



Quarterly Budget Statement
Report for the Period 1 April to 30 June 2015
Financial amounts are year to date

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1 Glossary

Adjustments Budgets – Prescribed in section 28 of the Municipal Finance Management Act. It is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements

Budget – The financial plan of a municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget.

Capital Expenditure – Spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month that the services or goods are received, even though it may not be paid in the same period.

CFO – Chief Financial Officer / Director: Finance

DORA – Division of Revenue Act. An annual piece of legislation indicating the allocations from National Government to Local Government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GDFI - Gross Domestic Fixed Investment

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates comparisons between municipalities.

GRAP – Generally Recognized Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

IDP – Integrated Development Plan. The main strategic planning document of a municipality.

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – Municipal Finance Management Act (No 53 of 2003). The principle piece of legislation relating to municipal financial management.

Glossary (Continued)

MIG – Municipal Infrastructure Grant

MPRA – Municipal Property Rates Act (No 6 of 2004).

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

NT – National Treasury

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of a municipality such as general expenses, salaries & wages and repairs & maintenance.

Rates – Local Government tax based on assessed valuation of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

RBIG – Regional Bulk Infrastructure Grant

R&M – Repairs and maintenance on property, plant and equipment.

SCM – Supply Chain Management.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of a municipality as set out in the IDP Budgeted spending must contribute towards achievement of these strategic objectives.

TMA – Total Municipal Account

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided, usually at department level.

WM – Witzenberg Municipality

Legal requirements

In terms of Section 52 of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003):

52. General responsibilities.—The mayor of a municipality—

- (a) must provide general political guidance over the fiscal and financial affairs of the municipality;
- (b) in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;
- (c) must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;
- (d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and
- (e) must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor.

The following regulations of the Local Government: Municipal Finance Management Act Municipal Budget and Reporting Regulations are relevant:

Quarterly reports on implementation of budget

- 31. (1) The mayor's quarterly report on the implementation of the budget and the financial state of affairs of the municipality as required by section 52(d) of the Act must be-
 - {a} in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act; and
 - (b) consistent with the monthly budget statements for September, December, March and June as applicable; and
 - (c) submitted to the National Treasury and the relevant provincial treasury within five days of tabling of the report in the council.

Publication of quarterly reports on implementation of budget

- 32. When publishing the quarterly reports on the implementation of the budget in terms of section 75(1)(k) of the Act, the municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the quarterly report on the implementation of the budget and the financial state of affairs of the municipality, including -
 - (a) summaries of quarterly report in alternate languages predominant in the community; and
 - {b} information relevant to each ward in the municipality.

PART 1 - IN-YEAR REPORT

Mayors Report

Speaker
Deputy Executive Mayor
Members of the Mayoral Committee
Councillors
Representatives of Provincial Government
Municipal Manager
Directors and officials
Distinguished guests
Members of the media

It is my privilege to present to you the quarterly Budget Statement Report for the twelve months 1 July 2014 to 30 June 2015.

The spending on capital projects improved during the month. 94% spend to date. Steps must be implemented to speed up service delivery.

The credit control measures could not be implemented in certain areas do to the lives of contractors and municipal staff's being threaten.

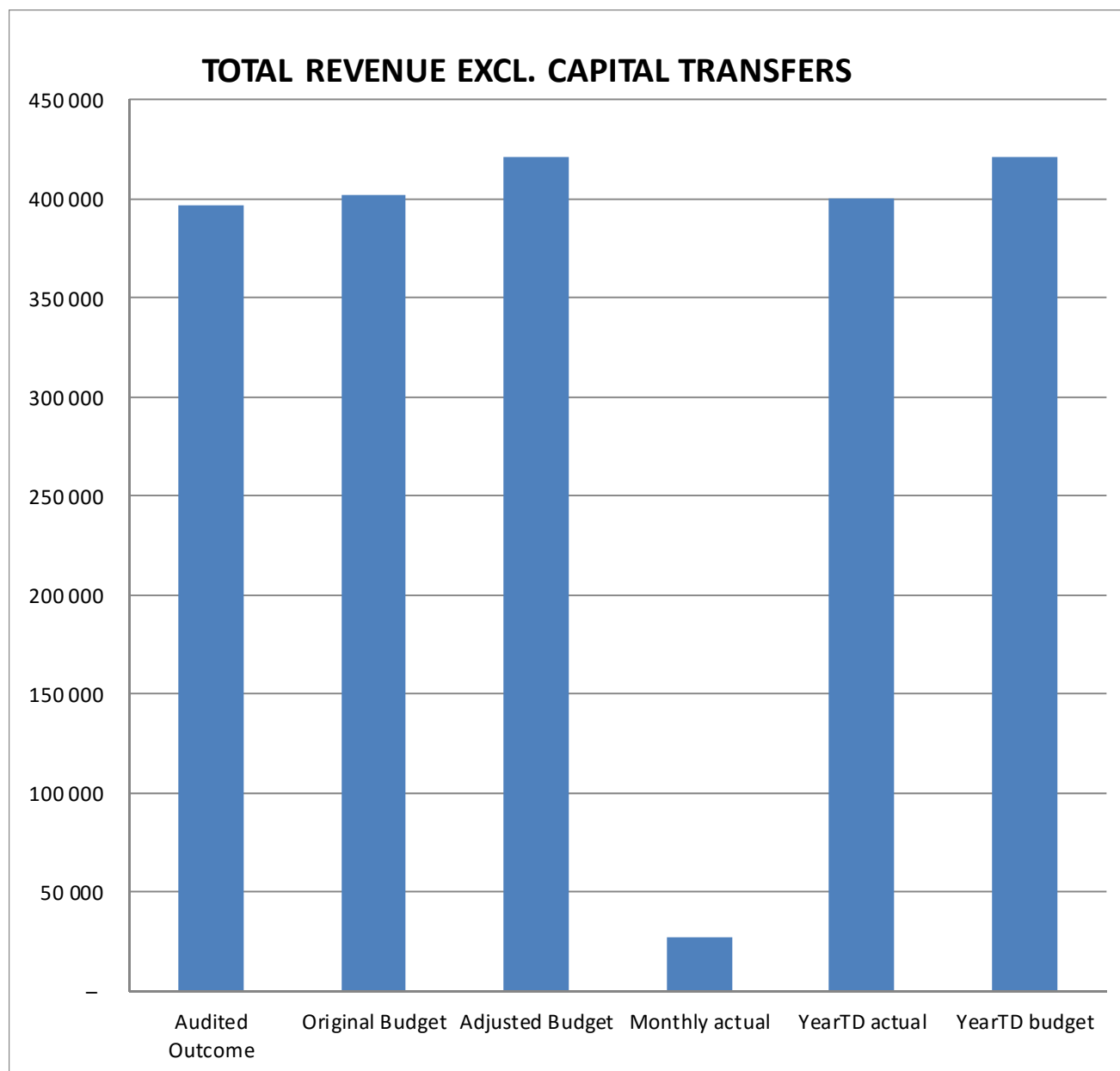
The spending on overtime remains a concern as the budget was overspend by 46%.

