

OVERSTRAND MUNICIPALITY



Quarterly Budget Report

September 2015

In-Year Report of the Municipality

Prepared in terms of Section 52(d) of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 31 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.

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

Mayor's Report

1.1 In-Year Report – Quarterly Budget Report

1.1.1 Implementation of the budget in accordance with the SDBIP

The results of the SDBIP for the first quarter ended 30 September 2015 will be tabled in a separate comprehensive report to council.

1.1.2 Financial problems or risks facing the municipality

None. All the major sources of revenue are currently within acceptable norms.

1.1.3 Other relevant information

Overstrand Municipality was appointed as one of the official national pilot sites for the implementation of mSCOA (Standard Chart of Accounts). The 2015/2016 Budget was compiled according to the mSCOA classification framework and the below results reflects the first quarter's financial position. We still have to report according to the standard reports of the budget reporting regulations.

Actual operating revenue at the end of the first quarter for 2015/2016 is at 25.70% of the budgeted revenue. The expenditure reflects spending of 20.14% against the budgeted expenditure. Capital expenditure amounts to R24.62m, or 23.35% of the total adjusted budget of R105.4m, at the end of September 2015.

An adjustments budget was tabled in the first quarter in respect of rollover capital projects from the 2014/2015 to the 2015/2016 financial year to continue and complete projects that were in progress as at 30 June 2015.

Outstanding consumer debtors remain stable and only reflect the year-on-year increase from increased tariffs as from 1 July 2015.

The positive cash flow remains stable with no indication of a decline.

Resolutions

IN-YEAR REPORTS 2015/2016

This is the resolution that will be presented to Council when the In-Year Report is tabled:

RECOMMENDATION:

That the report for the quarter ended September 2015, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003, **be noted**.

Executive Summary

As the Auditor General has not yet completed the audit of the 2014/2015 financial statements the 'Audited Outcome' for 2014/2015 will only be included after the audit is completed.

Revenue by Source

The Year-to-Date actual revenue is 0.22% above the YTD budget projections at the end of September 2015.

Borrowings

The balance of borrowings amounts to R429.8m at the end of September 2015.

Operating expenditure by vote & type

Current expenditure is 0.95% below YTD budget projections as at September 2015.

Capital expenditure

YTD Capital expenditure amounts to R24.62m or 23.35% of the total adjusted budget of R105.4m. The current capital commitments of orders in progress amounts to R21.83m giving total capital spend and committed at 44.07% at the end of September 2015. The capital expenditure is progressing more rapidly than anticipated, due to spending on the housing projects.

Cash flows

The municipality started the year with a positive cash balance of R104,9 million. The September closing balance is R153.8 million. Refer to Supporting Table SC9 for more details on the cash position.

Allocations received (National & Provincial Grants)

Grants totaling R1.9m were received during September 2015. The main receipt was for Housing.

Spending on Grants

Spending on grants amounts to R12.01m for September 2015 which includes FMG, MIG, INEP, Housing, Library Grant, CDW & EPWP.

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M03 September			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>	0.22%	Not material	
<u>Expenditure By Type</u>	-0.95%	Not material	
<u>Capital Expenditure</u>	652.34%	Capital Commitments =R21,83m	
<u>Financial Position</u>			
In order			
<u>Cash Flow</u>			
In order			

Performance in relation to SDBIP targets

See the comprehensive report tabled in Council.

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 - M03 September

Description	2014/15	Budget Year 2015/16							
	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	-	163 621	163 621	13 522	43 244	43 222	22	0%	163 621
Service charges	-	566 784	566 784	44 940	140 114	139 801	313	0%	566 784
Investment revenue	-	6 348	6 348	988	2 759	2 759	-		6 348
Transfers recognised - operational	-	90 324	90 324	1 015	28 994	28 994	-		90 324
Other own revenue	-	67 957	67 957	5 942	15 870	15 695	175	1%	67 957
Total Revenue (excluding capital transfers and contributions)	-	895 035	895 035	66 408	230 981	230 471	510	0%	895 035
Employee costs	-	291 593	291 593	23 701	62 646	62 827	(181)	-0%	291 593
Remuneration of Councillors	-	8 674	8 674	663	1 988	1 999	(11)	-1%	8 674
Depreciation & asset impairment	-	111 362	111 362	9 280	27 840	27 840	-		111 362
Finance charges	-	46 895	46 895	1 108	1 901	1 901	-		46 895
Materials and bulk purchases	-	251 374	251 374	24 781	55 074	55 307	(233)	-0%	251 374
Transfers and grants	-	48 497	48 497	4 328	13 439	13 439	-		48 497
Other expenditure	-	206 135	206 135	13 324	31 367	32 803	(1 436)	-4%	206 135
Total Expenditure	-	964 529	964 529	77 186	194 255	196 115	(1 860)	-1%	964 529
Surplus/(Deficit)	-	(69 494)	(69 494)	(10 778)	36 726	34 356	2 370	7%	(69 494)
Transfers recognised - capital	-	63 354	63 354	11 003	15 610	15 610	-		63 354
Contributions & Contributed assets	-	1 000	1 000	-	-	-	-		1 000
Surplus/(Deficit) after capital transfers & contributions	-	(5 140)	(5 140)	225	52 336	49 966	2 370	5%	(5 140)
Surplus/ (Deficit) for the year	-	(5 140)	(5 140)	225	52 336	49 966	2 370	5%	(5 140)
Capital expenditure & funds sources									
Capital expenditure	-	103 914	105 479	14 612	24 627	3 273	21 354	652%	103 914
Capital transfers recognised	-	64 354	64 354	11 336	15 946	1 181	14 765	1250%	64 354
Public contributions & donations	-	462	462	-	-	-	-		462
Borrowing	-	32 346	33 419	2 916	8 321	281	8 040	2861%	32 346
Internally generated funds	-	6 753	7 245	360	360	1 811	(1 451)	-80%	6 753
Total sources of capital funds	-	103 914	105 479	14 612	24 627	3 273	21 354	652%	103 914
Financial position									
Total current assets	-	207 929	207 929		276 158				207 929
Total non current assets	-	3 320 511	3 320 511		3 303 813				3 320 511
Total current liabilities	-	174 459	174 459		159 638				174 459
Total non current liabilities	-	617 668	617 668		596 085				617 668
Community wealth/Equity	-	2 736 314	2 736 314		2 824 248				2 736 314
Cash flows									
Net cash from (used) operating	-	110 861	110 861	1 697	77 130	76 921	(209)	-0%	110 861
Net cash from (used) investing	-	(110 144)	(111 709)	(15 117)	(26 209)	(26 209)	-		(110 144)
Net cash from (used) financing	-	7 409	7 409	(530)	(2 077)	(2 077)	-		7 409
Cash/cash equivalents at the month/year end	-	97 547	97 547	-	153 831	139 621	(14 210)	-10%	113 113
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	48 309	1 643	1 610	963	757	753	3 326	16 931	74 292
Creditors Age Analysis									
Total Creditors	7 645	-	-	-	-	-	-	-	7 645

