



Local Municipality • Mmasepala wa seLehōe • Plaaslike Munisipaliteit

REPORT BY THE EXECUTIVE MAYOR FOR SUBMISSION TO COUNCIL ON BUDGET STATEMENT FOR THE 4th QUARTER ENDING 30 JUNE 2019 – MFMA s52 (d)

1. EXECUTIVE SUMMARY

The purpose of this report is to provide a budget statement of the Municipality for the **4th quarter ending June 2019**.

2. BUSINESS PLAN

IDP and Budget Process Plan

3. STRATEGIC OBJECTIVE

To ensure compliance to budgetary processes.

4. DELEGATED AUTHORITY

Delegated powers vest with the Council.

5. ANNEXURES

4th QUARTER REPORT (APRIL- JUNE) 2019

A. MFMA Section 52(d) report

B. Schedule C report

6. POLICY

Budget policy

7. LEGAL REQUIREMENTS

MFMA No. 56 of 2003

8. BACKGROUND AND DISCUSSION

In terms of **section 52 of MFMA Act No 56 of 2003** which reads as follows:

The mayor of a municipality -

- 1)** must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.



9. FINANCIAL OVERVIEW

BUDGET OVERVIEW

Description	Original Budget 2018/19	Variiances	mSCOA Budget 2018/19	Variiances	Adjustment Budget 2018/19
MAP OPERATING BUDGET					
Total Revenue	1 363 672 246	(8 242 236)	1 355 430 010	(47 515 790)	1 307 914 220
Total Expenditure	1 896 672 246	(1 444 355)	1 895 227 891	352 009 337	2 247 237 228
Surplus/-deficit	(533 000 000)	(6 797 881)	(539 797 881)	(399 525 127)	(939 323 008)
MAP WATER (SOC) LTD					
Total Revenue	225 278 508	12 906 000	238 184 508	(40 000 000)	198 184 508
Total Expenditure	225 278 508	1 279 238	226 557 746	(30 419 194)	196 138 552
Surplus/-deficit	(0)	11 626 762	11 626 762	(9 580 806)	2 045 956
CONSOLIDATED OPERATING BUDGET					
Total Revenue	1 588 950 754	4 663 764	1 593 614 518	(87 515 790)	1 506 098 728
Total Expenditure	2 121 950 755	(165 118)	2 121 785 637	321 590 143	2 443 375 780
Surplus/-deficit	(533 000 000)	4 828 881	(528 171 119)	(409 105 933)	(937 277 052)
CONSOLIDATED CAPITAL BUDGET					
Capital Budget from Grants	223 321 000	(7 966 050)	215 354 950	(25 000 000)	190 354 950
MAP Own source	7 000 000	-	7 000 000	-	21 647 000
Map Water Budget	-	11 626 762	11 626 762	-	2 045 956
Total Capital Budget	230 321 000	3 660 712	233 981 712	(25 000 000)	214 047 906

10. IMPLICATIONS

FINANCIAL IMPLICATIONS

The increase in total outstanding creditors will negatively affect the financial position of the municipality as the municipality is still not in a position to comply with Section 65 of the MFMA No.56 of 2003. The non-payment of current creditors will also result in an increase in fruitless and wasteful expenditures due to interests and penalties charged on late payments.

The increase in the debt book indicates low payments in municipal accounts from consumers though statements are being issued monthly.

STAFF IMPLICATIONS

The total number of employees including councillors were **1 367** for **April** and **1 359** for **May** and **1 356** for **June 2019**.



11. COMMENTS FROM OTHER DIRECTORS

None

12. RECOMMENDATIONS

It is recommended that note be taken on the following reports:

- MFMA Section **52(d) report** for the quarter ending June 2019 as on **Annexure A** and;
- Consolidated - Schedule C report; as on **Annexure B.**

SUBMITTED BY:

.....
CLLR. M. MOSIA LAKAJE
EXECUTIVE MAYOR

.....
DATE

ANNEXURE “A”



SECTION 52(D) REPORT 4TH QUARTER 2019



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PART 1- IN-YEAR BUDGET STATEMENT MAIN TABLES