COUNCILLOR BC KLAASEN
EXECUTIVE MAYOR

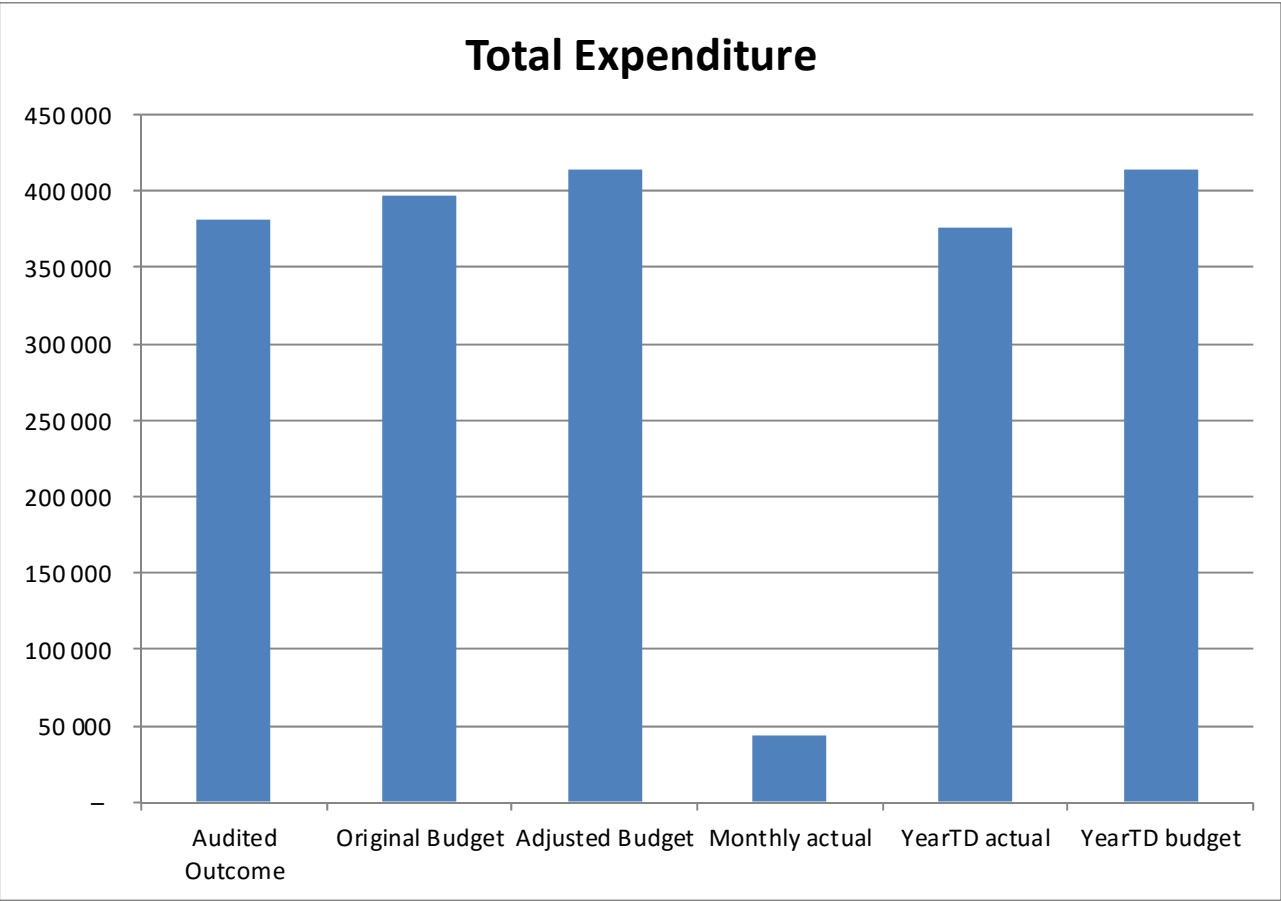
Resolution

It is recommended that council take cognisance of the quarterly budget assessment for the period 1 July 2014 to 30 June 2015.

