and storage. Overall GDP growth is estimated to have expanded by 5.8 per cent in 2016 compared to a revised growth of 5.7 per cent in 2015.
33. According to the Meteorological seasonal forecast report, Wajir County is part of those areas likely to receive near-normal to above-normal rainfall (enhanced) in October, November and December 2017. This is expected to positively impact the agricultural sector. Foliage and pasture conditions in the pastoral areas of Northeastern Kenya are expected to improve significantly as a result of the expected good rainfall performance during the season. This is also expected to speed up the construction services in the county as a result of

improvement in water resource. Diseases associated with excessive water such as malaria may emerge in areas that are expected to receive enhanced rainfall as a result Wajir County Health department will be on the look-out for such cases .Hospitals are expected to be equipped with necessary drugs to be able to deal with such situations as they arise.

3.3 Implementation of 2017/18 Budget

- 34.** The implementation of FY 2017/18 budget has started in a slow pace mainly due to the political activities before and after the 8th August general election; the county assembly had not concluded debate on 2017/18 appropriation bill by the time of adjournment causing further delay in disbursement of funds from National government. This has culminated in almost zero activity across county departments especially the first quarter of the FY.
- 35.** The local revenue collection for the July and August 2017 was Kshs 6.5 million. The draft County Public Finance Bill 2016 has already been subjected to public review and presented to the county Assembly for debate and approval. The enactment of this bill is expected to accelerate revenue collection by unlocking new revenue streams, expand the revenue base and therefore increase the local revenue as well as leakages if any.

3.4 Macroeconomic Outlook and Policies

3.4.1 Growth prospects

- 36.** Economic growth in 2017 is likely to be influenced more by the domestic factors than external ones. Moderate rainfall are projected in October, November and December. This will have direct positive effect on agricultural production, animal feeding and water supply. Due to share of agricultural contribution to GDP, there will be a higher rural demand for goods and services. The impact could further be experienced in sectors that have strong inter-linkages with these industries.
- 37.** The County Government will sustain the heavy investment in the key sectors such as Agriculture, livestock, trade and road construction as well as

rehabilitation of the existing infrastructure. This is expected to continue improving efficiency and mobility of goods within and outside the county.

- 38.** The government will focus on implementing the priority programmes outlined in the 2017 County Fiscal Strategy Paper; these are improving business environment, Fiscal reforms and efficient budget implementation, modernizing the key productive sectors of livestock and agriculture, investing in efficient transport, water and energy infrastructure, investing in efficient social service delivery and Climate Change Strategy and Disaster Management. The fiscal policy underpinning the FY 2017/18 budget and MTEF aims at raising revenue over the medium term and attain prudence in deployment of resources to promote sustainable and inclusive growth. These are expected to bolster resilience to climatic shocks and foster sustained high and inclusive growth.

3.4.2 Inflation outlooks

- 39.** According to KNBS; Consumer price index (CPI), annual average inflation eased to 6.3 per cent in 2016 compared to an average of 6.6 per cent in 2015 mainly due to decline in prices of transportation; housing and utilities; and communication. Inflation is expected to remain in the single digits and average around 6% in the medium term to 2020. Domestically, in the County, the current drought situation is expected to change given that Kenya Meteorological Department has predicted an enhanced rainfall for Wajir from October to December this year. This is set to ease inflationary pressure. Commodity prices are expected to stabilize; basic commodities like milk and vegetable prices are likely to decline in the short run as a result of the projected enhanced rain. The supply of agricultural products grown locally such as pawpaw and watermelon are projected to increase supply in the market. In the long run, this condition will improve.
- 40.** The expansion of the transport infrastructure will be accelerated in the medium term; with a significant investment going to road network improvement in the 2017/2018 financial year – more than 400km of gravel have been provided for in the budget. This investment can bolster the gains from stable fuel prices and

provide a cushion for the expected higher agricultural products prices as a result of depressed rains.

3.5 Medium Term Fiscal Framework

41. This section presents the underlying macroeconomic and fiscal assumptions, policies, and strategies for the development of the medium term expenditure framework and annual budget plans. Consequently, the county will focus on the fiscal policy objectives for FY 2017/18 which aims at supporting heavy flagship investment through expanded local revenue; investments in the productive sectors of Agriculture and Energy while also offering quality services in the social sectors. Specifically, the Fiscal Policy underpinning the FY 2017/18 MTEF Budget aims at local revenue of Kshs 200 million per annum over the medium term and containing growth of recurrent expenditure. Further, the policy aims at shifting more public resources from non-essential areas to essential & capital investment so as to expand productive capacity and ensure efficient social services.

