



# **MBALE DISTRICT LOCAL COUNCIL FUNDING SOURCES, IPFS, AND BUDGET CHALLENGES**



**A PRESENTATION TO THE BUDGET CONFERENCE**

**BY**

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# **STRUCTURE OF THE PRESENTATION**



**1.0 Brief Background for the Department**

**2.0 Performance review for FY 2019/20 & first  
QUARTER of FY 2020/21 (JUL-SEP 2020)**

**3.0 Funding Sources / IPFS for FY 2021/22**

**4.0 Budget Challenges and strategies**

**5.0 Deptal Priorities for FY 2021/22**



## **1.0 BACKGROUND / Overview**

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- **The Department comprises of 5 sub sections namely the Administration office, Revenue, Budget, Expenditure and Accounting.**



## 1.0 BACKGROUND / Overview CONT....



- **Our role is to provide efficient and effective financial management services to the district council through; Proper Planning and budgeting, Revenue collection /mobilization, Book keeping and Accounting, Treasury management, Financial reporting, Accountability Management, Asset Management and Risk Management**



## **2.0 Overview of District Revenues and Expenditure for FY 2019/20 and FY 2020/21**



- **Total District revenue realized in FY 2019/2020 was Shs.49,070,210,953 – 94% of the approved revised budget of Shs.52,496,548,669.**
- **Total revenue realized in the first quarter of FY 2020/2021 was Shs.11,670,398,000 (20%) out of the approved budget of Shs.59,103,304,000).**
- **This is summarized in the tables below;**



## 2.1 REVENUE PERFORMANCE FOR FY 2019/20



<b>SOURCE</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>%</b>
<b>Local Revenue</b>	<b>1,184,563,781</b>	<b>753,906,271</b>	<b>63.6</b>
<b>Central Government Grants</b>	<b>44,070,253,132</b>	<b>44,070,235,283</b>	<b>100</b>
<b>Donor Funds</b>	<b>854,042,684</b>	<b>701,716,200</b>	<b>82.1</b>
<b>Transfers received from Other Government units</b>	<b>6,387,689,072</b>	<b>3,544,353,199</b>	<b>55.5</b>
<b>TOTAL</b>	<b>52,496,548,669</b>	<b>49,070,210,953</b>	<b>94</b>



## 2.2 REVENUE PERFORMANCE FOR PERIOD JUL- SEP FY 2020/21



SOURCE	ANN.BUDGET	ACTUAL	PERCENTAGE
<b>Local Revenue</b>	<b>1,184,564,000</b>	<b>236,913,000</b>	<b>20</b>
<b>Central Government Grants</b>	<b>47,191,569,000</b>	<b>11,054,945,000</b>	<b>23.4</b>
<b>Donor Funds</b>	<b>862,610,000</b>	<b>109,300,000</b>	<b>13</b>
<b>Transfers received from Other Government units</b>	<b>9,864,562,000</b>	<b>269,240,000</b>	<b>3</b>
<b>TOTAL</b>	<b>59,103,304,000</b>	<b>11,670,398,000</b>	<b>20</b>



## 2.3 Expenditure Performance for FY 2019/20



DEPARTMENT	BUDGET	ACTUAL	X 100
MANAGEMENT	16,917,713,049	16,174,058,165	0.95
FINANCE	518,538,526	446,266,051	0.86
STATUTORY	1,030,867,790	1,008,346,205	0.98
PRODUCTION	2,887,145,693	1,565,449,491	0.54
HEALTH	6,055,290,307	6,008,770,069	0.99
EDUCATION	21,519,970,605	21,501,326,545	0.99





