

OVERSTRAND MUNICIPALITY



Monthly Budget Statement

February 2017

In-Year Report of the Municipality

Prepared in terms of Section 71 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 28 of the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009.

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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Budget – The financial plan of the Municipality.

Capital expenditure - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

FMG – Financial Management Grant.

GFS – Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality.

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant.

mSCOA – Municipal Standard Chart of Accounts.

MTREF – Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes financial information of the previous and current year.

NDPG – Neighbourhood Development Partnership Grant.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages, repairs and maintenance etc.

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

SDBIP – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information.

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

Vote – A main appropriation segment of the budget. In Overstrand Municipality this relates to the directorate level for operating expenditure and the GFS classification for capital expenditure.

YTD – Year to date

PART 1 – IN-YEAR REPORT

Executive Summary

Revenue by Source

The Year-to-Date actual revenue is 0.33% above the YTD budget projections at the end of February 2017.

Borrowings

The balance of borrowings amounts to R453.8m at the end of February 2017.

Operating expenditure by vote & type

Current expenditure is 0.46% below YTD budget projections as at February 2017.

Capital expenditure

YTD Capital expenditure amounts to R28.7m or 33.46% of the total adjusted budget of R85.8m. The current capital commitments of orders in progress amounts to R29.7m or 34.61% of the adjusted capital budget of R85.8m.

Allocations received (National & Provincial Grants)

Grants totaling R1.3m was received during February 2017.

Spending on Grants

Spending on grants amounts to R2.4m for February 2017 which includes FMG, EPWP, Housing, Provincial Library Grant, CDW, MIG & INEP.

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M08 February

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>	0.33%	Not material	
<u>Expenditure By Type</u>	-0.46%	Not material	
<u>Capital Expenditure</u>	2.26%	Capital Commitments =R29.7m	
<u>Financial Position</u> In order			
<u>Cash Flow</u> In order			

Performance in relation to SDBIP targets

SDBIP performance is tabled in Council in a separate comprehensive report.

Remedial or corrective steps

No remedial or corrective steps are required at this time.

In-year budget statement tables

Table C1: s71 Monthly Budget Statement Summary
WC032 Overstrand - Table C1 Monthly Budget Statement Summary - M08 February

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	165 119	181 439	190 639	16 128	132 309	131 949	361	0%	190 639
Service charges	573 195	607 054	606 116	51 259	416 126	415 443	683	0%	606 116
Investment revenue	12 209	10 489	15 489	1 658	14 049	13 811	238	2%	15 489
Transfers recognised - operational	103 629	126 313	133 025	802	91 549	91 549	-		133 025
Other own revenue	80 024	67 879	70 335	6 271	52 169	51 149	1 020	2%	70 335
Total Revenue (excluding capital transfers and contributions)	934 177	993 175	1 015 605	76 119	706 203	703 902	2 301	0%	1 015 605
Employee costs	273 115	314 204	310 893	24 310	202 441	202 570	(129)	-0%	310 893
Remuneration of Councillors	8 566	9 110	9 110	747	5 913	6 074	(160)	-3%	9 110
Depreciation & asset impairment	123 514	117 690	127 262	15 954	84 607	84 841	(234)	-0%	127 262
Finance charges	46 207	46 421	46 421	1 839	19 813	19 813	-		46 421
Materials and bulk purchases	214 224	285 811	288 105	18 191	179 811	180 432	(621)	-0%	288 105
Transfers and grants	51 090	57 479	57 479	4 639	37 511	38 319	(808)	-2%	57 479
Other expenditure	226 415	242 280	245 244	16 669	129 066	130 179	(1 113)	-1%	245 244
Total Expenditure	943 132	1 072 995	1 084 514	82 349	659 162	662 228	(3 066)	-0%	1 084 514
Surplus/(Deficit)	(8 956)	(79 820)	(68 909)	(6 230)	47 041	41 674	5 367	13%	(68 909)
Transfers recognised - capital	60 651	39 962	31 737	1 618	13 203	13 203	-		31 737
Contributions & Contributed assets	-	4 500	4 500	-	-	-	-		4 500
Surplus/(Deficit) after capital transfers & contributions	51 696	(35 358)	(32 672)	(4 611)	60 244	54 876	5 367	10%	(32 672)
Surplus/ (Deficit) for the year	51 696	(35 358)	(32 672)	(4 611)	60 244	54 876	5 367	10%	(32 672)
Capital expenditure & funds sources									
Capital expenditure	95 286	88 356	85 872	5 297	28 737	28 102	635	2%	85 872
Capital transfers recognised	60 651	43 462	35 237	1 562	13 085	10 894	2 191	20%	35 237
Public contributions & donations	896	1 462	1 462	-	-	609	(609)	-100%	1 462
Borrowing	27 189	33 824	35 854	700	9 203	9 939	(736)	-7%	35 854
Internally generated funds	6 549	9 608	13 319	3 034	6 449	6 659	(211)	-3%	13 319
Total sources of capital funds	95 286	88 356	85 872	5 297	28 737	28 102	635	2%	85 872
Financial position									
Total current assets	311 815	238 962	316 371		431 452				316 371
Total non current assets	3 741 168	3 284 285	3 707 431		3 691 448				3 707 431
Total current liabilities	169 019	183 981	183 981		149 362				183 981
Total non current liabilities	611 666	636 115	636 115		639 418				636 115
Community wealth/Equity	3 272 298	2 703 150	3 203 705		3 334 120				3 203 705
Cash flows									
Net cash from (used) operating	160 636	103 090	105 019	20 276	144 968	145 275	306	0%	105 019
Net cash from (used) investing	(99 338)	(95 217)	(93 522)	(5 793)	(34 887)	(34 887)	-		(93 522)
Net cash from (used) financing	8 496	5 787	5 258	29 338	7 549	7 549	-		5 258
Cash/cash equivalents at the month/year end	174 781	114 127	191 536	-	292 412	292 718	306	0%	191 536
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	57 781	2 076	1 216	800	707	808	4 695	19 462	87 544
Creditors Age Analysis									
Total Creditors	5 316	-	-	-	-	-	-	-	5 316

Table C2: Monthly Budget Statement – Financial Performance (standard classification)

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M08 February

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
Governance and administration	275 007	274 984	289 837	18 974	210 511	213 311	(2 800)	-1%	289 837
Executive and council	64 991	73 269	73 269	23	54 899	54 899	-		73 269
Budget and treasury office	189 358	200 953	214 710	18 729	153 946	157 454	(3 507)	-2%	214 710
Corporate services	20 658	762	1 859	222	1 665	958	708	74%	1 859
Community and public safety	99 869	116 537	116 389	4 508	69 694	75 506	(5 813)	-8%	116 389
Community and social services	3 218	11 676	10 676	843	6 901	6 696	205	3%	10 676
Sport and recreation	9 743	9 875	9 421	585	6 553	6 281	272	4%	9 421
Public safety	30 412	37 988	39 189	3 042	25 649	26 126	(476)	-2%	39 189
Housing	56 496	56 997	57 103	38	30 590	36 403	(5 813)	-16%	57 103
Economic and environmental services	24 902	25 639	22 565	2 308	13 088	12 289	799	7%	22 565
Planning and development	12 822	14 810	12 381	1 122	8 296	7 941	356	4%	12 381
Road transport	12 071	10 746	10 100	1 186	4 771	4 293	479	11%	10 100
Environmental protection	9	83	83	-	20	55	(35)	-64%	83
Trading services	595 050	620 478	623 051	51 947	426 113	415 999	10 115	2%	623 051
Electricity	334 747	362 878	360 600	28 221	243 793	240 400	3 393	1%	360 600
Water	118 583	114 100	117 699	11 413	84 346	79 937	4 409	6%	117 699
Waste water management	79 988	77 930	79 131	6 778	53 897	51 914	1 983	4%	79 131
Waste management	61 733	65 570	65 622	5 535	44 078	43 748	330	1%	65 622
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	994 828	1 037 637	1 051 842	77 738	719 406	717 104	2 301	0%	1 051 842
Expenditure - Standard									
Governance and administration	233 017	262 295	265 975	22 037	166 147	166 783	(636)	0%	265 975
Executive and council	95 210	114 535	115 521	8 812	72 838	72 944	(106)	0%	115 521
Budget and treasury office	63 843	69 180	68 441	4 697	43 974	44 772	(798)	-2%	68 441
Corporate services	73 964	78 579	82 013	8 528	49 335	49 067	268	1%	82 013
Community and public safety	121 432	179 163	181 298	7 799	110 283	110 981	(699)	-1%	181 298
Community and social services	32 027	34 465	34 028	2 034	20 746	20 652	94	0%	34 028
Sport and recreation	12 881	20 239	16 927	(164)	11 198	11 073	126	1%	16 927
Public safety	61 347	74 657	75 011	5 684	46 276	47 194	(918)	-2%	75 011
Housing	15 176	49 802	55 333	246	32 062	32 062	-		55 333
Economic and environmental services	158 554	176 435	179 897	14 404	103 068	103 258	(189)	0%	179 897
Planning and development	67 298	80 325	80 285	6 514	48 620	48 505	114	0%	80 285
Road transport	86 500	90 397	93 959	7 565	51 195	51 195	-		93 959
Environmental protection	4 756	5 712	5 653	325	3 253	3 557	(304)	-9%	5 653
Trading services	430 130	455 103	457 343	38 109	279 664	281 206	(1 542)	-1%	457 343
Electricity	261 042	277 742	276 599	23 189	172 551	172 874	(323)	0%	276 599
Water	67 335	59 028	64 430	7 256	34 938	35 221	(283)	-1%	64 430
Waste water management	57 092	59 828	58 240	3 136	36 935	37 540	(605)	-2%	58 240
Waste management	44 661	58 505	58 075	4 528	35 240	35 571	(331)	-1%	58 075
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	943 132	1 072 995	1 084 514	82 349	659 162	662 228	(3 066)	0%	1 084 514
Surplus/ (Deficit) for the year	51 696	(35 358)	(32 672)	(4 611)	60 244	54 876	5 367	10%	(32 672)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the GFS Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

