



**Quarterly Budget Statement Report
{Section 52(d)} for the Period
1 July 2018 to 30 September 2018**

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.

In terms of section 11 (4) (a), the Accounting Officer must within 30 days after the end of each quarter table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1) (b) to (j) during that quarter. Section 11(1) read as follow:

"11. (1) Only the accounting officer or the chief financial officer of a municipality, or any other senior financial official of the municipality acting on the written authority of the accounting officer, may withdraw money or authorise the withdrawal of money from any of the municipality's bank accounts, and may do so only—

- (a) to defray expenditure appropriated in terms of an approved budget;*
- (b) to defray expenditure authorised in terms of section 26(4);*
- (c) to defray unforeseeable and unavoidable expenditure authorised in terms of section 29(1);*
- (d) in the case of a bank account opened in terms of section 12, to make payments from the account in accordance with subsection (4) of that section;*
- (e) to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state, including—*
 - (i) money collected by the municipality on behalf of that person or organ of state by agreement; or*
 - (ii) any insurance or other payments received by the municipality for that person or organ of state;*
- (f) to refund money incorrectly paid into a bank account;*
- (g) to refund guarantees, sureties and security deposits;*
- (h) for cash management and investment purposes in accordance with section 13;*
- (i) to defray increased expenditure in terms of section 31; or*
- (j) for such other purposes as may be prescribed."*

In terms of Section 66 of the MFMA the Accounting Officer must prepare a report on all expenditure incurred with relation to staff benefits.

Section 66 reads as follow:

"66. The accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely—

- (a) salaries and wages;*
- (b) contributions for pensions and medical aid;*
- (c) travel, motor car, accommodation, subsistence and other allowances;*
- (d) housing benefits and allowances;*

- (e) overtime payments;*
- (f) loans and advances; and*
- (g) any other type of benefit or allowance related to staff."*

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 three months from 1 July 2018 to 30 September 2018.

Credit control for various reasons remains a challenge for the municipality. A special task team to assist Council in obtaining a solution for the collection of outstanding debt was established by Council.

The year to date recovery rate for the year excluding traffic fines is 77%

The annual target for debt collection is 95%. The 77% collection rate for the quarter is below the target due to rates payable during the quarter that was received in October. Unfortunately some government departments were also late with their payments.

Steps must be implemented against defaulters to improve the collection rate.

The main contributing factor to the low spending on the capital budget is the R8.2 million budgeted expenditure which could not be utilised as the Department of Water affairs failed to pay over the funding for the Tulbagh raw water dam. At this current moment the status of the gazetted amount is unknown, meaning that it may be possible that it will never be paid over to Witzenberg Municipality.



COUNCILLOR BC KLAASEN
EXECUTIVE MAYOR

2019.10.25.

Municipal Manager's quality certification

Quality Certificate

I, Mr D Nasson, Municipal Manager of Witzenberg Municipality, hereby certify that the quarterly budget assessment has 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:



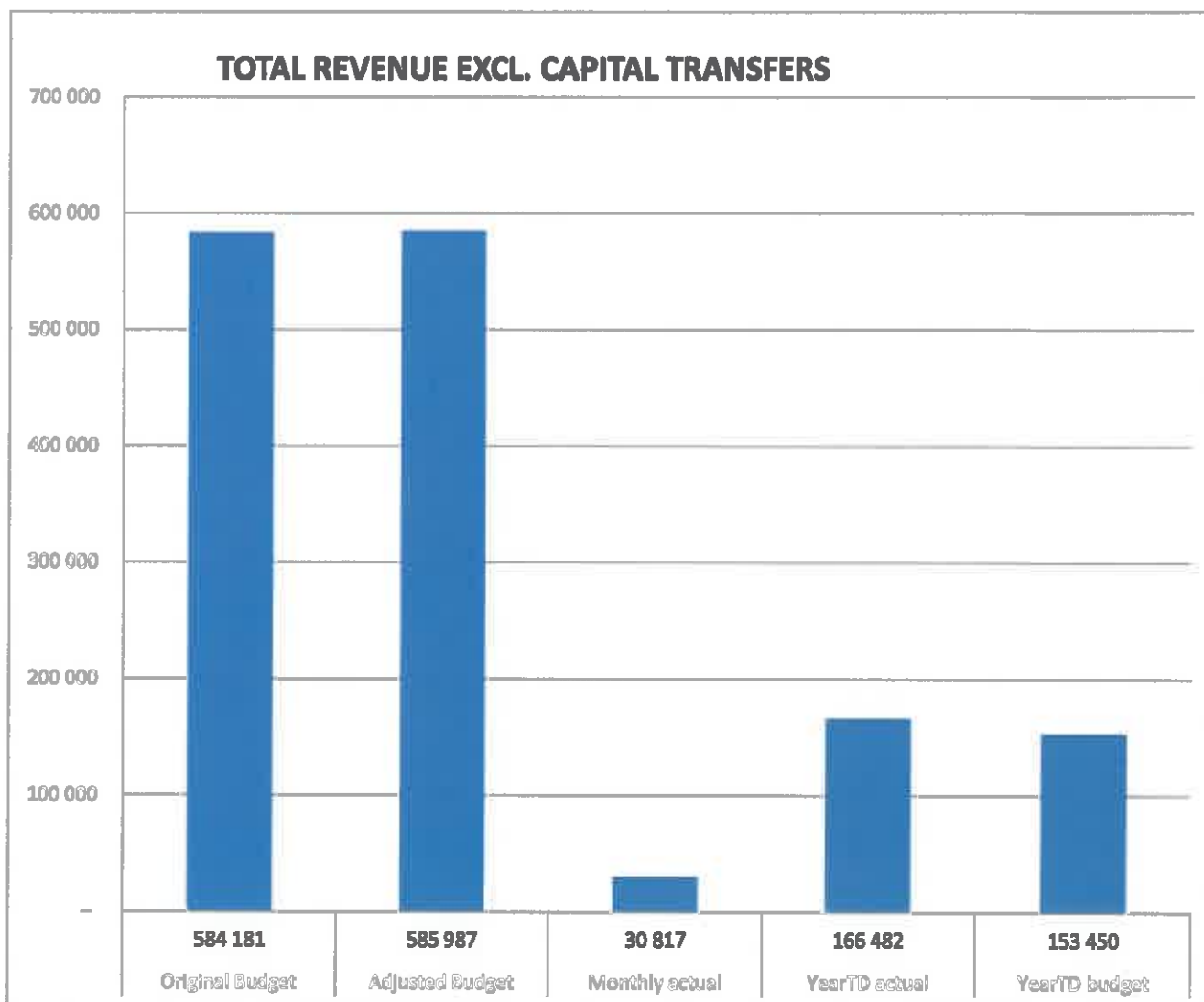
Date

23 October 2018

Recommendation

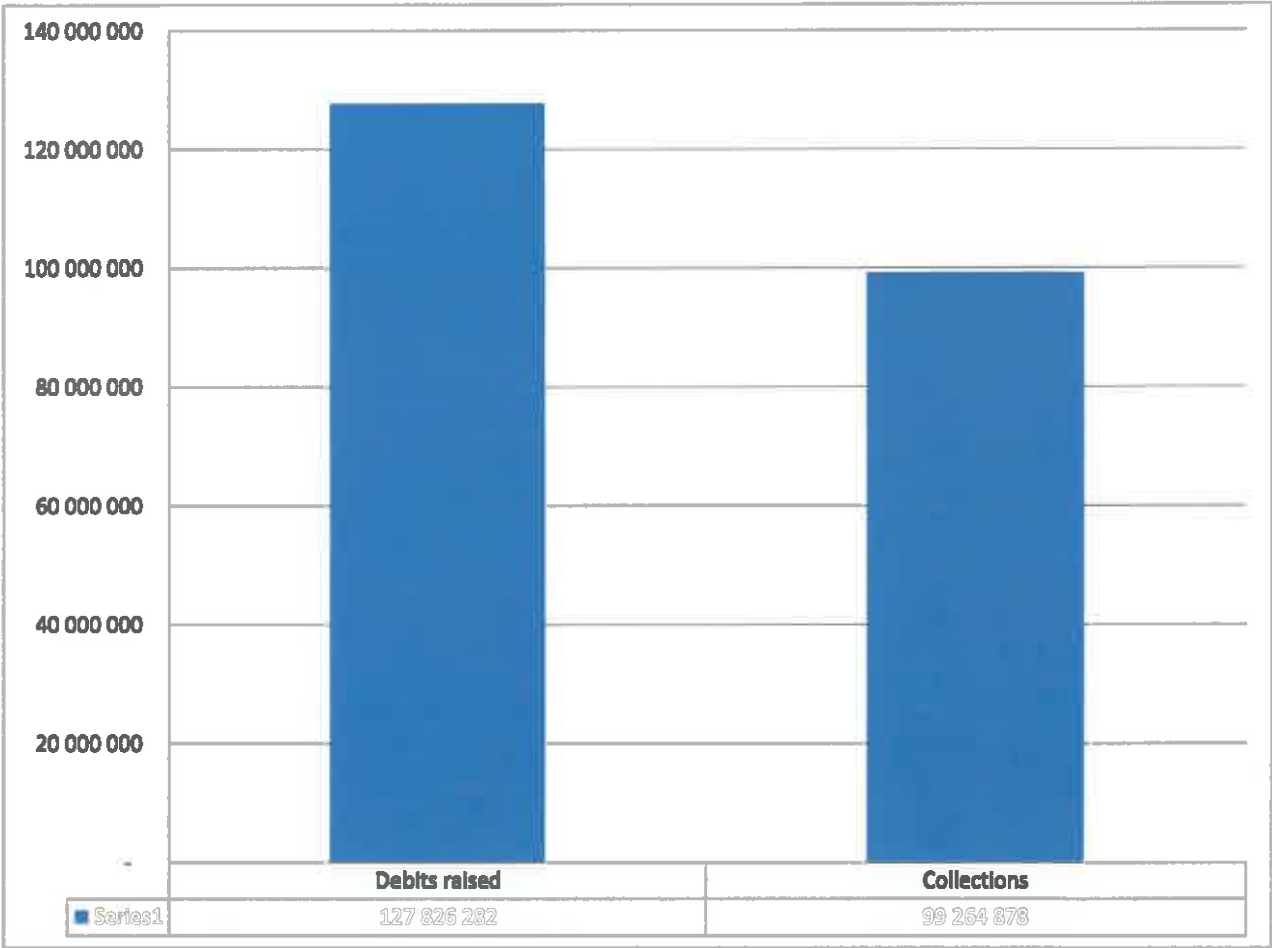
It is recommended that council take cognisance of the quarterly budget assessment for the period 1 July 2018 to 30 September 2018.