42. The fiscal policy will undertake reforms on the following areas, namely:

(i) Enhancing resource mobilization, including broadening revenue base; Revenue collection efforts will be enhanced to ensure all potential taxpayers make their contribution towards County's development agenda. Revenue administration capacity will be strengthened through organizational and modernization reforms, broadening of the tax base in order to grow revenue to finance priority development. Automation of the Revenue Department is expected to be finalized in the financial year 2017/2018 and will enhance revenue collection.

(ii) Expenditure rationalization will continue being a priority with the resources only focused on the essential areas.

(iii) Expenditure efficiency and effective implementation of budget programs through enforcement of cost benchmarks for all projects and consumables. There will further be enforcement of a project implementation performance

benchmark of at least 90 percent, expenditure tracking and value for money audits to ensure efficiency and effectiveness in use of resources. Project planning and management as well as engagement with development partners will be strengthened.

3.6 Risks to the outlook

- 43.** Going forward, the macroeconomic outlook remains favorable although risks remain. Some of the challenges within the economy include insecurity, delay of timely release of resources from the National Government to the County. The current drought situation has put some pressure on the government to provide water to the most affected areas. Already, the assembly has approved Kshs 115 million towards water tracking to community settlements. The forecasted rains are however expected to improve the situation with water, crop production and the livestock activities expected to benefit most.
- 44.** There will be some transitional pressure on the fiscal policy as well, with the county forced to put in place contingency plan to mitigate the effects of the expected drought; revenue shortfalls continue to hinder effective budget implementation through constrained budget supply side. Effecting the proposals contained in the Finance Bill face legal challenges posed by prospective players. However, it is expected that in the long run there will be no major setback in the economy.

IV. RESOURCE ALLOCATION FRAMEWORK DISPLACEMENT

4.1 Adjustment to 2017/18 Budget

- 45.** The 2017/18 budgetary framework was on the basis of better budget implementation and improved fiscal management. Prompt revenue performance from local sources and National Treasury transfers was envisaged. The FY 2017/18 fiscal framework assumed a stable macroeconomic environment and continuation of the Government's policy of containing non-priority and unproductive expenditures within sustainable levels. Emerging

sectoral development priorities of the government may also provide basis for adjustments.

Previous financial years' challenges in revenue performance require the County Treasury to enhance the structures in place to seal loopholes and widen the tax-base.

4.2 Medium-Term Expenditure Framework

- 46.** The 2017/18 Budget sectoral expenditure proposal will form baseline for Medium-Term Expenditure Framework while factoring in effects of inflation, government emerging priorities among other variables. The medium term budget framework for the FY2018/19- 2020/21 will ensure continuity in resource allocation based on prioritized programmes aligned to employment creation and poverty reduction.
- 47.** The allocation of resources in the MTEF will be geared towards the actualization of fiscal initiatives of the county government enumerated in the County Fiscal Strategy Paper (CFSP) 2017. The county's MTEF fiscal strategies contained in the county planning and budgeting documents are creating an enabling environment for business and private sector participation in County Economic growth and development; Development of County physical and social infrastructure facilities, water; Promotion of health services through investing in quality and affordable health services; Promotion of equitable social economic development for county stability; Enhancing governance, transparency and accountability in the delivery of public goods and service by promoting participation of the people in governance.
- 48.** The fiscal strategies are geared towards ensuring inclusive socio-economic growth and development of the county.
- 49.** To reflect the medium-term expenditure framework, Annex Table III provides the tentative projected baseline ceilings for the FY2018/19 – 2020/21 MTEF period by Sector.

4.3 2018/19 Budget framework

50. The FY 2018/19 budget framework is set on the foundation of the medium-term macro-fiscal framework set out in this Paper, the performance of the 2017/18 budget implementation and the medium term goals articulated in the 2018-2022 CIDP and third National MTP

4.3.1 Revenue projections

51. The FY 2018/19 resource envelope is projected at Kshs 9 billion constituting Kshs 8.8 billion disbursements from the National Government and KShs.200million own source revenue. The performance of the County's own source revenue will be underpinned by on-going reforms in revenue administration. These resource projection figures are indicative and will be firmed up in the 2018 CFSP.