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

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M03 September

Description	2014/15	Budget Year 2015/16							
	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	-	255 994	255 994	16 457	77 173	77 541	(368)	0%	255 994
Executive and council	-	64 861	64 861	24	26 985	26 985	-		64 861
Budget and treasury office	-	180 339	180 339	15 340	47 979	48 090	(112)	0%	180 339
Corporate services	-	10 795	10 795	1 092	2 210	2 466	(257)	-10%	10 795
Community and public safety	-	101 843	101 843	13 589	24 504	26 577	(2 074)	-8%	101 843
Community and social services	-	4 657	4 657	947	1 459	1 164	295	25%	4 657
Sport and recreation	-	11 942	11 942	367	1 019	2 339	(1 319)	-56%	11 942
Public safety	-	37 676	37 676	2 719	8 370	9 419	(1 049)	-11%	37 676
Housing	-	47 567	47 567	9 555	13 655	13 655	-		47 567
Economic and environmental services	-	20 033	20 033	1 665	3 244	2 668	577	22%	20 033
Planning and development	-	9 043	9 043	970	2 518	2 261	257	11%	9 043
Road transport	-	10 890	10 890	695	708	382	327	86%	10 890
Environmental protection	-	101	101	-	18	25	(7)	-27%	101
Trading services	-	581 518	581 518	45 700	141 671	139 295	2 376	2%	581 518
Electricity	-	346 361	346 361	26 377	84 125	83 992	132	0%	346 361
Water	-	106 211	106 211	7 819	24 081	22 570	1 511	7%	106 211
Waste water management	-	69 402	69 402	6 282	18 055	17 351	704	4%	69 402
Waste management	-	59 544	59 544	5 222	15 410	15 382	28	0%	59 544
Other	-	-	-	-	-	-	-		-
Total Revenue - Standard	-	959 389	959 389	77 411	246 592	246 081	510	0%	959 389
Expenditure - Standard									
Governance and administration	-	237 278	237 278	18 455	51 535	51 862	(327)	-1%	237 278
Executive and council	-	92 565	92 565	7 636	22 746	22 013	734	3%	92 565
Budget and treasury office	-	69 750	69 750	5 351	12 895	14 386	(1 491)	-10%	69 750
Corporate services	-	74 963	74 963	5 467	15 894	15 463	430	3%	74 963
Community and public safety	-	141 933	141 933	9 143	24 262	26 179	(1 917)	-7%	141 933
Community and social services	-	31 368	31 368	2 200	6 104	6 623	(519)	-8%	31 368
Sport and recreation	-	18 220	18 220	1 201	2 881	3 720	(839)	-23%	18 220
Public safety	-	69 453	69 453	5 456	14 549	15 108	(559)	-4%	69 453
Housing	-	22 892	22 892	286	728	728	-		22 892
Economic and environmental services	-	132 046	132 046	9 183	25 007	25 167	(159)	-1%	132 046
Planning and development	-	40 308	40 308	2 998	8 133	8 518	(385)	-5%	40 308
Road transport	-	84 786	84 786	5 711	15 728	15 041	687	5%	84 786
Environmental protection	-	6 952	6 952	474	1 146	1 608	(461)	-29%	6 952
Trading services	-	453 273	453 273	40 405	93 451	92 908	543	1%	453 273
Electricity	-	257 278	257 278	26 287	59 705	59 096	610	1%	257 278
Water	-	78 253	78 253	4 981	12 242	12 513	(271)	-2%	78 253
Waste water management	-	63 478	63 478	4 869	11 639	11 464	175	2%	63 478
Waste management	-	54 264	54 264	4 268	9 865	9 835	30	0%	54 264
Other	-	-	-	-	-	-	-		-
Total Expenditure - Standard	-	964 529	964 529	77 185	194 255	196 115	(1 860)	-1%	964 529
Surplus/ (Deficit) for the year	-	(5 140)	(5 140)	225	52 336	49 966	2 371	5%	(5 140)

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 GFS classifications 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) - M03 September

Vote Description	2014/15	Budget Year 2015/16							
	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	–	64 808	64 808	18	26 968	26 968	–		64 808
Vote 2 - Municipal Manager	–	–	–	–	–	–	–		–
Vote 3 - Management Services	–	991	991	134	256	15	241	1595.3%	991
Vote 4 - Finance	–	180 339	180 339	15 340	47 979	48 090	(112)	-0.2%	180 339
Vote 5 - Community Services	–	272 957	272 957	22 321	62 819	60 743	2 076	3.4%	272 957
Vote 6 - Local Economic Development	–	3 091	3 091	293	748	758	(9)	-1.3%	3 091
Vote 7 - Infrastructure & Planning	–	399 527	399 527	36 586	99 452	100 088	(636)	-0.6%	399 527
Vote 8 - Protection Services	–	37 676	37 676	2 719	8 370	9 419	(1 049)	-11.1%	37 676
Total Revenue by Vote	–	959 389	959 389	77 411	246 592	246 081	510	0.2%	959 389
Expenditure by Vote									
Vote 1 - Council	–	71 496	71 496	5 970	18 216	18 231	(15)	-0.1%	71 496
Vote 2 - Municipal Manager	–	4 489	4 489	413	1 097	1 122	(25)	-2.2%	4 489
Vote 3 - Management Services	–	43 327	43 327	3 094	9 363	9 281	82	0.9%	43 327
Vote 4 - Finance	–	69 750	69 750	5 351	12 895	14 386	(1 491)	-10.4%	69 750
Vote 5 - Community Services	–	341 492	341 492	24 776	64 154	64 165	(11)	0.0%	341 492
Vote 6 - Local Economic Development	–	8 731	8 731	677	2 020	1 824	197	10.8%	8 731
Vote 7 - Infrastructure & Planning	–	355 793	355 793	31 449	71 960	71 998	(38)	-0.1%	355 793
Vote 8 - Protection Services	–	69 453	69 453	5 456	14 549	15 108	(559)	-3.7%	69 453
Total Expenditure by Vote	–	964 529	964 529	77 185	194 255	196 115	(1 860)	-0.9%	964 529
Surplus/ (Deficit) for the year	–	(5 140)	(5 140)	225	52 336	49 966	2 371	4.7%	(5 140)

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) - M03 September

Description	2014/15	Budget Year 2015/16							
	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		162 730	162 730	13 466	43 060	43 043	17	0%	162 730
Property rates - penalties & collection charges		891	891	56	184	179	4	2%	891
Service charges - electricity revenue		338 877	338 877	26 273	83 828	83 477	351	0%	338 877
Service charges - water revenue		102 045	102 045	7 797	24 059	24 108	(49)	0%	102 045
Service charges - sanitation revenue		66 375	66 375	5 657	16 830	16 898	(68)	0%	66 375
Service charges - refuse revenue		59 488	59 488	5 214	15 397	15 318	79	1%	59 488
Rental of facilities and equipment		11 859	11 859	1 320	2 564	2 634	(69)	-3%	11 859
Interest earned - external investments		6 348	6 348	988	2 759	2 759	-		6 348
Interest earned - outstanding debtors		2 437	2 437	214	653	640	13	2%	2 437
Fines		31 859	31 859	2 195	6 943	7 049	(105)	-1%	31 859
Licences and permits		2 190	2 190	192	570	547	23	4%	2 190
Agency services		2 970	2 970	227	694	699	(5)	-1%	2 970
Transfers recognised - operational		90 324	90 324	1 015	28 994	28 994	-		90 324
Other revenue		16 643	16 643	1 795	4 445	4 126	319	8%	16 643
Gains on disposal of PPE							-		
contributions)	-	895 035	895 035	66 408	230 981	230 471	510	0%	895 035
Expenditure By Type									
Employee related costs		291 593	291 593	23 701	62 646	62 827	(181)	0%	291 593
Remuneration of councillors		8 674	8 674	663	1 988	1 999	(11)	-1%	8 674
Debt impairment		22 792	22 792	1 899	5 698	5 698	-		22 792
Depreciation & asset impairment		111 362	111 362	9 280	27 840	27 840	-		111 362
Finance charges		46 895	46 895	1 108	1 901	1 901	-		46 895
Bulk purchases		193 573	193 573	22 228	49 373	48 684	690	1%	193 573
Other materials		57 801	57 801	2 553	5 701	6 623	(922)	-14%	57 801
Contracted services		125 322	125 322	6 473	13 296	14 161	(865)	-6%	125 322
Transfers and grants		48 497	48 497	4 328	13 439	13 439	-		48 497
Other expenditure		58 021	58 021	4 952	12 373	12 944	(571)	-4%	58 021
Loss on disposal of PPE							-		
Total Expenditure	-	964 529	964 529	77 186	194 255	196 115	(1 860)	-1%	964 529
Surplus/(Deficit)	-	(69 494)	(69 494)	(10 778)	36 726	34 356	2 370	7%	(69 494)
Transfers recognised - capital		63 354	63 354	11 003	15 610	15 610	-		63 354
Contributions recognised - capital		1 000	1 000				-		1 000
Contributed assets							-		
Surplus/(Deficit) after capital transfers & Taxation	-	(5 140)	(5 140)	225	52 336	49 966	-		(5 140)
Surplus/(Deficit) after taxation	-	(5 140)	(5 140)	225	52 336	49 966	-		(5 140)
Surplus/(Deficit) attributable to municipality	-	(5 140)	(5 140)	225	52 336	49 966	-		(5 140)
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	-	(5 140)	(5 140)	225	52 336	49 966	-		(5 140)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 0.22% above the YTD budget.

