

OVERSTRAND MUNICIPALITY



Quarterly Budget Report

December 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.

Table of Contents

Glossary	3
PART 1 – IN-YEAR REPORT	5
Mayor’s Report	5
Resolutions	6
Executive Summary	7
In-year budget statement tables	9
PART 2 – SUPPORTING DOCUMENTATION	18
Debtors' analysis	18
Creditors' analysis	19
Investment portfolio analysis	20
Allocation and grant receipts and expenditure	21
Councillor allowances and employee benefits	23
Material variances to the SDBIP.....	25
Municipal financial performance.....	26
Capital programme performance	27
Other supporting documentation	32
Municipal manager’s quality certification	35

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 second quarter ended 31 December 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 second quarter's financial position. We still have to report according to the standard reports of the budget reporting regulations.

YTD Actual operating revenue at the end of the second quarter for 2015/2016 is at 51.59% of the budgeted revenue. The expenditure reflects spending of 45.49% against the budgeted expenditure. Capital expenditure amounts to R46.55m, or 44.14% of the total adjusted budget of R105.4m, at the end of December 2015.

The Mid -Year Review process was undertaken during November/December 2015 and the outcome will be tabled in January 2016. Additional Grant funding amounting to R7 256 000 was received from Provincial Treasury in the second quarter in respect of Financial Management Support Grant (FMSG), Housing & Thusong Centre. An adjustments budget relating to these amounts will be tabled in January 2016.

Outstanding consumer debtors remain stable and only reflect the year-on-year increase from increased tariffs as from 1 July 2015. The increase in the current debtors for December 2015 is as a result of seasonal usage over the holiday period.

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 December 2015, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003, **be noted**.

Executive Summary

The Auditor General has completed the audit of the 2014/2015 financial statements and the 'Audit Outcome' for 2014/2015 will be included with the tabling of the Annual Report on 22 January 2016.

Revenue by Source

The Year-to-Date actual revenue is 0.96% above the YTD budget projections at the end of December 2015.

Borrowings

The balance of borrowings amounts to R421m at the end of December 2015.

Operating expenditure by vote & type

Current expenditure is 1.50% below YTD budget projections as at December 2015.

Capital expenditure

YTD Capital expenditure amounts to R46.55m or 44.14% of the total adjusted budget of R105.4m. The current capital commitments of orders in progress amounts to R13.6m giving total capital spend and committed at 57.06% at the end of December 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 December closing balance is R151.9 million. Refer to Supporting Table SC9 for more details on the cash position.

Allocations received (National & Provincial Grants)

Housing Grant totaling R2.68m was received during December 2015.

Spending on Grants

Spending on grants amounts to R13.10m for December 2015 which includes FMG, MSIG, 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 - M06 December			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>	0.96%	Not material	
<u>Expenditure By Type</u>	-1.50%	Not material	
<u>Capital Expenditure</u>	46.17%	Capital Commitments = R13.6m	
<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 - M06 December

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	13 544	83 913	83 107	805	1%	163 621
Service charges	-	566 784	566 784	49 440	280 255	277 943	2 313	1%	566 784
Investment revenue	-	6 348	6 348	843	5 860	4 496	1 363	30%	6 348
Transfers recognised - operational	-	90 324	90 324	6 473	62 405	62 405	-		90 324
Other own revenue	-	67 957	67 957	6 495	33 670	33 730	(61)	-0%	67 957
Total Revenue (excluding capital transfers and contributions)	-	895 035	895 035	76 794	466 102	461 682	4 421	1%	895 035
Employee costs	-	291 593	291 593	22 257	140 095	142 208	(2 113)	-1%	291 593
Remuneration of Councillors	-	8 674	8 674	683	4 052	4 337	(285)	-7%	8 674
Depreciation & asset impairment	-	111 362	111 362	9 280	55 681	55 681	-		111 362
Finance charges	-	46 895	46 895	8 511	15 553	15 553	-		46 895
Materials and bulk purchases	-	251 374	251 374	22 758	114 801	118 450	(3 649)	-3%	251 374
Transfers and grants	-	48 497	48 497	3 955	25 297	25 297	-		48 497
Other expenditure	-	206 135	206 135	20 238	83 343	83 969	(627)	-1%	206 135
Total Expenditure	-	964 529	964 529	87 681	438 821	445 495	(6 674)	-1%	964 529
Surplus/(Deficit)	-	(69 494)	(69 494)	(10 887)	27 281	16 186	11 094	69%	(69 494)
Transfers recognised - capital	-	63 354	63 354	6 636	28 889	28 889	-		63 354
Contributions & Contributed assets	-	1 000	1 000	-	-	-	-		1 000
Surplus/(Deficit) after capital transfers & contributions	-	(5 140)	(5 140)	(4 251)	56 170	45 076	11 094	25%	(5 140)
Surplus/ (Deficit) for the year	-	(5 140)	(5 140)	(4 251)	56 170	45 076	11 094	25%	(5 140)
Capital expenditure & funds sources									
Capital expenditure	-	103 914	105 479	12 084	46 555	31 850	14 705	46%	103 914
Capital transfers recognised	-	64 354	64 354	7 774	30 962	16 115	14 847	92%	64 354
Public contributions & donations	-	462	462	300	300	231	69	30%	462
Borrowing	-	32 346	33 419	2 619	12 919	13 089	(170)	-1%	32 346
Internally generated funds	-	6 753	7 245	1 391	2 373	2 415	(42)	-2%	6 753
Total sources of capital funds	-	103 914	105 479	12 084	46 555	31 850	14 705	46%	103 914
Financial position									
Total current assets	-	207 929	207 929		275 485				207 929
Total non current assets	-	3 320 511	3 320 511		3 299 658				3 320 511
Total current liabilities	-	174 459	174 459		156 705				174 459
Total non current liabilities	-	617 668	617 668		588 511				617 668
Community wealth/Equity	-	2 736 314	2 736 314		2 829 926				2 736 314
Cash flows									
Net cash from (used) operating	-	110 861	110 861	(8 673)	107 582	107 342	(241)	-0%	110 861
Net cash from (used) investing	-	(110 144)	(111 709)	(12 790)	(49 886)	(49 886)	-		(110 144)
Net cash from (used) financing	-	7 409	7 409	(2 981)	(10 693)	(10 693)	-		7 409
Cash/cash equivalents at the month/year end	-	97 547	97 547	-	151 990	137 748	(14 242)	-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	50 980	3 576	1 326	1 172	751	723	3 867	17 318	79 713
Creditors Age Analysis									
Total Creditors	3 482	-	-	-	-	-	-	-	3 482