Table C3: Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

WC032 Overstrand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Vote Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Council	64 991	73 182	73 182	15	54 844	54 844	-		73 182
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Management Services	3 065	1	1 013	157	1 181	1 181	-		1 013
Vote 4 - Finance	189 358	200 953	214 710	18 729	153 946	157 454	(3 507)	-2.2%	214 710
Vote 5 - Community Services	293 898	291 065	294 111	26 438	201 334	195 260	6 073	3.1%	294 111
Vote 6 - Local Economic Development	3 471	3 352	3 352	277	2 385	2 235	150	6.7%	3 352
Vote 7 - Infrastructure & Planning	409 632	431 096	426 285	29 078	280 066	280 006	61	0.0%	426 285
Vote 8 - Protection Services	30 412	37 988	39 189	3 042	25 649	26 125	(476)	-1.8%	39 189
Total Revenue by Vote	994 828	1 037 637	1 051 842	77 738	719 406	717 104	2 301	0.3%	1 051 842
Expenditure by Vote									
Vote 1 - Council	74 562	91 748	92 195	7 236	59 920	60 012	(93)	-0.2%	92 195
Vote 2 - Municipal Manager	4 094	4 722	4 649	284	2 689	2 857	(168)	-5.9%	4 649
Vote 3 - Management Services	38 242	46 490	45 004	2 588	26 376	27 034	(657)	-2.4%	45 004
Vote 4 - Finance	63 843	69 180	68 441	4 697	43 974	44 772	(798)	-1.8%	68 441
Vote 5 - Community Services	335 658	346 998	351 302	25 973	204 568	204 408	161	0.1%	351 302
Vote 6 - Local Economic Development	8 905	10 795	10 673	875	6 756	6 749	7	0.1%	10 673
Vote 7 - Infrastructure & Planning	356 481	428 407	437 239	35 012	268 604	269 202	(598)	-0.2%	437 239
Vote 8 - Protection Services	61 347	74 657	75 011	5 684	46 276	47 194	(918)	-1.9%	75 011
Total Expenditure by Vote	943 132	1 072 995	1 084 514	82 349	659 162	662 228	(3 066)	-0.5%	1 084 514
Surplus/ (Deficit) for the year	51 696	(35 358)	(32 672)	(4 611)	60 244	54 876	5 367	9.8%	(32 672)

The operating expenditure budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Council; Municipal Manager; Management Services; Finance; Community Services; Local Economic Development; Infrastructure & Planning and Protection Services.

Unauthorised expenditure by year end would occur either for the municipality as a whole if the adjusted budget for 'Total Expenditure by Vote' or if any of the individual budgets for any specific vote/s were overspent. During the financial year some of the figures are influenced by transactions that occur annually only.

Table C4: Monthly Budget Statement – Financial Performance (revenue and expenditure)

WC032 Overstrand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

Description	2015/16	Budget Year 2016/17							
	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	164 554	180 591	189 791	16 108	132 107	131 747	361	0%	189 791
Property rates - penalties & collection charges	565	848	848	20	202	202	-		848
Service charges - electricity revenue	324 599	356 959	351 822	27 981	238 895	238 946	(50)	0%	351 822
Service charges - water revenue	114 179	111 544	113 744	10 964	80 275	80 095	180	0%	113 744
Service charges - sanitation revenue	72 728	72 318	74 318	6 724	52 564	52 332	231	0%	74 318
Service charges - refuse revenue	61 689	65 510	65 510	5 530	43 995	43 673	322	1%	65 510
Rental of facilities and equipment	9 950	4 728	4 728	388	3 353	3 152	201	6%	4 728
Interest earned - external investments	12 209	10 489	15 489	1 658	14 049	13 811	238	2%	15 489
Interest earned - outstanding debtors	2 735	2 756	2 756	234	1 810	1 837	(27)	-1%	2 756
Fines	23 893	31 143	31 143	2 558	21 713	21 281	432	2%	31 143
Licences and permits	2 423	2 330	2 330	220	1 670	1 554	116	7%	2 330
Agency services	3 211	3 220	3 220	267	2 256	2 147	109	5%	3 220
Transfers recognised - operational	103 629	126 313	133 025	802	91 549	91 549	-		133 025
Other revenue	29 273	23 702	24 204	2 605	21 368	21 178	189	1%	24 204
Gains on disposal of PPE	8 539		1 954				-		1 954
contributions)	934 177	993 175	1 015 605	76 119	706 203	703 902	2 301	0%	1 015 605
Expenditure By Type									
Employee related costs	273 115	314 204	310 893	24 310	202 441	202 570	(129)	0%	310 893
Remuneration of councillors	8 566	9 110	9 110	747	5 913	6 074	(160)	-3%	9 110
Debt impairment	19 128	23 888	23 888	1 991	15 926	15 926	-		23 888
Depreciation & asset impairment	123 514	117 690	127 262	15 954	84 607	84 841	(234)	0%	127 262
Finance charges	46 207	46 421	46 421	1 839	19 813	19 813	-		46 421
Bulk purchases	194 620	210 763	206 563	16 104	131 087	131 168	(80)	0%	206 563
Other materials	19 605	75 048	81 542	2 087	48 724	49 265	(541)	-1%	81 542
Contracted services	112 338	158 368	161 233	11 506	77 373	77 929	(556)	-1%	161 233
Transfers and grants	51 090	57 479	57 479	4 639	37 511	38 319	(808)	-2%	57 479
Other expenditure	94 626	60 024	60 123	3 172	35 767	36 324	(557)	-2%	60 123
Loss on disposal of PPE	323						-		
Total Expenditure	943 132	1 072 995	1 084 514	82 349	659 162	662 228	(3 066)	0%	1 084 514
Surplus/(Deficit)	(8 956)	(79 820)	(68 909)	(6 230)	47 041	41 674	5 367	0	(68 909)
Transfers recognised - capital	60 651	39 962	31 737	1 618	13 203	13 203	-		31 737
Contributions recognised - capital		4 500	4 500				-		4 500
Contributed assets							-		
Surplus/(Deficit) after capital transfers & Taxation	51 696	(35 358)	(32 672)	(4 611)	60 244	54 876	-		(32 672)
Surplus/(Deficit) after taxation	51 696	(35 358)	(32 672)	(4 611)	60 244	54 876			(32 672)
Surplus/(Deficit) attributable to municipality	51 696	(35 358)	(32 672)	(4 611)	60 244	54 876			(32 672)
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	51 696	(35 358)	(32 672)	(4 611)	60 244	54 876			(32 672)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 0.33% above the YTD budget.

Current expenditure is 0.46% below YTD budget projections for February 2017.

Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

WC032 Overstrand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M08 February