Current expenditure is 0.95% below YTD budget projections for September 2015.

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) - M03 September

Vote Description	2014/15	Budget Year 2015/16							
	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	-	21 911	21 911	1 149	6 556	741	5 815	785%	21 911
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	11 451	13 016	2 290	2 290	-	2 290	#DIV/0!	11 451
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	-	33 362	34 927	3 439	8 846	741	8 105	1094%	33 362
Total Capital Expenditure	-	103 914	105 479	14 612	24 627	3 273	21 354	652%	103 914
Capital Expenditure - Standard Classification									
Governance and administration	-	2 648	2 648	4	4	220	(216)	-98%	2 648
Executive and council							-		
Budget and treasury office							-		
Corporate services		2 648	2 648	4	4	220	(216)	-98%	2 648
Community and public safety	-	39 768	39 768	9 909	13 920	489	13 430	2744%	39 768
Community and social services		3 520	3 520	341	344	225	119	53%	3 520
Sport and recreation		5 981	5 981	7	7	15	(8)	-54%	5 981
Public safety		295	295	29	29	29	-		295
Housing		29 973	29 973	9 531	13 540	220	13 320	6054%	29 973
Health							-		
Economic and environmental services	-	12 128	12 128	1 000	1 000	718	282	39%	12 128
Planning and development		25	25			6	(6)	-100%	25
Road transport		12 103	12 103	1 000	1 000	712	288	41%	12 103
Environmental protection							-		
Trading services	-	49 370	50 935	3 699	9 703	1 845	7 858	426%	49 370
Electricity		21 726	23 291	2 290	2 290	895	1 395	156%	21 726
Water		16 390	16 390	635	6 040	200	5 840	2920%	16 390
Waste water management		11 244	11 244	774	1 373	750	623	83%	11 244
Waste management		10	10				-		10
Total Capital Expenditure - Standard Classification	-	103 914	105 479	14 612	24 627	3 273	21 354	653%	103 914
Funded by:									
National Government		30 347	30 347	1 463	2 063	337	1 726	512%	30 347
Provincial Government		33 007	33 007	9 872	13 883	844	13 039	1545%	33 007
District Municipality							-		
Other transfers and grants		1 000	1 000				-		1 000
Transfers recognised - capital	-	64 354	64 354	11 336	15 946	1 181	14 765	1250%	64 354
Public contributions & donations		462	462				-		462
Borrowing		32 346	33 419	2 916	8 321	281	8 040	2861%	32 346
Internally generated funds		6 753	7 245	360	360	1 811	(1 451)	-80%	6 753
Total Capital Funding	-	103 914	105 479	14 612	24 627	3 273	21 354	652%	103 914

Capital expenditure is 652% above the YTD budget at September 2015.

Table C6: Monthly Budget Statement - Financial Position

WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	2014/15	Budget Year 2015/16			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash		97 547	97 547	24 947	97 547
Call investment deposits			–	128 884	
Consumer debtors		51 774	51 774	50 895	51 774
Other debtors		44 112	44 112	62 150	44 112
Current portion of long-term receivables		13	13	13	13
Inventory		14 483	14 483	9 270	14 483
Total current assets	–	207 929	207 929	276 158	207 929
Non current assets					
Long-term receivables		41	41	55	41
Investments		28 455	28 455	24 732	28 455
Investment property		164 501	164 501	159 761	164 501
Investments in Associate			–		
Property, plant and equipment		3 122 147	3 122 147	3 114 503	3 122 147
Agricultural			–		
Biological assets			–		
Intangible assets		5 368	5 368	4 762	5 368
Other non-current assets					
Total non current assets	–	3 320 511	3 320 511	3 303 813	3 320 511
TOTAL ASSETS	–	3 528 441	3 528 441	3 579 971	3 528 441
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing		28 113	28 113	25 687	28 113
Consumer deposits		43 801	43 801	42 282	43 801
Trade and other payables		74 229	74 229	63 353	74 229
Provisions		28 317	28 317	28 317	28 317
Total current liabilities	–	174 459	174 459	159 638	174 459
Non current liabilities					
Borrowing		415 999	415 999	404 282	415 999
Provisions		201 669	201 669	191 803	201 669
Total non current liabilities	–	617 668	617 668	596 085	617 668
TOTAL LIABILITIES	–	792 127	792 127	755 723	792 127
NET ASSETS	–	2 736 314	2 736 314	2 824 248	2 736 314
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		2 733 677	2 733 677	2 821 676	2 733 677
Reserves		2 637	2 637	2 572	2 637
TOTAL COMMUNITY WEALTH/EQUITY	–	2 736 314	2 736 314	2 824 248	2 736 314

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 - M03 September

Description	2014/15	Budget Year 2015/16							
	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		163 800	163 800	11 255	29 204	29 348	(144)	0%	163 800
Service charges		567 409	567 409	52 439	123 307	122 939	368	0%	567 409
Other revenue		76 884	76 884	6 226	12 412	12 494	(81)	-1%	76 884
Government - operating		90 324	90 324	1 015	28 994	28 994	-		90 324
Government - capital		64 354	64 354	11 003	15 610	15 610	-		64 354
Interest		8 784	8 784	1 202	3 411	3 411	-		8 784
Dividends							-		-
Payments									
Suppliers and employees		(765 303)	(765 303)	(76 006)	(120 470)	(120 535)	(66)	0%	(765 303)
Finance charges		(46 895)	(46 895)	(1 108)	(1 901)	(1 901)	-		(46 895)
Transfers and Grants		(48 497)	(48 497)	(4 328)	(13 439)	(13 439)	-		(48 497)
NET CASH FROM/(USED) OPERATING ACTIVITIES	-	110 861	110 861	1 697	77 130	76 921	(209)	0%	110 861
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		18	18	0	1	1	-		18
Decrease (increase) in non-current investments		(6 248)	(6 248)	(506)	(1 583)	(1 583)	-		(6 248)
Payments									
Capital assets		(103 914)	(105 479)	(14 612)	(24 627)	(24 627)	-		(103 914)
NET CASH FROM/(USED) INVESTING	-	(110 144)	(111 709)	(15 117)	(26 209)	(26 209)	-		(110 144)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		(1 135)	(1 135)	-	-	-	-		(1 135)
Borrowing long term/refinancing		30 000	30 000	-	-	-	-		30 000
Increase (decrease) in consumer deposits		2 479	2 479	297	539	539	-		2 479
Payments									
Repayment of borrowing		(23 936)	(23 936)	(828)	(2 615)	(2 615)	-		(23 936)
NET CASH FROM/(USED) FINANCING	-	7 409	7 409	(530)	(2 077)	(2 077)	-		7 409
NET INCREASE/ (DECREASE) IN CASH HELD	-	8 126	6 561	(13 951)	48 844	48 635			8 126
Cash/cash equivalents at beginning:		89 421	90 986		104 987	90 986			104 987
Cash/cash equivalents at month/year end:		97 547	97 547		153 831	139 621			113 113

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R153.8 million.

