

OVERSTRAND MUNICIPALITY



Monthly Budget Statement

October 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 1.12% above the YTD budget projections at the end of October 2017.

Borrowings

The balance of borrowings amounts to R432.9m at the end of October 2017.

Operating expenditure by vote & type

Current expenditure is 2.34% below YTD budget projections as at October 2017.

Capital expenditure

YTD Capital expenditure amounts to R16.9m or 17.36% of the original budget of R97.6m. The current capital commitments of orders in progress amounts to R14.4m or 14.75% of the original capital budget of R97.6m.

Allocations received (National & Provincial Grants)

Grants totaling R2.3m was received during October 2017.

Spending on Grants

Spending on grants amounts to R8.7m for October 2017 which includes FMG, EPWP, MIG, Provincial Library Grant, Housing, CDW & Greenest Municipality Competition.

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M04 October

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>			
Total	1.12%		
<u>Expenditure By Type</u>			
Total	-2.34%		
<u>Capital Expenditure</u>			
	62.79%	Capital Commitments = R14.4m	
<u>Financial Position</u>			
In order			
<u>Cash Flow</u>			
In order			

Performance in relation to SDBIP targets

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

Remedial or corrective steps

No remedial or corrective steps are required.

In-year budget statement tables

Table C1: s71 Monthly Budget Statement Summary

WC032 Overstrand - Table C1 Monthly Budget Statement Summary - M04 October

Description	2016/17	Budget Year 2017/18							
	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	-	212 784	-	17 759	73 353	72 985	368	1%	212 784
Service charges	-	577 648	-	48 019	194 292	191 853	2 439	1%	577 648
Investment revenue	-	13 962	-	2 572	6 602	5 701	901	16%	13 962
Transfers and subsidies	-	113 688	-	5 319	42 758	42 758	-		113 688
Other own revenue	-	75 134	-	6 445	26 391	26 294	98	0%	75 134
Total Revenue (excluding capital transfers and contributions)	-	993 217	-	80 113	343 396	339 591	3 805	1%	993 217
Employee costs	-	333 225	-	24 921	94 722	95 610	(888)	-1%	333 225
Remuneration of Councillors	-	10 053	-	786	3 181	3 351	(169)	-5%	10 053
Depreciation & asset impairment	-	130 287	-	10 857	43 429	43 429	0	0%	130 287
Finance charges	-	47 440	-	1 973	4 964	4 964	-		47 440
Materials and bulk purchases	-	261 093	-	21 376	76 374	79 040	(2 666)	-3%	261 093
Transfers and subsidies	-	1 778	-	394	965	965	-		1 778
Other expenditure	-	253 926	-	18 842	65 243	68 456	(3 212)	-5%	253 926
Total Expenditure	-	1 037 801	-	79 149	288 879	295 815	(6 936)	-2%	1 037 801
Surplus/(Deficit)	-	(44 584)	-	964	54 516	43 776	10 740	25%	(44 584)
Transfers and subsidies - capital (monetary a	-	47 840	-	3 340	11 815	11 815	-		47 840
Contributions & Contributed assets	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	-	3 256	-	4 304	66 331	55 590	10 740	19%	3 256
Surplus/ (Deficit) for the year	-	3 256	-	4 304	66 331	55 590	10 740	19%	3 256
Capital expenditure & funds sources									
Capital expenditure	-	97 648	-	5 139	16 953	10 414	6 539	63%	97 648
Capital transfers recognised	-	47 840	-	3 325	11 815	4 883	6 932	142%	47 840
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	-	30 000	-	1 657	4 483	3 750	733	20%	30 000
Internally generated funds	-	19 808	-	157	656	1 781	(1 125)	-63%	19 808
Total sources of capital funds	-	97 648	-	5 139	16 953	10 414	6 539	63%	97 648
Financial position									
Total current assets	-	352 438	-	-	463 173	-	-	-	352 438
Total non current assets	-	3 681 110	-	-	3 677 245	-	-	-	3 681 110
Total current liabilities	-	186 466	-	-	154 866	-	-	-	186 466
Total non current liabilities	-	638 205	-	-	619 248	-	-	-	638 205
Community wealth/Equity	-	3 208 877	-	-	3 366 304	-	-	-	3 208 877
Cash flows									
Net cash from (used) operating	-	123 839	-	64 312	88 303	88 872	569	1%	123 839
Net cash from (used) investing	-	(103 656)	-	(6 458)	(19 440)	(19 440)	-		(103 656)
Net cash from (used) financing	-	2 810	-	(3 363)	(9 202)	(9 202)	-		2 810
Cash/cash equivalents at the month/year end	-	214 936	-	-	319 475	252 174	(67 301)	-27%	282 806
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	57 276	1 557	1 124	1 051	811	746	3 280	21 207	87 052
Creditors Age Analysis									
Total Creditors	6 886	-	-	-	-	-	-	-	6 886

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

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Functional									
Governance and administration	–	262 309	–	21 693	93 573	89 263	4 309	5%	262 309
Executive and council	–	21 759	–	23	8 917	7 241	1 676	23%	21 759
Finance and administration	–	240 502	–	21 670	84 655	82 022	2 633	3%	240 502
Internal audit	–	48	–	–	–	–	–	–	48
Community and public safety	–	59 370	–	8 001	18 502	19 394	(892)	-5%	59 370
Community and social services	–	9 557	–	607	2 435	3 186	(751)	-24%	9 557
Sport and recreation	–	10 558	–	912	3 316	3 124	192	6%	10 558
Public safety	–	2 928	–	32	745	976	(231)	-24%	2 928
Housing	–	36 327	–	6 450	12 006	12 109	(103)	-1%	36 327
Economic and environmental services	–	56 638	–	4 655	18 682	18 908	(226)	-1%	56 638
Planning and development	–	11 967	–	1 028	3 845	4 025	(180)	-4%	11 967
Road transport	–	44 650	–	3 627	14 837	14 883	(46)	0%	44 650
Environmental protection	–	22	–	–	–	–	–	–	22
Trading services	–	662 740	–	49 104	224 454	223 839	614	0%	662 740
Energy sources	–	370 050	–	28 469	129 778	128 901	877	1%	370 050
Water management	–	130 926	–	9 194	38 665	39 387	(722)	-2%	130 926
Waste water management	–	91 423	–	6 602	30 695	30 934	(239)	-1%	91 423
Waste management	–	70 340	–	4 839	25 316	24 617	699	3%	70 340
Other	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	–	1 041 057	–	83 453	355 210	351 405	3 805	1%	1 041 057
Expenditure - Functional									
Governance and administration	–	211 792	–	15 164	62 320	63 726	(1 406)	-2%	211 792
Executive and council	–	48 861	–	3 209	15 824	15 914	(90)	-1%	48 861
Finance and administration	–	160 383	–	11 786	45 818	47 079	(1 261)	-3%	160 383
Internal audit	–	2 548	–	170	678	733	(55)	-7%	2 548
Community and public safety	–	113 495	–	11 293	27 561	30 930	(3 369)	-11%	113 495
Community and social services	–	14 904	–	1 010	3 870	4 060	(190)	-5%	14 904
Sport and recreation	–	42 993	–	2 741	9 922	13 030	(3 108)	-24%	42 993
Public safety	–	30 817	–	2 486	8 028	8 099	(71)	-1%	30 817
Housing	–	24 781	–	5 056	5 742	5 742	–	–	24 781
Economic and environmental services	–	193 013	–	14 846	54 284	54 764	(480)	-1%	193 013
Planning and development	–	36 431	–	2 956	10 484	10 812	(328)	-3%	36 431
Road transport	–	150 568	–	11 499	42 381	42 443	(62)	0%	150 568
Environmental protection	–	6 014	–	390	1 419	1 509	(90)	-6%	6 014
Trading services	–	518 289	–	37 760	144 467	146 077	(1 610)	-1%	518 289
Energy sources	–	282 999	–	20 445	85 379	85 734	(355)	0%	282 999
Water management	–	104 872	–	7 970	25 890	26 686	(796)	-3%	104 872
Waste water management	–	73 606	–	5 455	18 578	18 866	(288)	-2%	73 606
Waste management	–	56 813	–	3 889	14 619	14 791	(172)	-1%	56 813
Other	–	1 213	–	86	247	318	(71)	-22%	1 213
Total Expenditure - Functional	–	1 037 801	–	79 149	288 879	295 815	(6 936)	-2%	1 037 801
Surplus/ (Deficit) for the year	–	3 256	–	4 304	66 331	55 590	10 740	19%	3 256