Vote Description	2015/16	Budget Year 2016/17							
	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 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	17 900	14 311	13 826	1 099	7 924	7 244	681	9%	13 826
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	8 501	15 000	16 605	738	5 549	5 619	(70)	-1%	16 605
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	26 401	29 311	30 431	1 837	13 474	12 863	611	5%	30 431
Vote 1 - Council	-	5	30	-	-	1	(1)	-100%	30
Vote 2 - Municipal Manager	-	41	41	-	32	34	(2)	-7%	41
Vote 3 - Management Services	3 848	320	720	-	113	132	(18)	-14%	720
Vote 4 - Finance	-	30	30	-	-	4	(4)	-100%	30
Vote 5 - Community Services	54 496	51 033	45 554	3 292	11 609	11 592	18	0%	45 554
Vote 6 - Local Economic Development	-	15	15	-	-	2	(2)	-100%	15
Vote 7 - Infrastructure & Planning	10 246	6 721	6 971	-	3 228	3 367	(139)	-4%	6 971
Vote 8 - Protection Services	295	880	2 080	168	281	109	172	158%	2 080
Total Capital single-year expenditure	68 885	59 046	55 441	3 459	15 264	15 240	24	0%	55 441
Total Capital Expenditure	95 286	88 356	85 872	5 297	28 737	28 102	635	2%	85 872
Capital Expenditure - Standard Classification									
Governance and administration	4 962	855	975	-	242	428	(186)	-43%	975
Executive and council	-	46	71	-	38	23	15	63%	71
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	4 962	809	904	-	204	405	(200)	-49%	904
Community and public safety	32 729	19 502	16 533	1 478	3 533	5 389	(1 856)	-34%	16 533
Community and social services	3 169	2 995	2 019	84	97	841	(744)	-88%	2 019
Sport and recreation	3 311	2 545	1 903	-	572	793	(221)	-28%	1 903
Public safety	264	1 080	2 280	168	291	950	(659)	-69%	2 280
Housing	25 985	12 882	10 330	1 227	2 573	2 804	(231)	-8%	10 330
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	13 226	12 933	12 178	1 981	5 646	5 661	(15)	0%	12 178
Planning and development	-	183	433	-	84	180	(97)	-54%	433
Road transport	13 226	12 750	11 745	1 981	5 563	5 481	82	1%	11 745
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	44 369	55 066	56 186	1 837	19 316	16 625	2 691	16%	56 186
Electricity	18 237	21 799	23 404	738	8 694	7 352	1 342	18%	23 404
Water	14 232	15 021	15 589	675	5 267	4 109	1 157	28%	15 589
Waste water management	11 875	18 231	17 179	424	5 355	5 158	197	4%	17 179
Waste management	25	15	15	-	1	6	(5)	-82%	15
Total Capital Expenditure - Standard Classification	95 286	88 356	85 872	5 297	28 737	28 102	635	2%	85 872
Funded by:									
National Government	31 647	26 030	22 280	1 518	12 542	9 283	3 258	35%	22 280
Provincial Government	29 004	13 932	9 457	44	544	1 174	(630)	-54%	9 457
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	3 500	3 500	-	-	438	(438)	-100%	3 500
Transfers recognised - capital	60 651	43 462	35 237	1 562	13 085	10 894	2 191	20%	35 237
Public contributions & donations	896	1 462	1 462	-	-	609	(609)	-100%	1 462
Borrowing	27 189	33 824	35 854	700	9 203	9 939	(736)	-7%	35 854
Internally generated funds	6 549	9 608	13 319	3 034	6 449	6 659	(211)	-3%	13 319
Total Capital Funding	95 286	88 356	85 872	5 297	28 737	28 102	635	2%	85 872

Table C6: Monthly Budget Statement - Financial Position

WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M08 February

Description	2015/16	Budget Year 2016/17			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	73 518	114 127	191 536	121 465	191 536
Call investment deposits	101 263	-	-	170 946	-
Consumer debtors	57 828	66 944	66 944	68 404	66 944
Other debtors	50 451	44 217	44 217	41 668	44 217
Current portion of long-term receivables	14	11	11	12	11
Inventory	28 742	13 663	13 663	28 957	13 663
Total current assets	311 815	238 962	316 371	431 452	316 371
Non current assets					
Long-term receivables	40	30	30	34	30
Investments	29 740	35 328	37 403	35 898	37 403
Investment property	152 550	159 761	152 550	152 550	152 550
Investments in Associate					
Property, plant and equipment	3 552 066	3 084 987	3 510 891	3 497 058	3 510 891
Agricultural					
Biological assets					
Intangible assets	6 772	4 179	6 557	5 909	6 557
Other non-current assets					
Total non current assets	3 741 168	3 284 285	3 707 431	3 691 448	3 707 431
TOTAL ASSETS	4 052 983	3 523 246	4 023 802	4 122 900	4 023 802
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing	26 492	29 378	29 378	28 514	29 378
Consumer deposits	43 943	46 429	46 429	36 598	46 429
Trade and other payables	72 139	81 244	81 244	59 441	81 244
Provisions	26 444	26 930	26 930	24 808	26 930
Total current liabilities	169 019	183 981	183 981	149 362	183 981
Non current liabilities					
Borrowing	412 402	412 288	412 288	425 274	412 288
Provisions	199 265	223 827	223 827	214 144	223 827
Total non current liabilities	611 666	636 115	636 115	639 418	636 115
TOTAL LIABILITIES	780 685	820 097	820 097	788 780	820 097
NET ASSETS	3 272 298	2 703 150	3 203 705	3 334 120	3 203 705
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	3 270 121	2 700 931	3 201 487	3 330 871	3 201 487
Reserves	2 177	2 218	2 218	3 250	2 218
TOTAL COMMUNITY WEALTH/EQUITY	3 272 298	2 703 150	3 203 705	3 334 120	3 203 705

The statement of financial position is in line with expectations for the financial year.

Table C7: Monthly Budget Statement - Cash Flow

WC032 Overstrand - Table C7 Monthly Budget Statement - Cash Flow - M08 February

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	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	162 962	177 978	188 484	13 803	131 433	131 468	(35)	0%	188 484
Service charges	570 488	595 436	599 207	56 182	413 885	413 952	(67)	0%	599 207
Other revenue	71 108	60 595	87 804	7 522	54 038	54 000	39	0%	87 804
Government - operating	102 933	126 313	132 775	802	91 549	91 549	-		132 775
Government - capital	60 651	44 462	36 487	1 618	13 203	13 203	-		36 487
Interest	14 944	13 245	18 245	1 892	15 859	15 859	-		18 245
Dividends		-	-				-		-
Payments									
Suppliers and employees	(725 167)	(811 039)	(854 083)	(55 067)	(517 676)	(517 432)	244	0%	(854 083)
Finance charges	(46 193)	(46 421)	(46 421)	(1 839)	(19 813)	(19 813)	-		(46 421)
Transfers and Grants	(51 090)	(57 479)	(57 479)	(4 639)	(37 511)	(37 511)	-		(57 479)
NET CASH FROM/(USED) OPERATING ACTIVITIES	160 636	103 090	105 019	20 276	144 968	145 275	306	0%	105 019
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	914	-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables	15	13	13	0	8	8	-		13
Decrease (increase) in non-current investments	(4 980)	(6 873)	(7 663)	(497)	(6 158)	(6 158)	-		(7 663)
Payments									
Capital assets	(95 286)	(88 356)	(85 872)	(5 297)	(28 737)	(28 737)	-		(85 872)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(99 338)	(95 217)	(93 522)	(5 793)	(34 887)	(34 887)	-		(93 522)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	(95)	-	(60)	-	(60)	(60)	-		(60)
Borrowing long term/refinancing	30 000	30 000	30 000	30 000	30 000	30 000	-		30 000
Increase (decrease) in consumer deposits	2 200	2 628	2 486	275	(7 345)	(7 345)	-		2 486
Payments									
Repayment of borrowing	(23 610)	(26 841)	(27 167)	(937)	(15 046)	(15 046)	-		(27 167)
NET CASH FROM/(USED) FINANCING ACTIVITIES	8 496	5 787	5 258	29 338	7 549	7 549	-		5 258
NET INCREASE/ (DECREASE) IN CASH HELD	69 794	13 660	16 755	43 821	117 631	117 937			16 755
Cash/cash equivalents at beginning:	104 987	100 467	174 781		174 781	174 781			174 781
Cash/cash equivalents at month/year end:	174 781	114 127	191 536		292 412	292 718			191 536

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R292.4 million.

The municipality started the year with a positive cash balance of R174.8 million. The February closing balance is R292.4 million. Refer to Supporting Table SC9 for more details on the cash position.

Supporting Table SC9: Monthly Budget Statement – Actual & revised targets for cash receipts & cash flows

WC032 Overstrand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M08 February