1.1. OPERATING FINANCIAL PERFORMANCE BY REVENUE SOURCE AND TYPE OF EXPENDITURE (PARENT MUNICIPALITY)

Description	Adjustment Budget 2018/19	1st Quarter Actuals	2nd Quarter Actuals	3rd Quarter Actuals	4th Quarter Actuals	YTD Actuals	YTD Target	YTD Variances	% YTD variances	% YTD vs Budget
Revenue By Source										
Rates & taxes	207 596 000	52 781 390	37 642 215	38 416 022	38 393 336	167 232 963	207 596 000	-40 363 037	-19%	81%
Electricity	397 432 000	65 284 622	51 566 371	47 308 398	54 317 592	218 476 983	397 432 000	-178 955 017	-45%	55%
Water revenue	84 270 061	20 907 360	21 244 546	16 781 611	22 460 171	81 393 688	84 270 061	-2 876 373	-3%	97%
Sewerage revenue	42 678 361	9 632 218	8 562 878	8 614 696	8 127 434	34 937 226	42 678 361	-7 741 135	-18%	82%
Refuse revenue	34 462 123	7 403 135	8 032 394	8 032 645	7 899 339	31 367 513	34 462 123	-3 094 610	-9%	91%
Rental of facilities and equipment	1 409 000	180 132	455 587	218 325	169 011	1 023 054	1 409 000	-385 946	-27%	73%
Interest on investments & call accounts	2 900 000	626 198	854 949	354 828	670 607	2 506 581	2 900 000	-393 419	-14%	86%
Interest on outstanding debtors	23 500 000	-32 370	-	9 520 844	-	9 488 474	23 500 000	-14 011 526	-60%	40%
Fines and penalties	6 376 678	826 393	762 863	200 092	259 881	2 049 229	6 376 678	-4 327 449	-68%	32%
Transfers recognised operational grants	500 604 000	224 466 000	155 973 000	111 080 000	2 750 000	494 269 000	500 604 000	-6 335 000	-1%	99%
Other revenue	6 685 997	609 069	495 742	790 517	357 649	2 252 977	6 685 997	-4 433 020	-66%	34%
Total Revenue	1 307 914 220	382 684 148	285 590 544	241 317 978	135 405 020	1 044 997 689	1 307 914 220	(262 916 531)	-20%	80%
Expenditure By Type										
Employee related costs	385 096 075	93 942 134	97 824 329	94 929 016	93 225 582	379 921 062	385 096 075	-5 175 013	-1%	99%
Remuneration of councillors	24 452 589	6 381 417	6 484 637	4 435 947	4 339 585	21 641 585	24 452 589	-2 811 004	-11%	89%
Debt impairment	240 000 000	-	-	-	-	-	240 000 000	-240 000 000	-100%	0%
Depreciation & asset impairment	270 000 000	-	-	-	-	-	270 000 000	-270 000 000	-100%	0%
Interests on loans and overdue accounts	206 000 000	196 560	188 565	187 755	113 365	686 245	206 000 000	-205 313 755	-100%	0%
Bulk purchases	711 000 000	243 293 518	129 271 524	196 336 778	-93 499 494	475 402 327	711 000 000	-235 597 673	-33%	67%
Repairs & maintenance and Contracted services	167 723 813	7 827 955	21 038 297	14 753 742	39 771 697	83 391 691	167 723 813	-84 332 122	-50%	50%
Transfers & subsidies paid (Entity, EPWP, Bursaries)	130 761 000	32 390	1 955 015	75 000	5 270	2 067 675	130 761 000	-128 693 325	-98%	2%
Operational costs, inventory and operating leases	112 203 751	10 375 831	11 137 432	5 955 622	10 372 804	37 841 688	112 203 751	-74 362 063	-66%	34%
Total Expenditure	2 247 237 228	362 049 805	267 899 799	316 673 860	54 328 809	1 000 952 274	2 247 237 228	(1 246 284 954)	-55%	45%
Surplus/-deficit	(939 323 008)	20 634 342	17 690 745	(75 355 882)	81 076 210	44 045 415	(939 323 008)	983 368 423		



Revenue by source material variances - Page 6 of the report

The total operating revenue by the end of the **4th quarter** was at **R1.044 million** which was **R262.9 million** less than the anticipated **R1.3 billion** due to the following:

- **Rates & taxes** – the year to date outcome was at **81%** of the budget by the end of the month. The Municipality still needs to invest in more building inspectors so that they regularly monitor the original zoning of properties to enable the correct rates charges as the community sometimes do not involve the municipality when they change their properties zoning.
- **Electricity** – the year to date outcome was at **55%** of the budget by the end of the month. The low outcomes are due to high tampering of meters, illegal connections, faulty meters and meters that needs to be replaced. This contributes largely to distribution losses as what Eskom bills the Municipality cannot all be charged to municipal consumers.
- **Water revenue** – the outcome by the end of the month was at **97%** of the budget. The Municipality still has a great challenge in water distribution as dams are running low and tankers cannot be currently paid as they should due to cash flow.
- **Sewerage and Refuse revenue** – the year to date outcome was at **82%** and **91%** of the budget respectively by the end of the **4th quarter**. The service delivery of refuse service needs to be improved in order to enhance revenue. This is currently a challenge to the municipality due to fleet shortage.
- **Rental of facilities** – the collection from this income depends on the need by the community.
- **Interests on investments and call account** – the outcomes are mostly influenced by the cash flow of the municipality.
- **Interest on outstanding debtors** – the interest charged on consumers was not done in the 1st six months of the financial year because billing was not done on time for those periods.
- **Fines and penalties** – the recorded transactions are the actuals fines collected. The value of the issued traffic fines will be recorded by the end of the financial year.
- **Transfers recognised operational grants** – the unspent conditional grants for the 2017/18 financial year were deducted from the second tranche of the equitable share, otherwise all the grants have been received as per the National Treasury payment schedule. The difference of **R6 million** is due to the FMG and EPWP expenditure which were not recognised by the end of the **4th quarter**.
- **Other revenue** – the collection from this category of income depends on the need by the community.