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) - M04 October

Vote Description	2016/17	Budget Year 2017/18							
	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	-	21 675	-	13	8 901	7 225	1 676	23.2%	21 675
Vote 2 - Municipal Manager	-	48	-	-	-	-	-	-	48
Vote 3 - Management Services	-	194	-	24	96	48	49	101.4%	194
Vote 4 - Finance	-	239 556	-	21 593	84 392	79 852	4 540	5.7%	239 556
Vote 5 - Community Services	-	319 477	-	22 606	102 181	106 162	(3 980)	-3.7%	319 477
Vote 6 - Local Economic Development	-	3 900	-	299	789	1 100	(311)	-28.3%	3 900
Vote 7 - Infrastructure & Planning	-	414 615	-	35 739	144 808	142 832	1 976	1.4%	414 615
Vote 8 - Protection Services	-	41 592	-	3 179	14 043	14 186	(144)	-1.0%	41 592
Total Revenue by Vote	-	1 041 057	-	83 453	355 210	351 405	3 805	1.1%	1 041 057
Expenditure by Vote									
Vote 1 - Council	-	25 959	-	1 687	9 984	10 000	(16)	-0.2%	25 959
Vote 2 - Municipal Manager	-	5 000	-	365	1 341	1 421	(80)	-5.6%	5 000
Vote 3 - Management Services	-	50 326	-	3 162	13 647	14 055	(408)	-2.9%	50 326
Vote 4 - Finance	-	73 025	-	5 882	21 282	21 712	(430)	-2.0%	73 025
Vote 5 - Community Services	-	384 996	-	27 693	100 524	104 992	(4 468)	-4.3%	384 996
Vote 6 - Local Economic Development	-	10 076	-	1 058	2 973	3 063	(90)	-2.9%	10 076
Vote 7 - Infrastructure & Planning	-	407 638	-	32 536	116 465	117 939	(1 473)	-1.2%	407 638
Vote 8 - Protection Services	-	80 782	-	6 765	22 662	22 633	29	0.1%	80 782
Total Expenditure by Vote	-	1 037 801	-	79 149	288 879	295 815	(6 936)	-2.3%	1 037 801
Surplus/ (Deficit) for the year	-	3 256	-	4 304	66 331	55 590	10 740	19.3%	3 256

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) - M04 October

Description	2016/17	Budget Year 2017/18							
	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		212 784		17 759	73 353	72 985	368	1%	212 784
Service charges - water revenue		114 494		9 066	33 534	32 917	617	2%	114 494
Service charges - sanitation revenue		67 869		5 830	22 652	22 227	424	2%	67 869
Service charges - refuse revenue		55 388		4 798	19 083	18 463	620	3%	55 388
Service charges - other		647		57	201	216	(14)	-7%	647
Interest earned - external investments		13 962		2 572	6 602	5 701	901	16%	13 962
Interest earned - outstanding debtors		3 203		290	1 274	1 201	73	6%	3 203
Dividends received							-		
Licences and permits		2 374		189	750	791	(41)	-5%	2 374
Agency services		3 419		332	1 244	1 140	105	9%	3 419
Transfers and subsidies		113 688		5 319	42 758	42 758	-		113 688
Other revenue		27 946		2 049	8 618	9 315	(697)	-7%	27 946
Gains on disposal of PPE				324	828	828	-		
Total Revenue (excluding capital transfers and contributions)	-	993 217	-	80 113	343 396	339 591	3 805	1%	993 217
Expenditure By Type									
Employee related costs		333 225		24 921	94 722	95 610	(888)	(0)	333 225
Remuneration of councillors		10 053		786	3 181	3 351	(169)	-5%	10 053
Debt impairment		22 792		1 899	7 597	7 597	-		22 792
Depreciation & asset impairment		130 287		10 857	43 429	43 429	0	0%	130 287
Finance charges		47 440		1 973	4 964	4 964	-		47 440
Bulk purchases		211 447		15 395	67 477	67 663	(186)	0%	211 447
Other materials		49 647		5 981	8 898	11 377	(2 480)	-22%	49 647
Contracted services		173 424		13 017	38 424	41 622	(3 198)	-8%	173 424
Transfers and subsidies		1 778		394	965	965	-		1 778
Other expenditure		57 710		3 925	19 222	19 237	(14)	0%	57 710
Loss on disposal of PPE							-		
Total Expenditure	-	1 037 801	-	79 149	288 879	295 815	(6 936)	-2%	1 037 801
Surplus/(Deficit)	-	(44 584)	-	964	54 516	43 776	10 740	0	(44 584)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		47 840		3 340	11 815	11 815	-		47 840
Transfers and subsidies - capital (in-kind - all)							-		
Surplus/(Deficit) after capital transfers & contributions	-	3 256	-	4 304	66 331	55 590	-		3 256
Taxation									
Surplus/(Deficit) after taxation	-	3 256	-	4 304	66 331	55 590			3 256
Attributable to minorities									
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	-	3 256	-	4 304	66 331	55 590			3 256

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 1.12% above the YTD budget.

Current expenditure is 2.34% below YTD budget projections for October 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, functional classification and funding) - M04 October

Vote Description	2016/17	Budget Year 2017/18							
	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	-	45 963	-	3 325	11 799	4 764	7 036	148%	45 963
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	14 000	-	1 221	4 046	2 484	1 562	63%	14 000
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	-	59 963	-	4 545	15 845	7 247	8 598	119%	59 963
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	1 640	-	7	7	74	(67)	-91%	1 640
Vote 4 - Finance	-	30	-	-	10	8	2	33%	30
Vote 5 - Community Services	-	24 722	-	559	1 033	2 629	(1 596)	-61%	24 722
Vote 6 - Local Economic Development	-	25	-	-	11	6	5	74%	25
Vote 7 - Infrastructure & Planning	-	7 420	-	8	27	145	(118)	-82%	7 420
Vote 8 - Protection Services	-	3 848	-	20	20	304	(284)	-93%	3 848
Total Capital single-year expenditure	-	37 685	-	594	1 108	3 166	(2 059)	-65%	37 685
Total Capital Expenditure	-	97 648	-	5 139	16 953	10 414	6 539	63%	97 648
Capital Expenditure - Functional Classification									
Governance and administration	-	2 705	-	34	44	428	(385)	-90%	2 705
Executive and council							-		
Finance and administration		2 705		34	44	428	(385)	-90%	2 705
Internal audit							-		
Community and public safety	-	26 908	-	2 070	7 787	4 082	3 704	91%	26 908
Community and social services		3 607		39	294	361	(67)	-19%	3 607
Sport and recreation		2 266		20	116	340	(224)	-66%	2 266
Public safety		3 848		20	20	481	(461)	-96%	3 848
Housing		17 186		1 991	7 356	2 901	4 456	154%	17 186
Health							-		
Economic and environmental services	-	7 460	-	356	1 399	1 560	(161)	-10%	7 460
Planning and development		45		8	18	15	3	23%	45
Road transport		7 415		348	1 381	1 545	(164)	-11%	7 415
Environmental protection							-		
Trading services	-	60 575	-	2 680	7 724	4 344	3 380	78%	60 575
Energy sources		19 790		1 221	4 065	1 979	2 086	105%	19 790
Water management		9 300					-		9 300
Waste water management		29 875		1 459	3 659	2 365	1 294	55%	29 875
Waste management		1 610					-		1 610
Total Capital Expenditure - Functional Classification	-	97 648	-	5 139	16 953	10 414	6 539	63%	97 648
Funded by:									
National Government		26 330		1 334	4 443	2 194	2 249	103%	26 330
Provincial Government		21 510		1 991	7 371	2 689	4 683	174%	21 510
District Municipality							-		
Other transfers and grants							-		
Transfers recognised - capital	-	47 840	-	3 325	11 815	4 883	6 932	142%	47 840
Public contributions & donations							-		
Borrowing		30 000		1 657	4 483	3 750	733	20%	30 000
Internally generated funds		19 808		157	656	1 781	(1 125)	-63%	19 808
Total Capital Funding	-	97 648	-	5 139	16 953	10 414	6 539	63%	97 648