The municipality started the year with a positive cash balance of R104,9 million. The September closing balance is R153.8 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 - M03 September

Description	Budget Year 2015/16												2015/16 Medium Term Revenue &		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year	Budget Year
R thousands	Outcome	Outcome	Outcome									Budget	2015/16	+1 2016/17	+2 2017/18
Cash Receipts By Source															
Property rates	5 085	8 620	11 255									137 949	162 909	172 317	183 542
Property rates - penalties & collection charges	65	62	56									707	891	980	1 078
Service charges - electricity revenue	21 074	25 610	25 570									266 995	339 249	369 510	405 469
Service charges - water revenue	5 153	13 140	12 569									71 296	102 158	107 084	113 055
Service charges - sanitation revenue	570	5 041	6 417									54 420	66 448	69 680	73 596
Service charges - refuse	774	7 336	7 884									43 561	59 554	62 701	66 475
Rental of facilities and equipment	707	599	1 350									9 216	11 872	12 879	14 097
Interest earned - external investments	626	1 144	988									3 589	6 348	6 348	6 348
Interest earned - outstanding debtors	219	221	214									1 784	2 437	2 680	2 948
Fines	527	4 221	2 195									24 916	31 859	32 766	33 763
Licences and permits	192	186	192									1 620	2 190	2 408	2 649
Agency services	262	206	227									2 276	2 970	3 267	3 594
Transfer receipts - operating	27 390	590	1 015									61 330	90 324	107 886	97 173
Other revenue	(526)	1 258	2 205									25 056	27 993	24 156	20 648
Cash Receipts by Source	62 118	68 233	72 137	-	-	-	-	-	-	-	-	704 715	907 202	974 662	1 024 434
Other Cash Flows by Source															
Transfer receipts - capital	227	4 381	11 003									47 743	63 354	60 876	73 561
Contributions & Contributed assets												1 000	1 000	-	-
Proceeds on disposal of PPE												-	-	-	-
Borrowing long term/refinancing												30 000	30 000	30 000	30 000
Increase in consumer deposits	170	71	297									1 940	2 479	2 628	2 786
Receipt of non-current debtors	-	-	-									-	-	-	-
Receipt of non-current receivables	0	0	0									17	18	13	11
Change in non-current investments	(429)	(648)	(506)									(4 665)	(6 248)	(5 930)	(6 025)
Total Cash Receipts by Source	62 086	72 037	82 931	-	-	-	-	-	-	-	-	779 617	996 671	1 060 977	1 123 416
Cash Payments by Type															
Employee related costs	18 684	20 185	23 173									222 974	285 015	298 435	316 191
Remuneration of councillors	668	663	663									6 681	8 674	9 192	9 741
Interest paid	123	670	1 108									44 994	46 895	46 780	47 279
Bulk purchases - Electricity	3 279	23 866	22 228									144 200	193 573	221 138	252 628
Bulk purchases - Water & Sewer												-	-	-	-
Other materials	1 212	1 935	2 553									52 100	57 801	69 631	53 593
Contracted services	1 367	5 457	6 473									112 025	125 322	128 122	135 442
Grants and subsidies paid - other municipalities												-	-	-	-
Grants and subsidies paid - other	3 352	5 758	4 328									35 058	48 497	54 667	62 244
General expenses	(27 142)	(552)	20 917									101 696	94 919	82 042	68 158
Cash Payments by Type	1 543	57 982	81 443	-	-	-	-	-	-	-	-	719 728	860 695	910 006	945 276
Other Cash Flows/Payments by Type															
Capital assets	227	9 788	14 612									79 287	103 914	94 606	103 561
Repayment of borrowing	1 075	713	828									21 320	23 936	26 841	29 775
Total Cash Payments by Type	2 844	68 483	96 882	-	-	-	-	-	-	-	-	820 335	988 545	1 031 453	1 078 612
NET INCREASE/(DECREASE) IN CASH HELD	59 241	3 554	(13 951)	-	-	-	-	-	-	-	-	(40 718)	8 126	29 524	44 804
Cash/cash equivalents at the month/year end	104 987	164 228	167 782	153 831	153 831	153 831	153 831	153 831	153 831	153 831	153 831	153 831	104 987	113 113	142 637
Cash/cash equivalents at the month/year end	164 228	167 782	153 831	153 831	153 831	153 831	153 831	153 831	153 831	153 831	153 831	113 113	113 113	142 637	187 440

This supporting table gives details 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 - M03 September

Description	NT Code	Budget Year 2015/16										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impaired - 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 - Water	1200	9 516	294	223	168	138	129	552	2 715	13 735	3 702	-	3 478	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	12 816	274	185	144	110	94	496	2 092	16 211	2 935	-	3 629	
Receivables from Non-exchange Transactions - Property Rates	1400	14 329	425	267	209	170	141	652	2 144	18 336	3 315	-	4 194	
Receivables from Exchange Transactions - Waste Water Management	1500	5 402	178	124	96	86	73	361	1 773	8 094	2 389	-	2 090	
Receivables from Exchange Transactions - Waste Management	1600	4 398	235	105	80	66	58	313	1 270	6 525	1 787	-	1 631	
Receivables from Exchange Transactions - Property Rental Debtors	1700	230	3	5	4	7	6	30	104	388	150	-	103	
Interest on Arrear Debtor Accounts	1810	55	32	42	35	35	39	262	4 519	5 020	4 890	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	1 562	201	658	228	147	212	661	2 314	5 983	3 562	-	1 850	
Total By Income Source	2000	48 309	1 643	1 610	963	757	753	3 326	16 931	74 292	22 731	-	16 975	
2014/15 - totals only		45 343	1 634	1 127	1 001	715	627	3 220	16 155	69 821	21 717	374	16 359	
Debtors Age Analysis By Customer Group														
Organs of State	2200	926	28	27	50	5	3	30	187	1 256	275	-	203	
Commercial	2300	6 578	89	50	31	27	19	116	657	7 567	849	-	614	
Households	2400	41 267	1 521	1 525	872	718	726	3 154	15 739	65 523	21 210	-	16 155	
Other	2500	(463)	5	8	10	8	5	26	348	(54)	396	-	2	
Total By Customer Group	2600	48 309	1 643	1 610	963	757	753	3 326	16 931	74 292	22 731	-	16 975	

Debtors' levels remain stable. The 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	
2 015					
July	8 337	3 352 279	23 998	32 335	25.78%
August	8 336	5 479 944	24 348	32 684	25.50%
September	8 124	4 328 481	24 548	32 672	24.87%
October					
November					
December					
2016					
January					
February					
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
2015/16											
June											
May											
April											
March											
February											
January											
December											
November											
October											
September	48 308 730	1 643 242	1 609 916	963 407	757 166	752 650	3 326 448	16 930 901	74 292 460	25 983 730	22 730 572
Augustus	50 057 274	2 342 293	1 199 288	879 106	834 921	808 181	3 292 068	16 645 645	76 058 775	26 001 502	22 459 921
July	51 621 817	1 729 149	1 088 910	946 724	893 543	663 928	3 250 785	16 514 546	76 709 402	25 087 584	22 269 526

Government Debt

Overstrand Municipality as at 01/10/2015	Total Debt	Services	Rates	Other
Department Responsible for the Debt				
NPW 2227	310 997	230 261	77 262	3 475
WCED 2251	288 000	288 000	0	0
OTHER 2210+2255	77 131	26 282	50 849	0
HEALTH 2252	88 567	79 616	8 951	0
TPW 2256	377 148	-194	369 307	8 036
HOUSING 2253+2215	114 642	100 405	14 238	0
TOTAL OUTSTANDING	1 256 485	724 369	520 606	11 510

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2015/16								Total
		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	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	788								788
Bulk Water	0200									-
PAYE deductions	0300	3 031								3 031
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	3 827								3 827
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	7 645	-	-	-	-	-	-	-	7 645

Supporting Table SC4 reflects current creditors at the end of September 2015.