Description	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget				
Cash Receipts By Source																
Property rates	14 723	8 690	25 755	12 031	11 669	11 678	11 420	13 783				67 381	177 130	190 545	201 979	
Property rates - penalties & collection charges	30	28	25	30	28	18	23	20				646	848	899	953	
Service charges - electricity revenue	27 008	28 458	17 659	28 100	26 914	27 819	30 185	27 140				136 834	350 118	377 363	400 006	
Service charges - water revenue	13 245	16 174	8 458	15 801	14 341	14 005	15 250	14 111				(1 964)	109 419	116 964	123 983	
Service charges - sanitation revenue	7 566	5 966	3 551	6 733	6 801	6 386	7 208	7 092				19 632	70 935	76 304	80 883	
Service charges - refuse	8 885	7 424	4 630	8 191	7 804	7 575	6 713	7 778				5 254	64 255	69 121	73 269	
Rental of facilities and equipment	377	344	430	440	454	381	304	467				1 441	4 638	3 319	3 518	
Interest earned - external investments	793	2 289	586	2 705	2 442	1 750	1 826	1 658				(3 560)	10 489	12 795	13 563	
Interest earned - outstanding debtors	236	240	216	229	206	222	227	234				946	2 756	2 921	3 097	
Fines	2 541	3 367	2 638	2 583	2 840	2 657	2 529	2 558				9 430	31 143	31 164	31 187	
Licences and permits	198	214	224	158	184	221	252	220				660	2 330	2 470	2 618	
Agency services	267	295	293	268	300	265	301	267				964	3 220	3 413	3 618	
Transfer receipts - operating	30 985	10 833	6 708	7 800	3 721	28 522	2 180	802				34 764	126 313	100 430	113 519	
Other revenue	3 888	2 395	1 753	2 256	5 184	4 590	1 124	4 011				(5 939)	19 263	16 325	21 370	
Cash Receipts by Source	110 813	86 773	72 981	87 376	82 929	106 122	79 570	80 201	-	-	-	266 802	973 567	1 004 796	1 074 369	
Other Cash Flows by Source																
Transfer receipts - capital	-	-	2 540	648	2 176	3 924	2 296	1 618				30 260	43 462	63 604	67 271	
Contributions & Contributed assets	-	-	-	-	-	-	-	-				1 000	1 000	-	-	
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-				-	-	-	-	
Borrowing long term/refinancing	-	-	-	-	-	-	-	30 000				-	30 000	30 000	40 000	
Increase in consumer deposits	(197)	(75)	(7 573)	(123)	179	223	(54)	275				9 973	2 628	2 321	2 438	
Receipt of non-current debtors	-	-	-	-	-	-	-	-				-	-	-	-	
Receipt of non-current receivables	(3)	0	4	0	0	7	0	0				5	13	11	10	
Change in non-current investments	(525)	(1 102)	(411)	(1 008)	(555)	(1 410)	(650)	(497)				(716)	(6 873)	(6 399)	(6 541)	
Total Cash Receipts by Source	110 069	85 587	67 531	86 871	84 728	108 866	81 162	111 598	-	-	-	307 384	1 043 797	1 094 334	1 177 547	
Cash Payments by Type																
Employee related costs	19 435	31 209	22 287	21 900	35 677	23 167	24 866	23 079				105 207	306 828	314 204	330 841	
Remuneration of councillors	719	710	747	747	747	747	747	747				3 197	9 110	9 620	10 161	
Interest paid	114	644	2 427	2 214	1 178	9 961	1 436	1 839				26 608	46 421	46 952	45 449	
Bulk purchases - Electricity	3 413	24 098	23 326	16 837	15 712	15 089	16 508	16 104				79 676	210 763	227 329	245 197	
Bulk purchases - Water & Sewer												-	-	-	-	
Other materials	506	12 908	8 530	9 081	5 428	6 712	3 473	2 087				26 324	75 048	40 659	46 605	
Contracted services	660	8 353	10 963	12 003	10 830	12 528	10 529	11 506				80 995	158 368	164 936	174 154	
Grants and subsidies paid - other municipalities												-	-	-	-	
Grants and subsidies paid - other	4 661	4 673	4 698	4 633	4 604	4 611	4 992	4 639				19 968	57 479	60 808	64 336	
General expenses	20 267	(1 635)	3 649	14 068	797	11 583	2 686	1 543				(2 037)	50 922	89 431	88 572	
Cash Payments by Type	49 775	80 960	76 628	81 483	74 974	84 398	65 238	61 544	-	-	-	339 938	914 939	953 940	1 005 314	
Other Cash Flows/Payments by Type																
Capital assets	-	571	5 869	1 879	4 070	7 837	3 214	5 297				59 619	88 356	94 230	107 271	
Repayment of borrowing	1 182	864	2 798	3 442	1 146	3 445	1 232	937				11 796	26 841	29 775	33 384	
Total Cash Payments by Type	50 957	82 396	85 295	86 804	80 190	95 680	69 684	67 778	-	-	-	411 353	1 030 137	1 077 945	1 145 969	
NET INCREASE/(DECREASE) IN CASH HELD	59 113	3 191	(17 764)	67	4 538	13 186	11 478	43 821	-	-	-	(103 969)	13 660	16 389	31 577	
Cash/cash equivalents at the month/year beg	174 783	233 895	237 086	219 322	219 390	223 928	237 113	248 591	292 412	292 412	292 412	292 412	174 783	188 442	204 831	
Cash/cash equivalents at the month/year end	233 895	237 086	219 322	219 390	223 928	237 113	248 591	292 412	292 412	292 412	292 412	188 442	188 442	204 831	236 409	

This supporting table gives a detailed breakdown of information summarised in Table C7

PART 2 – SUPPORTING DOCUMENTATION

Debtors' analysis

Supporting Table SC3 Debtors' age analysis

WC032 Overstrand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February													
Description	NT Code	Budget Year 2016/17									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys- 1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions	1200	13 534	595	254	136	119	120	673	2 747	18 179	3 795	4	3 898
Trade and Other Receivables from Exchange Transactions	1300	13 511	323	213	151	123	113	570	2 460	17 465	3 418	4	4 408
Receivables from Non-exchange Transactions - Property	1400	16 586	482	335	228	175	319	677	2 543	21 345	3 942	-	4 937
Receivables from Exchange Transactions - Waste Water	1500	6 772	257	123	95	81	70	348	1 798	9 544	2 392	4	2 317
Receivables from Exchange Transactions - Waste Manag	1600	4 955	145	97	75	64	60	275	1 306	6 977	1 779	3	1 826
Receivables from Exchange Transactions - Property Rent	1700	517	12	9	7	7	8	31	130	721	184	3	210
Interest on Arrear Debtor Accounts	1810	81	31	24	20	24	28	310	5 652	6 170	6 033		
Recoverable unauthorised, irregular, fruitless and wastefu	1820									-	-		
Other	1900	1 825	230	161	88	114	90	1 810	2 825	7 142	4 927	1	2 143
Total By Income Source	2000	57 781	2 076	1 216	800	707	808	4 695	19 462	87 544	26 471	21	19 740
2015/16 - totals only		49 036	1 691	1 105	1 097	792	751	3 711	18 743	76 926	25 094		16 995
Debtors Age Analysis By Customer Group													
Organs of State	2200	469	41	22	20	19	185	858	165	1 778	1 246	-	236
Commercial	2300	7 419	380	112	31	29	20	115	660	8 766	855	1	714
Households	2400	50 225	1 631	1 062	729	654	597	3 674	18 227	76 798	23 881	20	18 787
Other	2500	(332)	24	21	20	6	6	47	410	202	489	-	2
Total By Customer Group	2600	57 781	2 076	1 216	800	707	808	4 695	19 462	87 544	26 471	21	19 740

Debtors' levels remain stable notwithstanding the spike in the outstanding debtors' at the end of January 2017. This is due to the high consumption over the festive season resulting in increased billings. The overall increased debtors results from the year-on-year increase in billings from increased tariffs at the start of the new financial year. The outstanding debtors' should be in line with the normal trend at the end of March 2017. This conclusion can be drawn from the increase in the 0-30 days (current) debtors.

Summary of Indigent Households

Indigent Household Statistics					
	Indigent Households	Amount	Other Households	Total Households	
2016					
July	7 304	R 4 360 615.94	25 142	32 446	22.51%
August	7 298	R 4 355 084.28	25 131	32 429	22.50%
September	7 503	R 4 488 279.95	25 161	32 664	22.97%
October	7 504	R 4 498 246.35	25 111	32 615	23.01%
November	7 532	R 4 536 177.56	25 083	32 615	23.09%
December	7 665	R 4 608 643.54	24 949	32 614	23.50%
2017					
January	7 677	R 4 646 973.42	24 945	32 622	23.53%
February	7 695	R 4 629 006.56	24 926	32 621	23.59%
March					
April					
May					
June					

Summary of Debtors Age Analysis

MONTH	< 30 Days	< 60 Days	< 90 Days	< 120 Days	< 150 Days	<180 Days	<365 Days	>365 Days	Total	Older than 30 Days	Older than 90 days
2016/17											
June									0.00	0.00	0.00
May									0	0	0
April									0	0	0
March									0	0	0
February	57 780 758	2 076 061	1 216 434	800 017	706 999	807 711	4 694 760	19 461 500	87 544 242	29 763 484	26 470 988
January	62 593 762	1 976 715	982 506	822 430	900 457	784 687	4 641 326	19 540 852	92 242 734	29 648 972	26 689 751
December	55 726 442	1 459 913	1 005 503	976 593	835 735	1 184 877	4 097 985	19 184 797	84 471 844	28 745 402	26 279 986
November	53 540 438	1 532 503	1 197 756	1 014 165	1 284 533	#####	3 400 262	18 959 315	82 283 889	28 743 451	26 013 192
October	50 652 570	1 888 891	1 221 523	1 432 705	1 441 096	777 200	3 459 412	18 909 484	79 782 882	29 130 311	26 019 898
September	50 963 328	1 741 045	1 604 160	1 547 365	882 541	715 623	3 646 312	19 161 990	80 262 363	29 299 035	25 953 831
Augustus	56 126 377	2 282 003	1 806 712	993 626	794 009	872 603	3 749 957	19 052 307	85 677 596	29 551 219	25 462 503
July	57 488 799	2 827 740	1 235 593	926 254	965 306	723 870	3 799 288	19 044 794	87 011 644	29 522 845	25 459 511

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description	NT Code	Budget Year 2016/17									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300	3 000									3 000	2 702
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700	2 315									2 315	191
Auditor General	0800										-	
Other	0900										-	
Total By Customer Type	1000	5 316	-	-	-	-	-	-	-	-	5 316	2 893

Investment portfolio analysis

Supporting Table SC5

WC032 Overstrand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February

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 the month	Change in market value	Market value at end of the month
R thousands	Yrs/Months							
Municipality								
LIBERTY 15934476	15 YEARS	Policy	01/09/2025	43		12 360	125	12 529
LIBERTY 21196964	14 YEARS	Policy	01/09/2025	62		20 898	260	21 220
MOMENTUM MP 3853776	14 YEARS	Policy	01/07/2026	(24)		2 143	30	2 149
ABSA 4074809272	DAILY	CALL		2	6.0%	454		457
ABSA 9284200168	DEP PLUS	DEP PLUS		70	6.3%	14 260	(4 000)	10 330
ABSA 9295906141	DEP PLUS	DEP PLUS		70	6.3%	14 090	(4 000)	10 159
Standard Bank 288434005/025	60 days	FIXED DEP	17/03/2017		7.7%	50 000		50 000
Nedbank 03/7881534451	91 days	FIXED DEP	24/04/2017		7.9%	50 000		50 000
Standard Bank 288434005/026	62 days	FIXED DEP	24/04/2017		7.7%		50 000	50 000
Municipality sub-total				224		164 205	42 415	206 844
TOTAL INVESTMENTS AND INTEREST				224		164 205	42 415	206 844

Surplus cash not immediately required is invested in call and monthly deposits.