4.3.2 Expenditure Forecasts

52. Overall expenditures are projected at Kshs 9 billion in the FY 2018/19, up from the estimated expenditure of Kshs 8.87 billion in the FY 2017/18 budget. Recurrent expenditures are expected to grow to Kshs 5.8 billion in the medium term. The county having filled most critical County sectoral positions, the wage bill is projected to be at Kshs 3billion and is expected to grow moderately to Kshs 3.5 in the medium term after full implementation of the SRC's job evaluation recommendations. Funds for development expenditures will largely be constant at to Kshs4 billion as estimated in the FY 2017/18 going to the medium term. The recurrent expenditure is projected at 57% against 43% projected for development expenditure in the medium term.

4.4 Overall Deficit and Financing

53. The overall budget for FY 2018/19 is balanced and hence fully financed, though it should be highlighted that this can fluctuate due to performance of local revenue collection as well as the grants pledged by development partners.

V. CONCLUSION

54. The positive weather forecast in the short term is expected to boost the local economic activities in for the period up to the first quarter 2018. The favorable macroeconomic outlook for the medium term and the continued focus on significant investments in the areas of infrastructure and kcy social services is expected to sustain the positive economic outlook.

55. The county expenditure in the financial year was in line with the fiscal responsibility principles of the PFM act 2012 as shown in- section2 Part D and the county treasury will continue to be guided by those principles. The ceiling given herein is expected to guide the sector working groups in coming up with proposals. The ceiling will also inform the CFSP 2018 and will be adjusted accordingly.

VI. ANNEXES

Annex Table 1: Revenue Analysis for FY 2016-2017

COUNTY GOVERNMENT OF WAJIR REVENUE COLLECTION FY 2016-2017													
REVENUE STREAM	2016						2017						TOTALS PER STREAM
	JULY	AUGUST	SEPT	OCT	NOV	DEC	JAN	FEBRUARY	MARCH	APRIL	MAY	JUNE	
Stock Auction fees	848,390	874,600	695,600	668,860	561,530	596,000	433,900	576,200	556,000	453,250	439,620	529,380	7,233,330.00
Stock Export fees	366,440	294,800	262,760	207,000	139,300	148,400	128,360	109,550	178,500	18,150	71,800	186,700	2,111,760.00
Slaughter fees	284,100	139,100	132,800	137,200	147,000	102,300	104,100	123,600	154,700	134,800	91,400	292,900	1,844,000.00
Hides &Skin	-	-	-	10,000	-	-	-	-	-	-	-	-	10,000.00
Arabic Gum	60,000	83,600	38,600	102,500	81,500	68,700	26,000	36,900	2,400	57,800	4,160	14,900	577,060.00
Miraa Cess	1,274,000	1,787,000	1,356,000	1,208,000	1,492,500	1,522,000	1,509,400	1,287,000	1,459,000	1,299,600	1,345,000	1,180,000	16,719,500.00
Single Business Permit(SBP)	1,925,500	1,381,260	127,300	230,000	173,500	38,400	664,900	1,545,020	1,337,200	632,400	492,000	219,520	8,767,000.00
Septic Tank	-	192,800	115,050	202,000	359,560	308,250	104,700	42,450	-	-	-	-	1,324,810.00
Conservancy	456,050	30,050	12,950	34,950	24,500	31,950	10,750	13,950	39,030	36,500	34,600	46,650	771,930.00
Land Rent	206,750	726,250	706,300	711,550	813,760	785,050	792,700	528,750	523,650	-	337,000	209,700	6,341,460.00
House Rent	-	-	-	-	-	-	-	-	695,200	-	-	-	695,200.00
Survey fees	-	-	-	-	-	-	-	-	-	-	-	-	-
pegging fees/site visit	-	-	126,000	-	-	-	-	-	-	-	-	-	126,000.00
Water	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Materials	368,300	471,000	220,300	500,800	520,800	1,441,600	978,400	755,500	522,600	2,332,840	278,900	78,900	8,469,940.00
Market gate fees(fresh produce)	-	2,000	61,000	-	-	-	-	-	-	-	-	-	63,000.00
Scrap metal	-	-	56,975	15,000	-	-	-	-	-	-	-	-	71,975.00
Cereals	345,610	226,400	375,500	217,500	244,800	566,800	401,900	300,790	574,700	214,300	303,860	134,500	3,906,660.00
Development permission	-	-	-	-	-	-	-	-	-	-	-	-	-
Allotment(for schools)	375,000	-	-	-	57,375	-	-	-	-	607,750	-	-	1,040,125.00
Charcoal	-	-	-	-	-	-	-	-	-	-	-	-	-
Hire of County Assets	70,000	-	796,000	281,000	-	75,000	225,000	-	100,000	3,100,000	200,000	-	4,847,000.00
Cost sharing	1,674,690	1,043,785	529,120	430,200	704,300	319,720	715,100	460,030	359,730	784,190	559,805	248,140	7,828,810.00
Medical Certificate	39,000	2,300	54,100	-	23,620	-	96,300	-	373,800	39,150	-	-	628,270.00
Wayleave	-	-	-	-	-	-	-	-	848,000	-	-	-	848,000.00
Clearance certificate	-	-	4,500	-	-	-	-	-	-	-	-	-	4,500.00
School registration	-	-	-	-	-	-	-	-	-	-	-	-	-
Approval of Building Plan(Safcom)	-	-	-	-	-	18,000	-	-	-	-	-	-	18,000.00
Advertisement	-	-	-	-	-	-	16,000	10,000	-	-	-	-	26,000.00
Sale of tender documents	-	63,000	219,000	343,000	241,000	99,000	45,000	62,000	66,000	2,000	-	-	1,140,000.00
Veterinary department	-	71,445	-	54,240	14,200	54,100	58,030	54,625	-	55,975	-	56,475	419,090.00
Transport/parking fee	-	89,330	-	28,800	28,800	-	-	17,700	-	-	-	-	164,630.00