Expenditure by type material variances – Page 6 of the report.

The total operating expenditure by the end of the **4th quarter** amounted to **R1 million** which was **R1.2 billion** less than the anticipated **R2.2 billion** due to the following:

- **Employee related costs and remuneration of councillors** – the year to date outcomes for these items were within target by the end of the month.
- **Debt impairment and assets depreciation** – the calculations will be done and recorded during the preparation of the financial statements.
- **Interest on loan** – only the interests charged on the DBSA loan were not recorded on the ledger. Other interest on overdue accounts will be recorded during the financial statement preparations.
- **Bulk purchases** – high electricity consumption resulting from illegal connections and new developments lead to the high Eskom bill.
- **Repairs, Maintenance and Contracted services** – this expenditure is influenced by the cash flow and the fact that some invoices were not captured. This results from late submission of invoices.
- **Transfers and subsidies paid** – the monthly allocations for the Entity were paid as salaries and creditors and the value will be recorded during the financial statement preparations after reconciliations are done.

1.2. OPERATING FINANCIAL PERFORMANCE BY REVENUE SOURCE AND TYPE OF EXPENDITURE FOR THE ENTITY (MALUTI-WATER)

Description	Adjustment Budget 2018/19	1st Quarter Actuals	2nd Quarter Actuals	3rd Quarter Actuals	4th Quarter Actuals	YTD Actuals	YTD Target	YTD Variances	% YTD variances	% YTD vs Budget
Revenue By Source										
Transfers & subsidies received from Parent						-				
Equitable share	115 000 000	-	23 856 000	23 919 873	24 987 100	72 762 973	115 000 000	-42 237 027	-37%	63%
Sewerage revenue	26 087 496	-	1 684 633	1 478 416	3 313 128	6 476 176	26 087 496	-19 611 320	-75%	25%
Water revenue	56 897 012	-	3 188 568	3 010 379	3 864 828	10 063 775	56 897 012	-46 833 237	-82%	18%
Interest on investements and call account	100 000	-	-	-	-	-	100 000	-100 000	-100%	0%
Other income	100 000	-	-	-	-	-	100 000	-100 000	-100%	0%
Total Revenue	198 184 508	-	28 729 201	28 408 668	32 165 056	89 302 924	198 184 508	(108 881 584)	-55%	45%
Expenditure By Type										
Employee related costs	131 862 763	21 650 150	28 557 533	30 001 740	31 927 484	112 136 906	131 862 763	-19 725 857	-15%	85%
Bulk purchases	2 797 385	-	-	22 765	-	22 765	2 797 385	-2 774 620	-99%	1%
Depreciation & asset impairment	4 900 000	-	-	-	-	-	4 900 000	-4 900 000	-100%	0%
Interest on loans and overdue accounts	3 959 596	-	-	-	-	-	3 959 596	-3 959 596	-100%	0%
Contracted services	13 016 079	391 350	409 229	1 660 205	-276 451	2 184 333	13 016 079	-10 831 746	-83%	17%
Operational costs, inventory and operating leases	39 602 729	1 095 359	1 928 363	2 388 209	1 369 393	6 781 324	39 602 729	-32 821 405	-83%	17%
Total Expenditure	196 138 552	23 136 859	30 895 124	34 072 919	33 020 426	121 125 328	196 138 552	(75 013 224)	-38%	62%
Surplus/-deficit	2 045 956	(23 136 859)	(2 165 923)	(5 664 252)	(855 370)	(31 822 404)	2 045 956	(33 868 360)		



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1.3. CONDOLIDATED OPERATING FINANCIAL PERFORMANCE BY REVENUE SOURCE AND TYPE OF EXPENDITURE

