

SPECIAL ISSUEKakamega County Gazette Supplement No. 2316th September, 2014(Legislative Supplement No. 1)

LEGAL NOTICE NO. 1

THE COUNTY GOVERNMENT OF KAKAMEGA
THE PUBLIC FINANCE MANAGEMENT ACT, 2012
(No. 18 of 2012)

IN EXERCISE of the powers conferred by section 116 (1) of the Public Finance Management Act, 2012, the County Executive Committee Member for Finance, hereby makes the following Regulations—

THE PUBLIC FINANCE MANAGEMENT (KAKAMEGA COUNTY
ASSEMBLY (CAR LOANS AND MORTGAGE FUND) REGULATIONS,
2014

Citation

1. These Regulations may be cited as The Public Finance Management (Kakamega County Assembly Loans and Mortgage Fund) Regulations, 2014.

Interpretation

2. In these Regulations, unless the context otherwise requires—

“Committee” means Loans and Mortgages Management Committee established under Regulation 5;

“Executive Committee Member” means the County Executive Committee Member in charge of Finance.

“Fund” means County Assembly Loans and Mortgage Fund established under Regulation 3;

“Member of County Assembly” means a person elected or nominated to the County Assembly of Kakamega;

“The Commission” means Salaries and Remuneration Commission established under Article 230 of the Constitution;

Establishment of the Fund

3. (1) There is established a Fund to be known as The Kakamega County Assembly Loans and Mortgages Fund which shall be managed and Administered in Accordance with these Regulations.

Object and Purpose of the Fund

4. The object and purpose of the Fund shall be to provide funds to enable Loans and Mortgages to be advanced to members of the County Assembly as may be prescribed by the Commission.

Sources of the Fund

5. (1) The sources of funds for the Fund shall consist of—

- (a) sums of money which may from time to time be appropriated by County Assembly for that purpose as stipulated by the Commission.
- (b) all sums of money due to the Fund in respect to the loans and Mortgages including but not limited to interests and penalties therefrom; and
- (c) any other fund that may become payable to or vested in the Fund including gifts, grants and donations.

(2) There shall be no expenditure allowed out of the Fund save for the Management fees, commissions and ledger fees chargeable by the agent bank in administration of the banking arrangements or other expense approved by the Executive Committee Member.

The Loans and Mortgages Management Committee

6. (1) There is established a Committee to be known as the Loans and Mortgages Management Committee which shall consist of—

- (a) Deputy Speaker who shall be chairperson of the Committee;
- (b) the Clerk who shall be the Fund Administrator and Secretary to the Committee;
- (c) two persons appointed by the County Assembly Service Board; and
- (d) one person appointed by the Executive Committee Member;

(2) The Committee shall be responsible for general administration and Management of the Fund including; Receiving and processing applications for the granting of loans and mortgages to Members of County Assembly subject to the provisions of any agreement relating to the provision of the loan and or mortgage.

Conduct of Affairs of the Committee

7. (1) The Chairperson shall preside at all the meetings of the Committee unless he is absent from a particular meeting in which case the members present shall elect one of themselves to preside at that particular meeting or part thereof.

(2) The Committee shall meet at least once a month but the Chairperson shall, upon requisition in writing by at least three members, convene a special meeting of the Committee at any time.

(3) All questions at any meeting of the Committee shall be determined by a simple majority of the votes of the members present and voting.

(4) The Quorum of the Committee shall be at least four members.

(5) The Committee shall cause minutes and proceedings of all the Committee's meetings to be entered into the Minute-Book kept for that Purpose.

(6) The Committee shall keep proper accounts and other records relative to its duties and functions and shall prepare annual statement of account in a form approved by the County Treasury.

(7) Not later than three months after the end of each financial year, the Committee shall submit the annual statement of account to the County Executive Committee Member.

(8) Subject to these Regulations, the Committee shall regulate its own proceedings.

Applications

8. (1) A Member of County Assembly wishing to be considered for the grant of a loan or mortgage facility shall make an application to the Committee in a prescribed form.

(2) The Committee shall consider the applications and recommend the loans and mortgages to the eligible Member of County Assembly.

Security

9. The loans and mortgages shall be secured in accordance with the applicable Laws and regulations.

Interest Rate

10. The loan and mortgage to the Members of the County Assembly shall attract Interest of three per centum (3%) per annum or such other rate and cost as may be advised by the Commission from time to time.

Repayment Period

11. The Members of County Assembly shall repay the loan and mortgage, at the latest, four months before the end of their legislative term.

Agent Bank

12. The Executive Committee Member shall designate a bank to act as the financial agent of the Fund and the bank so designated shall be subject to the terms and conditions of any agreement for the purpose.

Recoveries

13. (1) Where a repayment of a loan and or a mortgage is not made in accordance with the terms and conditions of the loan and or mortgage as provided for under these Regulations, the sum of money due and owing to the Fund shall be recoverable, without prejudice to any other remedy, in civil proceedings in the court of law.

(2) Such recovery shall include—

- (a) the sum of money specified as outstanding with respect to the principal sum initially advanced;
- (b) interest for the sum of money that remain unpaid; and
- (c) all reasonable costs and charges incurred by the Committee to recover the unpaid money and interest.

Made on the 8th July 2014.

PAUL W. OTSOLA,

*County Executive Committee Member for
Treasury and Economic Planning.*