Long term investments relate to the sinking fund investments.

Allocation and grant receipts and expenditure

Supporting Table SC6 – Grant receipts

WC032 Overstrand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	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:	68 639	76 347	76 597	-	57 533	57 533	-		76 597
Local Government Equitable Share	64 598	72 950	72 950		54 712	54 712	-		72 950
Finance Management	1 450	1 475	1 475		1 475	1 475			1 475
Municipal Systems Improvement	930								
EPWP Incentive	1 661	1 922	1 922		1 346	1 346			1 922
Municipal Infrastructure Grant (MIG)			250						250
Provincial Government:	36 418	49 966	55 857	167	36 710	36 710	-		55 857
Housing	29 425	43 795	49 526	117	30 609	30 609	-		49 526
Provincial Library Grant	5 307	5 839	5 889		5 839	5 839			5 889
Community Development Worker Grant	72	75	75		75	75	-		75
Main Road Subsidy	114	137	137		137	137	-		137
Financial Management Support Grant	1 300	120	120				-		120
Thusong Service Centre Maintenance	200								
Greenest Municipality			50	50	50	50			50
Local Government Graduate Internship Grant			60				-		60
							-		
Other grant providers:	-	-	571	-	571	571	-		571
ACIP			571		571	571	-		571
Total Operating Transfers and Grants	105 057	126 313	133 025	167	94 814	94 814	-		133 025
Capital Transfers and Grants									
National Government:	29 417	26 030	25 780	-	18 517	18 517	-		25 780
Municipal Infrastructure Grant (MIG)	21 417	21 030	20 780		13 517	13 517	-		20 780
INEP	8 000	5 000	5 000		5 000	5 000	-		5 000
							-		
Provincial Government:	29 110	13 932	9 351	1 200	3 250	3 250	-		9 351
Housing	26 080	12 882	7 151		1 000	1 000	-		7 151
Provincial Library Grant	3 031	1 050	1 000		1 050	1 050			1 000
Fire Services Capacity Grant (Capital Grant)			1 200	1 200	1 200	1 200			1 200
							-		
Other grant providers:	-	3 500	-	-	-	-	-		-
DWA ACIP		3 500	-		-	-	-		-
							-		
Total Capital Transfers and Grants	58 527	43 462	35 131	1 200	21 767	21 767	-		35 131
TOTAL RECEIPTS OF TRANSFERS & GRANTS	163 584	169 775	168 156	1 367	116 581	116 581	-		168 156

Grant receipts are monitored according to the payment schedules. Year to date actuals only reflects actual receipts for 2016/2017.

Supporting Table SC7(1) – Grant expenditure

WC032 Overstrand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	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:	3 701	3 397	3 647	231	1 686	1 686	-		3 647
Local Government Equitable Share							-		
Finance Management	2 040	1 475	1 475	117	475	475	-		1 475
Municipal Systems Improvement							-		
EPWP Incentive	1 661	1 922	1 922	115	1 210	1 210	-		1 922
Municipal Infrastructure Grant (MIG)			250				-		250
Provincial Government:	36 630	49 966	55 857	570	34 581	34 581	-		55 857
Housing	29 425	43 795	49 526	12	29 842	29 842	-		49 526
Community Development Worker Grant	72	75	75	4	40	40	-		75
Main Road Subsidy	114	137	137		137	137	-		137
Financial Management Support Grant	1 513	120	120				-		120
Provincial Library Grant	5 307	5 839	5 889	554	4 561	4 561			5 889
Thusong Service Centre Maintenance	200								
Greenest Municipality			50						50
Local Government Graduate Internship Grant			60				-		60
Other grant providers:	-	-	-	-	417	417	-		-
ACIP					417	417	-		
Total operating expenditure of Transfers and Grants:	40 331	53 363	59 504	802	36 683	36 683	-		59 504
Capital expenditure of Transfers and Grants									
National Government:	30 347	26 030	25 780	1 618	12 703	12 703	-		25 780
Municipal Infrastructure Grant (MIG)	21 417	21 030	20 780	1 408	9 026	9 026	-		20 780
INEP	8 000	5 000	5 000	210	3 677	3 677	-		5 000
Municipal Systems Improvement	930						-		
Provincial Government:	29 004	13 932	9 457	-	500	500	-		9 457
Housing	25 974	12 882	7 257		500	500	-		7 257
Provincial Library Grant	3 031	1 050	1 000				-		1 000
Fire Services Capacity Grant (Capital Grant)			1 200				-		1 200
Other grant providers:	-	4 500	1 000	-	-	-	-		1 000
National Lotto		1 000	1 000				-		1 000
DWA ACIP		3 500	-				-		-
Total capital expenditure of Transfers and Grants	59 351	44 462	36 237	1 618	13 203	13 203	-		36 237
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	99 683	97 825	95 741	2 420	49 886	49 886	-		95 741

Grant expenditure is monitored against grant receipts.

Supporting Table SC7(2) – Expenditure against approved rollovers

WC032 Overstrand - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M08 February					
Description	Budget Year 2016/17				
	Approved Rollover 2015/16	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands					%
<u>EXPENDITURE</u>					
<u>Operating expenditure of Approved Roll-overs</u>					
National Government:	-	-	-	-	
Local Government Equitable Share				-	
Finance Management				-	
Municipal Systems Improvement				-	
EPWP Incentive				-	
Provincial Government:	-	-	-	-	
Housing				-	
Community Development Worker Grant				-	
Main Road Subsidy				-	
Financial Management Support Grant				-	
District Municipality:	-	-	-	-	
Other grant providers:	-	-	-	-	
Total operating expenditure of Approved Roll-overs	-	-	-	-	
<u>Capital expenditure of Approved Roll-overs</u>					
National Government:	-	-	-	-	
Municipal Infrastructure Grant (MIG)				-	
Provincial Government:	-	-	-	-	
District Municipality:	-	-	-	-	
Other grant providers:	-	-	-	-	
Total capital expenditure of Approved Roll-overs	-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	-	-	-	-	

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February

Summary of Employee and Councillor remuneration	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Councillors (Political Office Bearers plus Other)</u>									
Basic Salaries and Wages	7 961	8 499	8 499	696	5 504	5 666	(162)	-3%	8 499
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Motor Vehicle Allowance							-		
Cellphone Allowance	606	612	612	51	409	408	1	0%	612
Housing Allowances							-		
Other benefits and allowances							-		
Sub Total - Councillors	8 566	9 110	9 110	747	5 913	6 074	(160)	-3%	9 110
<u>Senior Managers of the Municipality</u>									
Basic Salaries and Wages	9 543	10 150	10 150	810	6 684	6 684	-		10 150
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Overtime							-		
Performance Bonus							-		
Motor Vehicle Allowance							-		
Cellphone Allowance	154	154	154	13	103	103	-		154
Housing Allowances							-		
Other benefits and allowances	32			18	39	39	-		
Payments in lieu of leave							-		
Long service awards							-		
Post-retirement benefit obligations							-		
Sub Total - Senior Managers of Municipality	9 729	10 305	10 305	840	6 825	6 825	-		10 305
<u>Other Municipal Staff</u>									
Basic Salaries and Wages	174 409	199 010	195 699	14 631	129 493	129 526	(33)	0%	195 699
Pension and UIF Contributions	29 587	32 625	32 625	2 545	20 380	20 387	(6)	0%	32 625
Medical Aid Contributions	9 829	11 423	11 423	911	6 927	6 947	(20)	0%	11 423
Overtime	15 724	14 920	14 920	1 603	9 339	9 357	(18)	0%	14 920
Performance Bonus				-			-		
Motor Vehicle Allowance	7 222	6 990	6 990	872	6 798	6 818	(19)	0%	6 990
Cellphone Allowance	1 119	1 278	1 278	104	832	852	(20)	-2%	1 278
Housing Allowances	4 608	5 851	5 851	196	1 604	1 608	(5)	0%	5 851
Other benefits and allowances	10 248	11 375	11 375	952	6 870	6 872	(3)	0%	11 375
Payments in lieu of leave	1 815	709	709	59	473	473	(0)	0%	709
Long service awards	2 288	3 139	3 139	216	1 847	1 853	(6)	0%	3 139
Provision for Bonus	158	496	496	41	331	331	(0)	0%	496
Post-retirement benefit obligations	6 381	16 081	16 081	1 340	10 721	10 721	(0)	0%	16 081
Sub Total - Other Municipal Staff	263 387	303 899	300 588	23 470	195 616	195 745	(129)	0%	300 588
Total Parent Municipality	281 681	323 314	320 003	25 057	208 354	208 643	(289)	0%	320 003
TOTAL SALARY, ALLOWANCES & BENEFITS	281 681	323 314	320 003	25 057	208 354	208 643	(289)	0%	320 003
TOTAL MANAGERS AND STAFF	273 115	314 204	310 893	24 310	202 441	202 570	(129)	0%	310 893

SDBIP

The results of the SDBIP are included in a separate comprehensive report that is tabled quarterly in Council.