MONTHLY TOTALS	8,293,830	7,478,720	5,889,855	5,382,600	5,628,045	6,175,270	6,310,540	5,924,065	7,790,510	9,768,705	4,158,145	3,197,765	75,150,050.0
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Annex Table 2: County Government Operations

Wajir County Government Operations 2017/18-2019/20 (Kshs.)							
Department	Approved Estimates FY 2014/15	Approved Estimates FY 2015/16	Approved Estimates FY 2016/17	Printed estimates FY 2017/18	Projection FY 2018/19	Projection FY 2019/20	Projection FY 2020/21
1. Total Revenue	7,261,872,550	7,602,291,419	8,126,985,142	8,836,069,692	9,260,627,577	9,694,118,150	9,962,541,111
Equitable share	7,141,872,550	7,232,740,318	7,804,126,341	8,138,900,000	8,545,845,000	8,947,499,715	9,215,920,000
Conditional Grants	0	157,461,101	247,708,751	352,257,697	369,870,582	381,706,440	381,706,440
Local revenue collection	102,290,000	150,000,000	75,150,050	200,000,000	200,000,000	220,000,000	220,000,000
Donor funds	17,710,000	62,090,000	0	144,911,995	144,911,995	144,911,995	144,911,995
2. Total Expenditure	7,261,872,550	7,602,291,419	8,395,616,170	9,241,938,113	9,378,022,562	9,681,255,358	9,956,066,666
Recurrent	2,896,389,988	3,809,524,317	4,358,324,517	5,050,709,934	5,263,130,431	5,526,286,952	5,802,600,000
Development	4,365,482,562	3,792,767,102	4,037,291,653	4,191,228,179	4,114,892,132	4,154,968,406	4,153,466,666

Annex Table 1: Departmental Development Ceilings MTEF Period 2018/19 - 2020/21

Departmental Development Ceilings					
Department		Estimates 2017/18	Ceiling 2018/19	Projections 2019/20	Projections 2020/21
Agriculture, Livestock and Livestock Development	GOK	331,858,202	272,123,726	273,500,000	272,000,000
	Local AIA				
Roads & Transport Services	GOK	1,146,539,819	1,050,000,000	1,050,000,000	1,050,000,000
	Local AIA				
ICT, Trade, Industrialization, Co-Operative Development	GOK	201,800,000	165,476,000	165,476,000	165,476,000
	Local AIA				
Public Health, Medical Services and Sanitation	GOK	300,400,000	270,000,000	270,000,000	270,000,000
	Local AIA				
	Grants				
Education, Youth, Gender and Social Services	GOK	239,707,881	196,560,462	196,560,462	196,560,462
	Local AIA				
Water Development Services	GOK	997,539,817	817,982,650	817,982,650	817,982,650
	Local AIA				
Energy, Environment and Natural Resources	GOK	258,617,750	212,066,555	212,066,555	212,066,555
	Local AIA				