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

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

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	17 094	149 206	147 344	1 862	1%	255 994
Executive and council	–	64 861	64 861	130	48 690	48 690	–		64 861
Budget and treasury office	–	180 339	180 339	15 025	93 889	93 175	714	1%	180 339
Corporate services	–	10 795	10 795	1 939	6 627	5 479	1 148	21%	10 795
Community and public safety	–	101 843	101 843	12 905	51 954	49 493	2 461	5%	101 843
Community and social services	–	4 657	4 657	263	2 200	2 366	(166)	-7%	4 657
Sport and recreation	–	11 942	11 942	2 495	4 528	5 971	(1 443)	-24%	11 942
Public safety	–	37 676	37 676	2 540	17 062	16 976	86	1%	37 676
Housing	–	47 567	47 567	7 607	28 164	24 180	3 984	16%	47 567
Economic and environmental services	–	20 033	20 033	2 709	9 029	9 082	(53)	-1%	20 033
Planning and development	–	9 043	9 043	724	5 794	4 597	1 197	26%	9 043
Road transport	–	10 890	10 890	1 985	3 217	4 435	(1 218)	-27%	10 890
Environmental protection	–	101	101	–	18	50	(32)	-64%	101
Trading services	–	581 518	581 518	50 723	284 803	284 652	150	0%	581 518
Electricity	–	346 361	346 361	28 218	163 475	165 015	(1 540)	-1%	346 361
Water	–	106 211	106 211	10 692	52 894	53 991	(1 097)	-2%	106 211
Waste water management	–	69 402	69 402	6 631	37 629	35 280	2 349	7%	69 402
Waste management	–	59 544	59 544	5 182	30 805	30 368	438	1%	59 544
Other	–	–	–	–	–	–	–		–
Total Revenue - Standard	–	959 389	959 389	83 430	494 992	490 571	4 421	1%	959 389
Expenditure - Standard									
Governance and administration	–	237 278	237 278	20 178	114 182	113 261	921	1%	237 278
Executive and council	–	92 565	92 565	7 528	45 377	45 379	(2)	0%	92 565
Budget and treasury office	–	69 750	69 750	5 512	33 383	32 841	542	2%	69 750
Corporate services	–	74 963	74 963	7 138	35 421	35 040	381	1%	74 963
Community and public safety	–	141 933	141 933	15 649	64 078	62 792	1 286	2%	141 933
Community and social services	–	31 368	31 368	2 390	15 007	13 943	1 064	8%	31 368
Sport and recreation	–	18 220	18 220	2 835	8 520	8 427	93	1%	18 220
Public safety	–	69 453	69 453	5 489	31 589	31 460	129	0%	69 453
Housing	–	22 892	22 892	4 935	8 963	8 963	–		22 892
Economic and environmental services	–	132 046	132 046	13 618	61 194	59 554	1 639	3%	132 046
Planning and development	–	40 308	40 308	3 135	18 756	18 978	(222)	-1%	40 308
Road transport	–	84 786	84 786	10 075	39 925	37 575	2 349	6%	84 786
Environmental protection	–	6 952	6 952	409	2 513	3 001	(488)	-16%	6 952
Trading services	–	453 273	453 273	38 236	199 368	209 889	(10 521)	-5%	453 273
Electricity	–	257 278	257 278	20 999	117 931	124 612	(6 681)	-5%	257 278
Water	–	78 253	78 253	7 519	31 661	33 290	(1 630)	-5%	78 253
Waste water management	–	63 478	63 478	5 560	27 025	28 698	(1 673)	-6%	63 478
Waste management	–	54 264	54 264	4 158	22 751	23 288	(537)	-2%	54 264
Other	–	–	–	–	–	–	–		–
Total Expenditure - Standard	–	964 529	964 529	87 681	438 821	445 495	(6 674)	-1%	964 529
Surplus/ (Deficit) for the year	–	(5 140)	(5 140)	(4 251)	56 170	45 076	11 094	25%	(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) - M06 December

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	19	48 557	48 557	-		64 808
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Management Services	-	991	991	226	654	496	159	32.1%	991
Vote 4 - Finance	-	180 339	180 339	15 025	93 889	93 175	714	0.8%	180 339
Vote 5 - Community Services	-	272 957	272 957	29 097	137 571	138 226	(655)	-0.5%	272 957
Vote 6 - Local Economic Development	-	3 091	3 091	267	2 061	1 511	551	36.4%	3 091
Vote 7 - Infrastructure & Planning	-	399 527	399 527	36 255	195 197	191 631	3 567	1.9%	399 527
Vote 8 - Protection Services	-	37 676	37 676	2 540	17 062	16 976	86	0.5%	37 676
Total Revenue by Vote	-	959 389	959 389	83 430	494 992	490 571	4 421	0.9%	959 389
Expenditure by Vote									
Vote 1 - Council	-	71 496	71 496	5 619	35 168	35 188	(20)	-0.1%	71 496
Vote 2 - Municipal Manager	-	4 489	4 489	348	2 153	2 244	(92)	-4.1%	4 489
Vote 3 - Management Services	-	43 327	43 327	2 904	19 178	21 279	(2 101)	-9.9%	43 327
Vote 4 - Finance	-	69 750	69 750	5 512	33 383	32 845	538	1.6%	69 750
Vote 5 - Community Services	-	341 492	341 492	36 250	159 773	157 005	2 768	1.8%	341 492
Vote 6 - Local Economic Development	-	8 731	8 731	653	4 478	4 006	472	11.8%	8 731
Vote 7 - Infrastructure & Planning	-	355 793	355 793	30 906	153 099	161 467	(8 368)	-5.2%	355 793
Vote 8 - Protection Services	-	69 453	69 453	5 489	31 589	31 460	128	0.4%	69 453
Total Expenditure by Vote	-	964 529	964 529	87 681	438 821	445 495	(6 674)	-1.5%	964 529
Surplus/ (Deficit) for the year	-	(5 140)	(5 140)	(4 251)	56 170	45 076	11 094	24.6%	(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) - M06 December

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	13 509	83 562	82 721	841	1%	162 730
Property rates - penalties & collection charges		891	891	35	350	386	(36)	-9%	891
Service charges - electricity revenue		338 877	338 877	27 095	162 121	163 790	(1 669)	-1%	338 877
Service charges - water revenue		102 045	102 045	10 564	52 325	50 172	2 153	4%	102 045
Service charges - sanitation revenue		66 375	66 375	6 614	35 040	33 740	1 300	4%	66 375
Service charges - refuse revenue		59 488	59 488	5 168	30 769	30 240	529	2%	59 488
Rental of facilities and equipment		11 859	11 859	2 450	6 489	6 176	313	5%	11 859
Interest earned - external investments		6 348	6 348	843	5 860	4 496	1 363	30%	6 348
Interest earned - outstanding debtors		2 437	2 437	232	1 327	1 218	108	9%	2 437
Fines		31 859	31 859	2 064	13 266	14 602	(1 336)	-9%	31 859
Licences and permits		2 190	2 190	166	1 089	1 095	(6)	-1%	2 190
Agency services		2 970	2 970	309	1 525	1 485	40	3%	2 970
Transfers recognised - operational		90 324	90 324	6 473	62 405	62 405	-		90 324
Other revenue		16 643	16 643	1 275	9 974	9 154	820	9%	16 643
Gains on disposal of PPE							-		
contributions)	-	895 035	895 035	76 794	466 102	461 682	4 421	1%	895 035
Expenditure By Type									
Employee related costs		291 593	291 593	22 257	140 095	142 208	(2 113)	-1%	291 593
Remuneration of councillors		8 674	8 674	683	4 052	4 337	(285)	-7%	8 674
Debt impairment		22 792	22 792	1 899	11 396	11 396	-		22 792
Depreciation & asset impairment		111 362	111 362	9 280	55 681	55 681	-		111 362
Finance charges		46 895	46 895	8 511	15 553	15 553	-		46 895
Bulk purchases		193 573	193 573	14 721	91 982	94 367	(2 385)	-3%	193 573
Other materials		57 801	57 801	8 037	22 819	24 084	(1 264)	-5%	57 801
Contracted services		125 322	125 322	12 115	38 238	41 774	(3 536)	-8%	125 322
Transfers and grants		48 497	48 497	3 955	25 297	25 297	-		48 497
Other expenditure		58 021	58 021	6 224	33 709	30 800	2 909	9%	58 021
Loss on disposal of PPE							-		
Total Expenditure	-	964 529	964 529	87 681	438 821	445 495	(6 674)	-1%	964 529
Surplus/(Deficit)	-	(69 494)	(69 494)	(10 887)	27 281	16 186	11 094	69%	(69 494)
Transfers recognised - capital		63 354	63 354	6 636	28 889	28 889	-		63 354
Contributions recognised - capital		1 000	1 000				-		1 000
Contributed assets							-		
Surplus/(Deficit) after capital transfers & Taxation	-	(5 140)	(5 140)	(4 251)	56 170	45 076	-		(5 140)
Surplus/(Deficit) after taxation	-	(5 140)	(5 140)	(4 251)	56 170	45 076			(5 140)
Surplus/(Deficit) attributable to municipality	-	(5 140)	(5 140)	(4 251)	56 170	45 076			(5 140)
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	-	(5 140)	(5 140)	(4 251)	56 170	45 076			(5 140)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 0.96% above the YTD budget.