Financial Performance Supporting Table SC2

WC032 Overstrand - Supporting Table SC2 Monthly Budget Statement - performance indicators - M08 February						
Description of financial indicator	Basis of calculation	2015/16	Original Budget	Budget Year 2016/17		Full Year Forecast
		Audited Outcome		Adjusted Budget	YearTD actual	
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	2.4%	15.3%	16.0%	3.0%	5.1%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	28.5%	38.3%	41.8%	32.0%	41.8%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	15.6%	19.3%	16.3%	15.4%	16.3%
Gearing	Long Term Borrowing/ Funds & Reserves	18944.5%	18584.8%	18584.8%	13086.3%	18584.8%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	184.5%	129.9%	172.0%	288.9%	172.0%
Liquidity Ratio	Monetary Assets/Current Liabilities	103.4%	62.0%	104.1%	195.8%	104.1%
<u>Revenue Management</u>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.6%	11.2%	10.9%	Annual Indicator	10.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	98.0%	98.0%	98.0%	Annual Indicator	98.0%
<u>Funding of Provisions</u>						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
<u>Other Indicators</u>						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	6.3%	6.0%	6.0%	Annual Indicator	6.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	20.9%	18.9%	18.9%	Annual Indicator	18.9%
Employee costs	Employee costs/Total Revenue - capital revenue	29.2%	31.6%	30.6%	28.7%	30.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	18.2%	16.5%	17.1%	2.8%	5.5%
<u>IDP regulation financial viability indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	12.7%	19.1	19.1	Annual Indicator	19.1
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	10.4%	14.0%	14.0%	Annual Indicator	14.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	6.5	1.6	1.6	Annual Indicator	1.6

Capital programme performance

Supporting Table SC12

WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M08 February

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	227	50	50	-		50	-		
August	9 788	2 978	2 978	571	571	3 028	2 456	81.1%	1%
September	14 612	2 070	2 070	5 869	6 440	5 098	(1 343)	-26.3%	7%
October	3 390	3 885	3 885	1 879	8 319	8 983	663	7.4%	9%
November	6 454	4 195	4 195	4 070	12 390	13 178	788	6.0%	14%
December	12 084	4 188	4 188	7 840	20 230	17 365	(2 864)	-16.5%	23%
January	1 797	2 185	2 185	3 211	23 441	19 550	(3 890)	-19.9%	27%
February	1 460	8 551	8 551	5 297	28 737	28 102	(636)	-2.3%	33%
March	7 039	10 086	10 086			38 188	-		
April	3 125	12 051	12 051			50 238	-		
May	7 824	11 331	11 331			61 570	-		
June	27 486	26 787	24 302			85 872	-		
Total Capital expenditure	95 286	88 356	85 872	28 737					

Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M08 February

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	44 603	36 284	35 691	2 572	16 536	16 766	231	1.4%	35 691
Infrastructure - Road transport	16 352	1 840	1 481	1 072	1 574	1 585	11	0.7%	1 481
<i>Roads, Pavements & Bridges</i>	13 226	1 610	1 251	1 042	1 362	1 380	18	1.3%	1 251
<i>Storm water</i>	3 126	230	230	30	212	205	(7)	-3.4%	230
Infrastructure - Electricity	18 237	21 599	23 204	738	8 694	8 805	111	1.3%	23 204
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>	18 237	21 599	23 204	738	8 694	8 805	111	1.3%	23 204
<i>Street Lighting</i>							-		
Infrastructure - Water	3 772	4 529	4 879	369	2 922	3 165	243	7.7%	4 879
<i>Dams & Reservoirs</i>	3 772	4 529	4 529	369	2 922	3 165	243	7.7%	4 529
<i>Water purification</i>							-		
<i>Reticulation</i>			350				-		350
Infrastructure - Sanitation	6 217	8 301	6 113	394	3 345	3 205	(141)	-4.4%	6 113
<i>Reticulation</i>		4 801	4 801				-		4 801
<i>Sewerage purification</i>	6 217	3 500	1 312	394	3 345	3 205	(141)	-4.4%	1 312
Infrastructure - Other	25	15	15	-	1	8	6	85.3%	15
<i>Waste Management</i>	25	15	15		1	8	6	85.3%	15
Community	29 837	10 366	11 699	1 478	3 035	3 423	388	11.3%	11 699
Parks & gardens							-		
Sportsfields & stadia	418	480	638		49	240	191	79.5%	638
Community halls		945	1 019	40	40	170	130	76.4%	1 019
Libraries	3 031	1 050	1 000	44	44	167	123	73.8%	1 000
Recreational facilities							-		
Fire, safety & emergency	264	880	880	168	291	440	149	34.0%	880
Security and policing							-		
Cemeteries							-		
Social rental housing	25 985	6 961	8 112	1 227	2 573	2 381	(192)	-8.1%	8 112
Other	139	50	50		38	25	(13)	-51.9%	50
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	4 962	2 173	3 743	-	304	344	40	11.6%	3 743
General vehicles		1 485	2 685				-		2 685
Plant & equipment									
Computers - hardware/equipment									
Furniture and other office equipment									
Other	4 962	688	1 058		304	344	40	11.6%	1 058
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming							-		
Other							-		
Total Capital Expenditure on new assets	79 402	48 823	51 134	4 051	19 874	20 533	659	3.2%	51 134

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M08 February

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	12 992	30 547	31 255	1 246	8 340	6 891	(1 449)	-21.0%	31 255
Infrastructure - Road transport	-	11 855	11 809	939	4 498	3 776	(722)	-19.1%	11 809
<i>Roads, Pavements & Bridges</i>		10 355	9 709	939	4 198	2 526	(1 672)	-66.2%	9 709
<i>Storm water</i>		1 500	2 100		300	1 250	950	76.0%	2 100
Infrastructure - Electricity	-	-	-	-	-	-	-		-
<i>Generation</i>									
<i>Transmission & Reticulation</i>									
<i>Street Lighting</i>									
Infrastructure - Water	10 460	10 492	10 710	307	2 345	1 749	(596)	-34.1%	10 710
<i>Dams & Reservoirs</i>									
<i>Water purification</i>									
<i>Reticulation</i>	10 460	10 492	10 710	307	2 345	1 749	(596)	-34.1%	10 710
Infrastructure - Sanitation	2 531	8 200	8 736	-	1 498	1 367	(131)	-9.6%	8 736
<i>Reticulation</i>									
<i>Sewerage purification</i>	2 531	8 200	8 736		1 498	1 367	(131)	-9.6%	8 736
Infrastructure - Other	-	-	-	-	-	-	-		-
<i>Waste Management</i>									
Community	2 893	8 986	3 484	-	523	678	155	22.9%	3 484
Parks & gardens									
Sportsfields & stadia	2 893	2 065	1 265		523	344	(178)	-51.8%	1 265
Swimming pools									
Community halls		1 000				167	167	100.0%	
Libraries									
Recreational facilities									
Fire, safety & emergency									
Security and policing									
Cemeteries									
Social rental housing		5 921	2 219			167	167	100.0%	2 219
Other									
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Housing development									
Other									
Other assets	-	-	-	-	-	-	-		-
General vehicles									
Specialised vehicles	-	-	-	-	-	-	-		-
Total Capital Expenditure on renewal of	15 884	39 533	34 738	1 246	8 863	7 569	(1 294)	-17.1%	34 738