Executive Summary



For the period 1 July 2018 to 30 September 2018, 28.41% of the budgeted revenue excluding capital transfers was levied.

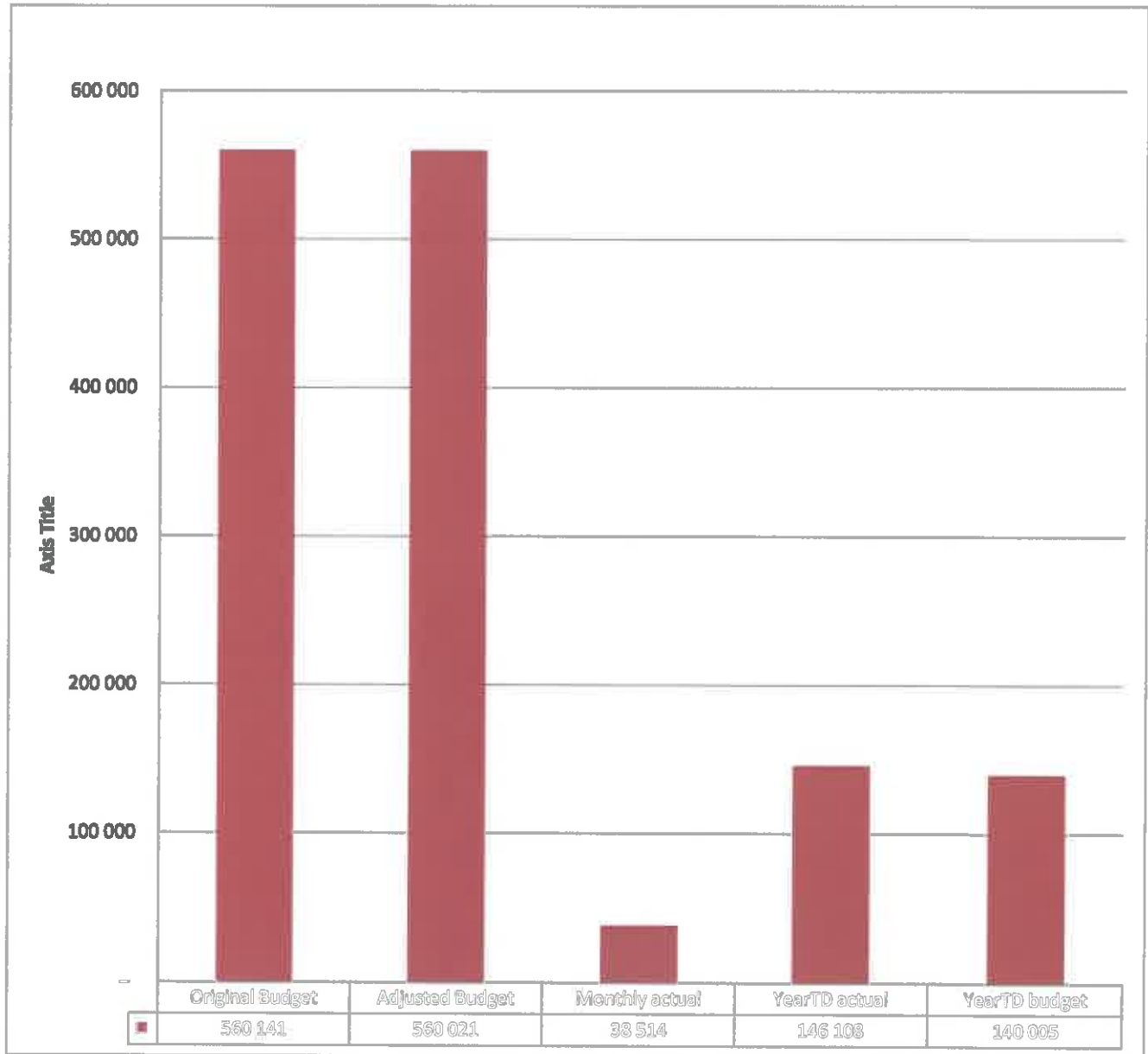
Debits raised compared to collections



The year to date recovery rate for the year excluding traffic fines is 77%

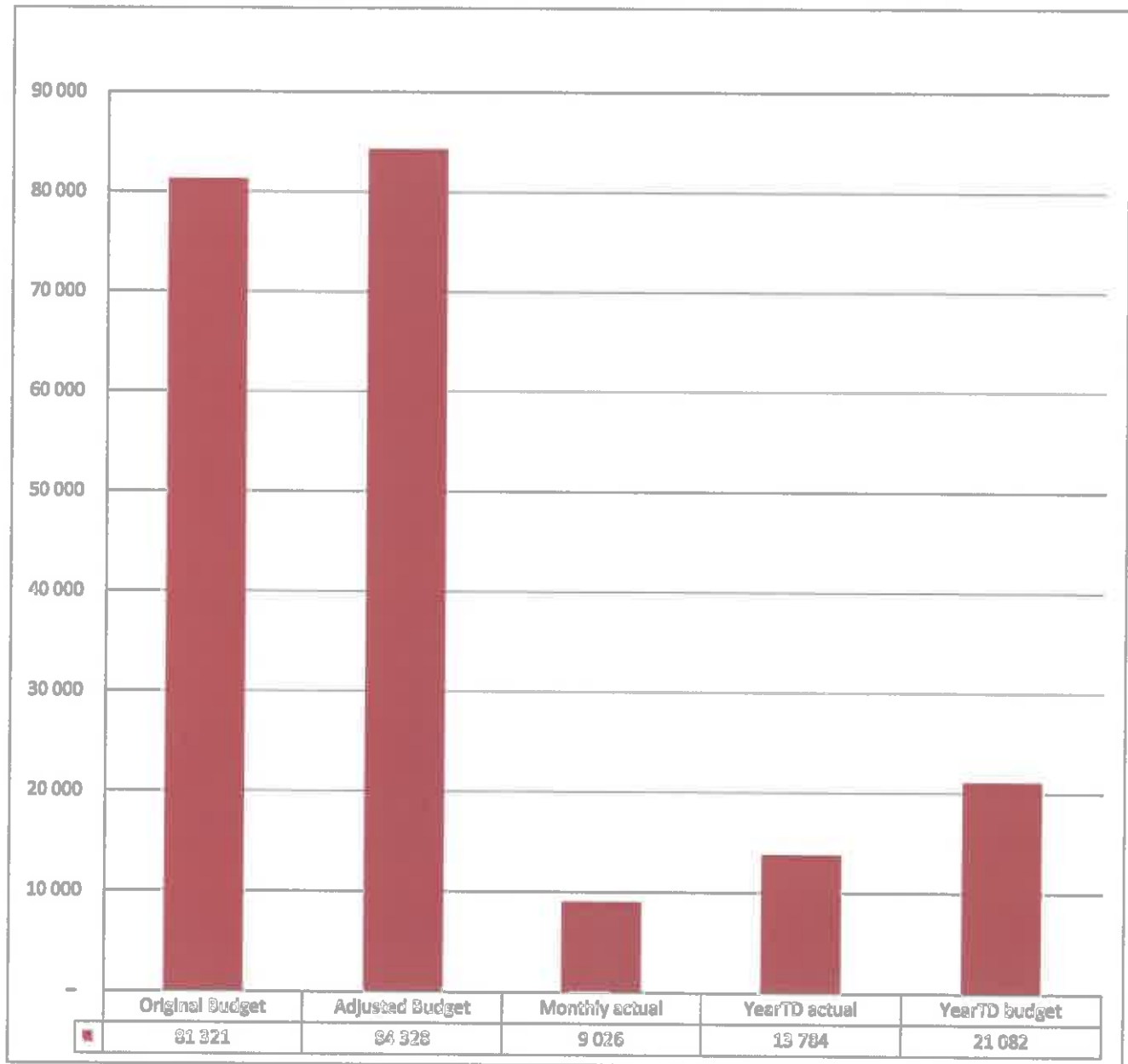
The annual target for debt collection is 95%. The 77% collection rate for the quarter is below the target due to rates payable during the quarter was received in October. Unfortunately some government departments were also late with their payments. Steps must be implemented against defaulters to improve the collection rate.

TOTAL OPERATIONAL EXPENDITURE



For the period 1 July 2018 to 30 September 2018, 26.09% of the budgeted operational expenditure was incurred. This figure will increase as some invoices are still outstanding.