Executive Summary

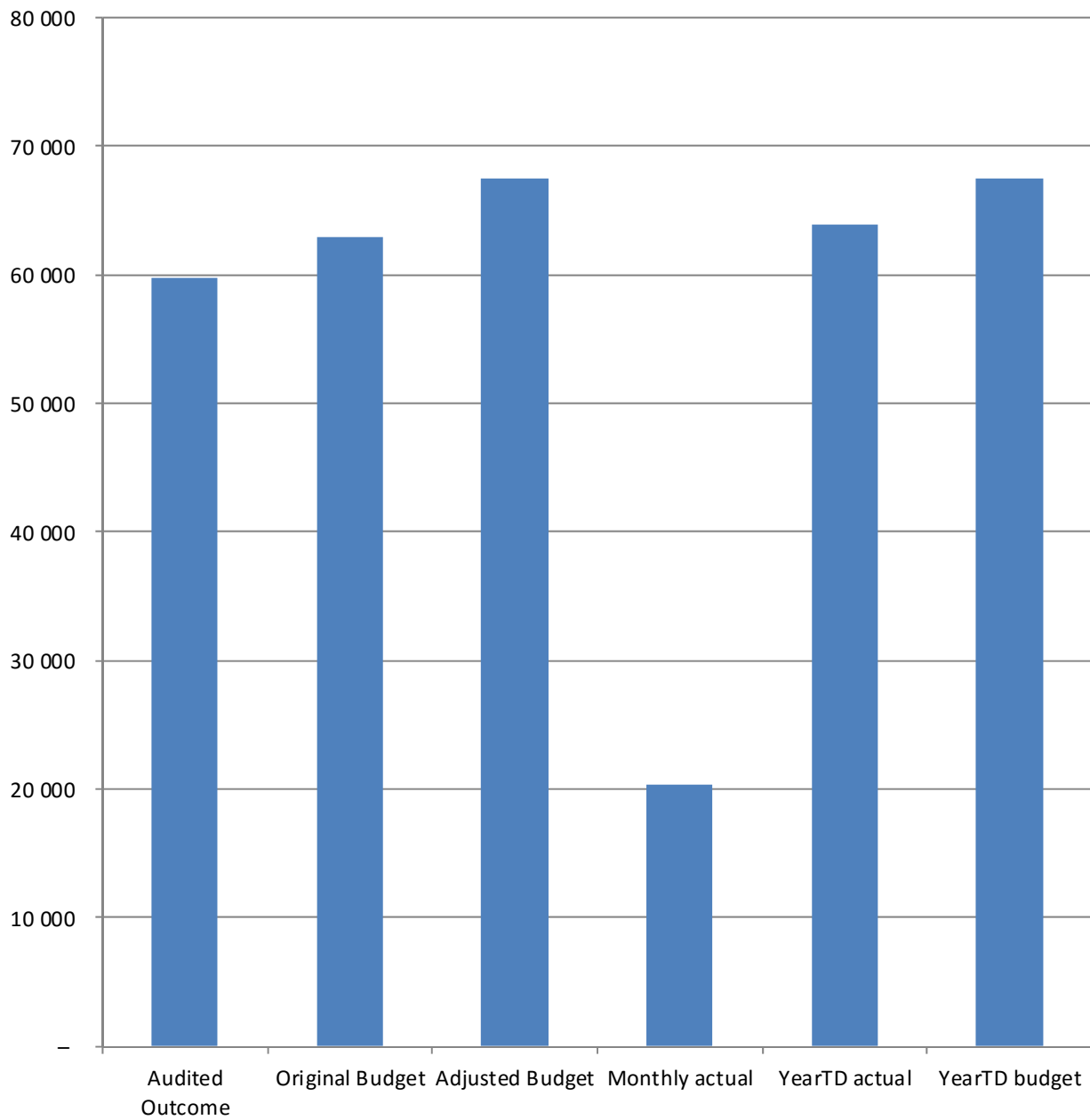


For the year 99.7% of the budgeted revenue excluding capital transfers was levied. The rates for the full financial year were levied during July 2014. The consumption of services such as water and electricity increased during the last three months due to the agricultural season.



For the financial year 94.8% of the budgeted expenditure was incurred. This figure may increase as some invoices are still outstanding.

Capital expenditure



The actual capital expenditure is 95% of the budgeted capital expenditure.

In-year budget statement tables

The following table provides a summary of the financial performance and financial position of the municipality as at 30 June 2015.

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - M12 June

Description	2013/14	Budget Year 2014/15							
	Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD %	Full Year
R thousands									
Financial Performance									
Property rates	49 465	50 572	50 572	(167)	50 047	50 572	(525)	-1%	49 990
Service charges	223 498	249 150	249 150	18 823	241 865	249 150	(7 286)	-3%	241 862
Investment revenue	3 268	2 199	2 199	468	4 415	2 199	2 215	101%	12 000
Transfers recognised - operational	89 624	72 271	88 527	5 684	74 749	88 527	(13 778)	-16%	80 558
Other own revenue	30 866	27 668	30 744	2 028	29 420	30 744	(1 323)	-4%	25 335
Total Revenue (excluding capital)	396 722	401 861	421 193	26 837	400 496	421 193	(20 697)	-5%	409 745
Employee costs	105 785	121 034	117 629	17 467	115 271	117 629	(2 357)	-2%	115 271
Remuneration of Councillors	7 789	8 364	8 364	687	8 065	8 364	(299)	-4%	8 065
Depreciation & asset impairment	16 247	17 000	16 996	1 365	16 635	16 996	(361)	-2%	17 613
Finance charges	12 373	13 085	12 995	891	12 935	12 995	(60)	-0%	9 780
Materials and bulk purchases	125 407	147 150	147 150	11 163	122 380	147 150	(24 770)	-17%	122 380
Transfers and grants	812	855	912	84	922	912	9		922
Other expenditure	113 638	89 079	109 483	11 386	99 771	109 483	(9 712)	-9%	106 167
Total Expenditure	382 051	396 567	413 530	43 043	375 979	413 530	(37 550)	-9%	380 199
Surplus/(Deficit)	14 671	5 295	7 663	(16 206)	24 517	7 663	16 854	220%	29 547
Transfers recognised - capital	48 136	45 796	52 762	12 260	50 699	52 762	(2 063)	-4%	58 154
Contributions & Contributed assets	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers	62 807	51 091	60 425	(3 946)	75 216	60 425	14 790	24%	87 701
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	62 807	51 091	60 425	(3 946)	75 216	60 425	14 790	24%	87 701
Capital expenditure & funds sources									
Capital expenditure	59 813	62 922	67 466	20 428	63 958	67 466	(3 508)	-5%	129 680
Capital transfers recognised	46 309	37 302	48 042	12 011	46 698	48 042	(1 344)	-3%	98 363
Public contributions & donations	1 020	235	235	19	113	235	(122)	-52%	348
Borrowing	14 806	-	-	-	-	-	-		-
Internally generated funds	(2 322)	25 384	19 189	8 397	17 146	19 189	(2 042)	-11%	30 970
Total sources of capital funds	59 813	62 922	67 466	20 428	63 958	67 466	(3 508)	-5%	129 680
Financial position									
Total current assets	91 647	-	-		124 370				124 370
Total non current assets	648 216	-	-		696 887				696 887
Total current liabilities	38 649	-	-		47 801				47 801
Total non current liabilities	122 895	-	-		124 269				124 269
Community wealth/Equity	578 319	-	-		649 186				649 186
Cash flows									
Net cash from (used) operating	-	74 940	74 940	(3 402)	61 827	74 940	(13 113)	-17%	61 827
Net cash from (used) investing	-	(62 922)	(62 922)	(7 494)	(25 033)	(62 922)	37 888	-60%	(25 033)
Net cash from (used) financing	-	(8 050)	(8 050)	(89)	(7 473)	(8 050)	577	-7%	(7 473)
Cash/cash equivalents at the month	55 200	37 031	37 031	-	62 383	37 031	25 352	68%	62 383
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120	121-150	151-180	181 Dys-1	Over	Total
Debtors Age Analysis									
Total By Income Source	37 538	3 075	2 992	2 337	2 380	1 988	48 323	66 971	165 603
Creditors Age Analysis									
Total Creditors	14 874	37	1	-	-	-	-	-	14 912

The following table provides detail of revenue and expenditure according to the international standard classification.