Current expenditure is 1.50% below YTD budget projections for December 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) - M06 December

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	1 467	9 437	9 733	(296)	-3%	21 911
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	11 451	13 016	-	3 931	3 974	(43)	-1%	11 451
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	-	33 362	34 927	1 467	13 367	13 706	(339)	-2%	33 362
Total Capital Expenditure	-	103 914	105 479	12 084	46 555	31 850	14 705	46%	103 914
Capital Expenditure - Standard Classification									
Governance and administration	-	2 648	2 648	164	586	662	(76)	-12%	2 648
Executive and council							-		
Budget and treasury office							-		
Corporate services		2 648	2 648	164	586	662	(76)	-12%	2 648
Community and public safety	-	39 768	39 768	4 437	23 258	7 141	16 117	226%	39 768
Community and social services		3 520	3 520	1 139	2 102	1 173	929	79%	3 520
Sport and recreation		5 981	5 981	328	401	997	(595)	-60%	5 981
Public safety		295	295	63	127	123	4	3%	295
Housing		29 973	29 973	2 907	20 627	4 848	15 779	325%	29 973
Health							-		
Economic and environmental services	-	12 128	12 128	2 093	3 980	4 045	(64)	-2%	12 128
Planning and development		25	25			10	(10)	-100%	25
Road transport		12 103	12 103	2 093	3 980	4 034	(54)	-1%	12 103
Environmental protection							-		
Trading services	-	49 370	50 935	5 391	18 731	20 002	(1 271)	-6%	49 370
Electricity		21 726	23 291	3 223	7 154	7 376	(222)	-3%	21 726
Water		16 390	16 390	2 055	8 420	8 878	(458)	-5%	16 390
Waste water management		11 244	11 244	113	3 157	3 748	(591)	-16%	11 244
Waste management		10	10				-		10
Total Capital Expenditure - Standard Classification	-	103 914	105 479	12 084	46 555	31 850	14 705	46%	103 914
Funded by:									
National Government		30 347	30 347	3 729	8 232	8 598	(366)	-4%	30 347
Provincial Government		33 007	33 007	4 046	22 730	7 517	15 213	202%	33 007
District Municipality							-		
Other transfers and grants		1 000	1 000				-		1 000
Transfers recognised - capital	-	64 354	64 354	7 774	30 962	16 115	14 847	92%	64 354
Public contributions & donations		462	462	300	300	231	69	30%	462
Borrowing		32 346	33 419	2 619	12 919	13 089	(170)	-1%	32 346
Internally generated funds		6 753	7 245	1 391	2 373	2 415	(42)	-2%	6 753
Total Capital Funding	-	103 914	105 479	12 084	46 555	31 850	14 705	46%	103 914

Capital expenditure is 46% above the YTD budget at December 2015.

Table C6: Monthly Budget Statement - Financial Position

WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M06 December

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	27 351	97 547
Call investment deposits			-	124 639	
Consumer debtors		51 774	51 774	62 919	51 774
Other debtors		44 112	44 112	49 965	44 112
Current portion of long-term receivables		13	13	13	13
Inventory		14 483	14 483	10 598	14 483
Total current assets	-	207 929	207 929	275 485	207 929
Non current assets					
Long-term receivables		41	41	47	41
Investments		28 455	28 455	26 489	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	3 108 599	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	3 299 658	3 320 511
TOTAL ASSETS	-	3 528 441	3 528 441	3 575 143	3 528 441
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing		28 113	28 113	25 660	28 113
Consumer deposits		43 801	43 801	42 606	43 801
Trade and other payables		74 229	74 229	60 123	74 229
Provisions		28 317	28 317	28 317	28 317
Total current liabilities	-	174 459	174 459	156 705	174 459
Non current liabilities					
Borrowing		415 999	415 999	395 369	415 999
Provisions		201 669	201 669	193 143	201 669
Total non current liabilities	-	617 668	617 668	588 511	617 668
TOTAL LIABILITIES	-	792 127	792 127	745 216	792 127
NET ASSETS	-	2 736 314	2 736 314	2 829 926	2 736 314
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		2 733 677	2 733 677	2 827 353	2 733 677
Reserves		2 637	2 637	2 573	2 637
TOTAL COMMUNITY WEALTH/EQUITY	-	2 736 314	2 736 314	2 829 926	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 - M06 December

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	10 312	82 624	82 583	41	0%	163 800
Service charges		567 409	567 409	49 567	277 345	277 558	(213)	0%	567 409
Other revenue		76 884	76 884	5 835	33 867	33 957	(90)	0%	76 884
Government - operating		90 324	90 324	6 473	62 405	62 405	-		90 324
Government - capital		64 354	64 354	6 636	28 889	28 889	-		64 354
Interest		8 784	8 784	1 074	7 186	7 186	-		8 784
Dividends							-		-
Payments									
Suppliers and employees		(765 303)	(765 303)	(76 105)	(343 883)	(344 387)	(503)	0%	(765 303)
Finance charges		(46 895)	(46 895)	(8 511)	(15 553)	(15 553)	-		(46 895)
Transfers and Grants		(48 497)	(48 497)	(3 955)	(25 297)	(25 297)	-		(48 497)
NET CASH FROM/(USED) OPERATING ACTIVITIES	-	110 861	110 861	(8 673)	107 582	107 342	(241)	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	7	8	8	-		18
Decrease (increase) in non-current investments		(6 248)	(6 248)	(713)	(3 340)	(3 340)	-		(6 248)
Payments									
Capital assets		(103 914)	(105 479)	(12 084)	(46 555)	(46 555)	-		(103 914)
NET CASH FROM/(USED) INVESTING ACTIVITIES	-	(110 144)	(111 709)	(12 790)	(49 886)	(49 886)	-		(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	17	863	863	-		2 479
Payments									
Repayment of borrowing		(23 936)	(23 936)	(2 998)	(11 556)	(11 556)	-		(23 936)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	7 409	7 409	(2 981)	(10 693)	(10 693)	-		7 409
NET INCREASE/ (DECREASE) IN CASH HELD	-	8 126	6 561	(24 444)	47 003	46 762			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		151 990	137 748			113 113

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R151.9 million.