CAPITAL EXPENDITURE



For the period 1 July 2018 to 30 September 2018, 16.35% of the budgeted capital expenditure was incurred.

The main contributing factors to the low expenditure levels is the failure of the Department of Water affairs to pay over the funds as per the Division of Revenue act to enable the building of the Tulbagh raw water dam.

In-year budget statement tables

The following table provides a summary of the financial performance and financial position of the municipality as at 30 September 2018.

WC022 Witzenberg - Table C1 Monthly Budget Statement Summary - Q1 First Quarter

Description	Budget Year 2018/19							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Financial Performance								
Property rates	70 002	70 002	2 666	41 741	17 500	24 241	139%	41 741
Service charges	316 407	316 407	24 428	80 595	79 102	1 493	2%	80 595
Investment revenue	8 198	8 198	705	1 615	2 050	(435)	-21%	3 995
Transfers recognised - operational	135 381	137 187	222	35 821	34 297	1 525	4%	35 821
Other own revenue	54 194	54 194	2 797	6 710	20 501	(13 792)	-67%	6 710
Transfers and contributions	584 181	585 987	30 817	166 482	153 450	13 032	8%	166 862
Employee costs	179 864	177 609	14 209	43 261	44 402	(1 142)	-3%	43 261
Remuneration of Councillors	10 709	10 709	745	2 274	2 677	(404)	-15%	2 274
Depreciation & asset impairment	43 032	43 032	1	38 288	10 758	27 530	256%	38 288
Finance charges	3 671	3 685	121	121	921	(801)	-87%	121
Materials and bulk purchases	218 603	217 917	21 714	44 741	54 479	(9 738)	-18%	44 741
Transfers and grants	14 407	14 368	122	477	3 592	(3 115)	-87%	477
Other expenditure	89 855	92 700	1 603	16 947	23 175	(6 228)	-27%	16 947
Total Expenditure	580 141	580 021	38 514	146 108	140 005	6 103	4%	146 108
Surplus/(Deficit)	24 040	25 966	(7 697)	20 373	13 445	6 928	52%	22 753
Transfers recognised - capital	31 535	31 535	-	-	7 884	(7 884)	-100%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-
& contributions	55 575	57 501	(7 697)	20 373	21 328	(955)	-4%	22 753
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	55 575	57 501	(7 697)	20 373	21 328	(955)	-4%	22 753
Capital expenditure & funds sources								
Capital expenditure	81 321	84 328	9 026	13 784	21 082	(7 298)	-35%	13 784
Capital transfers recognised	52 938	53 438	6 445	9 049	13 360	(4 311)	-32%	9 049
Public contributions & donations	-	-	-	-	-	-	-	-
Borrowing	1 550	1 550	-	-	388	(388)	-100%	-
Internally generated funds	26 833	29 340	2 581	4 735	7 335	(2 600)	-35%	4 735
Total sources of capital funds	81 321	84 328	9 026	13 784	21 082	(7 298)	-35%	13 784
Financial position								
Total current assets	120 583	118 953		342 695				342 695
Total non current assets	38 293	41 300		880 690				880 690
Total current liabilities	55 489	54 926		135 217				135 217
Total non current liabilities	15 233	15 247		160 686				160 686
Community wealth/Equity	88 154	90 080		927 476				927 476
Cash flows								
Net cash from (used) operating	173 205	173 205	(3 091)	35 605	43 301	(7 696)	-18%	173 205
Net cash from (used) investing	(83 247)	(83 247)	(108 879)	(114 626)	(20 812)	(93 814)	451%	(83 247)
Net cash from (used) financing	3 500	3 500	(1 008)	(864)	875	(1 739)	-199%	(864)
end	190 961	190 961	-	17 618	120 867	(103 249)	-85%	190 961
Debtors & creditors analysis	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days +	Over 1Yr	Total
Debtors Age Analysis								
Total By Income Source	4 357	3 769	3 502	3 454	3 405	15 859	87 602	176 481
Creditors Age Analysis								
Total Creditors	96	0	-	-	-	-	-	1 197

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

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q1 First Quarter

Description	Budget Year 2018/19							
	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>	93 204	93 204	4 240	45 104	23 301	21 803	94%	45 104
Executive and council	-	-	-	-	-	-	-	-
Finance and administration	93 204	93 204	4 240	45 104	23 301	21 803	94%	45 104
Internal audit	-	-	-	-	-	-	-	-
<i>Community and public safety</i>	140 845	140 845	782	37 205	35 211	1 994	6%	37 205
Community and social services	98 728	98 728	228	35 713	24 682	11 031	45%	35 713
Sport and recreation	9 020	9 020	547	1 318	2 255	(937)	-42%	1 318
Public safety	6	6	-	-	1	(1)	-100%	-
Housing	33 091	33 091	6	174	8 273	(8 099)	-98%	174
<i>Economic and environmental services</i>	43 682	44 622	786	1 890	11 156	(9 265)	-83%	1 890
Planning and development	2 510	2 510	94	417	628	(211)	-34%	417
Road transport	41 160	41 160	692	1 473	10 290	(8 817)	-86%	1 473
Environmental protection	12	952	-	-	238	(238)	-100%	-
<i>Trading services</i>	337 984	338 750	25 009	64 709	84 688	(19 979)	-24%	64 709
Energy sources	240 206	240 206	18 271	42 087	60 051	(17 965)	-30%	42 087
Water management	52 679	53 179	2 739	9 521	13 295	(3 774)	-28%	9 521
Waste water management	22 399	22 399	1 857	6 634	5 600	1 035	18%	6 634
Waste management	22 700	22 966	2 143	6 467	5 742	725	13%	6 467
<i>Other</i>	-	-	-	-	-	-	-	-
Total Revenue - Standard	615 716	617 422	30 817	148 908	154 356	(5 448)	-4%	148 908
Expenditure - Standard								
<i>Governance and administration</i>	114 947	115 450	6 597	22 891	28 882	(5 971)	-21%	22 891
Executive and council	27 771	27 951	1 796	5 153	6 988	(1 834)	-26%	5 153
Finance and administration	85 072	85 394	4 620	17 148	21 349	(4 200)	-20%	17 148
Internal audit	2 104	2 104	181	589	526	63	12%	589
<i>Community and public safety</i>	82 487	81 711	4 747	12 952	20 428	(7 476)	-37%	12 952
Community and social services	25 460	25 764	1 820	5 072	6 441	(1 370)	-21%	5 072
Sport and recreation	28 896	27 823	1 796	4 598	6 956	(2 358)	-34%	4 598
Public safety	8 925	8 938	799	2 140	2 234	(95)	-4%	2 140
Housing	19 186	19 186	332	1 143	4 797	(3 653)	-76%	1 143
<i>Economic and environmental services</i>	52 598	53 198	3 712	11 765	13 300	(1 534)	-12%	11 765
Planning and development	10 614	10 861	661	1 937	2 715	(778)	-29%	1 937
Road transport	40 236	39 650	2 936	9 490	9 913	(422)	-4%	9 490
Environmental protection	1 747	2 686	115	338	672	(334)	-50%	338
<i>Trading services</i>	309 239	308 666	23 455	17 555	77 167	(59 612)	-77%	17 555
Energy sources	224 555	224 026	21 597	54 076	56 007	(1 930)	-3%	54 076
Water management	24 381	24 264	962	(22 317)	6 066	(28 383)	-468%	(22 317)
Waste water management	28 102	28 116	189	(5 660)	7 029	(12 689)	-181%	(5 660)
Waste management	32 201	32 260	707	(8 544)	8 065	(16 609)	-206%	(8 544)
<i>Other</i>	893	893	4	209	223	(14)	-6%	209
Total Expenditure - Standard	560 141	559 919	38 514	65 372	139 980	(74 607)	-53%	65 372
Surplus/ (Deficit) for the year	55 575	57 503	(7 697)	83 536	14 376	69 160		83 536

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

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q1 First Quarter

Description	Budget Year 2018/19							Full Year Forecast
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands								
Revenue - Standard								
Municipal governance and administration	93 204	93 204	4 240	45 104	23 301	21 803	94%	45 104
Finance and administration	93 204	93 204	4 240	45 104	23 301	21 803	94%	45 104
Administrative and Corporate Support	8	8	-	0	2	(2)	-96%	0
Asset Management	-	-	-	-	-	-		-
Budget and Treasury Office	5 442	5 442	221	634	1 361	(726)	-53%	634
Finance	87 149	87 149	4 013	44 445	21 787	22 658	104%	44 445
Fleet Management	-	-	-	-	-	-		-
Human Resources	585	585	-	-	146	(146)	-100%	-
Information Technology	-	-	-	-	-	-		-
Legal Services	-	-	-	-	-	-		-
Marketing, Customer Relations, Publicity and Media	4	4	-	-	1	(1)	-100%	-
Property Services	-	-	-	-	-	-		-
Risk Management	-	-	-	-	-	-		-
Supply Chain Management	16	16	6	25	4	21	523%	25
Internal audit	-	-	-	-	-	-		-
Governance Function	-	-	-	-	-	-		-
Community and public safety	140 845	140 845	782	37 205	35 211	1 994	6%	37 205
Community and social services	98 728	98 728	228	35 713	24 682	11 031	45%	35 713
Aged Care	88 298	88 298	179	35 544	22 074	13 469	61%	35 544
Cemeteries, Funeral Parlours and Crematoriums	210	210	17	64	52	12	22%	64
Child Care Facilities	-	-	-	-	-	-		-
Community Halls and Facilities	814	814	26	87	204	(117)	-57%	87
Consumer Protection	-	-	-	-	-	-		-
Disaster Management	-	-	-	-	-	-		-
Libraries and Archives	9 406	9 406	7	18	2 352	(2 333)	-99%	18
Sport and recreation	9 020	9 020	547	1 318	2 255	(937)	-42%	1 318
Beaches and Jetties	-	-	-	-	-	-		-
Casinos, Racing, Gambling, Wagering	-	-	-	-	-	-		-
Community Parks (including Nurseries)	-	-	-	-	-	-		-
Recreational Facilities	8 575	8 575	538	1 280	2 144	(864)	-40%	1 280
Sports Grounds and Stadiums	446	446	9	38	111	(73)	-65%	39