## 2.3 EXPENDITURE PERFORMANCE FOR FY 2019/20 CONTINUED...



<b>DEPARTMENT</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>X 100</b>
<b>WORKS</b>	<b>1,815,146,522</b>	<b>1,562,804,173</b>	<b>0.86</b>
<b>NATURAL RESOURCES</b>	<b>204,109,906</b>	<b>155,253,768</b>	<b>0.76</b>
<b>COMMUNITY</b>	<b>1,244,609,232</b>	<b>366,581,553</b>	<b>0.29</b>
<b>PLANNING</b>	<b>167,054,162</b>	<b>152,541,408</b>	<b>0.91</b>
<b>INTERNAL AUDIT</b>	<b>87,394,112</b>	<b>83,654,762</b>	<b>0.95</b>
	<b>48,708,765</b>	<b>45,158,763</b>	<b>0.92</b>
<b>GRAND TOTAL</b>	<b>52,496,548,669</b>	<b>49,070,210,953</b>	<b>0.93</b>



## 2.4 EXPENDITURE PERFORMANCE FOR THE PERIOD JUL- SEP FY 2020/21



DEPARTMENT	BUDGET	ACTUAL	PERCENTAGE
MANAGEMENT	2,956,288,000	2,805,968,000	95
FINANCE	180,706,000	83,092,000	46
STATUTORY	265,785,000	146,432,000	55
PRODUCTION	400,893,000	325,634,000	81
HEALTH	1,768,374,000	1,367,578,000	77
EDUCATION	5,065,381,000	390,156,4000	77



## 2.4 EXPENDITURE PERFORMANCE FOR THE PERIOD JUL –SEP 21 CONTINUED.....



DEPARTMENT	QRTLTY BUDGET	QRTLTY ACTUAL	PERCENTAGE
<b>WORKS</b>	<b>707,192,000</b>	<b>275,977,000</b>	<b>39</b>
<b>NATURAL RESOURCES</b>	<b>71,052,000</b>	<b>42,497,000</b>	<b>60</b>
<b>COMMUNITY</b>	<b>90,610,000</b>	<b>59,410,000</b>	<b>66</b>
<b>PLANNING</b>	<b>94,207,000</b>	<b>29,613,000</b>	<b>31</b>
<b>INTERNAL AUDIT</b>	<b>21,049,000</b>	<b>17,378,000</b>	<b>83</b>
<b>TRADE</b>	<b>18,401,000</b>	<b>8,075,000</b>	<b>44</b>
<b>GRAND TOTAL</b>	<b>11,639,937,000</b>	<b>9,063,218,000</b>	



## **2.5. DEPARTMENT PERFORMANCE SUMMARY**



- **Annual Budget for FY 2020/21 was completed and approved by council within the mandatory period and forwarded for upload to MoFPED.**
- **Annual performance report submitted**
- **Lower local governments and finance department staff supervised and reorganized.**
- **Debt collection from outstanding debtors that involved sealing of the non compliant ones with the aid of enforcement officers.**
- **Enforced adherence to the financial policies and regulations**



## **2.5 DEPARTMENT PERFORMANCE SUMMARY CONTINUED...**



- **Prepared and submitted the final accounts for FY 2019/20 to Auditor General & Accountant General by the statutory deadline.**
- **Quarterly budget desk meetings held.**
- **Provided information for internal and external audits**
- **Revenue enhancement Committee operationalized that prepared the Revenue Enhancement Plan 2020/21.**
- **Internal Control systems reviewed/enhanced/maintained**
- **IFMS maintained and utilized to enhance public financial management.**
- **Updated the Business register in the data base provided by the LGFC**



## **2.5 DEPARTMENT PERFORMANCE SUMMARY CONTINUED...**



- **The finance committee had an exchange visit to Soroti District for experience sharing on Local revenue mobilisation.**
- **Fencing of Kimwanga Market was completed**
- **Purchased a motorcycle for the Revenue Officer which has facilitated monitoring and revenue follow up in the field.**
- **Rehabilitated the Finance Office whose ceiling was collapsing.**