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
<i>Governance and administration</i>	65 204	71 993	73 186	5 509	73 730	73 186	544	1%	67 492
Executive and council	3 309	3 994	4 070	333	4 139	4 070	70	2%	4 073
Budget and treasury office	59 523	63 024	64 141	1 660	61 833	64 141	(2 308)	-4%	61 775
Corporate services	2 372	4 975	4 975	3 516	7 758	4 975	2 783	56%	1 643
<i>Community and public safety</i>	117 842	77 350	97 997	11 146	89 682	97 997	(8 315)	-8%	94 365
Community and social services	57 926	64 801	65 729	649	51 950	65 729	(13 779)	-21%	57 613
Sport and recreation	24 456	6 545	8 247	10 186	20 134	8 247	11 887	144%	19 160
Public safety	8 260	5 227	8 227	260	2 066	8 227	(6 161)	-75%	2 066
Housing	27 199	777	15 794	52	15 531	15 794	(263)	-2%	15 525
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental service</i>	8 116	10 513	17 068	3 981	18 186	17 068	1 118	7%	18 105
Planning and development	1 089	1 391	1 249	135	2 338	1 249	1 089	87%	2 338
Road transport	5 782	8 660	15 358	3 706	15 589	15 358	231	2%	15 673
Environmental protection	1 246	461	461	140	259	461	(203)	-44%	94
<i>Trading services</i>	253 696	287 802	285 704	18 461	269 597	285 704	(16 108)	-6%	295 499
Electricity	158 940	183 917	183 917	13 563	171 024	183 917	(12 893)	-7%	171 024
Water	44 308	47 946	49 155	(3 189)	39 218	49 155	(9 937)	-20%	49 996
Waste water management	31 700	37 205	33 899	6 293	38 645	33 899	4 746	14%	38 624
Waste management	18 749	18 733	18 733	1 794	20 710	18 733	1 976	11%	35 855
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	444 858	447 658	473 955	39 097	451 195	473 955	(22 760)	-5%	475 460
Expenditure - Standard									
<i>Governance and administration</i>	77 600	88 738	88 884	16 292	81 644	88 884	(7 240)	-8%	83 613
Executive and council	18 350	20 852	21 067	1 432	17 945	21 067	(3 122)	-15%	18 247
Budget and treasury office	30 666	34 959	35 379	4 562	32 112	35 379	(3 267)	-9%	32 419
Corporate services	28 584	32 926	32 438	10 299	31 587	32 438	(851)	-3%	32 946
<i>Community and public safety</i>	73 347	54 560	71 397	5 401	62 624	71 397	(8 774)	-12%	68 738
Community and social services	12 504	15 974	16 575	1 733	15 987	16 575	(588)	-4%	16 110
Sport and recreation	16 595	19 486	19 453	1 704	18 090	19 453	(1 363)	-7%	18 284
Public safety	14 553	15 455	16 862	1 649	10 799	16 862	(6 064)	-36%	16 515
Housing	29 694	3 645	18 507	316	17 748	18 507	(759)	-4%	17 830
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental service</i>	21 416	24 535	25 242	2 032	24 047	25 242	(1 196)	-5%	23 403
Planning and development	6 953	8 305	7 938	588	7 313	7 938	(625)	-8%	7 328
Road transport	12 645	15 138	16 240	1 340	15 758	16 240	(481)	-3%	15 097
Environmental protection	1 818	1 092	1 064	103	975	1 064	(89)	-8%	978
<i>Trading services</i>	208 879	228 080	227 352	19 264	203 756	227 352	(23 596)	-10%	203 790
Electricity	142 875	165 974	165 309	12 740	139 589	165 309	(25 721)	-16%	139 904
Water	17 953	18 064	17 798	1 600	17 614	17 798	(184)	-1%	17 273
Waste water management	22 815	20 318	20 927	2 554	23 624	20 927	2 697	13%	23 676
Waste management	25 235	23 724	23 318	2 370	22 929	23 318	(388)	-2%	22 937
<i>Other</i>	594	654	654	25	654	654	(0)	0%	654
Total Expenditure - Standard	381 836	396 567	413 530	43 014	372 724	413 530	(40 806)	-10%	380 199
Surplus/ (Deficit) for the year	63 022	51 091	60 425	(3 917)	78 471	60 425	18 046	30%	95 261

The table provides detail of revenue and expenditure according to municipal votes.

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) -

Vote Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Revenue by Vote</u>									
Vote 1 - Budget & Treasury Office	59 523	63 024	64 141	1 660	61 833	64 141	(2 308)	-3.6%	61 775
Vote 2 - Civil Services	97 114	109 126	113 726	8 244	110 180	113 726	(3 546)	-3.1%	121 021
Vote 3 - Community & Social Services	59 250	65 346	66 274	788	52 273	66 274	(14 001)	-21.1%	57 770
Vote 4 - Corporate Services	2 372	4 975	4 975	3 516	7 758	4 975	2 783	55.9%	1 643
Vote 5 - Electricity	158 940	183 917	183 917	13 563	171 024	183 917	(12 893)	-7.0%	171 024
Vote 6 - Executive & Council	3 309	3 994	4 070	333	4 139	4 070	70	1.7%	4 073
Vote 7 - Housing	27 199	777	15 794	52	15 531	15 794	(263)	-1.7%	15 525
Vote 8 - Planning	1 011	1 308	1 165	135	2 275	1 165	1 109	95.2%	2 275
Vote 9 - Public Safety	11 684	8 646	11 646	620	6 047	11 646	(5 599)	-48.1%	6 047
Vote 10 - Sport & Recreation	24 456	6 545	8 247	10 186	20 134	8 247	11 887	144.1%	19 160
Total Revenue by Vote	444 858	447 658	473 955	39 097	451 195	473 955	(22 760)	-4.8%	460 314
<u>Expenditure by Vote</u>									
Vote 1 - Budget & Treasury Office	29 050	34 013	34 396	4 158	29 849	34 396	(4 547)	-13.2%	30 345
Vote 2 - Civil Services	76 412	74 133	75 346	7 559	77 165	75 346	1 819	2.4%	76 214
Vote 3 - Community & Social Services	15 931	19 074	19 582	1 981	18 719	19 582	(863)	-4.4%	18 853
Vote 4 - Corporate Services	27 250	30 872	30 833	10 135	30 540	30 833	(294)	-1.0%	31 889
Vote 5 - Electricity	145 913	170 136	168 354	12 985	141 930	168 354	(26 424)	-15.7%	142 282
Vote 6 - Executive & Council	21 660	23 855	24 013	2 018	21 910	24 013	(2 103)	-8.8%	22 025
Vote 7 - Housing	29 694	3 645	18 507	316	17 748	18 507	(759)	-4.1%	17 830
Vote 8 - Planning	4 364	5 000	4 764	315	4 357	4 764	(407)	-8.5%	4 367
Vote 9 - Public Safety	14 967	16 352	18 281	1 842	12 416	18 281	(5 865)	-32.1%	18 111
Vote 10 - Sport & Recreation	16 595	19 486	19 453	1 704	18 090	19 453	(1 363)	-7.0%	18 284
Total Expenditure by Vote	381 836	396 567	413 530	43 014	372 724	413 530	(40 806)	-9.9%	380 199
Surplus/ (Deficit) for the year	63 022	51 091	60 425	(3 917)	78 471	60 425	18 046	29.9%	80 115