Table C6: Monthly Budget Statement - Financial Position

WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	2016/17	Budget Year 2017/18			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash		214 936		68 661	214 936
Call investment deposits		-		250 814	-
Consumer debtors		72 588		62 499	72 588
Other debtors		49 874		38 861	49 874
Current portion of long-term receivables		10		7	10
Inventory		15 030		42 331	15 030
Total current assets	-	352 438	-	463 173	352 438
Non current assets					
Long-term receivables		20		31	20
Investments		43 422		40 469	43 422
Investment property		152 550		155 269	152 550
Investments in Associate					
Property, plant and equipment		3 479 176		3 475 188	3 479 176
Agricultural					
Biological assets					
Intangible assets		5 942		6 287	5 942
Other non-current assets					
Total non current assets	-	3 681 110	-	3 677 245	3 681 110
TOTAL ASSETS	-	4 033 548	-	4 140 418	4 033 548
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing		33 047		32 184	33 047
Consumer deposits		49 215		36 931	49 215
Trade and other payables		73 773		56 032	73 773
Provisions		30 432		29 719	30 432
Total current liabilities	-	186 466	-	154 866	186 466
Non current liabilities					
Borrowing		409 052		400 797	409 052
Provisions		229 153		218 451	229 153
Total non current liabilities	-	638 205	-	619 248	638 205
TOTAL LIABILITIES	-	824 671	-	774 114	824 671
NET ASSETS	-	3 208 877	-	3 366 304	3 208 877
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		3 206 436		3 363 051	3 206 436
Reserves		2 440		3 253	2 440
TOTAL COMMUNITY WEALTH/EQUITY	-	3 208 877	-	3 366 304	3 208 877

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 - M04 October

Description	2016/17	Budget Year 2017/18							
	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		211 275		8 716	73 868	73 946	(78)	0%	211 275
Service charges		573 549		43 757	196 577	196 918	(341)	0%	573 549
Other revenue		67 761		6 505	26 870	26 822	48	0%	67 761
Government - operating		113 688		5 319	42 758	42 758	-		113 688
Government - capital		47 840		3 340	11 815	11 815	-		47 840
Interest		17 165		2 861	7 876	7 876	-		17 165
Dividends		-					-		-
Payments									
Suppliers and employees		(858 220)		(3 821)	(265 531)	(265 333)	198	0%	(858 220)
Finance charges		(47 440)		(1 973)	(4 964)	(4 964)	-		(47 440)
Transfers and Grants		(1 778)		(394)	(965)	(965)	-		(1 778)
NET CASH FROM/(USED) OPERATING ACTIVITIES	-	123 839	-	64 312	88 303	88 872	569	1%	123 839
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		-		-	-	-	-		-
Decrease (Increase) in non-current debtors		-		-	-	-	-		-
Decrease (increase) other non-current receivables		11		(1)	1	1	-		11
Decrease (increase) in non-current investments		(6 019)		(1 318)	(2 488)	(2 488)	-		(6 019)
Payments									
Capital assets		(97 648)		(5 139)	(16 953)	(16 953)	-		(97 648)
NET CASH FROM/(USED) INVESTING ACTIVITIES	-	(103 656)	-	(6 458)	(19 440)	(19 440)	-		(103 656)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		-		-	-	-	-		-
Borrowing long term/refinancing		30 000		-	-	-	-		30 000
Increase (decrease) in consumer deposits		2 786		34	(108)	(108)	-		2 786
Payments									
Repayment of borrowing		(29 976)		(3 397)	(9 094)	(9 094)	-		(29 976)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	2 810	-	(3 363)	(9 202)	(9 202)	-		2 810
NET INCREASE/ (DECREASE) IN CASH HELD	-	22 992	-	54 491	59 660	60 230			22 992
Cash/cash equivalents at beginning:		191 944			259 814	191 944			259 814
Cash/cash equivalents at month/year end:		214 936			319 475	252 174			282 806

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R319.5 million.

The municipality started the year with a positive cash balance of R259.8 million. The October closing balance is R319.5 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 - M04 October

Description	Budget Year 2017/18												2017/18 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget				
Cash Receipts By Source																
Property rates	20 930	17 275	11 355	8 716								152 998	211 275	226 489	243 365	
Service charges - electricity revenue	31 662	29 493	26 350	24 771								224 566	336 842	351 305	366 866	
Service charges - water revenue	8 467	7 796	14 386	11 939								71 095	113 682	120 005	126 758	
Service charges - sanitation revenue	5 670	5 462	5 536	3 042								47 677	67 388	71 035	74 845	
Service charges - refuse	4 750	4 777	6 862	3 949								34 658	54 995	57 833	60 679	
Service charges - other	32	65	48	57								441	642	680	721	
Interest earned - external investments	1 041	1 242	1 748	2 572								7 360	13 962	14 809	15 785	
Interest earned - outstanding debtors	244	422	249	290								1 998	3 203	3 395	3 599	
Dividends received			-	-								-	-	-	-	
Licences and permits	220	172	170	189								1 624	2 374	2 517	2 668	
Agency services	301	336	276	332								2 174	3 419	3 616	3 831	
Transfer receipts - operating	35 094	891	864	5 319								71 521	113 688	117 866	138 930	
Other revenue	2 344	2 618	1 415	2 423								15 010	23 810	21 013	26 577	
Cash Receipts by Source	114 425	73 694	72 738	67 159	-	-	-	-	-	-	-	655 421	983 437	1 030 990	1 107 470	
Other Cash Flows by Source																
Transfer receipts - capital		3 577	4 898	3 340								36 025	47 840	46 362	69 953	
Contributions & Contributed assets		-	-	-								-	-	-	-	
Proceeds on disposal of PPE		-	-	-								-	-	-	-	
Short term loans		-	-	-								-	-	-	-	
Borrowing long term/refinancing		-	-	-								30 000	30 000	40 000	40 000	
Increase in consumer deposits		(370)	(13 624)	34								16 745	2 786	984	1 004	
Receipt of non-current debtors		-	-	-								-	-	-	-	
Receipt of non-current receivables	1	0	7	(1)								4	11	10	10	
Change in non-current investments	(502)	(590)	(442)	(1 318)								(3 168)	(6 019)	(7 124)	(7 339)	
Total Cash Receipts by Source	113 925	76 312	63 576	69 215	-	-	-	-	-	-	-	735 027	1 058 055	1 111 223	1 211 098	
Cash Payments by Type																
Employee related costs	22 024	23 958	22 159	28 238								233 837	330 217	343 139	362 017	
Remuneration of councillors	798	798	798	786								6 871	10 053	10 527	11 024	
Interest paid	104	614	2 272	1 973								42 476	47 440	48 849	49 073	
Bulk purchases - Electricity	4	26 113	25 965	15 395								143 970	211 447	224 152	237 548	
Bulk purchases - Water & Sewer		-	-	-								-	-	-	-	
Other materials	744	836	1 337	5 981								40 749	49 647	47 577	60 360	
Contracted services	991	13 972	10 400	13 017								135 044	173 424	182 919	194 712	
Grants and subsidies paid - other municipalities		4	-	-								(4)	-	-	-	
Grants and subsidies paid - other	144	-	424	394								817	1 778	1 868	1 964	
General expenses	5 273	3 561	47 940	(59 597)								86 257	83 434	110 162	127 291	
Cash Payments by Type	30 081	69 856	111 296	6 187	-	-	-	-	-	-	-	690 017	907 439	969 193	1 043 989	
Other Cash Flows/Payments by Type																
Capital assets	-	6 041	5 773	5 139								80 695	97 648	94 362	117 953	
Repayment of borrowing	-	953	4 921	3 397								20 705	29 976	33 599	37 631	
Other Cash Flows/Payments	19 462	259	-	-								(19 721)	-	-	-	
Total Cash Payments by Type	49 543	77 109	121 991	14 724	-	-	-	-	-	-	-	771 696	1 035 063	1 097 154	1 199 573	
NET INCREASE/(DECREASE) IN CASH HELD	64 382	(798)	(58 415)	54 491	-	-	-	-	-	-	-	(36 669)	22 992	14 068	11 525	
Cash/cash equivalents at the month/year beginning:	259 814	324 196	323 398	264 984	319 475	319 475	319 475	319 475	319 475	319 475	319 475	319 475	259 814	282 806	296 875	
Cash/cash equivalents at the month/year end:	324 196	323 398	264 984	319 475	319 475	319 475	319 475	319 475	319 475	319 475	319 475	282 806	282 806	296 875	308 400	