The municipality started the year with a positive cash balance of R104,9 million. The December closing balance is R151.9 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 - M06 December

Description	Budget Year 2015/16											
	July Outcome	August Outcome	Sept Outcome	October	Nov	Dec	January	Feb	March	April	May	June Budget
R thousands												
Cash Receipts By Source												
Property rates	5 085	8 620	11 255	11 191	11 426	10 312						105 021
Property rates - penalties & collection charge	65	62	56	65	67	35						541
Service charges - electricity revenue	21 074	25 610	25 570	24 619	24 122	24 047						194 207
Service charges - water revenue	5 153	13 140	12 569	11 773	12 079	10 920						36 523
Service charges - sanitation revenue	570	5 041	6 417	6 145	5 928	6 659						35 688
Service charges - refuse	774	7 336	7 884	7 543	7 206	7 940						20 872
Rental of facilities and equipment	707	599	1 350	679	815	2 348						5 375
Interest earned - external investments	626	1 144	988	1 483	775	843						488
Interest earned - outstanding debtors	219	221	214	210	232	232						1 110
Fines	527	4 221	2 195	2 155	2 104	2 064						18 593
Licences and permits	192	186	192	174	179	166						1 101
Agency services	262	206	227	258	264	309						1 445
Transfer receipts - operating	27 390	590	1 015	3 440	23 498	6 473						27 920
Other revenue	(526)	1 258	2 205	3 164	1 631	914						19 347
Cash Receipts by Source	62 118	68 233	72 137	72 900	90 325	73 261	-	-	-	-	-	468 230
Other Cash Flows by Source												
Transfer receipts - capital	227	4 381	11 003	1 991	4 652	6 636						34 464
Contributions & Contributed assets												1 000
Proceeds on disposal of PPE												-
Borrowing long term/refinancing												30 000
Increase in consumer deposits	170	71	297	219	88	17						1 617
Receipt of non-current debtors	-	-	-	-	-	-						-
Receipt of non-current receivables	0	0	0	0	0	7						10
Change in non-current investments	(429)	(648)	(506)	(897)	(147)	(713)						(2 908)
Total Cash Receipts by Source	62 086	72 037	82 931	74 213	94 918	79 208	-	-	-	-	-	531 278
Cash Payments by Type												
Employee related costs	18 684	20 185	23 173	21 220	34 244	21 800						145 711
Remuneration of councillors	668	663	663	699	683	683						4 616
Interest paid	123	670	1 108	3 888	1 253	8 511						31 342
Bulk purchases - Electricity	3 279	23 866	22 228	14 295	13 592	14 721						101 591
Bulk purchases - Water & Sewer												-
Other materials	1 212	1 935	2 553	5 164	3 918	8 037						34 981
Contracted services	1 367	5 457	6 473	6 301	6 526	12 115						87 084
Grants and subsidies paid - other municipalities												-
Grants and subsidies paid - other	3 352	5 758	4 328	3 957	3 947	3 955						23 200
General expenses	(27 142)	(552)	20 917	6 247	4 809	18 750						71 890
Cash Payments by Type	1 543	57 982	81 443	61 771	68 971	88 570	-	-	-	-	-	500 416
Other Cash Flows/Payments by Type												
Capital assets	227	9 788	14 612	3 390	6 454	12 084						57 359
Repayment of borrowing	1 075	713	828	4 891	1 052	2 998						12 380
Total Cash Payments by Type	2 844	68 483	96 882	70 051	76 477	103 652	-	-	-	-	-	570 155
NET INCREASE/(DECREASE) IN CASH HELD	59 241	3 554	(13 951)	4 162	18 441	(24 444)	-	-	-	-	-	(38 877)
Cash/cash equivalents at the month/year beginning	104 987	164 228	167 782	153 831	157 993	176 434	151 990	151 990	151 990	151 990	151 990	151 990
Cash/cash equivalents at the month/year end	164 228	167 782	153 831	157 993	176 434	151 990	151 990	151 990	151 990	151 990	151 990	113 113

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 - M06 December

Description	NT Code	Budget Year 2015/16										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	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	12 022	420	276	140	117	114	570	2 601	16 261	3 543	247	3 478
Trade and Other Receivables from Exchange Transactions - Electricity	1300	12 454	332	184	156	122	111	470	2 170	16 000	3 030	70	3 629
Receivables from Non-exchange Transactions - Property Rates	1400	13 790	473	275	544	182	150	653	2 253	18 321	3 782	25	4 196
Receivables from Exchange Transactions - Waste Water Management	1500	6 197	203	129	100	85	74	342	1 791	8 920	2 391	35	2 090
Receivables from Exchange Transactions - Waste Management	1600	4 472	168	98	74	126	62	267	1 284	6 551	1 813	68	1 631
Receivables from Exchange Transactions - Property Rental Debtors	1700	242	37	8	6	2	3	30	113	442	154	-	103
Interest on Arrear Debtor Accounts	1810	47	62	35	40	33	39	297	4 730	5 285	5 141	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	1 755	1 880	320	112	84	169	1 238	2 375	7 933	3 978	60	1 850
Total By Income Source	2000	50 980	3 576	1 326	1 172	751	723	3 867	17 318	79 713	23 831	505	16 977
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	486	1 087	53	378	19	26	51	167	2 266	641	-	203
Commercial	2300	7 251	168	90	39	43	36	113	684	8 424	914	19	614
Households	2400	43 560	2 310	1 176	744	685	657	3 674	16 125	68 931	21 885	485	16 158
Other	2500	(317)	10	8	11	5	4	29	342	91	390	-	2
Total By Customer Group	2600	50 980	3 576	1 326	1 172	751	723	3 867	17 318	79 713	23 831	505	16 977

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.

Debtors' levels at the end of December 2015 indicate an increase due to the seasonal billing over the holiday period.