Description	Adjustment Budget 2018/19	1st Quarter Actuals	2nd Quarter Actuals	3rd Quarter Actuals	4th Quarter Actuals	YTD Actuals	% YTD vs Budget
Revenue By Source							
Rates & taxes	207 596 000	52 781 390	37 642 215	38 416 022	38 393 336	167 232 963	81%
Electricity	397 432 000	65 284 622	51 566 371	47 308 398	54 317 592	218 476 983	55%
Water revenue	84 270 061	20 907 360	21 244 546	16 781 611	22 460 171	81 393 688	97%
Sewerage revenue	42 678 361	9 632 218	8 562 878	8 614 696	8 127 434	34 937 226	82%
Refuse revenue	34 462 123	7 403 135	8 032 394	8 032 645	7 899 339	31 367 513	91%
Rental of facilities and equipment	1 409 000	180 132	455 587	218 325	169 011	1 023 054	73%
Interest on investments & call accounts	3 000 000	626 198	854 949	354 828	670 607	2 506 581	84%
Interest on outstanding debtors and rental on townland	23 500 000	-32 370	-	9 520 844	-	9 488 474	40%
Fines and penalties	6 376 678	826 393	762 863	200 092	259 881	2 049 229	32%
Transfers recognised operational grants	698 588 508	224 466 000	184 702 201	139 488 668	34 915 056	583 571 924	84%
Other revenue	6 785 997	609 069	495 742	790 517	356 817	2 252 145	33%
Total Revenue	1 506 098 728	382 684 148	314 319 745	269 726 645	167 569 243	1 134 299 781	75%
Expenditure By Type							
Employee related costs	516 958 838	115 592 284	126 381 862	124 930 756	125 153 066	492 057 968	95%
Remuneration of councillors	24 452 589	6 381 417	6 484 637	4 435 947	4 339 585	21 641 585	89%
Debt impairment	240 000 000	-	-	-	-	-	0%
Depreciation & asset impairment	274 900 000	-	-	-	-	-	0%
Interests on loans and overdue accounts	209 959 596	196 560	188 565	187 755	113 365	686 245	0%
Bulk purchases	713 797 385	243 293 518	129 271 524	196 359 543	(93 499 494)	475 425 092	67%
Repairs & maintenance and Contracted services	180 739 892	8 219 305	21 447 526	16 413 948	39 495 246	85 576 024	47%
Transfers & subsidies paid (Entity, EPWP, Bursaries)	130 761 000	32 390	1 955 015	75 000	5 270	2 067 675	2%
Operational costs, inventory and operating leases	151 806 480	11 471 190	13 065 794	8 343 831	11 719 432	44 600 247	29%
Total Expenditure	2 443 375 780	385 186 664	298 794 923	350 746 779	87 326 470	1 122 054 836	46%
Surplus/-deficit	(937 277 052)	(2 502 517)	15 524 821	(81 020 134)	80 242 773	12 244 945	



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1.4. OPERATING FINANCIAL PERFORMANCE BY MUNICIPAL VOTE (PARENT MUNICIPALITY)