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 - M04 October													
Description	NT Code	Budget Year 2017/18									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	11 116	260	234	258	116	100	517	2 941	15 542	3 931		4 461
Trade and Other Receivables from Exchange Transactions	1300	14 684	310	209	160	167	129	627	2 796	19 083	3 879		5 049
Receivables from Non-exchange Transactions - Property	1400	17 421	464	232	156	173	139	682	2 526	21 793	3 676		5 747
Receivables from Exchange Transactions - Waste Water	1500	6 008	149	100	85	82	72	343	1 769	8 607	2 350		2 507
Receivables from Exchange Transactions - Waste Manag	1600	4 989	121	81	66	69	62	289	1 321	6 997	1 806		1 999
Receivables from Exchange Transactions - Property Rent	1700	434	8	5	3	4	10	24	164	652	205		144
Interest on Arrear Debtor Accounts	1810	85	29	32	38	40	44	270	5 999	6 536	6 390		
Recoverable unauthorised, irregular, fruitless and wastefu	1820									-	-		
Other	1900	2 538	216	230	285	161	192	529	3 691	7 843	4 858		2 279
Total By Income Source	2000	57 276	1 557	1 124	1 051	811	746	3 280	21 207	87 052	27 095	-	22 186
2016/17 - totals only		57 489	2 828	1 236	926	965	724	3 799	19 045	87 012	25 460		
Debtors Age Analysis By Customer Group													
Organs of State	2200	693	222	60	20	25	36	123	1 225	2 404	1 429		266
Commercial	2300	7 217	80	208	48	70	64	152	764	8 604	1 098		803
Households	2400	49 966	1 252	854	956	714	643	2 993	19 014	76 392	24 320		21 116
Other	2500	(601)	3	2	28	3	3	12	203	(348)	248		2
Total By Customer Group	2600	57 276	1 557	1 124	1 051	811	746	3 280	21 207	87 052	27 095	-	22 186

Debtors' levels remain stable. The overall increased debtors' results from the year-on-year increase in billings from increased tariffs at the start of the new financial year. 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	
2017					
July	7 421	NO VOTE for 2017/2018	25 890	33 311	22.28%
August	7 398	NO VOTE for 2017/2018	25 889	33 287	22.22%
September	7 357	NO VOTE for 2017/2018	26 315	33 672	21.85%
October	7 357	NO VOTE for 2017/2018	26 312	33 669	21.85%
November			0		
December			0		
2018					
January			0		
February			0		
March			0		
April			0		
May			0		
June			0		

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
2017/18											
June									0.00	0.00	0.00
May									0	0	0
April									0	0	0
March									0	0	0
February									0	0	0
January									0	0	0
December									0	0	0
November									0	0	0
October	57 275 613	1 556 784	1 124 343	1 051 265	811 234	746 035	3 280 142	21 206 503	87 051 919	29 776 306	27 095 179
September	58 698 682	1 721 440	1 250 398	879 548	799 399	608 430	3 308 540	21 086 775	88 353 212	29 654 531	26 682 693
Augustus	60 067 083	1 631 627	1 044 883	871 567	649 170	737 781	3 410 560	20 638 344	89 051 016	28 983 933	26 307 422
July	61 974 453	1 584 147	1 015 505	707 811	784 870	623 722	3 546 555	20 354 794	90 591 857	28 617 404	26 017 752

Government Debt

Overstrand Municipality as at 31/10/2017				
Department Responsible for the Debt	Total Debt	Services	Rates	Other
NPW 2227	1 018 528	647 301	369 300	1 927
WCED 2251	336 683	336 683	0	0
OTHER 2210+2255	667 193	667 193	0	0
HEALTH 2252	113 161	85 787	27 374	0
TPW 2256	112 025	20 715	90 530	780
HOUSING 2253+2215	12 975	12 975	0	0
OTHER MUNICIPALITIES 2276	143 491	143 491	0	0
TOTAL OUTSTANDING	2 404 057	1 914 145	487 204	2 708

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description	NT Code	Budget Year 2017/18									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	3 270									3 270	2 647
VAT (output less input)	0400	-									-	-
Pensions / Retirement deductions	0500	-									-	-
Loan repayments	0600	-									-	-
Trade Creditors	0700	3 616									3 616	810
Auditor General	0800	-									-	-
Other	0900	-									-	-
Total By Customer Type	1000	6 886	-	-	-	-	-	-	-	-	6 886	3 457

Investment portfolio analysis

Supporting Table SC5

WC032 Overstrand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October

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	91		13 746	125	13 962
LIBERTY 21196964	14 YEARS	Policy	01/09/2025	160		23 524	260	23 945
MOMENTUM MP 3853776	14 YEARS	Policy	01/07/2026	73		2 460	30	2 563
ABSA 9284200168	DEP PLUS	DEP PLUS		61	7.0%	10 125	14 000	24 185
ABSA 9295906141	DEP PLUS	DEP PLUS		61	7.0%	10 125	14 000	24 185
ABSA 9331734880	DEP PLUS	DEP PLUS		13	6.8%	2 441	(11)	2 443
Investec JB9533837	93 days	FIXED DEP	29/11/2017		7.7%	50 000		50 000
Standard Bank 288434005-026	64 days	FIXED DEP	29/11/2017		7.6%	100 000		100 000
03/7881534451 Nedbank	92 days	FIXED DEP	31/01/2018		7.7%		50 000	50 000
Municipality sub-total				458		212 421	78 404	291 283
TOTAL INVESTMENTS AND INTEREST				458		212 421	78 404	291 283

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 - M04 October

Description	2016/17	Budget Year 2017/18							
	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:	-	88 073	-	-	37 219	37 219	-		88 073
Local Government Equitable Share		84 223			35 094	35 094	-		84 223
Finance Management		1 550			1 550	1 550			1 550
EPWP Incentive		2 300			575	575			2 300
Provincial Government:	-	24 378	-	1 325	7 392	7 392	-		24 378
Human Settlements Development Grant		17 639		1 325	4 590	4 590	-		17 639
Library Services Grant		6 306			2 802	2 802			6 306
Financial Management Capacity Building Grant		240					-		240
Community Development Workers Operational Support Grant		54					-		54
Maintenance & Construction of Transport Infrastructure		139					-		139
Total Operating Transfers and Grants	-	112 451	-	1 325	44 611	44 611	-		112 451
Capital Transfers and Grants									
National Government:	-	26 330	-	1 000	7 750	7 750	-		26 330
Municipal Infrastructure Grant (MIG)		22 330			3 750	3 750	-		22 330
Integrated National Electrification Programme		4 000		1 000	4 000	4 000			4 000
Provincial Government:	-	19 878	-	-	9 115	9 115	-		19 878
Human Settlements Development Grant		17 186			8 315	8 315	-		17 186
Library Services Grant		700							700
Development of Sport & Recreation Facilities		1 171							1 171
Fire Service Capacity Building Grant		800			800	800			800
Community Development Workers Operational Support Grant		21							21
Total Capital Transfers and Grants	-	46 208	-	1 000	16 865	16 865	-		46 208
TOTAL RECEIPTS OF TRANSFERS & GRANTS	-	158 659	-	2 325	61 476	61 476	-		158 659

Grant receipts are monitored according to the payment schedules. Year to date actuals only reflects actual receipts for 2017/2018.