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08 February

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	99 836	110 372	110 372	6 696	78 763	78 793	30	0.0%	110 372
Infrastructure - Road transport	50 781	61 852	61 852	3 156	42 924	43 549	624	1.4%	61 852
<i>Roads, Pavements & Bridges</i>	45 521	55 545	55 545	2 752	39 179	39 344	165	0.4%	55 545
<i>Storm water</i>	5 260	6 306	6 306	404	3 745	4 204	459	10.9%	6 306
Infrastructure - Electricity	16 972	17 747	17 747	1 308	12 944	12 571	(373)	-3.0%	17 747
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>	16 972	17 747	17 747	1 308	12 944	12 571	(373)	-3.0%	17 747
<i>Street Lighting</i>							-		
Infrastructure - Water	18 056	16 555	16 555	943	10 504	11 037	533	4.8%	16 555
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>	18 056	16 555	16 555	943	10 504	11 037	533	4.8%	16 555
Infrastructure - Sanitation	11 512	11 672	11 672	1 010	10 248	9 727	(521)	-5.4%	11 672
<i>Reticulation</i>							-		
<i>Sewerage purification</i>	11 512	11 672	11 672	1 010	10 248	9 727	(521)	-5.4%	11 672
Infrastructure - Other	2 516	2 546	2 546	279	2 144	1 910	(234)	-12.3%	2 546
<i>Waste Management</i>	2 516	2 546	2 546	279	2 144	1 910	(234)	-12.3%	2 546
Community	4 531	4 878	4 878	596	2 498	3 271	774	23.7%	4 878
Parks & gardens		2 214	2 214	146	1 003	1 476	473	32.1%	2 214
Sportsfields & stadia		608	608	16	263	405	143	35.2%	608
Swimming pools		557	557	25	243	371	128	34.6%	557
Community halls		617	617	49	312	412	100	24.2%	617
Libraries		103	103	7	81	85	4	4.7%	103
Recreational facilities							-		
Fire, safety & emergency							-		
Security and policing							-		
Cemeteries		28	28	2	17	21	4	17.1%	28
Social rental housing							-		
Other	4 531	751	751	350	579	501	(78)	-15.5%	751
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development							-		
Other assets	5 010	5 545	5 545	351	2 281	3 697	1 416	38.3%	5 545
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment							-		
Computers - hardware/equipment							-		
Other Buildings		673	673	41	191	449	258	57.4%	673
Other	5 010	4 872	4 872	311	2 090	3 248	1 159	35.7%	4 872
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expendit	109 377	120 795	120 795	7 643	83 542	85 761	2 220	2.6%	120 795

Supporting Table SC13d

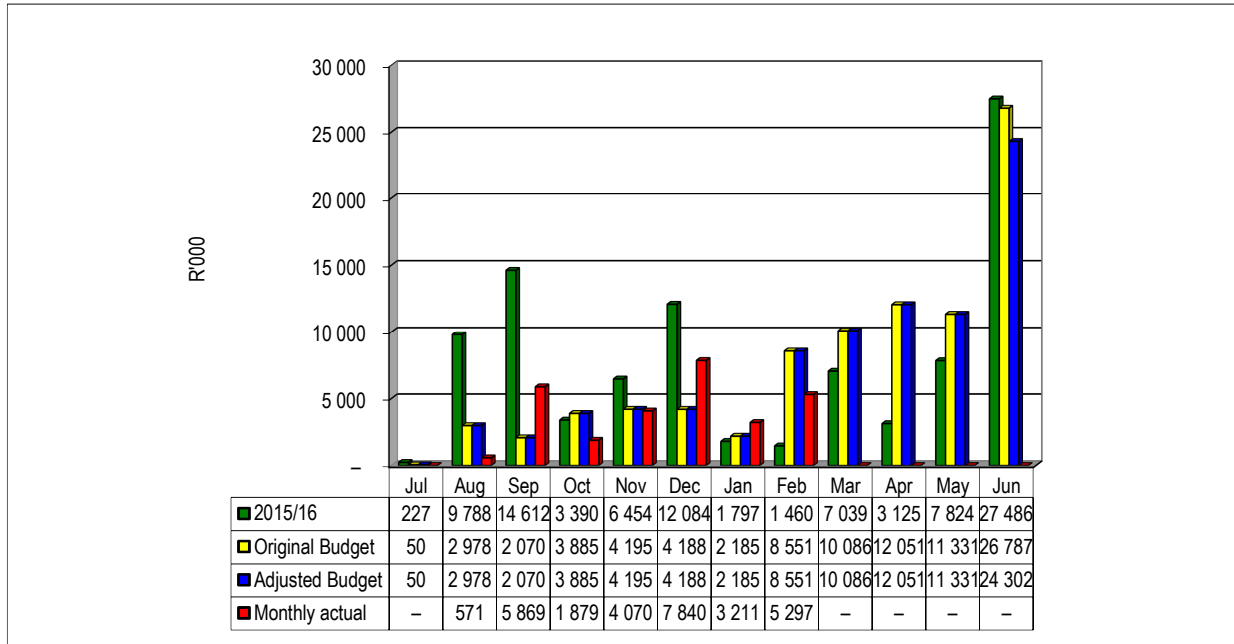
WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M08 February

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Depreciation by Asset Class/Sub-class</u>									
<u>Infrastructure</u>	107 204	98 643	98 643	8 220	65 762	65 762	–		109 077
Infrastructure - Road transport	39 940	34 067	34 067	2 839	22 711	22 711	–		34 067
<i>Roads, Pavements & Bridges</i>	37 024	31 330	31 330	2 611	20 887	20 887	–		31 330
<i>Storm water</i>	2 916	2 737	2 737	228	1 825	1 825	–		2 737
Infrastructure - Electricity	24 086	21 304	21 304	1 775	14 203	14 203	–		21 304
<i>Generation</i>							–		
<i>Transmission & Reticulation</i>	24 086	21 304	21 304	1 775	14 203	14 203	–		21 304
<i>Street Lighting</i>							–		
Infrastructure - Water	26 570	21 116	21 116	1 760	14 077	14 077	–		21 116
<i>Dams & Reservoirs</i>							–		
<i>Water purification</i>							–		
<i>Reticulation</i>	26 570	21 116	21 116	1 760	14 077	14 077	–		21 116
Infrastructure - Sanitation	12 693	18 002	18 002	1 500	12 002	12 002	–		18 002
<i>Reticulation</i>	12 693	18 002	18 002	1 500	12 002	12 002	–		18 002
<i>Sewerage purification</i>							–		
Infrastructure - Other	3 915	4 153	4 153	346	2 769	2 769	–		14 587
<i>Waste Management</i>	3 915	4 153	4 153	346	2 769	2 769	–		4 153
<i>Other</i>							–		
<u>Community</u>	–	3 806	3 806	317	2 537	2 537	–		3 806
Recreational facilities		3 806	3 806	317	2 537	2 537	–		3 806
<u>Heritage assets</u>	–	–	–	–	–	–	–		–
<u>Investment properties</u>	–	–	–	–	–	–	–		–
<u>Other assets</u>	15 397	14 052	23 624	7 317	15 515	15 515	–		13 190
General vehicles							–		
Specialised vehicles	–	–	–	–	–	–	–		–
Plant & equipment							–		
Computers - hardware/equipment							–		
Furniture and other office equipment							–		
Civic Land and Buildings	10 598	6 008	6 008	501	4 005	4 005	–		6 008
Other Buildings							–		
Other Land							–		
Surplus Assets - (Investment or Inventory)							–		
Other	4 798	8 044	17 616	6 816	11 510	11 510	–		7 182
<u>Agricultural assets</u>	–	–	–	–	–	–	–		–
<u>Biological assets</u>	–	–	–	–	–	–	–		–
<u>Intangibles</u>	215	1 190	1 190	99	793	793	–		1 190
Computers - software & programming	215						–		
Other		1 190	1 190	99	793	793	–		1 190
Total Depreciation	122 815	117 690	127 262	15 954	84 607	84 607	–		127 262