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	7 352	3 956 639	25 312	32 664	22.51%
November	7 302	3 946 768	25 478	32 780	22.28%
December	7 317	3 954 562	25 626	32 943	22.21%
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	50 979 761	3 575 536	1 326 225	1 171 863	751 095	722 960	3 867 237	17 317 935	79 712 612	28 732 851	23 831 090
November	50 643 681	1 865 830	1 382 058	883 165	1 207 525	716 440	3 302 097	17 250 921	77 251 716	26 608 035	23 360 147
October	49 425 659	1 871 479	1 091 183	917 433	1 256 247	684 420	3 393 009	17 188 366	75 827 795	26 402 136	23 439 474
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 31/12/2015	Total Debt	Services	Rates	Other
Department Responsible for the Debt				
NPW 2227	1 400 476	1 333 064	61 337	6 075
WCED 2251	262 036	262 036	0	0
OTHER 2210+2255	23 500	23 500	0	0
HEALTH 2252	116 344	107 709	7 901	734
TPW 2256	345 336	4 287	324 650	16 398
HOUSING 2253+2215	118 802	103 740	14 694	367
TOTAL OUTSTANDING	2 266 492	1 834 335	408 582	23 575

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2015/16								
		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	2 550								2 550
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	932								932
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	3 482	-	-	-	-	-	-	-	3 482

Supporting Table SC4 reflects current creditors at the end of December 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 - M06 December

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	313		9 295	125	9 733
LIBERTY 21196964	14 YEARS	Policy	01/09/2025	6		14 703	260	14 969
MOMENTUM MP 3853776	14 YEARS	Policy	01/07/2026	(21)		1 778	30	1 787
ABSA 4074809272	DAILY	CALL		2	6.0%	421		423
ABSA 9284200168	DEP PLUS	DEP PLUS		130	6.3%	24 468		24 598
ABSA 9295906141	DAILY	DEP PLUS		130	6.3%	14 489	10 000	24 619
INVESTEC 1400-196164-452	60 days	FIXED DEP	29/01/2016		6.8%	50 000		50 000
NEDBANK 03/7881534451	45 days	FIXED DEP	14/01/2016		6.7%	25 000		25 000
TOTAL INVESTMENTS AND INTEREST				560		140 153	10 415	151 128

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 - M06 December

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	-	51 061	51 061	-		67 709
Local Government Equitable Share		64 598	64 598		48 448	48 448	-		64 598
Finance Management		1 450	1 450		1 450	1 450			1 450
Municipal Systems Improvement									
EPWP Incentive		1 661	1 661		1 163	1 163			1 661
Provincial Government:	-	22 615	22 615	2 681	13 402	13 402	-		22 615
Housing		17 141	17 141	2 681	7 242	7 242	-		17 141
Provincial Library Grant		5 288	5 288		5 288	5 288			5 288
Community Development Worker Grant		72	72		72	72	-		72
Main Road Subsidy		114	114				-		114
Financial Management Support Grant					800	800	-		
District Municipality:	-	-	-	-	-	-	-		-
[insert description]							-		
Total Operating Transfers and Grants	-	90 324	90 324	2 681	64 463	64 463	-		90 324
Capital Transfers and Grants									
National Government:	-	30 347	30 347	-	22 991	22 991	-		30 347
Municipal Infrastructure Grant (MIG)		21 417	21 417		14 061	14 061	-		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	-	26 560	26 560	-		33 007
Housing		29 973	29 973		25 300	25 300	-		29 973
Provincial Library Grant		3 034	3 034		1 260	1 260			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	-	49 551	49 551	-		64 354
TOTAL RECEIPTS OF TRANSFERS & GRANTS	-	154 678	154 678	2 681	114 014	114 014	-		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 - M06 December

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	150	1 249	1 249	-		67 709
Local Government Equitable Share							-		64 598
Finance Management		1 450	1 450	38	215	215	-		1 450
Municipal Systems Improvement							-		
EPWP Incentive		1 661	1 661	112	1 034	1 034	-		1 661
Provincial Government:	-	22 615	22 615	5 184	10 635	10 635	-		22 615
Housing		17 141	17 141	4 674	7 345	7 345	-		17 141
Provincial Library Grant		5 288	5 288	509	3 270	3 270	-		5 288
Community Development Worker Grant		72	72	1	20	20	-		72
Main Road Subsidy		114	114				-		114
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:	-	25 726	25 726	5 334	11 884	11 884	-		90 324
Capital expenditure of Transfers and Grants									
National Government:	-	30 347	30 347	3 729	8 232	8 232	-		30 347
Municipal Infrastructure Grant (MIG)		21 417	21 417	2 410	6 587	6 587	-		21 417
Municipal Systems Improvement		930	930	158	310	310	-		930
INEP		8 000	8 000	1 161	1 335	1 335	-		8 000
Provincial Government:	-	33 007	33 007	4 046	22 730	22 730	-		33 007
Housing		29 973	29 973	2 907	20 627	20 627	-		29 973
Provincial Library Grant		3 034	3 034	1 139	2 102	2 102	-		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	7 774	30 962	30 962	-		64 354
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	90 080	90 080	13 108	42 846	42 846	-		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 - M06 December

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. We received approval from National Treasury for the FMG roll over funds but we are awaiting the approval letter from Provincial Treasury. The Gazette with the FMG roll over allocations must also still be issued.

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

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	632	3 751	4 018	(268)	-7%	8 037
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		638	638	51	301	319	(18)	-5%	638
Housing Allowances							-		
Other benefits and allowances							-		
Sub Total - Councillors	-	8 674	8 674	683	4 052	4 337	(285)	-7%	8 674
Senior Managers of the Municipality									
Basic Salaries and Wages		9 735	9 735	795	4 772	4 867	(96)	-2%	9 735
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Overtime							-		
Performance Bonus							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		154	154	13	77	77	-		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	4 849	4 944	(96)	-2%	9 889
Other Municipal Staff									
Basic Salaries and Wages		189 457	189 457	14 260	94 020	95 048	(1 028)	-1%	189 457
Pension and UIF Contributions		31 735	31 735	2 348	14 441	14 678	(237)	-2%	31 735
Medical Aid Contributions		11 618	11 618	771	4 820	5 277	(456)	-9%	11 618
Overtime		15 046	15 046	1 408	6 055	6 457	(402)	-6%	15 046
Performance Bonus							-		
Motor Vehicle Allowance		11 314	11 314	780	4 751	4 950	(199)	-4%	11 314
Cellphone Allowance		1 348	1 348	101	642	634	7	1%	1 348
Housing Allowances		1 002	1 002	107	508	472	37	8%	1 002
Other benefits and allowances		10 621	10 621	880	5 262	5 001	262	5%	10 621
Provision for Accrued Leave		729	729	61	365	365	-		729
Provision for Long service awards		1 802	1 802	147	867	867	-		1 802
Provision for Bonus		455	455	38	227	227	-		455
Post-retirement benefit obligations		6 578	6 578	548	3 289	3 289	-		6 578
Sub Total - Other Municipal Staff	-	281 705	281 705	21 449	135 247	137 263	(2 017)	-1%	281 705
Total Parent Municipality		300 268	300 268	22 940	144 147	146 545	(2 398)	-2%	300 268
TOTAL SALARY, ALLOWANCES & BENEFITS	-	300 268	300 268	22 940	144 147	146 545	(2 398)	-2%	300 268
TOTAL MANAGERS AND STAFF	-	291 593	291 593	22 257	140 095	142 208	(2 113)	-1%	291 593

SDBIP

The results of the SDBIP for the second quarter ended 31 December 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 - M06 December