Description	Budget Year 2018/19							Full Year Forecast
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		
R thousands								
Public safety	6	6	–	–	1	(1)	-100%	–
<i>Fire Fighting and Protection</i>	6	6	–	–	1	(1)	-100%	–
<i>Licensing and Control of Animals</i>	–	–	–	–	–	–		–
Housing	33 091	33 091	6	174	8 273	(8 099)	-98%	174
<i>Housing</i>	33 091	33 091	6	174	8 273	(8 099)	-98%	174
<i>Informal Settlements</i>	–	–	–	–	–	–		–
Economic and environmental services	43 682	44 622	786	1 890	11 156	(9 265)	-83%	1 890
Planning and development	2 510	2 510	94	417	628	(211)	-34%	417
<i>Economic Development/Planning</i>	288	288	–	–	72	(72)	-100%	–
<i>Town Planning, Building Regulations and Enforcement</i>	1 691	1 691	94	417	423	(8)	-1%	417
<i>Project Management Unit</i>	531	531	–	–	133	(133)	-100%	–
Road transport	41 160	41 160	692	1 473	10 290	(8 817)	-86%	1 473
<i>Police Forces, Traffic and Street Parking Control</i>	26 166	26 166	686	1 467	6 542	(5 075)	-78%	1 467
<i>Public Transport</i>	–	–	–	–	–	–		–
<i>Road and Traffic Regulation</i>	–	–	–	–	–	–		–
<i>Roads</i>	14 993	14 993	6	6	3 748	(3 742)	-100%	6
<i>Taxi Ranks</i>	–	–	–	–	–	–		–
Environmental protection	12	952	–	–	238	(238)	-100%	–
<i>Biodiversity and Landscape</i>	12	952	–	–	238	(238)	-100%	–
<i>Nature Conservation</i>	–	–	–	–	–	–		–
Trading services	337 984	338 750	25 009	64 709	84 688	(19 979)	-24%	64 709
Energy sources	240 206	240 206	18 271	42 087	60 051	(17 965)	-30%	42 087
<i>Electricity</i>	238 858	238 858	18 271	42 087	59 714	(54)	0%	42 087
<i>Street Lighting and Signal Systems</i>	1 348	1 348	–	–	337	(337)	-100%	–
<i>Nonelectric Energy</i>	–	–	–	–	–	–		–
Water management	52 679	53 179	2 739	9 521	13 295	(3 774)	-28%	9 521
<i>Water Treatment</i>	–	–	–	–	–	–		–
<i>Water Distribution</i>	52 679	53 179	2 739	9 521	13 295	(3 774)	-28%	9 521
<i>Water Storage</i>	–	–	–	–	–	–		–
Waste water management	22 399	22 399	1 857	6 634	5 600	1 035	18%	6 634
<i>Public Toilets</i>	–	–	–	–	–	–		–
<i>Sewerage</i>	18 266	18 266	1 857	6 634	4 566	2 068	45%	6 634
<i>Storm Water Management</i>	4 133	4 133	–	–	1 033	(1 033)	-100%	–
<i>Waste Water Treatment</i>	–	–	–	–	–	–		–
Waste management	22 700	22 966	2 143	6 467	5 742	725	13%	6 467
<i>Recycling</i>	–	–	–	–	–	–		–
<i>Solid Waste Disposal (Landfill Sites)</i>	–	–	–	–	–	–		–
<i>Solid Waste Removal</i>	22 700	22 966	2 143	6 467	5 742	725	13%	6 467
Total Revenue - Standard	615 716	617 422	30 817	148 908	154 356	(5 448)	-4%	148 908

WC022 Witzenberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Q1 First Quarter

Description	Budget Year 2018/19						YTD variance %	Full Year Forecast
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance		
R thousands								
Expenditure - Standard								
Municipal governance and administration	114 947	115 450	6 597	22 891	28 882	(7 806)	-27%	22 891
Executive and council	27 771	27 951	1 796	5 153	6 988	(1 834)	-26%	5 153
Mayor and Council	17 908	17 940	1 161	3 296	4 485	(1 188)	-26%	3 296
Municipal Manager, Town Secretary and Chief Execut	9 863	10 011	635	1 857	2 503	(646)	-26%	1 857
Finance and administration	85 072	85 394	4 820	17 148	21 349	(6 035)	-28%	17 148
Administrative and Corporate Support	6 682	9 242	958	3 868	2 311	(277)	-12%	3 868
Asset Management	6 288	4 435	2	5	1 109	(1 104)	-100%	5
Budget and Treasury Office	16 912	16 012	640	1 191	4 003	(2 812)	-70%	1 191
Finance	12 606	12 723	(233)	2 506	3 181	(674)	-21%	2 506
Fleet Management	3 122	3 112	181	549	778	(229)	-29%	549
Human Resources	19 167	18 850	1 778	6 179	4 713	1 466	31%	6 179
Information Technology	3 179	4 144	360	432	1 036	(604)	-58%	432
Legal Services	2 248	2 252	207	330	563	(232)	-41%	330
Marketing, Customer Relations, Publicity and Media	3 580	3 555	274	771	889	(118)	-13%	771
Property Services	3 334	3 337	37	108	834	(726)	-87%	108
Risk Management	407	407	13	13	102	(88)	-87%	13
Supply Chain Management	5 844	5 822	378	1 121	1 406	(285)	-20%	1 121
Valuation Service	1 703	1 703	24	74	426	(352)	-83%	74
Internal audit	2 104	2 104	181	589	528	63	12%	589
Governance Function	2 104	2 104	181	589	528	63	12%	589
Community and public safety	82 487	81 711	4 747	12 952	20 428	(7 476)	-37%	12 952
Community and social services	25 460	25 764	1 820	5 072	6 441	(1 370)	-21%	5 072
Aged Care	4 298	4 530	401	944	1 133	(189)	-17%	944
Cemeteries, Funeral Parlours and Crematoriums	3 272	3 272	239	688	818	(130)	-16%	688
Child Care Facilities	771	771	1	1	193	(192)	-99%	1
Community Halls and Facilities	5 903	5 968	399	1 164	1 492	(328)	-22%	1 164
Disaster Management	56	56	-	5	14	(9)	-64%	5
Education	661	661	3	3	165	(163)	-98%	3
Libraries and Archives	10 499	10 506	777	2 267	2 826	(359)	-14%	2 267
Sport and recreation	28 896	27 823	1 796	4 598	6 956	(2 358)	-34%	4 598
Community Parks (including Nurseries)	6 678	6 678	384	1 149	1 670	(521)	-31%	1 149
Recreational Facilities	17 469	16 393	1 103	2 513	4 098	(1 585)	-39%	2 513
Sports Grounds and Stadiums	4 748	4 752	310	936	1 188	(252)	-21%	936
Public safety	8 925	8 938	799	2 140	2 234	(95)	-4%	2 140
Fire Fighting and Protection	8 925	8 938	799	2 140	2 234	(95)	-4%	2 140
Housing	19 186	19 186	332	1 143	4 797	(3 653)	-76%	1 143
Housing	17 593	17 593	318	1 061	4 398	(3 338)	-76%	1 061
Informal Settlements	1 594	1 594	16	83	398	(315)	-79%	83