The payment of creditors is within requirements of the MFMA.

Investment portfolio analysis

Supporting Table SC5

WC032 Overstrand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

Investments by maturity Name of institution & investment ID R thousands	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
	Yrs/Months							
Municipality								
LIBERTY 15934476	15 YEARS	Policy	01/09/2025	32		8 823	125	8 980
LIBERTY 21196964	14 YEARS	Policy	01/09/2025	48		13 789	260	14 098
MOMENTUM MP 3853776	14 YEARS	Policy	01/07/2026	10		1 614	30	1 654
ABSA 4074809272	DAILY	CALL		2	5.5%	415		417
ABSA 9284200168	DAILY	DEP PLUS		119	5.8%	24 103		24 222
ABSA 9295906141	DAILY	DEP PLUS		119	5.8%	24 126		24 245
INVESTEC 1400-196164-452	30 DAYS	FIXED DEP	30/10/2015		6.6%	50 000		50 000
STANDARD BANK 288434005/019	30 DAYS	FIXED DEP	30/10/2015		6.5%	25 000		25 000
TOTAL INVESTMENTS AND INTEREST				330		147 870	415	148 616

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 - M03 September

Description	2014/15	Budget Year 2015/16							
	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:	-	67 709	67 709	-	29 029	29 029	-		67 709
Local Government Equitable Share		64 598	64 598		26 915	26 915	-		64 598
Finance Management		1 450	1 450		1 450	1 450			1 450
Municipal Systems Improvement									
EPWP Incentive		1 661	1 661		664	664			1 661
Provincial Government:	-	22 615	22 615	1 982	6 828	6 828	-		22 615
Housing		17 141	17 141	1 982	1 982	1 982	-		17 141
Provincial Library Grant		5 288	5 288		4 774	4 774			5 288
Community Development Worker Grant		72	72		72	72	-		72
Main Road Subsidy		114	114				-		114
District Municipality:	-	-	-	-	-	-	-		-
[insert description]							-		
Total Operating Transfers and Grants	-	90 324	90 324	1 982	35 857	35 857	-		90 324
Capital Transfers and Grants									
National Government:	-	30 347	30 347	-	11 519	11 519	-		30 347
Municipal Infrastructure Grant (MIG)		21 417	21 417		2 589	2 589	-		21 417
Municipal Systems Improvement		930	930		930	930			930
INEP		8 000	8 000		8 000	8 000			8 000
Provincial Government:	-	33 007	33 007	-	19 299	19 299	-		33 007
Housing		29 973	29 973		19 299	19 299	-		29 973
Provincial Library Grant		3 034	3 034						3 034
Other grant providers:	-	1 000	1 000	-	-	-	-		1 000
National Lotto		1 000	1 000				-		1 000
Total Capital Transfers and Grants	-	64 354	64 354	-	30 818	30 818	-		64 354
TOTAL RECEIPTS OF TRANSFERS & GRANTS	-	154 678	154 678	1 982	66 674	66 674	-		154 678

Grant receipts are monitored according to the payment schedules.

Supporting Table SC7(1) – Grant expenditure

WC032 Overstrand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	2014/15	Budget Year 2015/16							
	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:	-	3 111	3 111	115	300	300	-		67 709
Local Government Equitable Share							-		64 598
Finance Management		1 450	1 450	18	101	101	-		1 450
Municipal Systems Improvement							-		
EPWP Incentive		1 661	1 661	97	199	199	-		1 661
							-		
Provincial Government:	-	22 615	22 615	566	1 443	1 443	-		22 615
Housing		17 141	17 141				-		17 141
Provincial Library Grant		5 288	5 288	549	1 426	1 426	-		5 288
Community Development Worker Grant		72	72	17	17	17	-		72
Main Road Subsidy		114	114				-		114
							-		
District Municipality:	-	-	-	-	-	-	-		-
							-		
Other grant providers:	-	-	-	-	-	-	-		-
							-		
Total operating expenditure of Transfers and Grants:	-	25 726	25 726	681	1 744	1 744	-		90 324
							-		
Capital expenditure of Transfers and Grants									
National Government:	-	30 347	30 347	1 463	2 063	2 063	-		30 347
Municipal Infrastructure Grant (MIG)		21 417	21 417	1 289	1 888	1 888	-		21 417
Municipal Systems Improvement		930	930				-		930
INEP		8 000	8 000	175	175	175	-		8 000
							-		
Provincial Government:	-	33 007	33 007	9 872	13 883	13 883	-		33 007
Housing		29 973	29 973	9 531	13 540	13 540	-		29 973
Provincial Library Grant		3 034	3 034	341	344	344	-		3 034
District Municipality:	-	-	-	-	-	-	-		-
							-		
Other grant providers:	-	1 000	1 000	-	-	-	-		1 000
National Lotto		1 000	1 000				-		1 000
							-		
Total capital expenditure of Transfers and Grants	-	64 354	64 354	11 336	15 946	15 946	-		64 354
							-		
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	90 080	90 080	12 017	17 690	17 690	-		154 678

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 - M03 September

Description	Budget Year 2015/16				
	Approved Rollover 2014/15	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				-	
EPWP Incentive				-	
0				-	
Other transfers and grants [insert description]				-	
Provincial Government:	-	-	-	-	
Housing				-	
Provincial Library Grant				-	
Community Development Worker Grant				-	
Main Road Subsidy				-	
Other transfers and grants [insert description]				-	
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)				-	
Finance Management				-	
Municipal Systems Improvement				-	
INEP				-	
Other capital transfers [insert description]				-	
Provincial Government:	-	-	-	-	
0				-	
District Municipality:	-	-	-	-	
Other grant providers:	-	-	-	-	
Total capital expenditure of Approved Roll-overs	-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	-	-	-	-	

A Roll over application was submitted to Provincial Treasury & National Treasury during August 2015 for the unspent FMSG and FMG funds. Approval has been received from National Treasury and the announcement in the Government Gazette is expected after the national mid term budget speech. The approval from Provincial Treasury is expected in November 2015.

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		8 037	8 037	614	1 841	1 852	(11)	-1%	8 037
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		638	638	49	147	147	(0)	0%	638
Housing Allowances							-		
Other benefits and allowances							-		
Sub Total - Councillors	-	8 674	8 674	663	1 988	1 999	(11)	-1%	8 674
Senior Managers of the Municipality									
Basic Salaries and Wages		9 735	9 735	795	2 386	2 389	(3)	0%	9 735
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Overtime							-		
Performance Bonus							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		154	154	13	39	39	-		154
Housing Allowances							-		
Other benefits and allowances							-		
Payments in lieu of leave							-		
Long service awards							-		
Post-retirement benefit obligations							-		
Sub Total - Senior Managers of Municipality	-	9 889	9 889	808	2 424	2 428	(3)	0%	9 889
Other Municipal Staff									
Basic Salaries and Wages		189 457	189 457	15 220	40 576	40 648	(73)	0%	189 457
Pension and UIF Contributions		31 735	31 735	2 727	7 308	7 323	(16)	0%	31 735
Medical Aid Contributions		11 618	11 618	820	2 458	2 444	14	1%	11 618
Overtime		15 046	15 046	1 254	2 231	2 285	(54)	-2%	15 046
Performance Bonus							-		
Motor Vehicle Allowance		11 314	11 314	807	2 411	2 426	(16)	-1%	11 314
Cellphone Allowance		1 348	1 348	106	319	321	(2)	-1%	1 348
Housing Allowances		1 002	1 002	16	186	211	(25)	-12%	1 002
Other benefits and allowances		10 621	10 621	1 146	2 343	2 349	(6)	0%	10 621
Provision for Accrued Leave		729	729	61	182	182	-		729
Provision for Long service awards		1 802	1 802	150	451	451	-		1 802
Provision for Bonus		455	455	38	114	114	-		455
Post-retirement benefit obligations		6 578	6 578	548	1 645	1 645	-		6 578
Sub Total - Other Municipal Staff	-	281 705	281 705	22 893	60 222	60 400	(178)	0%	281 705
Total Parent Municipality		300 268	300 268	24 364	64 634	64 826	(192)	0%	300 268
TOTAL SALARY, ALLOWANCES & BENEFITS	-	300 268	300 268	24 364	64 634	64 826	(192)	0%	300 268
TOTAL MANAGERS AND STAFF	-	291 593	291 593	23 701	62 646	62 827	(181)	0%	291 593

SDBIP

The results of the SDBIP for the first quarter ended 30 September 2015 will be included in a separate comprehensive report to be tabled in Council.