Vote Description	Adjustment Budget 2018/19	1st Quarter Actuals	2nd Quarter Actuals	3rd Quarter Actuals	4th Quarter Actuals	YTD Actuals	% YTD vs Budget
Revenue by Vote							
Vote 1 - Legislative Authority	-	-	-	-	-	-	0%
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	0%
Vote 3 - Corporate Services	500 000	-	-	-	-	-	0%
Vote 4 - Financial Services	728 867 747	278 187 939	194 665 082	153 456 793	39 207 683	665 517 497	91%
Vote 5 - Municipal Infrastructure	126 948 422	30 539 579	29 807 424	28 991 707	30 587 605	119 926 314	94%
Vote 6 - Community Services	37 986 801	7 542 100	8 125 103	8 981 826	10 728 656	35 377 685	93%
Vote 7 - Public Safety & Transport	7 063 250	861 283	822 020	312 865	288 838	2 285 006	32%
Vote 8 - Sports, Parks, Arts & Culture	857 000	83 786	357 381	66 778	62 974	570 919	67%
Vote 9 - LED, Tourism, SMME's, Rural & agricultural development	4 120 000	-	-	-	-	-	0%
Vote 10 - Human Settlements	2 289 000	103 901	139 397	283 168	131 037	657 503	29%
Vote 11 - IDP- PMS Department	-	-	-	-	-	-	0%
Vote 12 - Spatial Development, Planning & Traditional Affairs	1 830 000	75 495	104 760	104 809	72 927	357 990	20%
Vote 13 - Electricity Department	397 452 000	65 290 066	51 569 378	49 120 031	54 325 299	220 304 774	55%
Total Revenue by Vote	1 307 914 220	382 684 148	285 590 544	241 317 978	135 405 020	1 044 997 689	80%
Expenditure by Vote							
Vote 1 - Legislative Authority	318 835 787	9 779 868	11 374 882	6 441 476	5 320 796	32 917 022	10%
Vote 2 - Office of the Municipal Manager	27 081 849	4 937 780	4 737 298	4 727 043	4 823 376	19 225 496	71%
Vote 3 - Corporate Services	64 609 533	11 897 749	13 262 073	8 394 458	15 821 122	49 375 401	76%
Vote 4 - Financial Services	675 984 356	17 129 177	17 953 339	15 175 054	17 140 532	67 398 103	10%
Vote 5 - Municipal Infrastructure	57 285 764	9 065 792	11 417 215	7 975 859	11 820 997	40 279 863	70%
Vote 6 - Community Services	71 450 589	17 178 757	17 590 436	17 976 272	17 578 836	70 324 301	98%
Vote 7 - Public Safety & Transport	112 345 078	18 625 066	25 235 289	22 896 398	35 247 705	102 004 458	91%
Vote 8 - Sports, Parks, Arts & Culture	41 744 949	9 709 371	9 926 719	10 398 674	9 776 151	39 810 916	95%
Vote 9 - LED, Tourism, SMME's, Rural & agricultural development	36 425 927	1 644 162	2 692 874	3 753 922	3 377 362	11 468 320	31%
Vote 10 - Human Settlements	9 273 839	1 612 706	1 774 011	1 899 918	1 558 998	6 845 633	74%
Vote 11 - IDP- PMS Department	1 519 609	301 174	336 902	387 598	386 940	1 412 614	93%
Vote 12 - Spatial Development, Planning & Traditional Affairs	9 726 171	2 131 159	2 137 209	2 337 830	2 102 988	8 709 186	90%
Vote 13 - Electricity Department	820 953 777	258 667 044	149 461 552	213 679 358	(70 649 758)	551 180 961	67%
Total Expenditure by Vote	2 247 237 228	362 679 805	267 899 799	316 043 860	54 306 044	1 000 952 274	45%
Surplus/-Deficit	(939 323 008)	20 004 342	17 690 745	(74 725 882)	81 098 975	44 045 415	



1.5. NATIONAL TRANSFERS – OPERATING AND CAPITAL

The municipality had received 100% of the National allocations by the end of the 4th quarter.

Description	Budget 2018/19	Adjustment Budget 2018/19	1st Quarter Actuals	2nd Quarter Actuals	3rd Quarter Actuals	4th Quarter Actuals	YearTD Actuals	YearTD Target	YTD Variances
OPERATING TRANSFERS AND GRANTS									
National Government:									
Local Government Equitable Share	538 719 000	491 519 000	224 466 000	155 973 000	111 080 000	-	491 519 000	491 519 000	-
Finance Management Grant (FMG)	2 215 000	2 215 000	2 215 000	-	-	-	2 215 000	2 215 000	-
EPWP Incentive	4 120 000	4 120 000	-	1 030 000	3 090 000	-	4 120 000	4 120 000	-
Provincial Government									
Sport and Recreation	2 750 000	2 750 000	-	-	-	2 750 000	2 750 000	2 750 000	-
TOTAL	547 804 000	500 604 000	226 681 000	157 003 000	114 170 000	2 750 000	500 604 000	500 604 000	-
CAPITAL TRANSFERS AND GRANTS									
Municipal Infrastructure Grant (MIG)	159 321 000	159 321 000	66 939 000	41 461 000	50 921 000	-	159 321 000	159 321 000	-
Intergrated National Electrification Programme (INEP)	29 000 000	14 000 000	-	7 000 000	7 000 000	-	14 000 000	14 000 000	-
Water services Infrastructure grant (WSIG Schedule 5B)	35 000 000	25 000 000	14 919 000	-	10 081 000	-	25 000 000	25 000 000	-
TOTAL	223 321 000	198 321 000	81 858 000	48 461 000	68 002 000	-	198 321 000	198 321 000	-

1.6. CAPITAL EXPENDITURE

The overall expenditure below does not include VAT and some of the expenditure will be recorded as year-end transactions because the month of June was closed after the cut of date of 30 June 2019. Hence the overall expenditure indicates 32% less than the target.