Description	Budget Year 2018/19							0
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	YearTD actual
R thousands								0
Economic and environmental services	52 596	53 198	3 712	11 765	13 300	(1 534)	-12%	11 765
Planning and development	10 614	10 661	661	1 937	2 715	(778)	-29%	1 937
Billboards	-	-	-	-	-	-		-
Corporate Wide Strategic Planning (IDPs, LEDe)	2 308	2 305	151	381	576	(196)	-34%	381
Central City Improvement District	-	-	-	-	-	-		-
Development Facilitation	-	-	-	-	-	-		-
Economic Development/Planning	2 215	2 221	74	257	555	(299)	-54%	257
Regional Planning and Development	-	-	-	-	-	-		-
Town Planning, Building Regulations and Enforcement	3 748	3 998	305	913	999	(86)	-9%	913
Project Management Unit	2 342	2 338	130	387	585	(198)	-34%	387
Road transport	40 236	39 650	2 936	9 490	9 913	(422)	-4%	9 490
Police Forces, Traffic and Street Parking Control	15 165	15 220	1 373	5 355	3 805	(285)	-7%	5 355
Roads	25 071	24 431	1 562	4 136	6 108	(1 972)	-32%	4 136
Taxi Ranks	-	-	-	-	-	-		-
Environmental protection	1 747	2 686	115	338	672	(334)	-50%	338
Biodiversity and Landscape	1 747	2 686	35	98	672	(573)	-85%	98
Pollution Control	-	-	80	240	-	240		240
Trading services	309 239	308 666	23 455	17 555	77 167	(59 612)	-77%	17 555
Energy sources	224 555	224 026	21 597	54 076	56 007	(1 930)	-3%	54 076
Electricity	222 280	221 751	21 349	53 571	55 438	(9 881)	-18%	53 571
Street Lighting and Signal Systems	2 275	2 275	248	506	569	(63)	-11%	506
Water management	24 381	24 264	962	(22 317)	6 066	(28 383)	-468%	(22 317)
Water Treatment	1 458	1 458	2	6	365	(359)	-98%	6
Water Distribution	19 331	19 454	(8)	(23 414)	4 864	(2 199)	-45%	(23 414)
Water Storage	3 592	3 352	968	1 091	838	253	30%	1 091
Waste water management	28 102	28 116	189	(5 660)	7 029	(12 689)	-181%	(5 660)
Public Toilets	1 660	1 660	114	345	415	(70)	-17%	345
Sewerage	18 507	18 521	(326)	(7 184)	4 630	(2 275)	-49%	(7 184)
Storm Water Management	5 621	5 621	401	1 178	1 405	(227)	-16%	1 178
Waste Water Treatment	2 315	2 315	-	1	579	(578)	-100%	1
Waste management	32 201	32 260	707	(8 544)	8 065	(16 609)	-206%	(8 544)
Recycling	-	-	-	-	-	-		-
Solid Waste Disposal (Landfill Sites)	10 727	10 635	423	698	2 659	(1 961)	-74%	698
Solid Waste Removal	20 232	20 383	158	(9 586)	5 096	(1 097)	-22%	(9 586)
Street Cleaning	1 241	1 241	126	345	310	34	11%	345
Other	893	893	4	209	223	(14)	-6%	209
Licensing and Regulation	87	87	4	8	22	(14)	-66%	8
Tourism	806	806	-	201	201	(0)	0%	201
Total Expenditure - Functional	560 141	559 919	38 514	65 372	139 980	(76 442)	-55%	65 372
Surplus/ (Deficit) for the year	55 575	57 603	(7 697)	83 536	14 376	69 160	481%	83 536

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

WC022 Witzenberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First Quarter

Vote Description	Budget Year 2018/19							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue by Vote								
Vote 1 - Financial Services	89 434	89 434	4 042	44 516	22 359	22 157	99.1%	44 516
Vote 2 - Community Services	167 972	188 912	1 487	38 783	42 228	(3 445)	-8.2%	38 783
Vote 3 - Corporate Services	597	697	—	0	174	(174)	-99.9%	0
Vote 4 - Technical Services	356 363	357 129	25 241	78 120	89 282	(6 232)	-7.0%	78 120
Vote 5 - Municipal Manager	1 350	1 350	47	133	338	(205)	-60.6%	133
Total Revenue by Vote	615 716	617 522	30 817	161 551	154 381	12 101	7.8%	161 551
Expenditure by Vote								
Vote 1 - Financial Services	44 666	41 819	952	5 303	10 455	(5 152)	-49.3%	5 303
Vote 2 - Community Services	102 799	102 994	6 319	19 039	25 749	(8 674)	-33.7%	19 039
Vote 3 - Corporate Services	58 641	60 058	4 713	15 308	15 014	(1 541)	-10.3%	15 308
Vote 4 - Technical Services	342 789	341 848	25 646	36 071	85 462	(20 716)	-24.2%	36 071
Vote 5 - Municipal Manager	13 246	13 301	884	2 296	3 325	(1 029)	-30.9%	2 296
Total Expenditure by Vote	560 141	560 021	38 514	78 016	140 005	(37 113)	-26.5%	78 016
Surplus/ (Deficit) for the year	55 575	57 501	(7 697)	83 536	14 375	49 214	342.4%	83 536

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) - Q1 First Quarter

Description	2017/18	Budget Year 2018/19							
	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	59 649	70 002	70 002	2 686	41 741	17 500	24 241	139%	41 741
Service charges - electricity revenue	215 351	235 714	235 714	18 294	59 739	58 928	811	1%	59 739
Service charges - water revenue	33 438	41 882	41 882	2 420	8 579	10 471	(1 891)	-18%	8 579
Service charges - sanitation revenue	18 008	17 387	17 387	1 750	6 332	4 347	1 985	46%	6 332
Service charges - refuse revenue	19 767	21 424	21 424	1 964	5 944	5 356	588	11%	5 944
Service charges - other	57	-	-	-	-	-	-	-	-
Rental of facilities and equipment	8 177	10 198	10 198	436	1 119	2 550	(1 431)	-56%	1 119
Interest earned - external investments	8 512	8 198	8 198	705	1 615	2 050	(435)	-21%	1 615
Interest earned - outstanding debtors	9 269	7 284	7 284	813	2 380	1 821	559	31%	2 380
Dividends received	-	4	4	-	-	1	(1)	-100%	-
Fines	19 242	18 904	18 904	251	561	4 726	(4 165)	-88%	561
Licences and permits	142	3 655	3 655	435	983	914	69	8%	983
Agency services	4 352	4 878	4 878	-	-	1 219	(1 219)	-100%	-
Transfers recognised - operational	101 429	135 381	137 187	222	35 821	34 297	1 525	4%	35 821
Other revenue	4 792	9 271	9 271	861	1 667	9 271	(7 604)	-82%	1 667
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	502 185	584 181	585 987	30 817	166 482	153 450	13 032	8%	166 482
Expenditure By Type									
Employee related costs	133 333	179 864	177 609	14 209	43 281	44 402	(1 121)	-3%	43 281
Remuneration of councillors	8 780	10 709	10 709	745	2 274	2 677	(404)	-15%	2 274
Debt Impairment	37 709	-	-	-	-	-	-	-	-
Depreciation & asset impairment	26 143	43 032	43 032	1	38 288	10 758	27 530	256%	38 288
Finance charges	17 573	3 671	3 685	121	121	921	(801)	-87%	121
Bulk purchases	179 203	197 541	197 541	20 572	41 959	49 385	(7 427)	-15%	41 959
Other materials	23 001	21 062	20 376	1 142	2 782	5 094	(2 312)	-45%	2 782
Contracted services	41 869	45 931	47 436	3 721	6 743	11 859	(5 116)	-43%	6 743
Transfers and grants	941	14 407	14 368	122	477	3 592	(3 115)	-87%	477
Other expenditure	44 238	43 924	45 264	(2 119)	10 204	11 316	(1 112)	-10%	10 204
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	512 789	580 141	580 021	38 514	146 108	140 005	6 103	4%	146 108
Surplus/(Deficit)	(10 604)	24 040	25 966	(7 697)	20 373	13 445	6 929	0	20 373
Transfers recognised - capital	38 768	31 535	31 535	-	-	7 884	(7 884)	(0)	-
Contributions recognised - capital	54 943	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	83 107	55 575	57 501	(7 697)	20 373	21 328			20 373
Surplus/(Deficit) attributable to Share of surplus/ (deficit) of associate	83 107	55 575	57 501	(7 697)	20 373	21 328			20 373
Surplus/ (Deficit) for the year	83 107	55 575	57 501	(7 697)	20 373	21 328			20 373

The revenue and expenditure figures excludes internal charges.

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

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q1 First Quarter

Vote Description	Budget Year 2018/19							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Multi-Year expenditure appropriation</u>								
Vote 1 - Financial Services	-	-	-	-	-	-		-
Vote 2 - Community Services	650	650	-	-	163	(163)	-100%	-
Vote 3 - Corporate Services	-	-	-	-	-	-		-
Vote 4 - Technical Services	45 777	45 777	4 735	7 346	11 444	(4 098)	-36%	7 346
Vote 5 - Municipal Manager	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	46 427	46 427	4 735	7 346	11 607	(4 261)	-37%	7 346
<u>Single Year expenditure appropriation</u>								
Vote 1 - Financial Services	180	180	-	1	45	(44)	-98%	1
Vote 2 - Community Services	4 282	4 638	23	23	1 160	(1 136)	-98%	23
Vote 3 - Corporate Services	970	1 911	32	63	478	(415)	-87%	63
Vote 4 - Technical Services	29 312	31 022	4 236	6 351	7 756	(1 404)	-18%	6 351
Vote 5 - Municipal Manager	150	150	-	-	38	(38)	-100%	-
Total Capital single-year expenditure	34 894	37 901	4 291	6 438	9 475	(3 037)	-32%	6 438
Total Capital Expenditure	81 321	84 328	9 026	13 784	21 082	(7 298)	-35%	13 784

WC022 Witzenberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Q1 First Quarter