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%	3.5%	5.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	31.1%	31.7%	27.8%	31.1%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	0.0%	18.9%	18.9%	17.0%	18.9%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	15774.5%	15774.5%	15366.1%	15774.5%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	0.0%	119.2%	119.2%	175.8%	119.2%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0%	55.9%	55.9%	97.0%	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%	24.2%	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%	6.2%	6.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source		20.2%	20.2%	18.4%	20.2%
Employee costs	Employee costs/Total Revenue - capital revenue	0.0%	32.6%	32.6%	30.1%	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%	3.3%	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 - M06 December

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	3 390	28 017	12 987	(15 030)	-115.7%	27%
November		9 931	9 931	6 454	34 471	22 918	(11 552)	-50.4%	33%
December		8 931	8 931	12 084	46 555	31 850	(14 705)	-46.2%	45%
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	46 555					

Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

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	5 535	14 542	14 742	200	1.4%	44 873
Infrastructure - Road transport	-	14 979	14 979	2 206	6 570	6 192	(378)	-6.1%	14 979
<i>Roads, Pavements & Bridges</i>		12 103	12 103	2 093	3 980	4 034	54	1.3%	12 103
<i>Storm water</i>		2 877	2 877	113	2 590	2 157	(432)	-20.0%	2 877
Infrastructure - Electricity	-	21 726	23 291	3 223	7 154	6 405	(749)	-11.7%	21 726
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		21 726	23 291	3 223	7 154	6 405	(749)	-11.7%	21 726
<i>Street Lighting</i>							-		
Infrastructure - Water	-	4 737	4 737	106	478	1 005	527	52.4%	4 737
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		4 737	4 737	106	478	1 005	527	52.4%	4 737
Infrastructure - Sanitation	-	3 420	3 420	-	340	1 140	800	70.1%	3 420
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		3 420	3 420		340	1 140	800	70.1%	3 420
Infrastructure - Other	-	10	10	-	-	-	-		10
<i>Waste Management</i>		10	10				-		10
Community	-	35 611	35 611	4 112	22 903	7 301	(15 602)	-213.7%	35 611
Parks & gardens							-		
Sportsfields & stadia		1 823	1 823	4	46	912	866	95.0%	1 823
Libraries		3 080	3 080	1 139	2 102	1 027	(1 076)	-104.8%	3 080
Recreational facilities							-		
Fire, safety & emergency		295	295	63	127	148	20	13.9%	295
Security and policing							-		
Cemeteries							-		
Social rental housing		29 973	29 973	2 907	20 627	4 995	(15 632)	-312.9%	29 973
Other		440	440			220	220	100.0%	440
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	2 673	2 673	164	586	851	265	31.2%	2 673
General vehicles		120	120				-		120
Computers - hardware/equipment		2 528	2 528	164	586	843	257	30.5%	2 528
Furniture and other office equipment							-		
Other		25	25			8	8	100.0%	25
Intangibles	-	-	-	-	-	-	-		-
Computers - software & programming							-		
Other							-		
Total Capital Expenditure on new assets	-	83 156	84 721	9 811	38 030	22 894	(15 137)	-66.1%	83 156

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M06 December

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	1 949	8 169	8 263	94	1.1%	16 600
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	11 653	11 653	1 949	7 942	7 963	21	0.3%	11 653
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	11 653	11 653	1 949	7 942	7 963	21	0.3%	11 653
Infrastructure - Sanitation	-	4 947	4 947	-	227	300	73	24.4%	4 947
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	4 947	4 947	-	227	300	73	24.4%	4 947
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Community	-	4 158	4 158	324	356	693	337	48.7%	4 158
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	4 158	4 158	324	356	693	337	48.7%	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	2 273	8 525	8 956	431	4.8%	20 758

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

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	12 469	47 994	55 725	7 731	13.9%	111 449
Infrastructure - Road transport	-	57 090	57 090	6 270	20 760	28 545	7 785	27.3%	57 090
<i>Roads, Pavements & Bridges</i>		51 401	51 401	5 338	18 428	25 700	7 272	28.3%	51 401
<i>Storm water</i>		5 689	5 689	931	2 332	2 844	513	18.0%	5 689
Infrastructure - Electricity	-	16 835	16 835	2 542	8 228	8 417	189	2.3%	16 835
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		16 835	16 835	2 542	8 228	8 417	189	2.3%	16 835
<i>Street Lighting</i>							-		
Infrastructure - Water	-	22 874	22 874	2 344	11 074	11 437	363	3.2%	22 874
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		22 874	22 874	2 344	11 074	11 437	363	3.2%	22 874
Infrastructure - Sanitation	-	12 159	12 159	1 122	6 265	6 080	(185)	-3.0%	12 159
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		12 159	12 159	1 122	6 265	6 080	(185)	-3.0%	12 159
Infrastructure - Other	-	2 492	2 492	191	1 666	1 246	(421)	-33.8%	2 492
<i>Waste Management</i>		2 492	2 492	191	1 666	1 246	(421)	-33.8%	2 492
Community	-	4 546	4 546	619	1 969	2 273	304	13.4%	4 546
Parks & gardens		2 084	2 084	237	1 004	1 042	38	3.7%	2 084
Sportsfields & stadia		588	588	89	170	294	124	42.1%	588
Swimming pools		483	483	148	218	242	24	9.9%	483
Community halls		564	564	30	208	282	74	26.3%	564
Libraries		99	99	1	21	50	29	58.7%	99
Recreational facilities							-		
Fire, safety & emergency							-		
Security and policing							-		
Cemeteries		27	27	2	18	14	(4)	-31.2%	27
Social rental housing							-		
Other		701	701	111	331	350	19	5.5%	701
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Housing development							-		
Other assets	-	5 081	5 081	525	2 240	2 541	301	11.9%	5 081
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment							-		
Computers - hardware/equipment							-		
Other Buildings		661	661	28	111	331	220	66.5%	661
Other		4 420	4 420	496	2 129	2 210	81	3.7%	4 420
Agricultural assets	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
Intangibles	-	-	-	-	-	-	-		-
Total Repairs and Maintenance Expendit	-	121 077	121 077	13 612	52 202	60 539	8 337	13.8%	121 077