CAPITAL EXPENDITURE BY SOURCE OF FUNDING										
Description	Budget 2018/19	1st Quarter Actuals	2nd Quarter Actuals	3rd Quarter Actuals	4th quarter Actuals	YearTD Actuals	YTD Target	YTD Variances	% YTD Target vs Budget	% YTD vs Budget
Municipal Infrastructure Grant (MIG)	151 354 951	28 121 754	36 897 267	20 768 352	24 241 825	110 029 198	151 354 951	-41 325 753	-27%	73%
Intergrated National Electrification Programme (INEP)	14 000 000	3 433 280	3 245 858	2 477 836	2 897 507	12 054 480	14 000 000	-1 945 520	-14%	86%
Water services Infrastructure grant (WSIG Schedule 5B)	25 000 000	2 303 004	1 399 392	1 007 488	16 194 248	20 904 133	25 000 000	-4 095 867	-16%	84%
Assets from own funds	21 647 000	-	-	48 424	94 757	143 181	21 647 000	-21 503 819	0%	1%
Total capital expenditure (VAT excl.)	212 001 951	33 858 038	41 542 517	24 302 100	43 428 337	143 130 991	212 001 951	(68 870 960)	-32%	68%



CAPITAL EXPENDITURE BY FUNCTIONAL CLASSIFICATION

Description	Source of funding	Budget 2018/19	1st quarter	2nd quarter	3rd quarter	4th quarter	YTD Outcomes	Balances
COMMUNITY FACILITY PROJECTS								
Harrismith/Tshiame B: Construction of a new taxi facility (MIS:255146)	MIG	7 090 592	1 772 514	1 870 669	1 978 413	544 135	6 165 732	924 860
Intabazwe/Harrismith: New Commuter infrastructure facility (MIS:264316)	MIG	6 416 325	1 354 746	1 853 183	1 038 026	1 333 459	5 579 413	836 912
Kestell/Tholong: Construction of a new taxi facility (MIS:255150)	MIG	13 729 077	926 456	4 389 882	3 305 442	3 316 548	11 938 328	1 790 749
Phuthaditjhaba/Qwaqwa: New taxi facility - phase 1 (MIS:226018)	MIG	13 665 118	2 153 704	4 131 761	2 710 863	2 146 458	11 142 786	2 522 332
TOTAL		40 901 112	6 207 420	12 245 495	9 032 745	7 340 600	34 826 259	6 074 853
SPORTS AND RECREATIONAL FACILITIES								
Bluegumbosch: New indoor Sport and Recreational Facility (MIS:245891)	MIG	5 157 323	1 773 137	1 408 431	364 195	266 117	3 811 881	1 345 442
Intabazwe: Upgrading of recreational and sports facilities at Intabazwe Stadium (MIS:264315)	MIG	11 319 630	1 276 932	4 112 858	1 003 003	1 812 196	8 204 989	3 114 641
TOTAL		16 476 953	3 050 069	5 521 289	1 367 197	2 078 313	12 016 869	4 460 084
ELECTRICITY PROJECTS								
Upgrading of E-Ross Substation- Phase 1	DOE	3 894 000	-	1 619 000	876 000	891 087	3 386 087	507 913
Tshiame D - electrification	DOE	3 100 000	3 433 280	1 626 858	699 252	-	5 759 389	-2 659 389
Kgabisi electrification - Phase 2	DOE	3 503 000	-	-	902 584	2 006 420	2 909 004	593 996
Schoonplatz Electrification	DOE	3 503 000	-	-	-	-	-	3 503 000
TRANSFORMERS	OWN SOURCE	10 000 000	-	-	-	-	-	10 000 000
KGABISI ELECTRIFICATION - PHASE 2	OWN SOURCE	4 600 000	-	-	-	-	-	4 600 000
Maluti-a-Phofung: High mast lights in 4 towns (Phase 2)	MIG	1 312 563	-	-	-	964 837	964 837	347 726
TOTAL		29 912 563	3 433 280	3 245 858	2 477 836	3 862 344	13 019 317	16 893 246
WATER PROJECTS								
Intabazwe/Harrismith: Rectification of water supply pipeline (MIS:278789)	MIG	3 411 758	-	277 772	-	2 749 371	3 027 143	384 615
Fika Patso Purification project	WSIG	2 648 454	-	-	-	-	-	2 648 454
Kestel Bulk line	WSIG	22 351 546	2 303 004	1 399 392	1 007 488	16 194 248	20 904 133	1 447 413
Monontsha: Water Network 200 stands and supply line Phase 1	MIG	548 511	-	-	-	-	-	548 511
Mphatlalatsane: Water Network 500 stands and supply line Phase 1	MIG	1 032 597	-	-	-	-	-	1 032 597
Wilge: Construction of a 4 ML Reservoir	MIG	1 800 000	-	-	-	-	-	1 800 000
Phuthaditjhaba: Provision of water services for network extensions and 2940 erf connections (Qwaqwa Rural) Phase 3B	MIG	2 656 949	-	586 790	911 584	-	1 498 375	1 158 574
Phuthaditjhaba: Provision of water services for network extensions and 3907 erf connections (Qwaqwa Rural) Phase 3C	MIG	3 247 011	189 711	1 720 008	259 290	-	2 169 009	1 078 002
TOTAL		37 696 826	2 492 715	3 983 963	2 178 362	18 943 619	27 598 659	10 098 167