Vote Description	Budget Year 2018/19							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital Expenditure - Standard Classification								
<i>Governance and administration</i>	1 360	3 406	40	74	851	(777)	-91%	74
Executive and council	270	1 475	10	15	369	(354)	-96%	15
Finance and administration	1 090	1 931	30	59	483	(423)	-88%	59
Internal audit	-	-	-	-	-	-		-
<i>Community and public safety</i>	3 402	3 522	23	23	881	(857)	-97%	23
Community and social services	1 000	1 009	-	0	252	(252)	-100%	0
Sport and recreation	2 402	2 513	23	23	628	(605)	-96%	23
Public safety	-	-	-	-	-	-		-
Housing	-	-	-	-	-	-		-
Health	-	-	-	-	-	-		-
<i>Economic and environmental service:</i>	29 768	30 109	4 955	7 464	7 527	(63)	-1%	7 464
Planning and development	-	236	-	-	59	(59)	-100%	-
Road transport	28 268	28 373	4 955	7 464	7 093	371	5%	7 464
Environmental protection	1 500	1 500	-	-	375	(375)	-100%	-
<i>Trading services</i>	46 791	47 291	4 008	6 223	11 823	(5 600)	-47%	6 223
Energy sources	11 654	11 654	1 102	1 718	2 914	(1 195)	-41%	1 718
Water management	14 746	15 246	875	1 474	3 812	(2 337)	-61%	1 474
Waste water management	19 219	19 219	1 889	2 889	4 805	(1 916)	-40%	2 889
Waste management	1 171	1 171	141	141	293	(152)	-52%	141
<i>Other</i>	-	-	-	-	-	-		-
Total Capital Expenditure - Standard Classification	81 321	84 328	9 026	13 784	21 082	(7 298)	-35%	13 784
Funded by:								
National Government	33 070	33 070	2 945	3 549	8 267	(4 718)	-57%	3 549
Provincial Government	19 569	19 569	3 500	5 500	4 892	608	12%	5 500
District Municipality	300	800	-	-	200	(200)	-100%	-
Other transfers and grants	-	-	-	-	-	-		-
Transfers recognised - capital	52 938	53 438	6 445	9 049	13 360	(4 311)	-32%	9 049
Public contributions & donations	-	-	-	-	-	-		-
Borrowing	1 550	1 550	-	-	388	(388)	-100%	-
Internally generated funds	26 833	29 340	2 581	4 735	7 335	(2 600)	-35%	4 735
Total Capital Funding	81 321	84 328	9 026	13 784	21 082	(7 298)	-35%	13 784

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

WC022 Witzenberg - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter

Description	Budget Year 2018/19			
	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands				
ASSETS				
Current assets				
Cash	83 129	80 673	17 627	17 627
Call investment deposits	47	47	100 000	100 000
Consumer debtors	18 104	18 104	99 347	99 347
Other debtors	17 867	17 867	116 220	116 220
Current portion of long-term receivables	-	-	-	-
Inventory	1 435	2 261	9 501	9 501
Total current assets	120 583	118 953	342 695	342 695
Non current assets				
Investments	4	4	-	-
Investment property	(626)	(626)	45 660	45 660
Investments in Associate	-	-	-	-
Property, plant and equipment	38 951	41 958	831 830	831 830
Agricultural	-	-	-	-
Biological assets	-	-	-	-
Intangible assets	(36)	(36)	2 649	2 649
Other non-current assets	-	-	550	550
Total non current assets	38 293	41 300	880 690	880 690
TOTAL ASSETS	158 876	160 253	1 223 384	1 223 384
LIABILITIES				
Current liabilities				
Bank overdraft	-	-	-	-
Borrowing	-	-	-	-
Consumer deposits	-	-	6 584	6 584
Trade and other payables	46 998	46 435	123 352	123 352
Provisions	8 491	8 491	5 281	5 281
Total current liabilities	55 489	54 926	135 217	135 217
Non current liabilities				
Borrowing	2 200	2 214	3 117	3 117
Provisions	13 033	13 033	157 569	157 569
Total non current liabilities	15 233	15 247	160 686	160 686
TOTAL LIABILITIES	70 723	70 173	295 903	295 903
NET ASSETS	88 154	90 080	927 482	927 482
COMMUNITY WEALTH/EQUITY				
Accumulated Surplus/(Deficit)	88 154	90 080	917 121	917 121
Reserves	-	-	10 355	10 355
TOTAL COMMUNITY WEALTH/EQUITY	88 154	90 080	927 476	927 476

The cash flows for the year to date are indicated in the following table:

WC022 Witzenberg - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter

Description	Budget Year 2018/19							
	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								
Property rates, penalties & collection charges	61 689	61 689	6 776	18 877	15 422	3 455	22%	61 689
Service charges	291 601	291 601	30 000	88 421	72 900	15 521	21%	291 601
Other revenue	17 246	17 246	1 986	4 138	4 312	(174)	-4%	17 246
Government - operating	97 846	97 846	3 514	41 624	24 462	17 163	70%	97 846
Government - capital	63 230	63 230	-	17 000	15 807	1 193	8%	63 230
Interest	13 112	13 112	705	1 615	3 278	(1 663)	-51%	13 112
Dividends								
Payments								
Suppliers and employees	(369 994)	(369 994)	(45 864)	(135 507)	(92 499)	43 008	-48%	(369 994)
Finance charges	(938)	(938)	(88)	(88)	(234)	(147)	63%	(938)
Transfers and Grants	(587)	(587)	(121)	(476)	(147)	329	-224%	(587)
NET CASH FROM/(USED) OPERATING ACTIVITIES	173 205	173 205	(3 091)	35 605	43 301	78 685	182%	173 205
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	-	-	(100 000)	(100 000)	-	(100 000)		-
Payments								
Capital assets	(83 247)	(83 247)	(8 879)	(14 626)	(20 812)	(6 186)	30%	(83 247)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(83 247)	(83 247)	(108 879)	(114 626)	(20 812)	93 814	-451%	(83 247)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans	-	-	-	-	-	-		-
Borrowing long term/refinancing	3 500	3 500	-	-	875	(875)	-100%	3 500
Increase (decrease) in consumer deposits	-	-	51	194	-	194		-
Payments								
Repayment of borrowing	-	-	(1 058)	(1 058)	-	1 058		-
NET CASH FROM/(USED) FINANCING ACTIVITIES	3 500	3 500	(1 008)	(864)	875	1 739	199%	(864)
NET INCREASE/ (DECREASE) IN CASH HELD	93 458	93 458	(112 978)	(79 884)	23 365			93 458
Cash/cash equivalents at beginning:	97 502	97 502		97 502	97 502			97 502
Cash/cash equivalents at month/year end:	190 961	190 961		17 618	120 867			190 961

The debtors age analysis per Income source and customer group is as follows:

WC022 Witzenberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter

Description		NT Code	Budget Year 2018/19								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	8 386	1 424	1 097	1 416	1 457	1 504	6 895	25 060	47 039	36 132	
Electricity	1300	15 397	917	675	580	528	440	1 095	1 367	20 999	4 010	
Property Rates	1400	22 895	396	339	183	164	146	755	12 722	37 601	13 971	
Waste Water Management	1500	5 138	737	639	603	585	572	3 077	12 818	24 169	17 655	
Waste Management	1600	5 817	734	845	542	524	510	2 756	14 292	26 020	18 625	
Property Rental Debtors	1700	168	16	16	15	15	15	87	508	839	640	
Interest on Arrear Accounts	1810	1 578	94	107	130	153	169	1 159	20 005	23 395	21 616	
Recoverable expenditure	1820	-	-	-	-	-	-	-	-	-	-	
Other	1900	(4 848)	39	53	32	27	50	235	831	(3 581)	1 174	
Total By Income Source	2000	54 532	4 357	3 769	3 502	3 454	3 405	15 859	87 602	176 481	113 822	
2017/18 - totals only										-	-	
Debtors Age Analysis By Customer Group												
Organs of State	2200	10 823	780	652	640	625	585	609	2 796	17 511	5 256	
Commercial	2300	17 824	538	466	253	246	227	950	5 947	26 452	7 624	
Households	2400	22 711	2 759	2 376	2 394	2 369	2 397	13 136	70 492	118 634	90 788	
Other	2500	3 174	281	275	214	214	195	1 163	8 367	13 884	10 155	
Total By Customer Group	2600	54 532	4 357	3 769	3 502	3 454	3 405	15 859	87 602	176 481	113 822	

The movement in investments is detailed below.

WC022 Witzenberg - Supporting Table SC5 Monthly Budget Statement - Investment portfolio - Q1 First Quarter

Investments by maturity Name of institution & Investment ID	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							
R thousands								
<u>Municipality</u>								
ABSA	-	-	-	-		-	-	25 000
Investec	-	-	-	-		-	-	25 000
Nedbank	-	-	-	-		-	-	25 000
Standard Bank	-	-	-	-		-	-	25 000
	-	-	-	-		-	-	-
	-	-	-	-		-	-	-
Municipality sub-total				-		-	-	100 000
<u>Entities</u>								
Entities sub-total				-		-	-	-
TOTAL INVESTMENTS AND INTEREST				-		-	-	100 000

Operating and Capital transfers received are indicated in the following table:

WC022 Witzenberg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

Description	Budget Year 2018/19							
	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:	88 231	88 231	174	37 532	22 058	15 475	70.2%	37 532
Equitable Share	84 602	84 602	174	35 537	21 151	14 387	68.0%	35 537
Local Government Financial Management Grant (S	1 550	1 550	-	1 550	368	1 163	300.0%	1 550
Expanded Public Works Programme Integrated Grant	1 548	1 548	-	445	387	58	15.0%	445
Municipal Infrastructure Grant (Schedule 5B)	531	531	-	-	133	(133)	-100.0%	-
Provincial Government:	2 508	2 508	-	1 608	627	981	156.5%	1 608
Human Settlement Development	-	-	-	-	-	-	-	-
Financial Management	360	360	-	-	90	(90)	-100.0%	-
Replacement Funding for most vulnerable B3 munic	-	-	-	1 608	-	1 608	-	1 608
Library Service Conditional Grant	-	-	-	-	-	-	-	-
Community Development Workers	148	148	-	-	37	(37)	-100.0%	-
Regional Socio-economic Project/Violence Preventio	2 000	2 000	-	-	500	(500)	-100.0%	-
Maintenance of Main Roads	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	90 739	90 739	174	39 140	22 685	16 456	72.5%	39 140
Capital Transfers and Grants								
National Government:	31 235	31 235	-	9 500	7 809	1 691	21.7%	9 500
Municipal Infrastructure Grant (Schedule 5B)	18 626	18 626	-	8 000	4 657	3 343	71.8%	8 000
Regional Bulk Infrastructure Grant (Schedule 5B)	8 261	8 261	-	-	2 085	(2 085)	-100.0%	-
Integrated National Electrification Programme (Mun	4 348	4 348	-	1 500	1 087	413	38.0%	1 500
Provincial Government:	-	-	-	-	-	-	-	-
Human Settlement	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	31 235	31 235	-	9 500	7 809	1 691	21.7%	9 500
TOTAL RECEIPTS OF TRANSFERS & GRANTS	121 974	121 974	174	48 640	30 493	18 147	59.5%	48 640