Supporting Table SC7(1) – Grant expenditure

WC032 Overstrand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

Description	2016/17	Budget Year 2017/18							
	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:	-	3 850	-	305	996	996	-		3 850
Local Government Equitable Share							-		
Finance Management		1 550		109	379	379	-		1 550
EPWP Incentive		2 300		196	617	617	-		2 300
							-		
Provincial Government:	-	25 615	-	5 014	6 667	6 667	-		25 615
Human Settlements Development Grant		18 779		4 411	4 411	4 411	-		18 779
Library Services Grant		6 306		564	2 213	2 213	-		6 306
Financial Management Capacity Building Grant		240					-		240
Community Development Workers Operational Support Grant		54		4	7	7	-		54
Maintenance & Constuction of Transport Infrastructure		139							139
Greenest Municipality Competition		50		36	36	36			50
Local Government Internship Graduate Grant		48					-		48
Other grant providers:	-	-	-	-			-		-
Total operating expenditure of Transfers and Grants:	-	29 465	-	5 319	7 664	7 664	-		29 465
Capital expenditure of Transfers and Grants									
National Government:	-	26 330	-	1 334	4 443	4 443	-		26 330
Municipal Infrastructure Grant (MIG)		22 330		1 334	4 443	4 443	-		22 330
Integrated National Electrification Programme		4 000					-		4 000
Provincial Government:	-	21 510	-	2 006	7 371	7 371	-		21 510
Human Settlements Development Grant		17 186		1 991	7 356	7 356	-		17 186
Library Services Grant		1 132							1 132
Development of Sport & Recreation Facilities		1 171							1 171
Fire Service Capacity Building Grant		2 000							2 000
Community Development Workers Operational Support Grant		21		15	15	15			21
Other grant providers:	-						-		
Total capital expenditure of Transfers and Grants	-	47 840	-	3 340	11 815	11 815	-		47 840
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	77 305	-	8 659	19 478	19 478	-		77 305

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 - M04 October					
Description	Budget Year 2017/18				
	Approved Rollover 2016/17	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 - M04 October

Summary of Employee and Councillor remuneration	2016/17	Budget Year 2017/18							
	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		9 393		733	2 962	3 131	(169)	-5%	9 393
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		660		54	218	220	(2)	-1%	660
Housing Allowances							-		
Other benefits and allowances							-		
Sub Total - Councillors	-	10 053	-	786	3 181	3 351	(170)	-5%	10 053
<u>Senior Managers of the Municipality</u>									
Basic Salaries and Wages		10 753		879	3 483	3 584	(102)	-3%	10 753
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Overtime							-		
Performance Bonus							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		175		15	58	58	-		175
Housing Allowances							-		
Other benefits and allowances				3	4	4	-		
Payments in lieu of leave							-		
Long service awards							-		
Post-retirement benefit obligations							-		
Sub Total - Senior Managers of Municipality	-	10 928	-	896	3 545	3 646	(102)	-3%	10 928
<u>Other Municipal Staff</u>									
Basic Salaries and Wages		204 000		14 758	60 487	60 784	(297)	0%	204 000
Pension and UIF Contributions		35 806		2 739	10 889	10 921	(32)	0%	35 806
Medical Aid Contributions		12 625		900	3 584	3 630	(46)	-1%	12 625
Overtime		15 622		1 484	3 498	3 633	(135)	-4%	15 622
Performance Bonus		-		-	-	-	-		-
Motor Vehicle Allowance		8 213		928	3 549	3 634	(85)	-2%	8 213
Cellphone Allowance		1 475		141	559	565	(6)	-1%	1 475
Housing Allowances		5 405		202	809	865	(56)	-6%	5 405
Other benefits and allowances		29 993		2 060	4 489	4 619	(130)	-3%	29 993
Payments in lieu of leave		765		64	255	255	(0)	0%	765
Long service awards		669		106	482	482	-		669
Post-retirement benefit obligations		7 724		644	2 575	2 575	0	0%	7 724
Sub Total - Other Municipal Staff	-	322 297	-	24 025	91 178	91 964	(787)	-1%	322 297
Total Parent Municipality		343 277		25 707	97 903	98 961	(1 058)	-1%	343 277
TOTAL SALARY, ALLOWANCES & BENEFITS	-	343 277		25 707	97 903	98 961	(1 058)	-1%	343 277
TOTAL MANAGERS AND STAFF	-	333 225	-	24 921	94 722	95 610	(888)	-1%	333 225

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 - M04 October						
Description of financial indicator	Basis of calculation	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	0.0%	17.1%	0.0%	1.7%	5.5%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	30.7%	0.0%	26.4%	30.7%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	0.0%	16.1%	0.0%	14.5%	16.1%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	16762.6%	0.0%	12320.8%	16762.6%
Liquidity						
Current Ratio	Current assets/current liabilities	0.0%	189.0%	0.0%	299.1%	189.0%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0%	115.3%	0.0%	206.3%	115.3%
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	12.3%	0.0%	29.5%	12.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		98.0%		Annual Indicator	98.0%
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated		633.4%		Annual Indicator	633.4%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source		20.89%		Annual Indicator	20.89%
Employee costs	Employee costs/Total Revenue - capital revenue	0.0%	33.6%	0.0%	27.6%	33.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	17.0%	0.0%	0.0%	17.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	0.0%	17.9%	0.0%	1.4%	5.8%
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year		17.0		Annual Indicator	17.0
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		15.4%		Annual Indicator	15.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		3.2		Annual Indicator	3.2

Capital programme performance

Supporting Table SC12

WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M04 October

Month	2016/17	Budget Year 2017/18							
	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		-		-		-	-		
August		2 040		6 041	6 041	2 040	(4 001)	-196.1%	6%
September		3 448		5 773	11 814	5 488	(6 326)	-115.3%	12%
October		4 926		5 139	16 953	10 414	(6 539)	-62.8%	17%
November		6 259				16 673	-		
December		6 099				22 772	-		
January		10 181				32 953	-		
February		14 759				47 712	-		
March		14 813				62 525	-		
April		16 669				79 194	-		
May		18 333				97 528	-		
June		120				97 648	-		
Total Capital expenditure	-	97 648	-	16 953					

Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M04 October

Description	2016/17	Budget Year 2017/18							
	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	-	28 205	-	1 569	5 454	4 058	(1 395)	-34.4%	28 205
Roads Infrastructure	-	5 155	-	348	1 381	1 504	123	8.2%	5 155
<i>Roads</i>		5 155		348	1 381	1 504	123	8.2%	5 155
Storm water Infrastructure	-	250	-	-	8	16	8	49.0%	250
<i>Drainage Collection</i>		250			8	16	8	49.0%	250
Electrical Infrastructure	-	18 790	-	1 221	4 065	2 539	(1 526)	-60.1%	18 790
<i>MV Substations</i>		3 000		739	2 939	1 000	(1 939)	-193.9%	3 000
<i>LV Networks</i>		15 790		481	1 126	1 539	413	26.8%	15 790
Water Supply Infrastructure	-	3 900	-	-	-	-	-		3 900
<i>Reservoirs</i>		3 900							3 900
Solid Waste Infrastructure	-	110	-	-	-	-	-		110
<i>Waste Drop-off Points</i>		110							110
Community Assets	-	6 545	-	59	410	520	110	21.2%	6 545
Community Facilities	-	4 579	-	39	294	193	(101)	-52.6%	4 579
<i>Halls</i>		421			255	105	(150)	-142.7%	421
<i>Crèches</i>		100		5	5	33	28	84.1%	100
<i>Fire/Ambulance Stations</i>		3 798							3 798
<i>Cemeteries/Crematoria</i>		260		33	33	54	21	38.2%	260
Sport and Recreation Facilities	-	1 966	-	20	116	328	211	64.5%	1 966
<i>Outdoor Facilities</i>		1 966		20	116	328	211	64.5%	1 966
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	17 186	-	1 991	7 356	3 031	(4 325)	-142.7%	17 186
Housing	-	17 186	-	1 991	7 356	3 031	(4 325)	-142.7%	17 186
<i>Social Housing</i>		17 186		1 991	7 356	3 031	(4 325)	-142.7%	17 186
Biological or Cultivated Assets	-	-	-	-	-	-	-		-
Intangible Assets	-	-	-	-	-	-	-		-
Computer Equipment	-	1 620	-	7	7	387	381	98.2%	1 620
Computer Equipment		1 620		7	7	387	381	98.2%	1 620
Furniture and Office Equipment	-	120	-	8	28	29	0	1.0%	120
Furniture and Office Equipment		120		8	28	29	0	1.0%	120
Transport Assets	-	950	-	-	-	-	-		950
Transport Assets		950							950
Libraries	-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-		-
Total Capital Expenditure on new assets	-	54 626	-	3 633	13 255	8 025	(5 230)	-65.2%	54 626