The table provides detail of revenue according to source and expenditure according to type.

WC022 Witzenberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	48 208	49 753	49 753	(282)	48 695	49 753	(1 058)	-2%	48 638
Property rates - penalties & collection c	1 258	819	819	115	1 352	819	533	65%	1 352
Service charges - electricity revenue	156 352	183 430	183 430	13 496	170 303	183 430	(13 128)	-7%	170 302
Service charges - water revenue	32 857	32 450	32 450	2 184	32 445	32 450	(5)	0%	32 443
Service charges - sanitation revenue	16 984	15 260	15 260	1 520	19 061	15 260	3 802	25%	19 061
Service charges - refuse revenue	17 221	17 550	17 550	1 622	18 854	17 550	1 304	7%	18 854
Service charges - other	85	460	460	1	1 202	460	742	162%	1 202
Rental of facilities and equipment	7 762	7 267	7 267	431	8 451	7 267	1 184	16%	8 434
Interest earned - external investments	3 268	2 199	2 199	468	4 415	2 199	2 215	101%	4 415
Interest earned - outstanding debtors	6 077	4 651	4 651	710	7 585	4 651	2 935	63%	7 585
Dividends received	-	-	-	-	-	-	-	-	-
Fines	7 625	5 437	8 437	261	2 079	8 437	(6 358)	-75%	2 079
Licences and permits	166	274	274	6	157	274	(118)	-43%	154
Agency services	3 326	3 218	3 218	352	3 881	3 218	662	21%	3 881
Transfers recognised - operational	89 624	72 271	88 527	5 684	74 749	88 527	(13 778)	-16%	80 558
Other revenue	5 910	4 318	4 394	260	7 261	4 394	2 867	65%	3 203
Gains on disposal of PPE	-	2 502	2 502	6	6	2 502	(2 496)	-100%	-
Total Revenue (excluding capital transfers and contributions)	396 722	401 861	421 193	26 837	400 496	421 193	(20 697)	-5%	402 160
Expenditure By Type									
Employee related costs	105 785	121 034	117 629	17 467	115 271	117 629	(2 357)	-2%	115 271
Remuneration of councillors	7 789	8 364	8 364	687	8 065	8 364	(299)	-4%	8 065
Debt impairment	27 825	15 000	18 000	2 517	20 263	18 000	2 263	13%	25 896
Depreciation & asset impairment	16 247	17 000	16 996	1 365	16 635	16 996	(361)	-2%	17 613
Finance charges	12 373	13 085	12 995	891	12 935	12 995	(60)	0%	9 780
Bulk purchases	125 407	147 150	147 150	11 163	122 380	147 150	(24 770)	-17%	122 380
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	9 904	11 683	12 708	1 588	11 434	12 708	(1 274)	-10%	11 639
Transfers and grants	812	855	912	84	922	912	9	1%	922
Other expenditure	74 959	62 397	78 775	7 281	68 074	78 775	(10 701)	-14%	68 631
Loss on disposal of PPE	950	-	-	-	-	-	-	-	-
Total Expenditure	382 051	396 567	413 530	43 043	375 979	413 530	(37 550)	-9%	380 199
Surplus/(Deficit)	14 671	5 295	7 663	(16 206)	24 517	7 663	16 854	0	21 961
Transfers recognised - capital	48 136	45 796	52 762	12 260	50 699	52 762	(2 063)	(0)	58 154
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	62 807	51 091	60 425	(3 946)	75 216	60 425			80 115
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	62 807	51 091	60 425	(3 946)	75 216	60 425			80 115
Attributable to minorities	-	-	-	-	-	-			-
Surplus/(Deficit) attributable to	62 807	51 091	60 425	(3 946)	75 216	60 425			80 115
Share of surplus/ (deficit) of associate	-	-	-	-	-	-			-
Surplus/ (Deficit) for the year	62 807	51 091	60 425	(3 946)	75 216	60 425			80 115

The table provides detail of capital expenditure according to municipal votes.

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M06 December

Vote Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
Vote 1 - Budget & Treasury Office	–	–	–	–	–	–	–		–
Vote 2 - Civil Services	–	21 597	18 298	7 569	18 296	18 298	(1)	0%	18 298
Vote 3 - Community & Social Services	–	–	–	–	–	–	–		–
Vote 4 - Corporate Services	–	–	–	–	–	–	–		–
Vote 5 - Electricity	–	–	–	–	–	–	–		–
Vote 6 - Executive & Council	–	–	–	–	–	–	–		–
Vote 7 - Housing	–	–	–	–	–	–	–		–
Vote 8 - Planning	–	–	–	–	–	–	–		–
Vote 9 - Public Safety	–	–	–	–	–	–	–		–
Vote 10 - Sport & Recreation	–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	–	21 597	18 298	7 569	18 296	18 298	(1)	0%	18 298
Single Year expenditure appropriation									
Vote 1 - Budget & Treasury Office	135	100	119	1	118	119	(1)	-1%	237
Vote 2 - Civil Services	36 816	25 819	32 610	9 120	32 577	32 610	(34)	0%	81 740
Vote 3 - Community & Social Services	6 246	5 924	6 340	133	5 993	6 340	(347)	-5%	12 333
Vote 4 - Corporate Services	646	1 500	1 602	377	548	1 602	(1 054)	-66%	2 150
Vote 5 - Electricity	2 813	5 100	5 978	2 723	3 942	5 978	(2 036)	-34%	9 920
Vote 6 - Executive & Council	–	–	–	–	–	–	–		–
Vote 7 - Housing	25	–	–	–	–	–	–		–
Vote 8 - Planning	69	82	54	9	47	54	(7)	-13%	101
Vote 9 - Public Safety	1 205	–	39	28	37	39	(2)	-5%	76
Vote 10 - Sport & Recreation	11 856	2 800	2 426	468	2 400	2 426	(26)	-1%	4 826
Total Capital single-year expenditure	59 813	41 324	49 168	12 859	45 661	49 168	(3 506)	-7%	111 383
Total Capital Expenditure	59 813	62 922	67 466	20 428	63 958	67 466	(3 508)	-5%	129 680