CAPITAL EXPENDITURE BY FUNCTIONAL CLASSIFICATION								
Description	Source of funding	Approved Budget 2018/19	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	YTD outcomes	Balances
WASTE WATER MANAGEMENT/ SEWERAGE PROJECTS								
Bluegumbosch: Construction of sewer reticulation network to 2367 stands - phase 1 (MIS:264308)	MIG	11 909 573	3 754 188	1 754 955	1 998 470	3 116 004	10 623 617	1 285 956
Harrismith/Intabazwe-Ext3: Construction of sewer outfall line and rising main (MIS:236415)	MIG	5 377 301	31 760	2 847 850	1 565 043	847 430	5 292 082	85 219
VIP Toilets Phase 12A	MIG	11 953 129	-	-	-	-	-	-
Khotsong: Construction of sewer reticulation network to 510 stands (MIS:264119)	MIG	3 024 143	1 581 407	780 816	-	-	2 362 223	661 920
Namahadi: Construction of Sewer Network (Harankopane)	MIG	1 826 420	-	-	1 826 420	-	1 826 420	0
Thabong: Construction of sewer reticulation network to 1209 stands (MIS:264287)	MIG	13 732 246	4 153 287	3 090 576	1 581 594	2 187 403	11 012 861	2 719 385
TOTAL		47 822 812	9 520 642	8 474 197	6 971 527	6 150 837	31 117 203	4 752 480
ROADS PROJECTS								
Turfontein/Makeneng Access	OWN SOURCE	2 347 000	-	-	-	-	-	2 347 000
Intabazwe: Paving of 6km roads - Phase 2	MIG	3 014 644	909 964	30 863	-	-	940 827	2 073 817
Namahadi: Construction of 5km paved roads and storm water phase 2 (MIS:240386)	MIG	13 873 308	2 683 036	2 508 016	3 490 646	2 623 849	11 305 547	2 567 761
Tshiame B: Paving of 6km roads - Phase 2B	MIG	264 066	-	-	229 623	-	229 623	34 443
Tshiame: Construction of 4.5km paved roads and storm water drainage phase 3 (MIS:240998)	MIG	11 279 446	3 251 912	3 801 086	2 146 521	-	9 199 518	2 079 928
Phuthaditjhaba: Upgrading of 1km paved road (Motebang) - phase 1 (MIS:276324)	MIG	1 732 026	-	-	-	959 040	959 040	772 986
Intabazwe/Harrismith: Ext 3 New Surface Road Phase 1 (MIS: 190544)	MIG	1 981 195	-	-	399 970	1 374 978	1 774 948	206 247
TOTAL		34 491 685	6 844 912	6 339 965	6 266 759	4 957 867	24 409 503	10 082 182
FIXED ASSETS								
MACHINERY & EQUIPMENT	OWN SOURCE	100 000	-	-	25 625	-	25 625	74 375
FURNITURE & FITTINGS		100 000	-	-	-	21 843	21 843	78 157
COMPUTER & EQUIPMENT		1 500 000	-	-	22 799	72 914	95 713	1 404 287
Yellow fleet (Plant & Machinery)		3 000 000	-	-	-	-	-	3 000 000
TOTAL		4 700 000	-	-	48 424	94 757	143 181	3 000 000



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PART 2- SUPPORTING DOCUMENTATION

2.1. COMPARISON BETWEEN BILLING AND COLLECTION FOR SERVICES RENDERED

BILLING							
Description	Budget 2018/19	1st Quarter billing	2nd Quarter billing	3rd Quarter billing	4th quarter billing	Year to date billing	% YTD billing vs budget
Rates and taxes	207 596 000	53 835 102	51 204 058	38 402 250	38 402 484	181 843 894	88%
Conventional electricity	292 432 000	65 651 505	68 124 584	38 600 513	31 723 738	204 100 339	70%
Prepaid electricity	105 000 000	28 864 097	26 695 007	23 324 398	22 264 356	101 147 859	96%
Water	84 270 061	26 734 269	32 236 300	22 891 543	23 906 138	105 768 251	126%
Sewerage	42 678 361	11 886 102	16 127 130	12 503 819	12 196 832	52 713 884	124%
Refuse	34 462 123	10 719 114	14 569 187	11 367 092	11 356 641	48 012 034	139%
Total	766 438 545	197 690 189	208 956 267	147 089 616	139 850 189	693 586 260	90%
COLLECTION							
Description	Budget 2018/19	1st Quarter collection	2nd Quarter Collection	3rd Quarter Collection	4th quarter Collection	Year to date collection	% YTD collection vs budget
Rates and taxes	207 596 000	2 074 610	3 989 673	27 317 370	17 977 043	51 358 695	25%
Conventional electricity	292 432 000	3 715 806	6 280 935	14 221 980	19 910 750	44 129 472	15%
Prepaid electricity	105 000 000	27 030 436	23 615 231	20 470 780	19 325 264	90 441 711	86%
Water	84 270 061	1 245 698	2 409 345	2 819 891	4 874 422	11 349 356	13%
Sewerage	42 678 361	795 776	1 133 120	1 463 106	2 514 620	5 906 621	14%
Refuse	34 462 123	636 817	871 212	1 112 475	1 207 176	3 827 680	11%
Total	766 438 545	35 499 143	38 299 515	67 405 602	65 809 275	207 013 535	27%