Financial Performance

Supporting Table SC2

WC032 Overstrand - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

Description of financial indicator	Basis of calculation	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	0.0%	16.4%	16.4%	1.0%	5.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	31.1%	31.7%	33.8%	31.1%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	0.0%	18.9%	18.9%	16.2%	18.9%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	15774.5%	15774.5%	15755.0%	15774.5%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	0.0%	119.2%	119.2%	234.4%	119.2%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0%	55.9%	55.9%	131.6%	55.9%
<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	0.0%	10.7%	10.7%	51.4%	10.7%
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%
<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		6.0%	6.0%	5.7%	6.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source		20.2%	20.2%	19.3%	20.2%
Employee costs	Employee costs/Total Revenue - capital revenue	0.0%	32.6%	32.6%	27.1%	32.6%
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	0.0%	17.7%	17.7%	0.8%	6.2%
<u>IDP regulation financial viability indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		22.4	22.4	Annual Indicator	22.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		12.9%	12.9%	Annual Indicator	12.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		1.5	1.5	Annual Indicator	1.5

Capital programme performance

Supporting Table SC12

WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2014/15	Budget Year 2015/16							
	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		100	100	227	227	100	(127)	-127.0%	0%
August		719	719	9 788	10 015	819	(9 196)	-1122.4%	10%
September		2 454	2 454	14 612	24 627	3 273	(21 354)	-652.4%	24%
October		9 714	9 714			12 987	-		
November		9 931	9 931			22 918	-		
December		8 931	8 931			31 850	-		
January		1 005	1 005			32 855	-		
February		7 151	7 151			40 006	-		
March		9 671	9 671			49 676	-		
April		9 285	9 285			58 962	-		
May		11 048	11 048			70 010	-		
June		33 904	35 469			105 479	-		
Total Capital expenditure	-	103 914	105 479	24 627					

Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

Description	2014/15	Budget Year 2015/16							
	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	-	44 873	46 438	3 899	4 545	2 092	(2 453)	-117.3%	44 873
Infrastructure - Road transport	-	14 979	14 979	1 609	2 208	1 245	(963)	-77.3%	14 979
<i>Roads, Pavements & Bridges</i>		12 103	12 103	1 000	1 000	525	(475)	-90.6%	12 103
<i>Storm water</i>		2 877	2 877	608	1 207	720	(487)	-67.7%	2 877
Infrastructure - Electricity	-	21 726	23 291	2 290	2 290	800	(1 490)	-186.3%	21 726
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		21 726	23 291	2 290	2 290	800	(1 490)	-186.3%	21 726
<i>Street Lighting</i>							-		
Infrastructure - Water	-	4 737	4 737	-	47	47	-		4 737
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		4 737	4 737		47	47	-		4 737
Infrastructure - Sanitation	-	3 420	3 420	-	-	-	-		3 420
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		3 420	3 420				-		3 420
Infrastructure - Other	-	10	10	-	-	-	-		10
<i>Waste Management</i>		10	10				-		10
Community	-	35 611	35 611	9 909	13 920	777	(13 143)	-1692.2%	35 611
Parks & gardens							-		
Sportsfields & stadia		1 823	1 823	7	7	7	-		1 823
Libraries		3 080	3 080	341	344	293	(50)	-17.1%	3 080
Recreational facilities							-		
Fire, safety & emergency		295	295	29	29	29	-		295
Security and policing							-		
Cemeteries							-		
Social rental housing		29 973	29 973	9 531	13 540	447	(13 093)	-2929.0%	29 973
Other		440	440				-		440
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	2 673	2 673	4	4	4	-		2 673
General vehicles		120	120				-		120
Computers - hardware/equipment		2 528	2 528	4	4	4	-		2 528
Furniture and other office equipment							-		
Other		25	25				-		25
Intangibles	-	-	-	-	-	-	-		-
Computers - software & programming							-		
Other							-		
Total Capital Expenditure on new assets	-	83 156	84 721	13 811	18 468	2 872	(15 596)	-543.0%	83 156

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03 September

Description	2014/15	Budget Year 2015/16							
	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	-	16 600	16 600	801	6 159	401	(5 758)	-1436.8%	16 600
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	11 653	11 653	635	5 993	235	(5 758)	-2450.3%	11 653
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	11 653	11 653	635	5 993	235	(5 758)	-2450.3%	11 653
Infrastructure - Sanitation	-	4 947	4 947	166	166	166	-	-	4 947
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	4 947	4 947	166	166	166	-	-	4 947
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Community	-	4 158	4 158	-	-	-	-	-	4 158
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	4 158	4 158	-	-	-	-	-	4 158
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of	-	20 758	20 758	801	6 159	401	(5 758)	-1436.8%	20 758

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September

Description	2014/15	Budget Year 2015/16							
	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	-	111 449	111 449	8 068	18 553	27 862	9 309	33.4%	111 449
Infrastructure - Road transport	-	57 090	57 090	3 456	8 786	14 272	5 486	38.4%	57 090
<i>Roads, Pavements & Bridges</i>		51 401	51 401	3 087	8 014	12 850	4 836	37.6%	51 401
<i>Storm water</i>		5 689	5 689	369	772	1 422	651	45.7%	5 689
Infrastructure - Electricity	-	16 835	16 835	1 408	3 216	4 209	992	23.6%	16 835
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		16 835	16 835	1 408	3 216	4 209	992	23.6%	16 835
<i>Street Lighting</i>							-		
Infrastructure - Water	-	22 874	22 874	1 867	3 928	5 718	1 790	31.3%	22 874
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		22 874	22 874	1 867	3 928	5 718	1 790	31.3%	22 874
Infrastructure - Sanitation	-	12 159	12 159	1 136	2 171	3 040	868	28.6%	12 159
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		12 159	12 159	1 136	2 171	3 040	868	28.6%	12 159
Infrastructure - Other	-	2 492	2 492	202	451	623	172	27.6%	2 492
<i>Waste Management</i>		2 492	2 492	202	451	623	172	27.6%	2 492
Community	-	4 546	4 546	305	556	1 137	581	51.1%	4 546
Parks & gardens		2 084	2 084	173	339	521	182	35.0%	2 084
Sportsfields & stadia		588	588	16	33	147	114	77.6%	588
Swimming pools		483	483	27	27	121	94	77.7%	483
Community halls		564	564	33	77	141	64	45.1%	564
Libraries		99	99	2	8	25	16	66.1%	99
Recreational facilities							-		
Fire, safety & emergency							-		
Security and policing							-		
Cemeteries		27	27	2	5	7	1	20.8%	27
Social rental housing							-		
Other		701	701	52	66	175	109	62.1%	701
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development							-		
Other assets	-	5 081	5 081	328	893	1 270	378	29.7%	5 081
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment							-		
Computers - hardware/equipment							-		
Other Buildings		661	661	10	38	165	127	77.1%	661
Other		4 420	4 420	318	855	1 105	250	22.6%	4 420
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	-	121 077	121 077	8 701	20 002	30 269	10 267	33.9%	121 077