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M04 October

Description	2016/17	Budget Year 2017/18							
	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	-	11 280	-	-	-	-	-		11 280
Roads Infrastructure	-	2 080	-	-	-	-	-		2 080
<i>Roads</i>		2 080							2 080
Storm water Infrastructure	-	-	-	-	-	-	-		-
Electrical Infrastructure	-	1 000	-	-	-	-	-		1 000
<i>MV Networks</i>		1 000							1 000
Water Supply Infrastructure	-	900	-	-	-	-	-		900
<i>Pump Stations</i>									
<i>Water Treatment Works</i>		900							900
Sanitation Infrastructure	-	5 800	-	-	-	-	-		5 800
<i>Waste Water Treatment Works</i>		5 800							5 800
Solid Waste Infrastructure	-	1 500	-	-	-	-	-		1 500
<i>Landfill Sites</i>									
<i>Waste Transfer Stations</i>		1 500							1 500
Community Assets	-	-	-	-	-	-	-		-
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	-	-	-	-	-	-		-
Biological or Cultivated Assets	-	-	-	-	-	-	-		-
Intangible Assets	-	-	-	-	-	-	-		-
Computer Equipment	-	-	-	-	-	-	-		-
Furniture and Office Equipment	-	-	-	-	-	-	-		-
Machinery and Equipment	-	-	-	-	-	-	-		-
Transport Assets	-	-	-	-	-	-	-		-
Libraries	-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-		-
Total Capital Expenditure on renewal of existin	-	11 280	-	-	-	-	-		11 280

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M04 October

Description	2016/17	Budget Year 2017/18							
	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	-	132 746	-	10 304	31 943	44 249	12 306	27.8%	132 746
Roads Infrastructure	-	64 747	-	4 303	14 951	21 582	6 631	30.7%	64 747
<i>Roads</i>		64 747		4 303	14 951	21 582	6 631	30.7%	64 747
Storm water Infrastructure	-	6 168	-	442	1 677	2 056	379	18.4%	6 168
<i>Drainage Collection</i>							-		
<i>Storm water Conveyance</i>		6 168		442	1 677	2 056	379	18.4%	6 168
Electrical Infrastructure	-	18 903	-	1 642	4 975	6 301	1 326	21.0%	18 903
<i>HV Transmission Conductors</i>		18 903		1 642	4 975	6 301	1 326	21.0%	18 903
Water Supply Infrastructure	-	17 549	-	1 973	5 224	5 850	625	10.7%	17 549
<i>Water Treatment Works</i>		17 549		1 973	5 224	5 850	625	10.7%	17 549
Sanitation Infrastructure	-	16 500	-	1 132	3 406	5 500	2 094	38.1%	16 500
<i>Waste Water Treatment Works</i>		16 500		1 132	3 406	5 500	2 094	38.1%	16 500
Solid Waste Infrastructure	-	8 879	-	813	1 710	2 960	1 250	42.2%	8 879
<i>Landfill Sites</i>							-		
<i>Waste Transfer Stations</i>		8 879		813	1 710	2 960	1 250	42.2%	8 879
Community Assets	-	10 549	-	1 147	1 808	3 516	1 709	48.6%	10 549
Community Facilities	-	5 895	-	710	1 137	1 965	828	42.2%	5 895
<i>Halls</i>		2 523		304	418	841	423	50.3%	2 523
<i>Libraries</i>		205		3	11	68	57	84.0%	205
<i>Cemeteries/Crematoria</i>		57		5	14	19	5	27.0%	57
<i>Public Open Space</i>		3 110		398	693	1 037	343	33.1%	3 110
Sport and Recreation Facilities	-	4 654	-	437	671	1 551	880	56.7%	4 654
<i>Outdoor Facilities</i>		4 654		437	671	1 551	880	56.7%	4 654
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	6 942	-	616	1 961	2 314	353	15.3%	6 942
Operational Buildings	-	6 942	-	616	1 961	2 314	353	15.3%	6 942
<i>Municipal Offices</i>		6 942		616	1 961	2 314	353	15.3%	6 942
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	5 384	-	133	2 233	1 795	(438)	-24.4%	5 384
Computer Equipment		5 384		133	2 233	1 795	(438)	-24.4%	5 384
Furniture and Office Equipment	-	13 663	-	2 115	3 579	4 554	975	21.4%	13 663
Furniture and Office Equipment		13 663		2 115	3 579	4 554	975	21.4%	13 663
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Anir	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expen	-	169 284	-	14 315	41 523	56 428	14 905	26.4%	169 284

Supporting Table SC13d

WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M04 October

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Depreciation by Asset Class/Sub-class									
Infrastructure	-	112 337	-	9 361	37 446	37 446	-		112 337
Roads Infrastructure	-	36 600	-	3 050	12 200	12 200	-		36 600
<i>Roads</i>		36 600		3 050	12 200	12 200	-		36 600
Storm water Infrastructure	-	3 465	-	289	1 155	1 155	-		3 465
<i>Storm water Conveyance</i>		3 465		289	1 155	1 155	-		3 465
Electrical Infrastructure	-	25 118	-	2 093	8 373	8 373	-		25 118
<i>HV Transmission Conductors</i>		25 118		2 093	8 373	8 373	-		25 118
Water Supply Infrastructure	-	27 354	-	2 279	9 118	9 118	-		27 354
<i>Water Treatment Works</i>		11 598		967	3 866	3 866	-		11 598
<i>Distribution</i>		15 756		1 313	5 252	5 252	-		15 756
Sanitation Infrastructure	-	15 886	-	1 324	5 295	5 295	-		15 886
<i>Reticulation</i>		12 467		1 039	4 156	4 156	-		12 467
<i>Waste Water Treatment Works</i>		3 419		285	1 140	1 140	-		3 419
Solid Waste Infrastructure	-	3 915	-	326	1 305	1 305	-		3 915
<i>Waste Transfer Stations</i>		3 915		326	1 305	1 305	-		3 915
Community Assets	-	766	-	64	255	255	-		766
Community Facilities	-	-	-	-	-	-	-		-
Sport and Recreation Facilities	-	766	-	64	255	255	-		766
<i>Outdoor Facilities</i>		766		64	255	255	-		766
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	11 067	-	922	3 689	3 689	-		11 067
Operational Buildings	-	11 067	-	922	3 689	3 689	-		11 067
<i>Municipal Offices</i>		11 067		922	3 689	3 689	-		11 067
Intangible Assets	-	615	-	51	205	205	-		615
Licences and Rights	-	615	-	51	205	205	-		615
<i>Computer Software and Applications</i>		615		51	205	205	-		615
Computer Equipment	-	788	-	66	263	263	-		788
Computer Equipment	-	788	-	66	263	263	-		788
Furniture and Office Equipment	-	4 035	-	336	1 345	1 345	-		4 035
Furniture and Office Equipment	-	4 035	-	336	1 345	1 345	-		4 035
Machinery and Equipment	-	-	-	-	-	-	-		-
Transport Assets	-	678	-	57	226	226	-		678
Transport Assets	-	678	-	57	226	226	-		678
Libraries	-	-	-	-	-	-	-		-
Total Depreciation	-	130 287	-	10 857	43 429	43 429	-		130 287