## 3.1 SUMMARY OF IPFS F/Y 2021/2022



<b>MTEF SOURCE CODE</b>	<b>SOURCE</b>	<b>AMOUNT</b>
<b>002</b>	<b>Conditional &amp; un Conditional Grant (Wage &amp; Non wage)</b>	<b>40,766,517,567</b>
<b>003</b>	<b>Local Revenue</b>	<b>800,000,000</b>
<b>420</b>	<b>Donor and Grants from other Gov't Institutions</b>	<b>10,125,036,400</b>
<b>Total</b>		<b>51,691,553,968</b>



## **3.2 SUMMARY BUDGET ALLOCATION F/Y 2020/2021**



<b>Department</b>	<b>Unconditional/ Local Revenue</b>	<b>Development</b>	<b>Donor/ Grants form other Gov't Units</b>	<b>Total Amount.9</b>
<b>MANAGEMENT</b>	<b>6,167,908,326</b>	<b>1,076,631,016</b>		<b>7,244,539,342</b>
<b>FINANCE</b>	<b>648,153,928</b>			<b>648,153,928</b>
<b>STATUTORY BODIES</b>	<b>940,831,664</b>			<b>940,831,664</b>
<b>PRODUCTION</b>	<b>1,239,838,879</b>	<b>109,695,193</b>	<b>7,302,874,288</b>	<b>8,652,408,360</b>
<b>HEALTH</b>	<b>5,742,001,614</b>	<b>519,030,333</b>	<b>883,519,501</b>	<b>7,144,551,448</b>
<b>EDUCATION</b>	<b>2,203,7247,502</b>	<b>595,520,019</b>	<b>21,799,000</b>	<b>22,654,566,521</b>
<b>WORKS</b>	<b>795,489,037</b>	<b>771,236,249</b>	<b>992,195,000</b>	





## 3.2 SUMMARY BUDGET ALLOCATION F/Y 2020/2021 CONTINUED.....



Department	Unconditional/Local Revenue	Development	Donors/OGT	Total
<b>N/RESOURCES</b>	<b>171,534,750</b>	<b>41,550,107</b>	<b>82,000,000</b>	<b>295,084,857</b>
<b>COMMUNITY</b>	<b>332,394,757</b>		<b>243,134,611</b>	<b>575,529,368</b>
<b>PLANNING UNIT</b>	<b>192,218,921</b>	<b>35,916,846</b>		<b>228,135,767</b>
<b>AUDIT</b>	<b>82,394,112</b>			<b>82,394,112</b>
<b>TRADE</b>	<b>44,701,231</b>	<b>22,223,087</b>		<b>66,924,317</b>
<b>TOTAL</b>	<b>38,394,714,718</b>	<b>3,171,802,849</b>	<b>9,525,522,400</b>	<b>51,092,039,968</b>



## 4.0 BUDGET CHALLENGES AND STRATEGIES



Constraints / Challenges	Measures / Strategies
<b>Inadequate Local Revenue</b>	<ul style="list-style-type: none"><li>➤ <b>Updating of the Business Registers at all local government levels and sensitization of tax payers on service delivery</b></li><li>➤ <b>Utilisation of available land for housing estates through PPP arrangement.</b></li></ul>



## 4.0 Constraints and Strategies continued ...



Constraints	Strategies
<b>Reliance on the traditional LG Local Revenue sources</b>	➤ <b>Pursue the business modal for real estate development ,agriculture and tourism taking advantage of the available land and other resources .</b>
<b>Tenants reluctance to clear their rent/ rent arrears on time</b>	➤ <b>Compel and ensure that the revenue enhancement committee drives regular billing and evictions.</b>



## **5.0 DEPARTMENTAL PRIORITIES FOR FY 2021/22.**



- **Efficient and effective financial management through adherence to policies & procedures**
- **Expanding local revenue sources through PPP in real estate investment.**
- **Prudent Budget management and control.**
- **Enhanced accountability and timely reporting.**
- **Staff capacity building/Professional development for Staff.**
- **Timely processing of payments.**
- **Rehabilitate markets in Bubyangu, Busano, Bungokho and Busoba.**

# **CONCLUSION & THE END**

**Let us manage the available resources objectively for the benefit of the present and future generations**

**Thank You for listening**