The table provides detail of capital expenditure according to the international standards.

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M12 June

Vote Description R thousands	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year to date actual	Year to date budget	YTD variance	YTD variance %	Full Year Forecast
Capital Expenditure - Standard Classification									
<i>Governance and administration</i>	844	1 600	1 721	378	666	1 721	(1 055)	-61%	2 387
Executive and council	–	–	–	–	–	–	–		–
Budget and treasury office	135	100	119	1	118	119	(1)	-1%	237
Corporate services	709	1 500	1 602	377	548	1 602	(1 054)	-66%	2 150
<i>Community and public safety</i>	19 097	8 489	8 592	630	8 336	8 592	(256)	-3%	16 928
Community and social services	6 011	5 689	6 127	133	5 899	6 127	(228)	-4%	12 026
Sport and recreation	11 856	2 800	2 426	468	2 400	2 426	(26)	-1%	4 826
Public safety	1 205	–	39	28	37	39	(2)	-5%	76
Housing	25	–	–	–	–	–	–		–
Health	–	–	–	–	–	–	–		–
<i>Economic and environmental services</i>	15 757	6 029	13 691	4 593	13 561	13 691	(130)	-1%	26 432
Planning and development	69	82	54	9	47	54	(7)	-13%	101
Road transport	15 515	5 713	13 424	4 584	13 420	13 424	(4)	0%	26 025
Environmental protection	172	235	213	–	94	213	(119)	-56%	306
<i>Trading services</i>	24 114	46 804	43 462	14 827	41 395	43 462	(2 067)	-5%	83 933
Electricity	2 813	5 100	5 606	2 356	3 573	5 606	(2 033)	-36%	9 179
Water	8 437	18 397	15 920	5 367	15 800	15 920	(121)	-1%	31 364
Waste water management	11 329	23 306	21 935	7 104	22 022	21 935	87	0%	43 390
Waste management	1 536	–	–	–	–	–	–		–
<i>Other</i>	–	–	–	–	–	–	–		–
Total Capital Expenditure - Standard	59 813	62 922	67 466	20 428	63 958	67 466	(3 508)	-5%	129 680
Funded by:									
National Government	31 330	20 037	20 186	4 277	19 160	20 186	(1 026)	-5%	39 347
Provincial Government	14 806	25 525	32 353	8 657	32 155	32 353	(198)	-1%	63 400
District Municipality	–	–	–	–	–	–	–		–
Other transfers and grants	172	(8 259)	(4 497)	(923)	(4 617)	(4 497)	(120)	3%	(4 384)
Transfers recognised - capital	46 309	37 302	48 042	12 011	46 698	48 042	(1 344)	-3%	98 363
Public contributions & donations	1 020	235	235	19	113	235	(122)	-52%	348
Borrowing	14 806	–	–	–	–	–	–		–
Internally generated funds	(2 322)	25 384	19 189	8 397	17 146	19 189	(2 042)	-11%	30 970
Total Capital Funding	59 813	62 922	67 466	20 428	63 958	67 466	(3 508)	-5%	129 680

The table provides detail of the municipality's financial position as at period end.

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	2013/14	Budget Year 2014/15			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	33 063	–	–	62 383	62 383
Call investment deposits	–	–	–	–	–
Consumer debtors	45 629	–	–	49 263	49 263
Other debtors	4 936	–	–	4 936	4 936
Current portion of long-term receivables	–	–	–	–	–
Inventory	8 019	–	–	7 788	7 788
Total current assets	91 647	–	–	124 370	124 370
Non current assets					
Long-term receivables	175	–	–	156	156
Investments	105	–	–	105	105
Investment property	45 185	–	–	44 897	44 897
Investments in Associate	–	–	–	–	–
Property, plant and equipment	598 577	–	–	647 541	647 541
Agricultural	–	–	–	–	–
Biological assets	–	–	–	–	–
Intangible assets	4 149	–	–	4 162	4 162
Other non-current assets	25	–	–	25	25
Total non current assets	648 216	–	–	696 887	696 887
TOTAL ASSETS	739 863	–	–	821 257	821 257
LIABILITIES					
Current liabilities					
Bank overdraft	–	–	–	–	–
Borrowing	–	–	–	–	–
Consumer deposits	2 041	–	–	2 475	2 475
Trade and other payables	26 339	–	–	35 039	35 039
Provisions	10 269	–	–	10 288	10 288
Total current liabilities	38 649	–	–	47 801	47 801
Non current liabilities					
Borrowing	33 999	–	–	27 450	27 450
Provisions	88 895	–	–	96 819	96 819
Total non current liabilities	122 895	–	–	124 269	124 269
TOTAL LIABILITIES	161 544	–	–	172 071	172 071
NET ASSETS	578 319	–	–	649 186	649 186
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	569 100	–	–	652 291	652 291
Reserves	9 219	–	–	(3 105)	(3 105)
TOTAL COMMUNITY WEALTH/EQUITY	578 319	–	–	649 186	649 186

The cash flows for the year to date is:

WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	Budget Year 2014/15							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Ratepayers and other	307 740	307 740	28 727	351 725	307 740	43 985	14%	351 725
Government - operating	72 271	72 271	–	67 198	72 271	(5 073)	-7%	67 198
Government - capital	45 561	45 561	6 113	63 358	45 561	17 796	39%	63 358
Interest	6 850	6 850	575	6 338	6 850	(512)	-7%	6 338
Dividends	–	–	–	–	–	–		–
Payments								
Suppliers and employees	(352 347)	(352 347)	(38 640)	(421 815)	(352 347)	69 468	-20%	(421 815)
Finance charges	(4 282)	(4 282)	(92)	(3 779)	(4 282)	(503)	12%	(3 779)
Transfers and Grants	(855)	(855)	(85)	(1 199)	(855)	344	-40%	(1 199)
NET CASH FROM/(USED) OPERATING ACT	74 940	74 940	(3 402)	61 827	74 940	(13 113)	-17%	61 827
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE	–	–	–	–	–	–		–
Decrease (Increase) in non-current debtors	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables	–	–	–	–	–	–		–
Decrease (increase) in non-current investments	–	–	–	–	–	–		–
Payments								
Capital assets	(62 922)	(62 922)	(7 494)	(25 033)	(62 922)	(37 888)	60%	(25 033)
NET CASH FROM/(USED) INVESTING ACT	(62 922)	(62 922)	(7 494)	(25 033)	(62 922)	(37 888)	60%	(25 033)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits	–	–	23	614	–	614	#DIV/0!	614
Payments								
Repayment of borrowing	(8 050)	(8 050)	(111)	(8 087)	(8 050)	37	0%	(8 087)
NET CASH FROM/(USED) FINANCING ACT	(8 050)	(8 050)	(89)	(7 473)	(8 050)	(577)	7%	(7 473)
NET INCREASE/ (DECREASE) IN CASH HE	3 968	3 968	(10 985)	29 320	3 968			29 320
Cash/cash equivalents at beginning:	33 063	33 063		33 063	33 063			33 063
Cash/cash equivalents at month/year end:	37 031	37 031		62 383	37 031			62 383

PART 2- SUPPORTING DOCUMENTATION

Debtors' analysis

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description	NT Code	Budget Year 2014/15								Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys- 1 Yr	Over 1Yr		
R thousands											
Debtors Age Analysis By Income Source											
Water	1200	9 182	1 066	1 101	1 005	1 094	817	12 439	21 485	48 190	36 841
Electricity	1300	14 906	666	532	286	285	212	1 787	1 638	20 313	4 209
Property Rates	1400	2 900	200	81	71	60	62	6 355	6 598	16 326	13 145
Waste Water Management	1500	5 095	466	657	360	353	342	6 350	9 350	22 973	16 755
Waste Management	1600	5 889	523	489	447	435	423	7 718	11 999	27 925	21 023
Property Rental Debtors	1700	278	27	26	24	23	23	712	708	1 819	1 489
Interest on Arrear Accounts	1810	1 439	60	84	81	98	97	12 575	14 438	28 871	27 289
Recoverable expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	(2 152)	68	21	62	32	11	387	755	(814)	1 248
Total By Income Source	2000	37 538	3 075	2 992	2 337	2 380	1 988	48 323	66 971	165 603	121 998
2013/14 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2200	1 047	513	435	192	134	44	1 047	1 331	4 742	2 747
Commercial	2300	12 977	361	470	190	199	180	5 189	4 223	23 788	9 980
Households	2400	22 227	2 036	1 946	1 825	1 913	1 637	40 104	58 735	130 422	104 213
Other	2500	1 287	165	141	131	133	127	1 984	2 682	6 651	5 058
Total By Customer Group	2600	37 538	3 075	2 992	2 337	2 380	1 988	48 323	66 971	165 603	121 998

Investment portfolio analysis

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June

Investments by maturity Name of institution & investment ID R thousands	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of month	Change in market value	Market value at end of the month
	Yrs/Months							
<u>Municipality</u>								
Standard Bank	1 months	Fixed	19/06/2015	–	6.2%	15 000	–	–
ABSA	1 months	Fixed	19/06/2015	–	6.1%	15 000	–	–
Investec	1 months	Fixed	19/06/2015	–	6.1%	15 000	–	–
Nedbank	1 months	Fixed	19/06/2015	–	6.3%	15 000	–	–
	–	–	–	–		–	–	–
	–	–	–	–		–	–	–
	–	–	–	–		–	–	–
Municipality sub-total	–	–	–	–		60 000	–	–
	–	–	–	–		–	–	–
Entities	–	–	–	–		–	–	–
TOTAL INVESTMENTS AND INTEREST				–		120 000	–	–

Allocation and grant receipts and expenditure

WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Budget Year 2014/15							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
RECEIPTS:								
Operating Transfers and Grants								
National Government:	60 735	–	–	58 702	60 735	(2 033)	-3.3%	60 735
Local Government Equitable Share	54 124	–	–	54 124	54 124	–		54 124
INEP Towards Eskom	3 861	–	–	–	3 861	(3 861)	-100.0%	3 861
Finance Management	1 336	–	–	1 336	50	1 286	2572.0%	1 336
EPWP Incentive	1 000	–	–	1 000	364	636	174.7%	1 000
Municipal Systems Improvement	364	–	–	934	1 336	(402)	-30.1%	364
Municipal Infrastructure Grant (MIG)	50	–	–	1 308	1 000	308	30.8%	50
Provincial Government:	8 642	–	–	16 273	8 642	7 644	88.5%	–
Library	8 418	–	–	9 745	8 418	1 327	15.8%	–
Mainroads	84	–	–	71	84			–
CDW	140	–	–	140	140	(0)	-0.1%	–
Housing	–	–	–	5 495	–	5 495	#DIV/0!	–
Total Operating Transfers and Grants	69 377	–	–	74 975	69 377	5 611	8.1%	60 735
Capital Transfers and Grants								
National Government:	47 762	–	–	44 630	47 762	(1 304)	-2.7%	47 762
National Government:	23 881	–	–	22 315	23 881	(1 566)	-6.6%	23 881
Regional Bulk Infrastructure	889	–	–	889	889			889
Municipal Systems Improvement Grant	570	–	–	–	570			570
Municipal Infrastructure Grant (MIG)	21 168	–	–	19 910	21 168			21 168
Neighbourhood Development Partnership	–	–	–	–	–			–
Finance Management	114	–	–	114	114	–		114
Provincial Government:	49 110	–	–	68 531	49 110	19 421	39.5%	49 110
Provincial Government:	24 555	–	–	34 266	24 555	9 711	39.5%	24 555
Library	1 327	–	–	–	1 327			1 327
Total Capital Transfers and Grants	96 872	–	–	113 161	96 872	18 117	18.7%	96 872
TOTAL RECEIPTS OF TRANSFERS & GRANTS	166 249	–	–	188 136	166 249	23 728	14.3%	157 607