Supporting Table SC13d

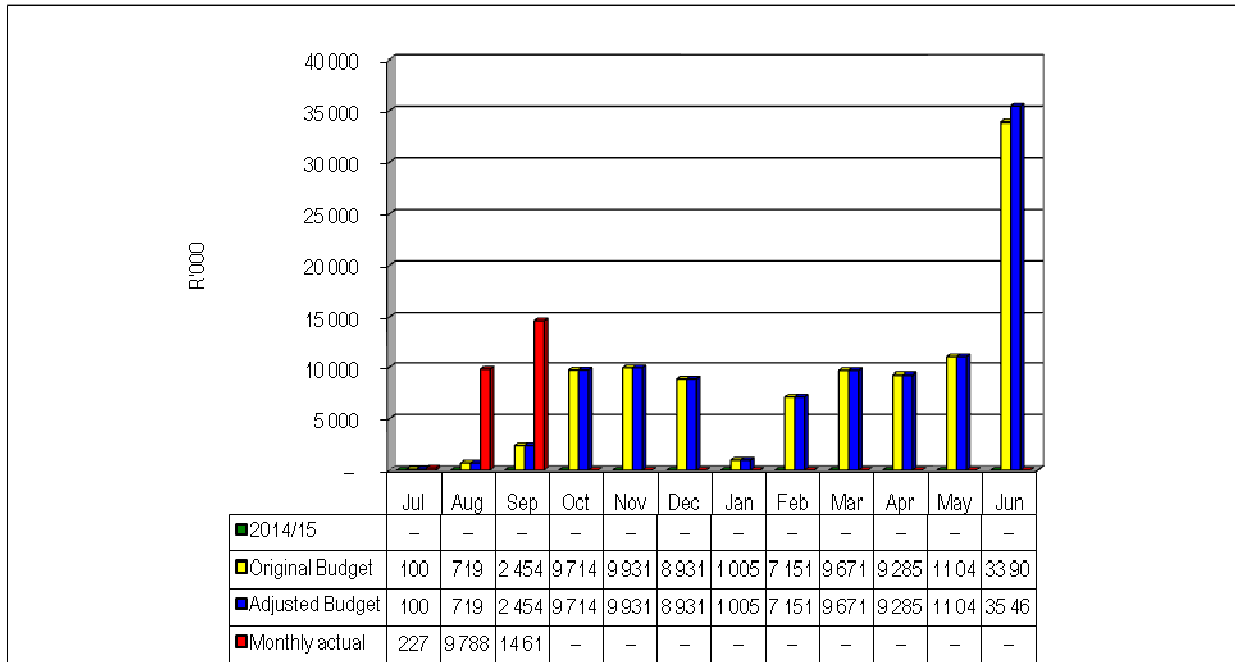
WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

Description	2014/15	Budget Year 2015/16							
	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	-	94 154	94 154	7 846	23 539	23 539	-		94 154
Infrastructure - Road transport	-	32 235	32 235	2 686	8 059	8 059	-		32 235
<i>Roads, Pavements & Bridges</i>		29 645	29 645	2 470	7 411	7 411	-		29 645
<i>Storm water</i>		2 590	2 590	216	647	647	-		2 590
Infrastructure - Electricity	-	20 158	20 158	1 680	5 040	5 040	-		20 158
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		20 158	20 158	1 680	5 040	5 040	-		20 158
<i>Street Lighting</i>							-		
Infrastructure - Water	-	19 981	19 981	1 665	4 995	4 995	-		19 981
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		19 981	19 981	1 665	4 995	4 995	-		19 981
Infrastructure - Sanitation	-	17 034	17 034	1 420	4 259	4 259	-		17 034
<i>Reticulation</i>		17 034	17 034	1 420	4 259	4 259	-		17 034
<i>Sewerage purification</i>							-		
Infrastructure - Other	-	4 746	4 746	395	1 186	1 186	-		4 746
<i>Waste Management</i>		3 930	3 930	327	982	982	-		3 930
<i>Other</i>		816	816	68	204	204	-		816
Community	-	3 601	3 601	300	900	900	-		3 601
Recreational facilities		3 601	3 601	300	900	900	-		3 601
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	12 481	12 481	1 040	3 120	3 120	-		12 481
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment							-		
Computers - hardware/equipment							-		
Furniture and other office equipment							-		
Civic Land and Buildings		5 685	5 685	474	1 421	1 421	-		5 685
Other Buildings							-		
Other Land							-		
Surplus Assets - (Investment or Inventory)							-		
Other		6 796	6 796	566	1 699	1 699	-		6 796
Agricultural assets	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
Intangibles	-	1 126	1 126	94	281	281	-		1 126
Computers - software & programming							-		
Other		1 126	1 126	94	281	281	-		1 126
Total Depreciation	-	111 362	111 362	9 280	27 840	27 840	-		111 362