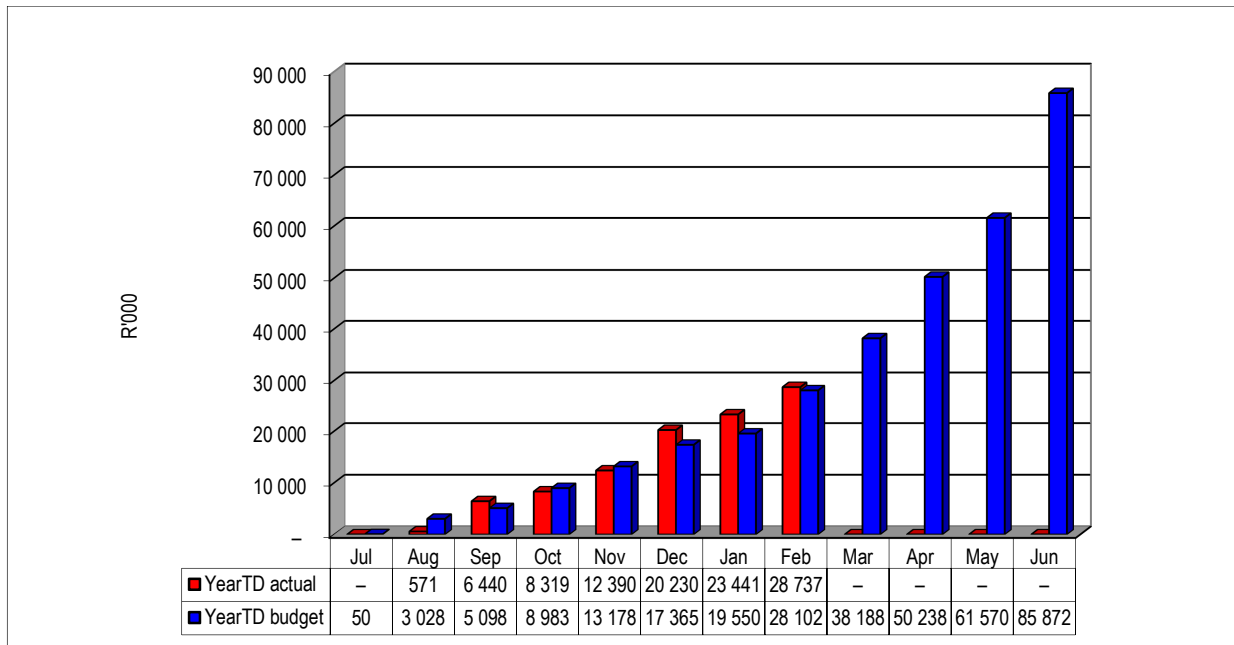
Other supporting documentation

Section 71 charts

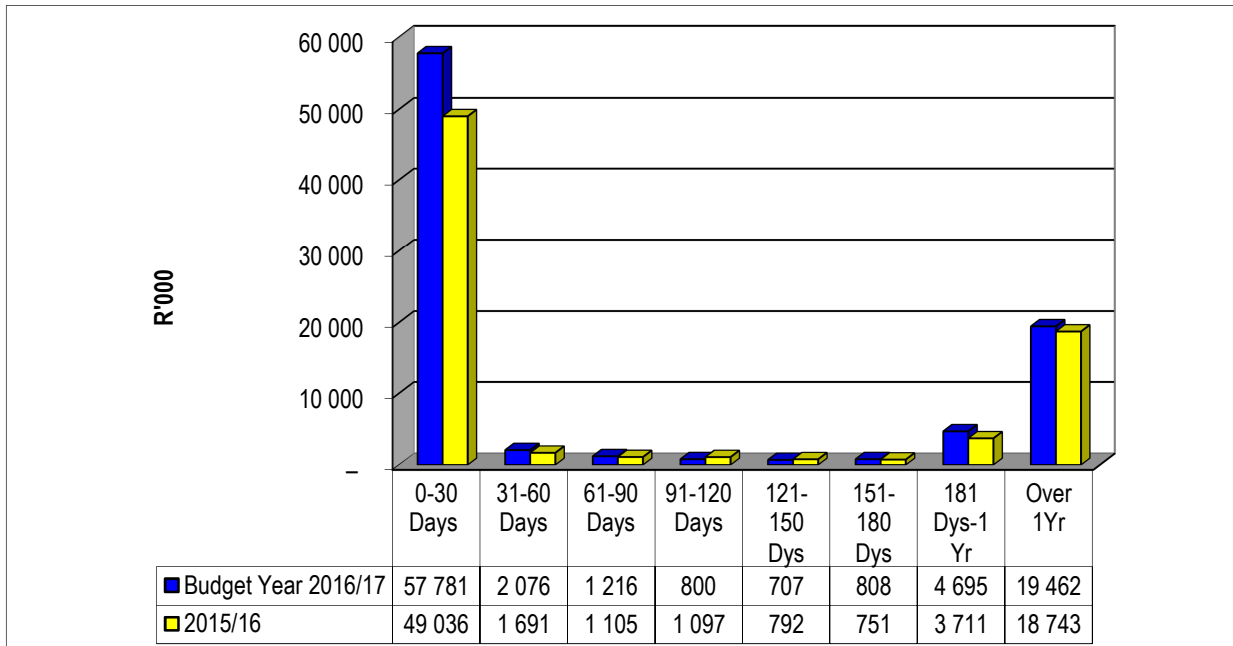
Capital expenditure monthly trend - actual vs target



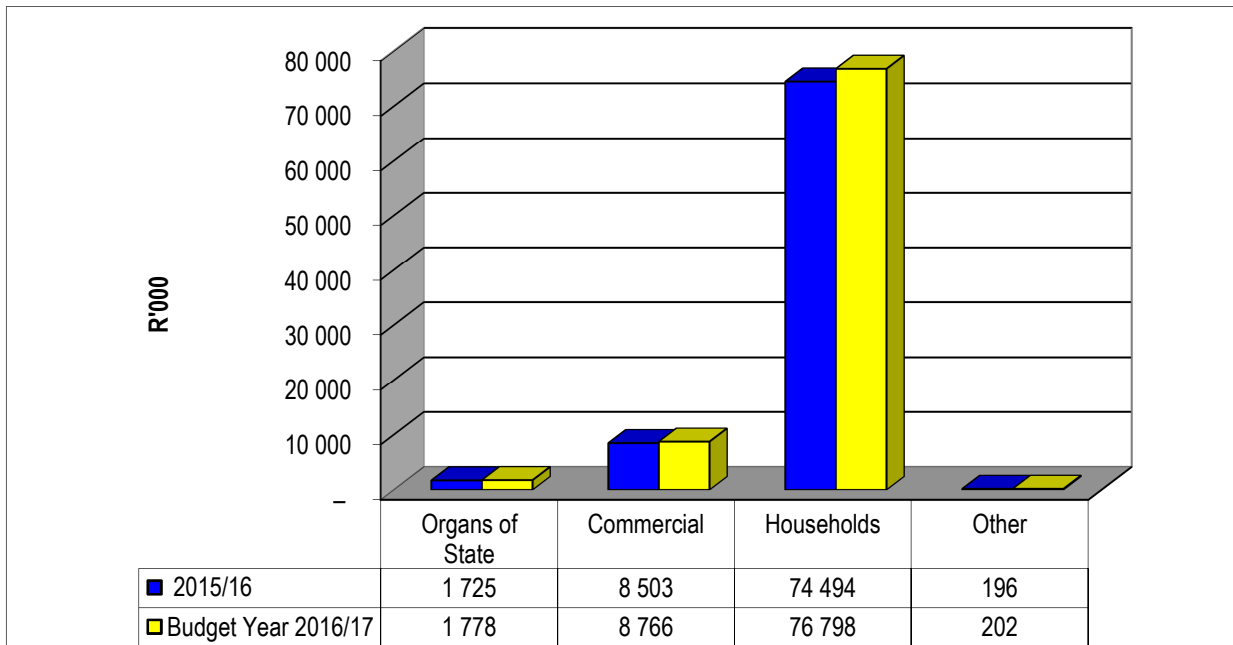
Capital expenditure – YTD actual vs YTD trend



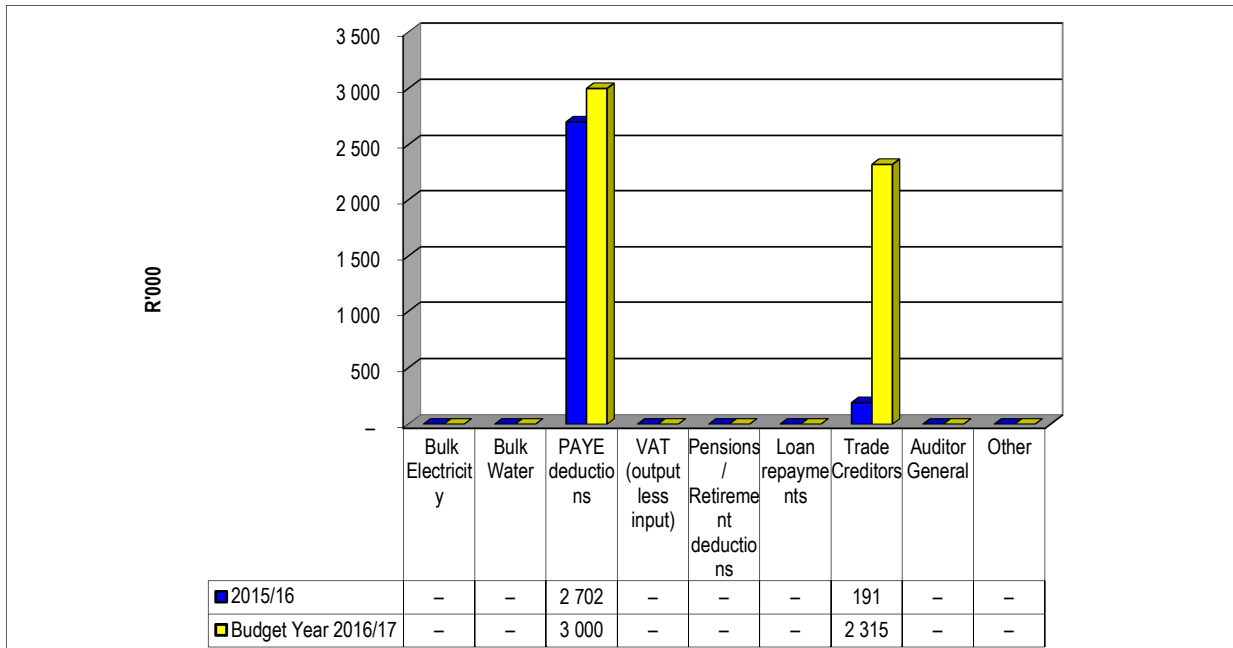
Debtors Age Analysis



Debtors by Type



Creditor Payments



Municipal manager's quality certification

I, CC Groenewald, the Municipal Manager of Overstrand Municipality, hereby certify that the –

Monthly Budget Statement

for the month of **February 2017** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: **CC Groenewald**

Municipal Manager of **Overstrand Municipality (WC032)**

Signature:

A handwritten signature in black ink, appearing to read 'CC Groenewald', written over a horizontal line.

Date:

13.03.2017