Supporting Table SC13e

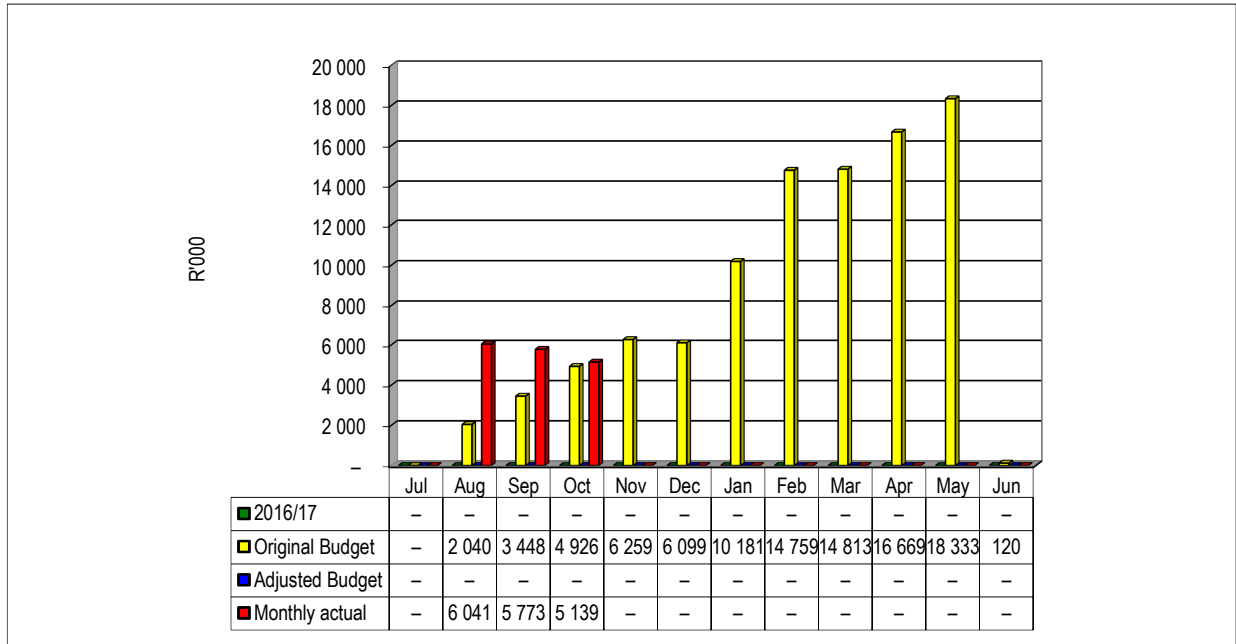
WC032 Overstrand - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M04 October

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class									
Infrastructure	-	28 505	-	1 459	3 651	2 352	(1 299)	-55.2%	28 505
Roads Infrastructure	-	180	-	-	-	-	-	-	180
<i>Roads</i>	-	180	-	-	-	-	-	-	180
Storm water Infrastructure	-	6 800	-	1 022	3 214	1 742	(1 472)	-84.5%	6 800
<i>Drainage Collection</i>	-	6 800	-	1 022	3 214	1 742	(1 472)	-84.5%	6 800
Water Supply Infrastructure	-	4 500	-	-	-	-	-	-	4 500
<i>Distribution</i>	-	4 500	-	-	-	-	-	-	4 500
Sanitation Infrastructure	-	17 025	-	437	437	610	173	28.4%	17 025
<i>Pump Station</i>	-	5 000	-	437	437	610	173	28.4%	5 000
<i>Reticulation</i>	-	3 100	-	-	-	-	-	-	3 100
<i>Waste Water Treatment Works</i>	-	8 585	-	-	-	-	-	-	8 585
<i>Outfall Sewers</i>	-	340	-	-	-	-	-	-	340
Community Assets	-	3 177	-	20	20	17	(4)	-22.3%	3 177
Community Facilities	-	2 877	-	20	20	17	(4)	-22.3%	2 877
<i>Halls</i>	-	1 695	-	-	-	-	-	-	1 695
<i>Fire/Ambulance Stations</i>	-	50	-	20	20	17	(4)	-22.3%	50
<i>Libraries</i>	-	1 132	-	-	-	-	-	-	1 132
Sport and Recreation Facilities	-	300	-	-	-	-	-	-	300
<i>Outdoor Facilities</i>	-	300	-	-	-	-	-	-	300
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	60	-	27	27	20	(7)	-34.0%	60
Operational Buildings	-	60	-	27	27	20	(7)	-34.0%	60
<i>Municipal Offices</i>	-	60	-	27	27	20	(7)	-34.0%	60
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading	-	31 742	-	1 506	3 698	2 388	(1 310)	-54.8%	31 742