Supporting Table SC13d

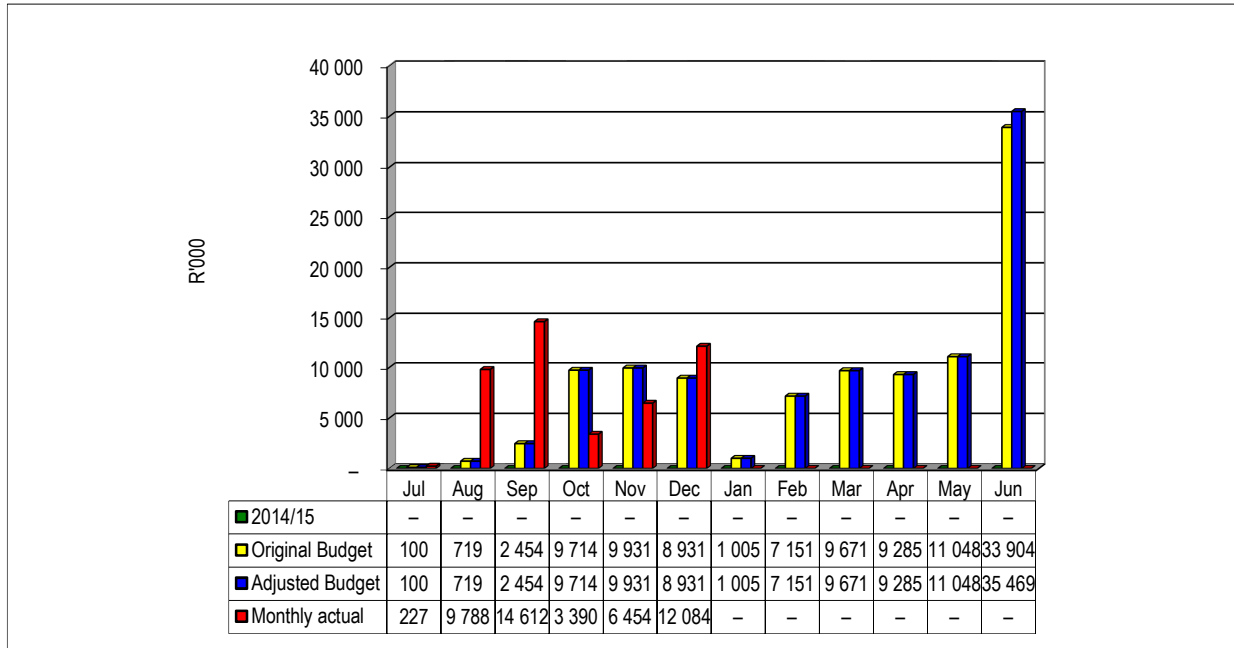
WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

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	47 077	47 077	-		94 154
Infrastructure - Road transport	-	32 235	32 235	2 686	16 117	16 117	-		32 235
<i>Roads, Pavements & Bridges</i>		29 645	29 645	2 470	14 823	14 823	-		29 645
<i>Storm water</i>		2 590	2 590	216	1 295	1 295	-		2 590
Infrastructure - Electricity	-	20 158	20 158	1 680	10 079	10 079	-		20 158
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		20 158	20 158	1 680	10 079	10 079	-		20 158
<i>Street Lighting</i>							-		
Infrastructure - Water	-	19 981	19 981	1 665	9 990	9 990	-		19 981
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		19 981	19 981	1 665	9 990	9 990	-		19 981
Infrastructure - Sanitation	-	17 034	17 034	1 420	8 517	8 517	-		17 034
<i>Reticulation</i>		17 034	17 034	1 420	8 517	8 517	-		17 034
<i>Sewerage purification</i>							-		
Infrastructure - Other	-	4 746	4 746	395	2 373	2 373	-		4 746
<i>Waste Management</i>		3 930	3 930	327	1 965	1 965	-		3 930
<i>Other</i>		816	816	68	408	408	-		816
Community	-	3 601	3 601	300	1 800	1 800	-		3 601
Recreational facilities		3 601	3 601	300	1 800	1 800	-		3 601
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	12 481	12 481	1 040	6 240	6 240	-		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	2 842	2 842	-		5 685
Other Buildings							-		
Other Land							-		
Surplus Assets - (Investment or Inventory)							-		
Other		6 796	6 796	566	3 398	3 398	-		6 796
Agricultural assets	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
Intangibles	-	1 126	1 126	94	563	563	-		1 126
Computers - software & programming				-			-		
Other		1 126	1 126	94	563	563	-		1 126
Total Depreciation	-	111 362	111 362	9 280	55 681	55 681	-		111 362