Operating and Capital expenditure financed from grants are indicated in the following table:

WC022 Witzenberg - Supporting Table SG7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter

Description	Budget Year 2018/19							
	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:	93 889	93 856	3 324	9 095	23 464	(14 370)	-61.2%	9 095
Equitable Share	92 004	92 001	3 280	8 967	23 000	(14 033)	-61.0%	8 967
Local Government Financial Management Grant [S	1 450	1 420	42	126	355	(229)	-64.6%	126
Expanded Public Works Programme Integrated Gr	-	-	1	2	-	2		2
Municipal Infrastructure Grant [Schedule 5B]	436	436	-	-	109	(109)	-100.0%	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-
Provincial Government:	13 117	13 102	5	166	3 276	(3 110)	-94.9%	166
Human Settlement Development	12 914	12 914	-	155	3 229	(3 074)	-95.2%	155
Replacement Funding for most vulnerable B3 mun	-	-	-	-	-	-	-	-
Library Service Conditional Grant	-	-	-	-	-	-	-	-
Community Development Workers	148	148	5	6	37	(31)	-82.7%	6
Regional Socio-economic Project/Violence Prevent	-	-	-	-	-	-	-	-
Maintenance of Main Roads	55	40	1	4	10	(6)	-55.0%	4
Other grant providers:	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
[insert description]	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
Other capital transfers [insert description]	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants	107 006	106 958	3 329	9 260	26 740	(17 479)	-65.4%	9 260
Capital expenditure of Transfers and Grants								
National Government:	21 759	21 759	2 945	3 549	5 440	(1 891)	-34.8%	3 549
Municipal Infrastructure Grant [Schedule 5B]	9 150	9 150	2 739	3 344	2 288	1 056	46.2%	3 344
Regional Bulk Infrastructure Grant (Schedule 5B)	8 261	8 261	-	-	2 065	(2 065)	-100.0%	-
Integrated National Electrification Programme (Mur	4 348	4 348	205	205	1 087	(881)	-81.1%	205
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-
Provincial Government:	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	21 759	21 759	2 945	3 549	5 440	(1 891)	-34.8%	3 549
TOTAL EXPENDITURE OF TRANSFERS AND GRAN	128 766	128 718	6 274	12 809	32 179	(19 370)	-60.2%	12 809

Expenditure on councillor allowances and employee benefits:

WC022 Witzenberg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter

Budget Year 2018/19								
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	7 213	7 213	564	1 731	1 803	(72)	-4%	7 213
Pension and UIF Contributions	1 063	1 063	82	251	266	(14)	-5%	1 063
Medical Aid Contributions	212	212	14	43	53	(10)	-18%	212
Motor Vehicle Allowance	692	692	—	—	173	(173)	-100%	692
Cellphone Allowance	1 023	1 023	75	231	256	(25)	-10%	1 023
Housing Allowances	455	455	9	16	114	(98)	-88%	455
Other benefits and allowances	50	50	—	—	13	(13)	-100%	50
Sub Total - Councillors	10 709	10 709	745	2 274	2 677	(404)	-15%	10 709
Senior Managers of the Municipality								
Basic Salaries and Wages	3 594	3 594	285	855	898	(44)	-5%	3 594
Pension and UIF Contributions	739	739	16	48	185	(137)	-74%	739
Medical Aid Contributions	127	127	5	16	32	(16)	-49%	127
Overtime	—	—	—	—	—	—	—	—
Performance Bonus	840	840	52	154	210	(56)	-27%	840
Motor Vehicle Allowance	993	993	63	191	248	(57)	-23%	993
Cellphone Allowance	67	67	2	7	17	(10)	-58%	67
Housing Allowances	145	145	—	—	38	(38)	-100%	145
Other benefits and allowances	108	88	16	39	22	17	75%	88
Payments in lieu of leave	—	—	—	—	—	—	—	—
Long service awards	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—	—
Sub Total - Senior Managers	6 614	6 594	438	1 310	1 648	(339)	-21%	6 594
Other Municipal Staff								
Basic Salaries and Wages	108 292	105 807	7 779	23 098	26 452	(3 354)	-13%	105 807
Pension and UIF Contributions	16 388	16 377	1 270	3 808	4 094	(286)	-7%	16 377
Medical Aid Contributions	7 283	7 283	593	1 773	1 821	(48)	-3%	7 283
Overtime	11 713	11 728	1 478	4 445	2 932	1 513	52%	11 728
Performance Bonus	7 651	7 651	625	1 868	1 913	(45)	-2%	7 651
Motor Vehicle Allowance	4 099	4 099	377	1 099	1 025	74	7%	4 099
Cellphone Allowance	378	378	40	120	95	26	27%	378
Housing Allowances	1 541	1 541	121	362	385	(23)	-6%	1 541
Other benefits and allowances	4 035	4 035	233	676	1 009	(333)	-33%	4 035
Payments in lieu of leave	831	831	241	1 686	208	1 478	712%	831
Long service awards	407	407	76	227	102	126	124%	407
Post-retirement benefit obligations	10 632	10 632	921	2 763	2 658	105	4%	10 632
Sub Total - Other Municipal Staff	173 251	170 769	13 754	41 927	42 692	(765)	-2%	170 769
TOTAL SALARY, ALLOWANCES &	190 573	188 072	14 938	45 510	47 018	(1 508)	-3%	188 072
% Increase								
TOTAL MANAGERS AND STAFF	179 864	177 363	14 193	43 237	44 341	(1 104)	-2%	177 363

The monthly cash flows for the year to date are indicated in the following table:

WC022 Witzenberg - Supporting Table 8C9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q1 First Quarter

Description	Ref	Budget Year 2016/17											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget
Cash Receipts By Source													
Property rates		3 346	12 636	5 490	12 707	4 866	3 463	6 297	6 297	6 297	6 297	6 297	727
Service charges - electricity revenue		16 142	20 502	15 447	17 251	14 636	12 109	16 789	16 789	16 789	16 789	16 789	16 789
Service charges - water revenue		2 316	3 651	2 528	2 851	3 587	2 663	3 663	3 663	3 663	3 663	3 663	3 663
Service charges - sanitation revenue		4 300	2 031	1 676	1 968	1 745	1 311	2 074	2 074	2 074	2 074	2 074	2 074
Service charges - refuse		1 483	2 094	1 671	1 904	1 828	1 291	2 199	2 199	2 199	2 199	2 199	2 199
Service charges - other		2 075	1 341	1 346	1 974	3 604	655	669	669	669	669	669	669
Rental of facilities and equipment		30	30	30	30	30	30	30	30	30	30	30	30
Interest earned - external investments		661	661	661	661	661	661	661	661	661	661	661	661
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-
Fines		339	339	339	339	339	339	339	339	339	339	339	339
Licences and permits		305	305	305	305	305	305	305	305	305	305	305	305
Agency services		406	406	406	406	406	406	406	406	406	406	406	406
Transfer receipts - operating		9 895	9 895	9 895	9 895	9 895	9 895	9 895	9 895	9 895	9 895	9 895	9 895
Other revenue		665	665	665	664	664	664	665	665	665	665	665	671
Cash Receipts by Source		43 984	54 267	40 486	50 594	42 699	33 771	46 461	46 462	46 462	46 462	46 462	40 697
Other Cash Flows by Source													
Transfer receipts - capital		-	3 403	3 403	3 403	3 403	3 403	3 403	3 403	3 403	3 403	3 403	6 806
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		43 984	57 669	43 889	53 997	45 911	37 174	49 864	49 865	49 865	49 865	49 865	47 703
Cash Payments by Type													
Employee related costs		13 723	13 723	13 723	13 723	17 667	13 723	13 723	13 723	13 723	13 723	13 723	13 723
Remuneration of councillors		-	-	692	692	692	692	692	692	692	692	692	2 677
Interest paid		-	-	-	-	1 224	-	-	-	1 224	-	-	1 224
Bulk purchases - Electricity		16 113	16 113	16 113	16 113	16 113	16 113	16 113	16 113	16 113	16 113	16 113	16 113
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-
Other materials		1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676	1 676
Contracted services		3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	3 600	6 465
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		1 200	1 200	1 200	1 200	1 200	1 200	1 200	1 200	1 200	1 200	1 200	1 207
General expenses		3 300	3 300	3 300	3 300	3 300	3 300	3 300	3 300	3 300	3 300	3 300	3 307
Cash Payments by Type		38 611	38 611	38 704	38 704	45 671	38 704	38 704	38 704	40 827	38 704	38 704	47 612
Other Cash Flows/Payments by Type													
Capital assets		12 267	6 426	3 596	2 293	2 583	6 776	2 214	2 066	6 466	6 346	6 272	16 363
Repayment of borrowing		6 636	6 636	6 636	6 636	6 636	6 636	6 636	6 636	6 636	6 636	6 636	6 636
Other Cash Flow/Payments		21 661	(300)	5 667	66 274	(4 365)	(17 484)	(47 237)	76 727	(64 660)	(16 751)	(14 902)	24 741
Total Cash Payments by Type		79 425	51 675	65 624	137 666	48 966	34 623	1 316	126 661	(6 566)	36 937	36 704	66 372
NET INCREASE/DECREASE IN CASH FIELD		(35 441)	6 115	(11 735)	(83 919)	(3 693)	2 551	48 548	(76 197)	56 373	12 729	10 157	(50 668)
Cash/cash equivalents at the month/year beginning:		126 631	91 200	67 315	65 660	1 661	(2 332)	219	48 766	(29 429)	26 644	41 673	62 030
Cash/cash equivalents at the month/year end:		91 200	67 315	65 660	1 661	(2 332)	219	48 766	(29 429)	26 644	41 673	62 030	1 362