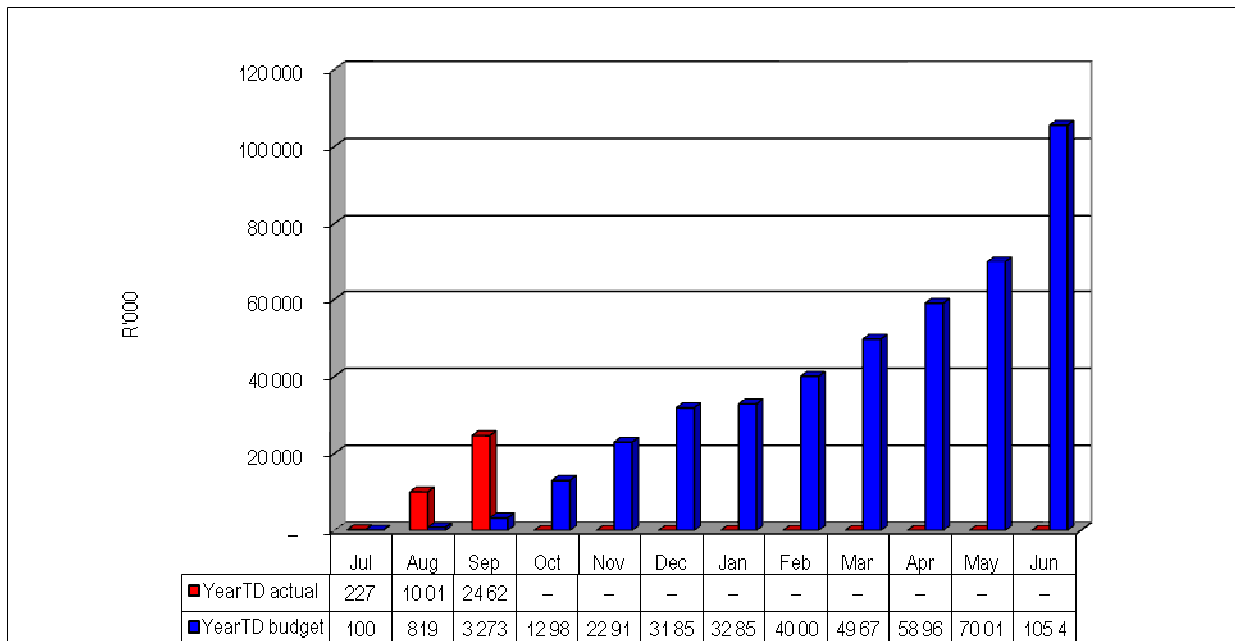
Other supporting documentation

Section 71 charts

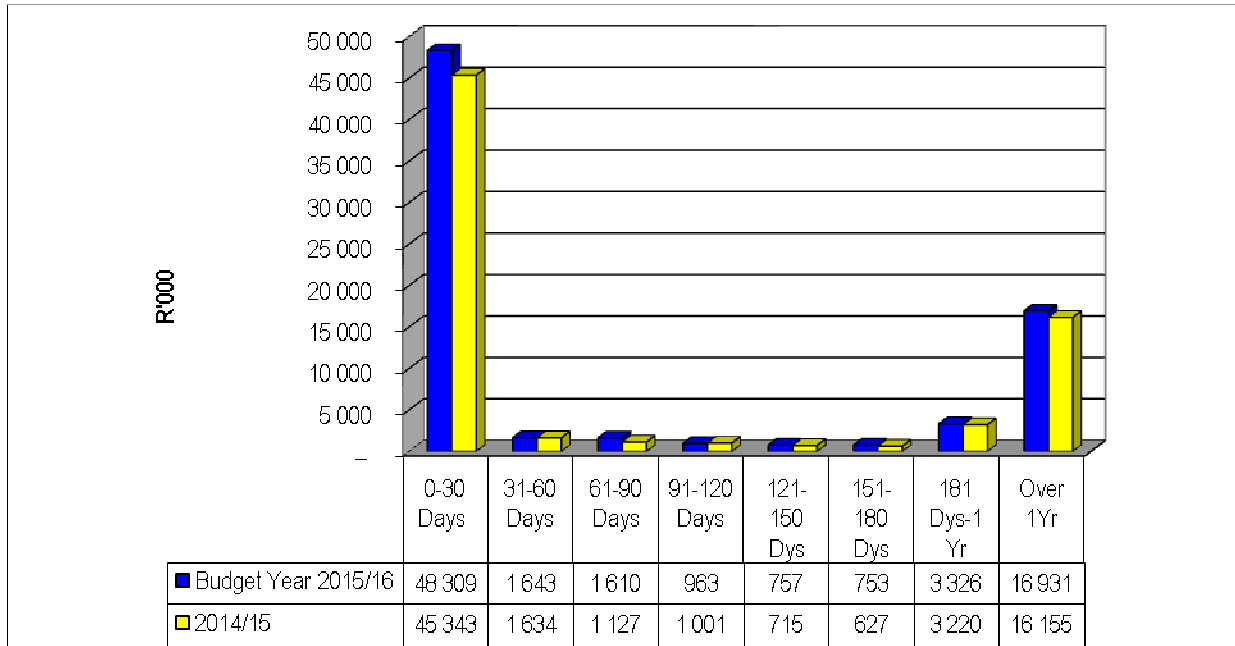
Capital expenditure monthly trend - actual vs target



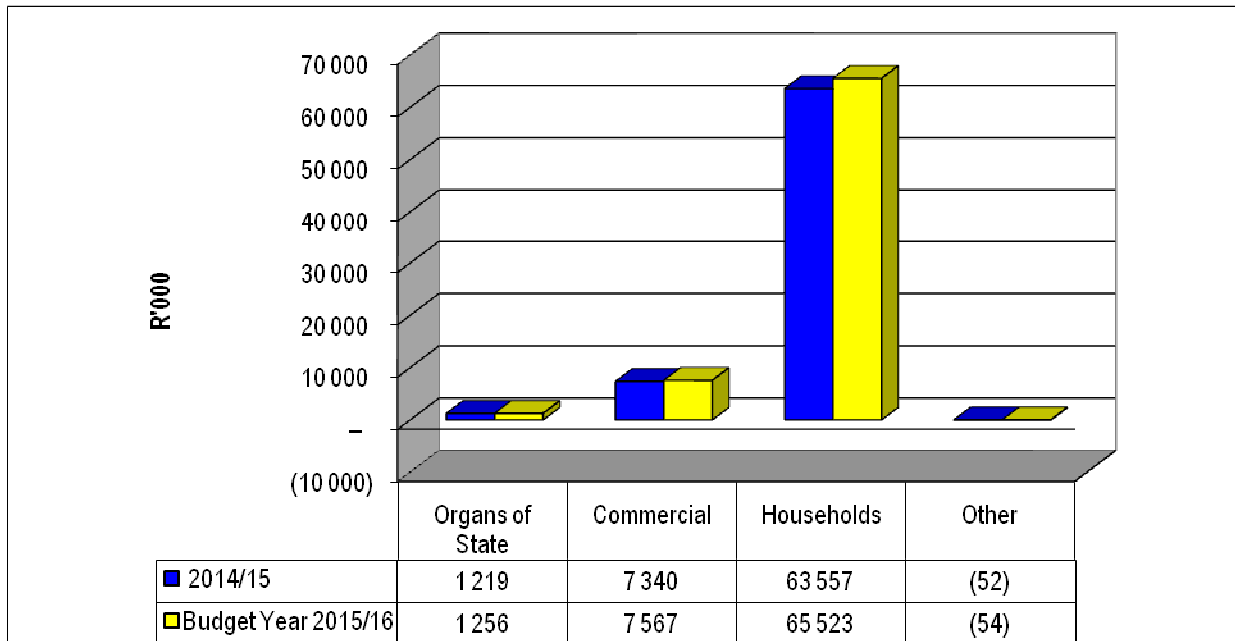
Capital expenditure – YTD actual vs YTD trend



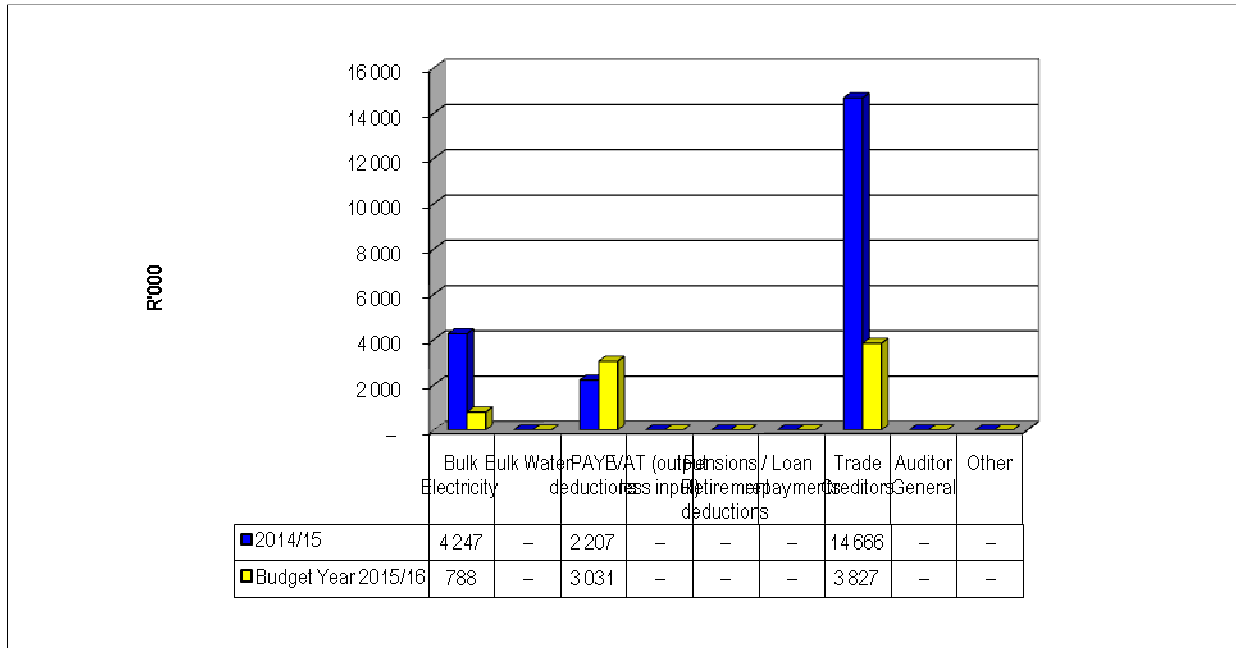
Debtors Age Analysis



Debtors by Type



Creditor Payments



Municipal manager's quality certification

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

□ **Quarterly Budget Report**

for the period ending **September 2015** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: **CC Groenewald**

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

Signature:

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

Date:

15.10.2015