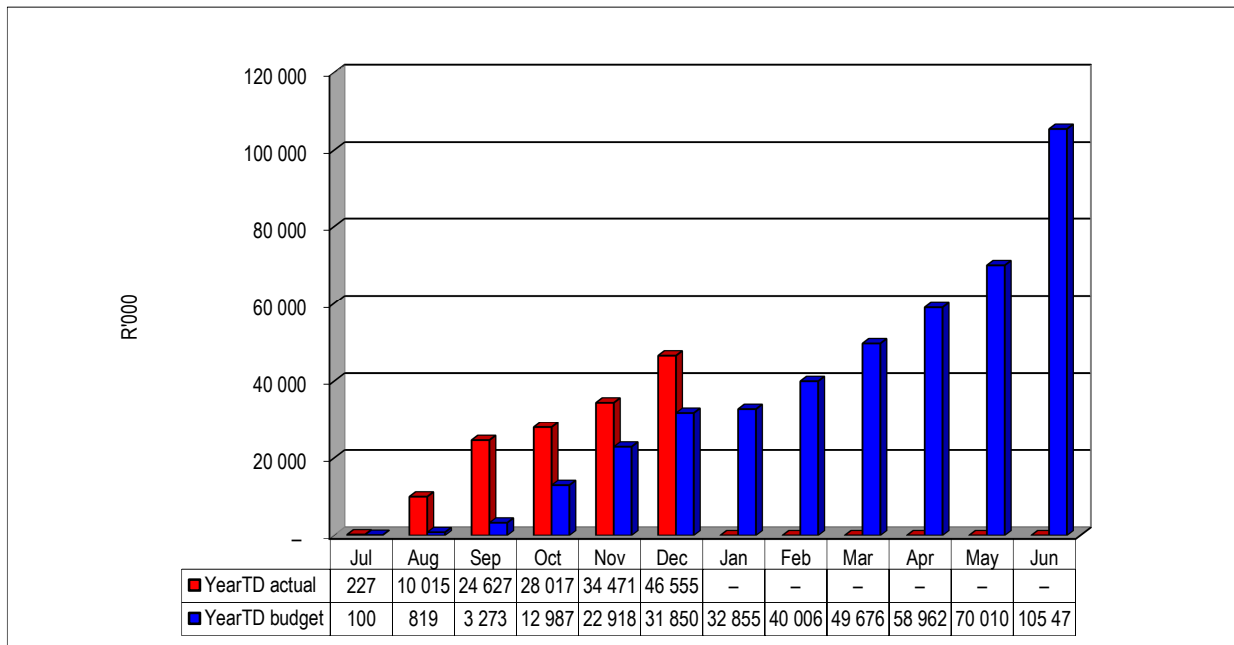
Other supporting documentation

Section 71 charts

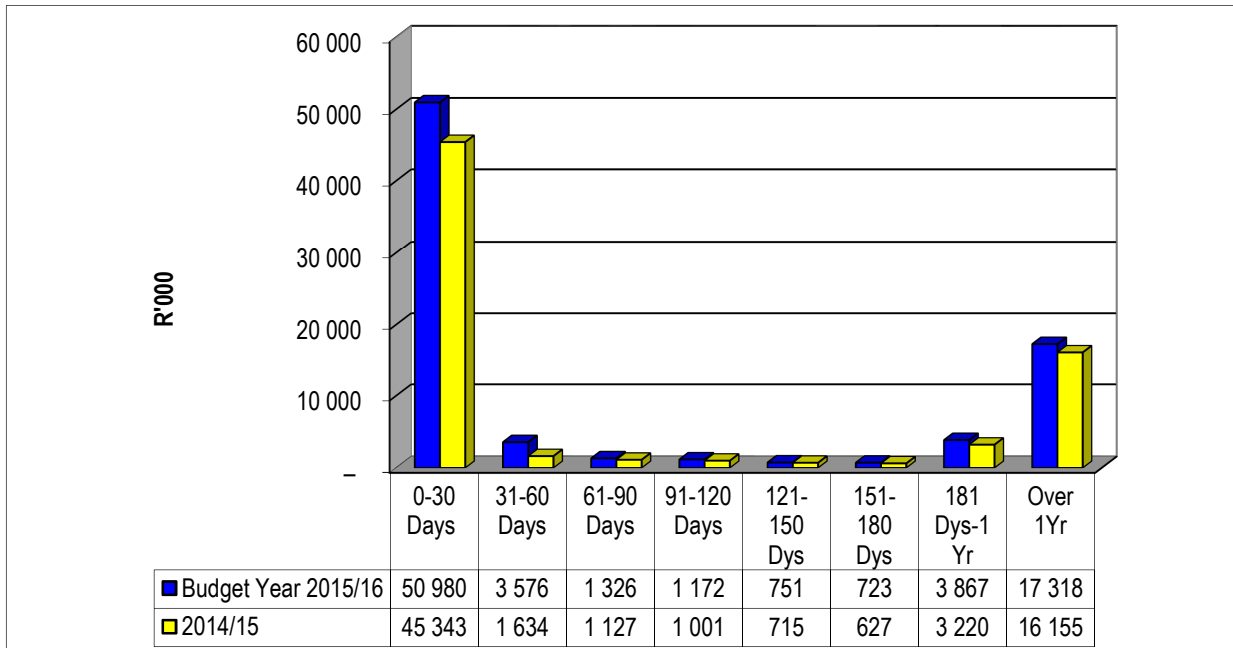
Capital expenditure monthly trend - actual vs target



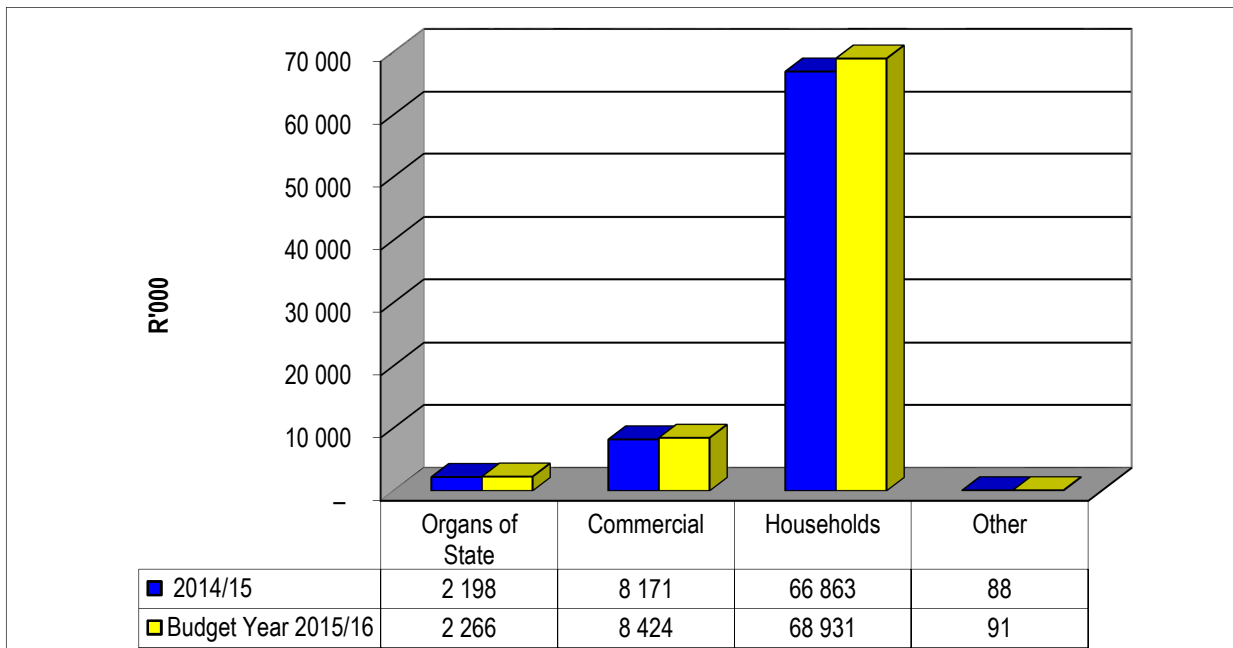
Capital expenditure – YTD actual vs YTD trend



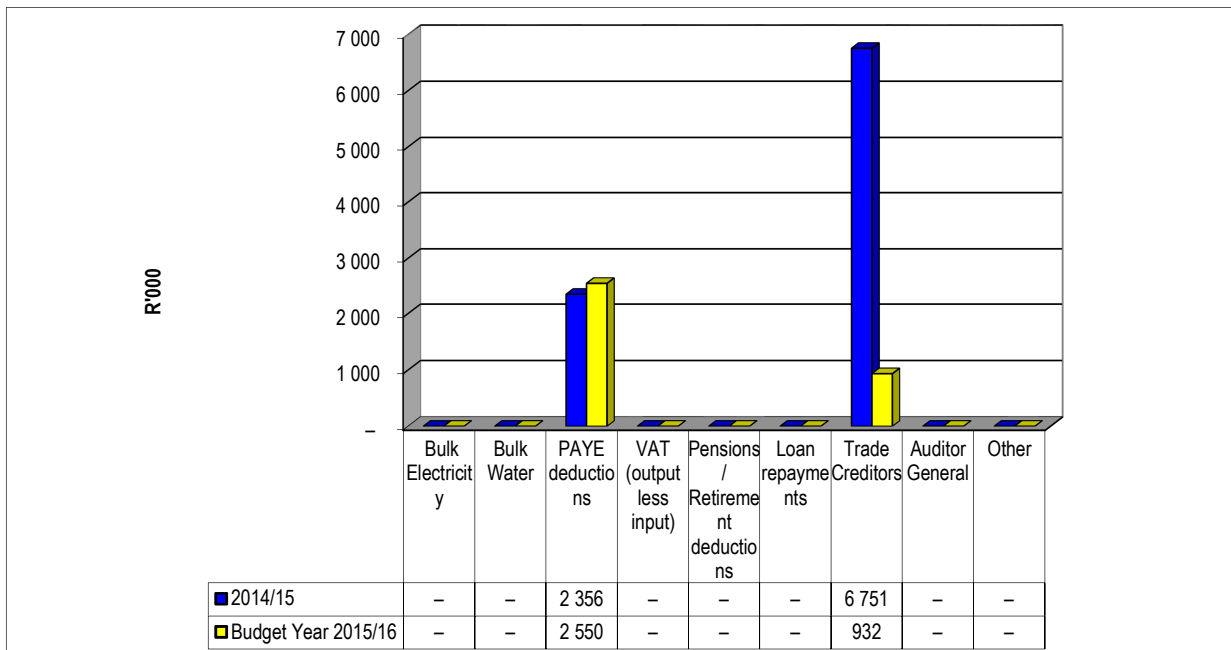
Debtors Age Analysis



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 **December 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 'Coenie Groenewald', written over a horizontal line.

Date:

14.01.2016