WC022 Witzenberg - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

Description	Budget Year 2014/15							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	60 735	–	4 568	51 422	60 735	(9 313)	-15.3%	60 735
Local Government Equitable Share	54 124	–	4 510	49 614	54 124	(4 510)	-8.3%	54 124
Finance Management	1 336	–	47	728	1 336	(608)	-45.5%	1 336
EPWP Incentive	1 000	–	3	1 018	1 000	18	1.8%	1 000
Municipal Systems Improvement	364	–	–	–	364	(364)	-100.0%	364
Municipal Infrastructure Grant (MIG)	50	–	8	63	50	13	25.4%	50
INEP Towards Eskom	3 861	–	–	–	3 861	(3 861)	-100.0%	3 861
Other transfers and grants [insert description]	–	–	–	–	–	–		–
Provincial Government:	8 642	–	–	15 757	8 642	7 115	82.3%	8 642
Library	8 418	–	–	647	8 418	(7 771)	-92.3%	8 418
Mainroads	84	–	–	–	84	(84)	-100.0%	84
CDW	140	–	–	–	140	(140)	-100.0%	140
Housing	–	–	–	15 110	–	15 110	#DIV/0!	–
Compliance	–	–	–	–	–	–		–
Financial Management Support Grant	–	–	–	–	–	–		–
District Municipality:	–	–	–	–	–	–		–
None	–	–	–	–	–	–		–
Other grant providers:	–	–	–	–	–	–		–
Belgium	–	–	–	–	–	–		–
Total operating expenditure of Transfers and Grants	69 377	–	4 568	67 179	69 377	(2 198)	-3.2%	69 377
Capital expenditure of Transfers and Grants								
National Government:	50 622	–	9 201	33 771	50 622	(16 851)	-33.3%	50 622
National Government:	25 881	–	4 601	16 886	25 881	(8 995)	-34.8%	25 881
Regional Bulk Infrastructure	889	–	–	–	889	(889)	-100.0%	889
Municipal Systems Improvement Grant	570	–	210	210	570	(360)	-63.1%	570
Financial Management Grant	21 168	–	4 390	16 558	21 168	(4 610)	-21.8%	21 168
INEP	114	–	–	–	114	(114)	-100.0%	114
Rural Development	2 000	–	–	118	2 000	(1 882)	-94.1%	2 000
	1 140	–	–	–	1 140			1 140
Provincial Government:	24 555	–	2 794	23 434	24 555	(1 121)	-4.6%	24 555
Provincial Government:	1 327	–	126	1 492	1 327	165	12.4%	1 327
Library	23 228	–	2 668	21 942	23 228	(1 286)	-5.5%	23 228
CDW	–	–	–	–	–			–
District Municipality:	–	–	–	–	–	–		–
None	–	–	–	–	–	–		–
[insert description]	–	–	–	–	–	–		–
Other grant providers:	–	–	–	–	–	–		–
Belgium Grant	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants	75 177	–	11 995	57 205	75 177	(17 972)	-23.9%	75 177
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	144 554	–	16 564	124 384	144 554	(20 170)	-14.0%	144 554

Expenditure on councillor allowances and employee benefits

WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

Budget Year 2014/15								
Summary of Employee and Councillor remuneration	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
	B	C						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	7 354	7 354	664	7 831	7 354	478	6%	7 831
Pension and UIF Contributions	901	901	75	874	901	(27)	-3%	874
Medical Aid Contributions	37	37	8	105	37	68	182%	105
Motor Vehicle Allowance	-	-	-	-	-	-		-
Cellphone Allowance	-	-	-	-	-	-		-
Housing Allowances	-	-	-	-	-	-		-
Other benefits and allowances	-	-	6	70	-	70	#DIV/0!	70
Sub Total - Councillors	8 292	8 292	754	8 881	8 292	589	7%	8 881
% increase								
Senior Managers of the Municipality								
Basic Salaries and Wages	3 958	3 958	304	3 658	3 958	(300)	-8%	3 658
Pension and UIF Contributions	583	583	49	591	583	8	1%	591
Medical Aid Contributions	111	111	9	110	111	(1)	-1%	110
Overtime	-	-	-	-	-	-		-
Performance Bonus	605	605	50	605	605	-		605
Motor Vehicle Allowance	745	745	67	790	745	45	6%	790
Cellphone Allowance	-	-	1	2	-	2	#DIV/0!	2
Housing Allowances	154	154	8	85	154	(69)	-45%	85
Other benefits and allowances	46	46	4	51	46	6	13%	51
Payments in lieu of leave	-	-	-	-	-	-		-
Long service awards	-	-	-	-	-	-		-
Post-retirement benefit obligations	-	-	-	-	-	-		-
Sub Total - Senior Managers	6 201	6 201	492	5 893	6 201	(308)	-5%	5 893
% increase								
Other Municipal Staff								
Basic Salaries and Wages	72 234	72 234	5 272	64 602	72 234	(7 632)	-11%	64 602
Pension and UIF Contributions	12 465	12 465	933	11 428	12 465	(1 037)	-8%	11 428
Medical Aid Contributions	5 126	5 126	420	4 935	5 126	(191)	-4%	4 935
Overtime	6 884	6 884	810	9 220	6 884	2 335	34%	9 220
Performance Bonus	5 162	5 162	394	4 892	5 162	(270)	-5%	4 892
Motor Vehicle Allowance	3 399	3 399	247	3 145	3 399	(254)	-7%	3 145
Cellphone Allowance	124	124	14	139	124	15	12%	139
Housing Allowances	739	739	57	689	739	(50)	-7%	689
Other benefits and allowances	2 322	2 322	164	2 052	2 322	(271)	-12%	2 052
Payments in lieu of leave	-	-	31	893	-	893	#DIV/0!	893
Long service awards	-	-	41	491	-	491	#DIV/0!	491
Post-retirement benefit obligations	-	-	-	27	-	27	#DIV/0!	27
Sub Total - Other Municipal Staff	108 456	108 456	8 381	102 512	108 456	(5 944)	-5%	102 512
% increase								
Total Parent Municipality	122 949	122 949	9 627	117 286	122 949	(5 663)	-5%	117 286

17 Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the quarterly budget assessment have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print name Mr D NASSON

Municipal Manager of WITZENBERG MUNICIPALITY.

Signature: _____

Date 31 July 2015