Departmental Development Ceilings					
Department		Estimates 2017/18	Ceiling 2018/19	Projections 2019/20	Projections 2020/21
Public Works, Lands, Housing and Physical Planning	GOK	215,000,000	176,300,000	215,000,000	215,000,000
	Local AIA				
Finance and Economic Planning	GOK	10,000,000	850,000,000	850,000,000	850,000,000
	Local AIA		-		
Public Service, Special Programs and Decentralized Unit & Town Admin	GOK	20,500,000	25,000,000	25,000,000	25,000,000
	Local AIA				
WAJWASCO	GOK	96,808,218	79,382,739	79,382,739	79,382,739
	Local AIA				
TOTAL		3,818,771,687	4,114,892,132	4,154,968,406	4,153,468,406

Annex Table 2: Departmental Recurrent Ceilings MTEF Period 2018/19 - 2020/21

Table 4 :Departmental Recurrent Ceilings 2018/19					
Department		Estimates 2017/18	Ceiling 2018/19	Projections 2019/20	Projections 2020/21
Agriculture, Livestock and Livestock Development	Salaries	145,098,059	152,352,962	159,970,610	167,969,141
	Other Rec.	58,961,750	60,730,603	63,767,133	66,955,489
Roads & Transport Services	Salaries	68,215,984	71,626,783	75,208,122	78,968,528
	Other Rec.	50,079,660	51,582,050	54,161,152	56,869,210
Trade, Industrialization, Co-Operative Development and ICT	Salaries	93,214,737	97,875,474	102,769,248	107,907,710
	Other Rec.	44,777,200	46,120,516	48,426,542	50,847,869
Public Health, Medical Services and Sanitation	Salaries	786,448,615	825,771,046	867,059,598	910,412,578
	Other Rec.	370,319,842	381,429,437	400,500,909	420,525,955
Education, Youth, Gender and Social Services	Salaries	286,567,944	300,896,341	315,941,158	331,738,216
	Other Rec.	217,041,360	223,552,601	234,730,231	246,466,742
Water Development Services	Salaries	70,498,525	74,023,451	77,724,624	81,610,855
	Other Rec.	119,947,241	123,545,658	129,722,941	136,209,088
Energy, Environment and Natural Resources	Salaries	46,825,091	49,166,346	51,624,663	54,205,896
	Other Rec.	31,961,200	32,920,036	34,566,038	36,294,340
Public works, Lands, Housing and Physical Planning	Salaries	41,954,834	44,052,576	46,255,204	48,567,965
	Other Rec.	49,768,300	51,261,349	53,824,416	56,515,637
Finance and Economic Planning	Salaries	180,553,033	189,580,685	199,059,719	209,012,705
	Other Rec.	365,083,089	376,035,582	394,837,361	414,579,229
County Executive	Salaries	303,820,416	319,011,437	334,962,009	351,710,109
	Other Rec.	137,205,400	141,321,562	148,387,640	155,807,022

Table 4 :Departmental Recurrent Ceilings 2018/19					
Department		Estimates 2017/18	Ceiling 2018/19	Projections 2019/20	Projections 2020/21
County Assembly	Salaries	498,670,802	523,604,342	549,784,559	577,273,787
	Other Rec.	145,297,558	149,656,485	157,139,309	164,996,274
Public Service, Special Programs and Decentralized Unit & Town Administration	Salaries	464,253,656	487,466,339	511,839,656	537,431,639
	Other Rec.	332,351,443	342,321,986	359,438,086	377,409,990
WAJWASCO	Salaries	24,199,520	25,409,496	26,679,971	28,013,969
	Other Rec.	44,637,967	45,977,106	48,275,961	50,689,759
CPSB	Salaries	34,638,708	36,370,643	38,189,176	40,098,634
	Other Rec.	38,318,000	39,467,540	41,440,917	43,512,963
Total		5,050,709,934	5,263,130,431	5,526,286,952	5,802,601,300