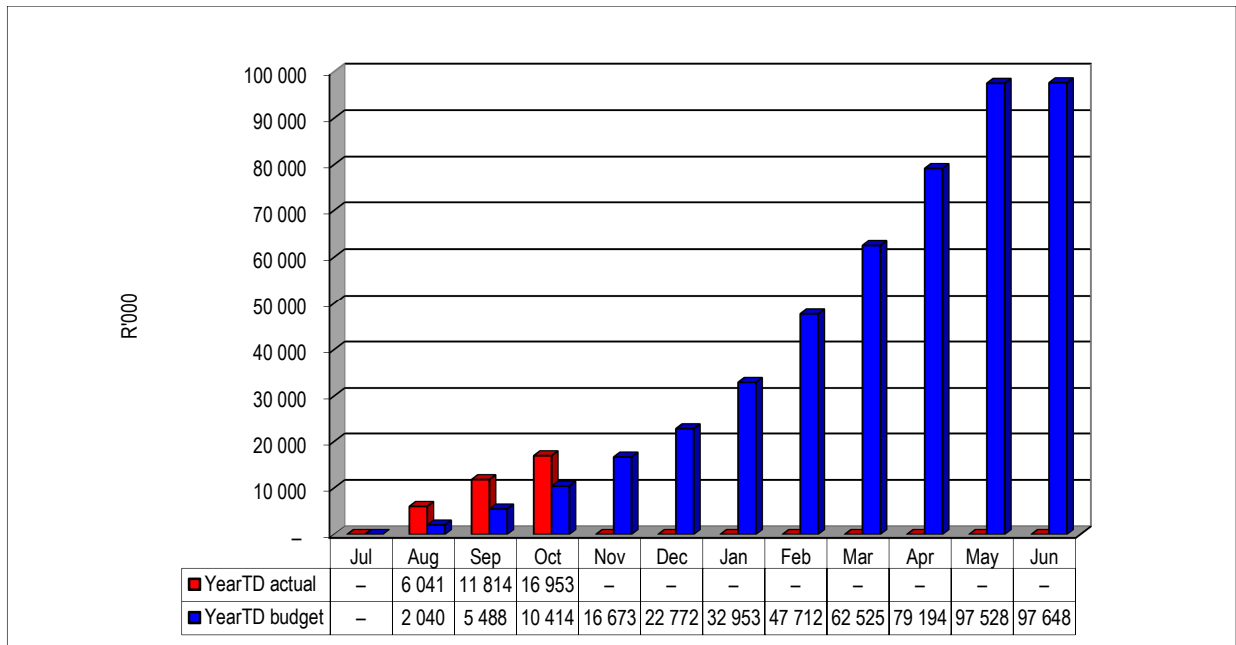
Other supporting documentation

Section 71 charts

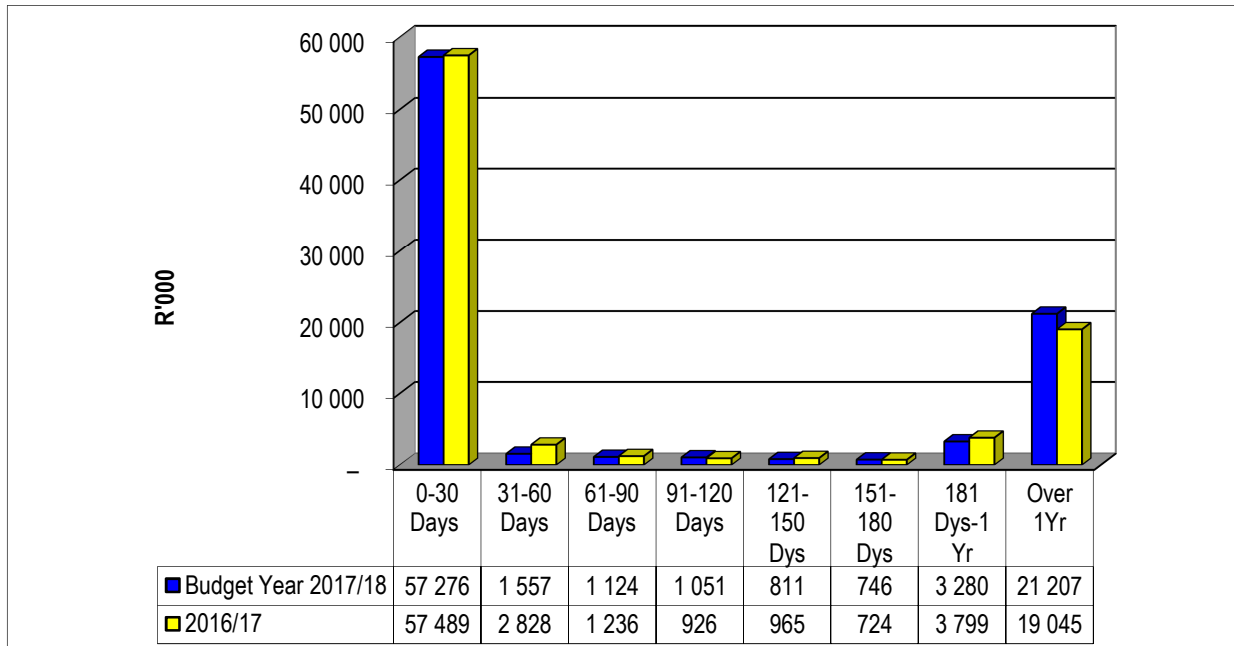
Capital expenditure monthly trend - actual vs target



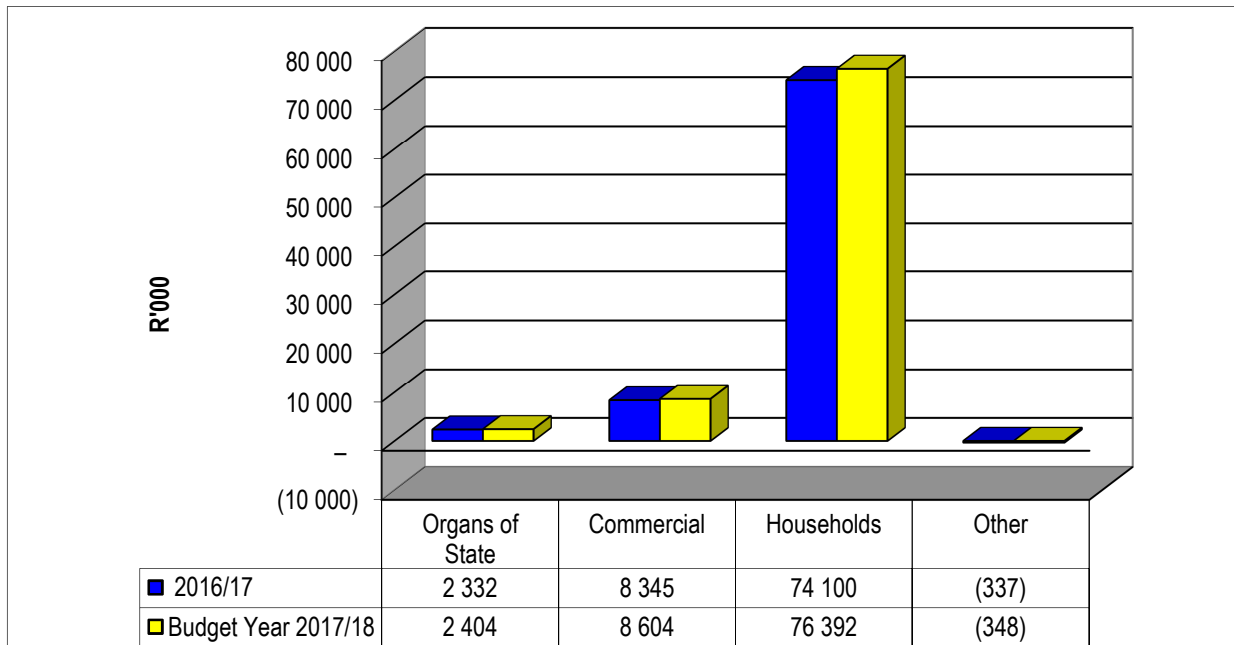
Capital expenditure – YTD actual vs YTD trend



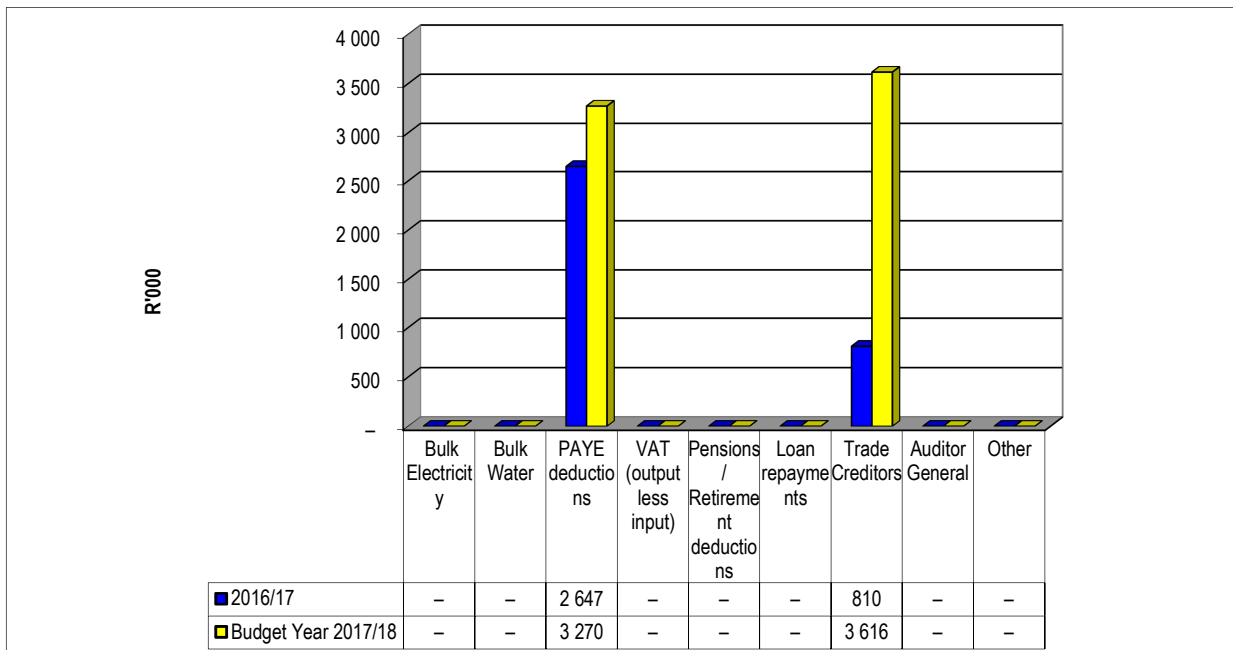
Debtors Age Analysis



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 **October 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:  _____

Date: 14.11.2017