Withdrawals from Municipal Bank Accounts
Quarter ending 30 September 2018
Report in terms of section 11(4)(a) of the MFMA, Act no 56 of 2003

MFMA Section	Item Description	Income transactions July 2018	Income transactions August 2018	Income transactions September 2018	Expenditure transactions July 2018	Expenditure transactions August 2018	Expenditure transactions September 2018
11(1) (b)	Expenditure authorised in terms of section 28(4) (Expenditure before annual budget is approved)						
11(1) (c)	Unforeseeable and unavoidable expenditure authorised in terms of section 29(1) (Mayor may approve emergency or other exceptional circumstances expenditure for which no budget provision was made)						
11(1) (d)	Section 12 withdrawals (Relief, charitable, trust or other funds withdrawals)						
11(1) (e) (i)	Money collected on behalf of organ of state: - VAT	-			150 816	3 668 099	251 396
	- Agency fees, for example motor registration, drivers licence, etc.	-240 592	-1 088 686	-1 144 565	-	-	
11(1) (e) (ii)	Insurance received by the Municipality on behalf of organ of state						
11(1) (f)	Refund of money incorrectly paid into bank account						
11(1) (g)	Refund of guarantees, sureties & security deposits	-138 164	-171 629	-181 277	132 093	113 635	75 667
		-376 756	-1 260 315	-1 325 842	282 906	3 779 734	327 063
11(1) (h)	Cash management and investment purposes:	Transactions for April 2018	Transactions for May 2018	Transactions for June 2018			
		-		-			
		-	-	100 000 000			
		-	-	100 000 000			

Expenditure on Staff & Councillor Benefits for the period 1 July 2018 to 30 September 2018.

(Report in terms of Section 66 of the MFMA)

MFMA Section	Item Description	Original Budget 2018/2019	Amended Budget 2018/2019	Year to Date Total	% Spent to date
Staff Benefits					
66(a)	Salaries and Wages	111 885 561	111 260 728	23 952 813	21.53%
66(b)	Contributions to pension funds and medical aids	24 537 483	24 526 237	5 645 419	23.02%
66(c)	Travel, accomodation and subsistence	5 091 933	5 091 933	1 290 275	25.34%
66(d)	Housing benefits and allowances	1 686 048	1 686 048	362 423	21.50%
66(e)	Overtime	11 713 179	11 728 179	4 445 354	37.90%
66(f)	Loans and advances	0	0	0	0.00%
66(g)	Other type of benefit or allowances	24 949 898	24 929 898	7 563 970	30.34%
	Sub - Total (Staff Benefits)	R 179 864 102	R 179 223 023	R 43 260 254	24.14%
Councillor Benefits					
MAY	Mayor	915 791	915 791	155 326	16.96%
DM	Deputy Mayor	681 867	681 867	139 357	20.44%
SP	Speaker	682 142	682 142	138 952	20.37%
MCM	Mayoral Committee members	2 453 677	2 453 677	516 445	21.05%
CLLR	Other Councillors	4 700 235	4 700 235	1 028 640	21.88%
MED	Medical aid contributions	212 480	212 480	43 484	20.47%
PEN	Pension fund contributions	1 062 928	1 062 928	251 470	23.66%
WARD	Ward Committee Allowance	1 440 000	1 440 000	349 500	24.27%
	Sub - Total (Councillors' Benefits)	12 149 120	12 149 120	2 623 174	21.59%
	Total Councillor and Staff Benefits	R 192 013 222	R 191 372 143	R 45 883 428	23.98%

The expenditure on overtime and other benefits are a concern and must be managed downwards.

The savings on salaries and wages are due to vacancies. Only critical vacancies must be filled until the financial effect of the implementation of TASK can be determined more accurately.

WITZENBERG MUNICIPALITY
SDMP TOP LAYER 1st QUARTER REPORT 2018/2019

Key Performance Area	Strategic Objective	Ref Nr	Key Performance Indicator	Annual Target	1st Quarter 2018/2019			Reason if target not achieved	Corrective measures
					Target	Result			
Essential services	Sustainable provision & maintenance of basic services	TecDir1	Percentage expenditure on maintenance budget by Technical Directorate.	90%	89%	97.8%			
		TecDir9	Percentage expenditure on capital budget by Technical Directorate.	80%	13%	7.8%			
		TecDir7	kilometres of roads upgraded & rehabilitated.	0					
		TecWtr21	Percentage compliance with drinking water quality standards	90%	90%	100%			
		TecWtr20	Decrease unaccounted water losses.	10%	18%	78.8%	Wholesale built meter not functional for a period as the brief were damaged during storm flooding. Not all households and consumptions checked in solid values.	Finance to soon in on business consumptions separately from households. Implement Technical/Finance meetings on water losses again.	
		TecDir7	Decrease unaccounted electricity losses.	10%	10%	8%			
		Princ17	Number of outstanding valid applications for water services expressed as a % of total number of billings for the service.	<2%	<1%	0.0%			
		Princ18	Number of outstanding valid applications for sewerage services expressed as a % of total number of billings for the service.	<1%	<1%	0.0%			
		Princ19	Number of outstanding valid applications for electricity services expressed as a % of total number of billings for the service.	<1%	<1%	0.0%			
		Princ20	Number of outstanding valid applications for waste removal services expressed as a % of total number of billings for the service.	<1%	<1%	0.0%			
	Provide for the needs of informal settlements through improved services	TecDir2	Number of subsidised serviced sites developed.	400	100	25%			
		TecWtr22	Provide basic services - number of informal areas with sufficient communal water service points (taps).	3	3	0			
		TecSan13	Provide basic services - number of informal areas with sufficient communal sanitation service points (toilets).	3	3	0			
		TecDir13	Improve basic services - number of informal settlements receiving a door-to-door refuse collection and area cleaning service.	0	0	0			
		TecDir6	Number of subsidised electricity connections installed.	100					
Governance	Support institutional development & transformation	CorpM12	Report on percentage of people from employment equity target groups employed in the three highest levels of management in the municipality.	4	1	0			
		CorpM13	Percentage budget spend on the implementation of the Workplace Skills Plan	90%	25%	28%			

WITZENBERG MUNICIPALITY
SDMP TOP LAYER 1st QUARTER REPORT 2018/2019

Key Performance Area	Strategic Objective	Ref Nr	Key Performance Indicator	Annual Target	1st Quarter 2018/2019			Reason if target not achieved	Corrective measures
					Target	Result			
Governance	Financial Viability	MM1	Percentage spend on maintenance for the whole municipality.	80%	28%	35%		Low expenditure on Corporate Administration etc.	Increase maintenance on buildings expenditure.
		MM2	Percentage spend on Capital Budget for the whole municipality.	90%	13%	10%			
		FinDir5	Achieve an unqualified opinion of the Auditor-General on annual financial statements of the previous year.	1 Unqualified report					
		FinAdm9	Financial viability expressed as Cost-Coverage ratio	2.5	2.5	1			
		FinAdm10	Financial viability expressed as Debt-Coverage ratio	90	90	1.34			
		FinAdm11	Financial viability expressed outstanding service debtors	44%	44%	12.3%			
		FinAdm18	Increased revenue collection	84%	84%	11.1%			
	Strengthen relations	MMEDP9	Number of IDP community meetings held.	14					
		ComDoc49	Number of meetings with intergovernmental partners.	12	8	5			
Communal services	Provide & maintain facilities	ComDir1	Percentage expenditure on maintenance budget by Community Directorates.	98%	23%	23%		The 15% target amounts to R 750 000 planned expenditure which was not achieved due to various delays in procurement & planning processes.	Several projects are to be overruled in October which would increase in expenditure and it is expected that the 40% target would be reached by December 2018.
		ComDir2	Percentage expenditure on capital budget by Community Directorates.	96%	18%	4.4%			
		ComAdm4	Report on annual customer satisfaction survey on community facilities.	2	1	1			
Socio-Economic Support Services	Support the poor & vulnerable	ComLed8	The number of jobs created through the municipality's local economic development initiatives including capital projects.	880	100	10%			
		ComH14	Number of housing opportunities provided per year - top structures.	100					
		ComH15	Number of rental stock transferred.	90	10	10%			
		ComDoc41	Number of account holders subsidised through the municipality's Indigent Policy	3000	2780	92.6%		The target was exceeded due to an amendment to the Indigent Policy which came into effect on the 1st of July 2018. The result was that more households are successful in their indigent applications.	It is suggested that the indigent target be adjusted after deliberation with the Finance Department.
		ComDoc42	Number of social development programmes implemented.	20	5	5			
	Create an enabling environment to attract investments & support local economy.	MMProp21	Quarterly report on the allocation of municipal properties to support economic growth.	4	1	1			
		ComLed4	Quarterly report on the implementation of strategies and planned actions as identified in the Witzenberg LED Strategy.	4	1	1			