% COLLECTION VS BILLING					
Description	1st quarter collection vs billing	2nd quarter collection vs billing	3rd quarter collection vs billing	4th quarter collection vs billing	% Year to date collection vs billing
Rates and taxes	4%	8%	71%	47%	28%
Conventional electricity	6%	9%	37%	63%	22%
Prepaid electricity	94%	88%	88%	87%	89%
Water	5%	7%	12%	20%	11%
Sewerage	7%	7%	12%	21%	11%
Refuse	6%	6%	10%	11%	8%
Total	18%	18%	46%	47%	30%



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ESKOM BILL VS MAP

2018/19 Financial Year	Conventional Electricity			Prepaid Electricity			Conventional + Prepaid			ESKOM
	Billing	Collection	%	Sales (including FBE)	Collection	%	Billing	Collection	%	Billing
Jul-18	26 089 731	3 439 237	13%	10 425 804	9 563 346	92%	36 515 535	13 002 583	36%	76 962 700
Aug-18	20 354 036	276 569	1%	9 371 938	9 120 135	97%	29 725 974	9 396 704	32%	92 815 444
Sep-18	19 207 738	-	0%	9 066 355	8 346 955	92%	28 274 093	8 346 955	30%	72 340 882
Oct-18	16 899 632	3 176 175	19%	8 989 556	7 969 097	89%	25 889 188	11 145 271	43%	46 193 151
Nov-18	36 107 370	495 615	1%	8 639 663	7 595 872	88%	44 747 033	8 091 487	18%	46 525 594
Dec-18	15 117 583	2 609 145	17%	9 065 788	8 050 263	89%	24 183 371	10 659 408	44%	35 443 339
Jan-19	14 452 981	4 186 054	29%	8 298 120	7 328 503	88%	22 751 101	11 514 557	51%	31 089 928
Feb-19	13 421 304	8 861 460	66%	7 238 644	6 312 338	87%	20 659 948	15 173 798	73%	35 106 922
Mar-19	10 726 227	1 174 466	11%	7 787 634	6 829 939	88%	18 513 861	8 004 405	43%	33 693 986
Apr-19	16 532 624	8 757 453	53%	7 296 565	6 479 345	89%	23 829 190	15 236 798	64%	41 345 961
May-19	5 369 221	10 996 193	205%	7 766 418	6 572 840	85%	13 135 639	17 569 033	134%	51 333 958
Jun-19	9 821 893	157 104	2%	7 201 373	6 273 079	87%	17 023 266	6 430 183	38%	77 595 345
TOTAL	204 100 339	44 129 472	22%	101 147 859	90 441 711	89%	305 248 198	134 571 183	44%	640 447 211

PRE-PAID SALES ELECTRICITY RECONCILIATION

MONTH	SALES	BANKING	SURPLUS/ -SHORTAGE	FREE BASIC ELECTRICITY (FBE)
Jul-18	9 674 754,00	9 563 346,00	- 111 408,00	751 050,00
Aug-18	8 630 988,01	9 120 135,00	489 146,99	740 950,00
Sep-18	8 346 955,10	8 346 955,10	-	719 400,00
Oct-18	8 010 256,36	7 969 096,56	- 41 159,80	979 300,00
Nov-18	7 688 362,83	7 595 871,51	- 92 491,32	951 300,00
Dec-18	8 148 738,01	8 050 263,00	- 98 475,01	917 050,00
Jan-19	7 404 270,01	7 328 503,00	- 75 767,01	893 850,00
Feb-19	6 367 444,00	6 312 338,00	- 55 106,00	871 200,00
Mar-19	6 902 134,00	6 829 939,00	- 72 195,00	885 500,00
Apr-19	6 490 315,20	6 479 345,00	- 10 970,20	806 250,00
May-19	6 980 668,00	6 572 840,00	- 407 828,00	785 750,00
Jun-19	6 454 073,00	6 273 079,00	- 180 994,00	747 300,00
TOTAL	91 098 958,52	90 441 711,17	- 657 247,35	10 048 900,00



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2.2. AGE ANALYSIS OF DEBTORS

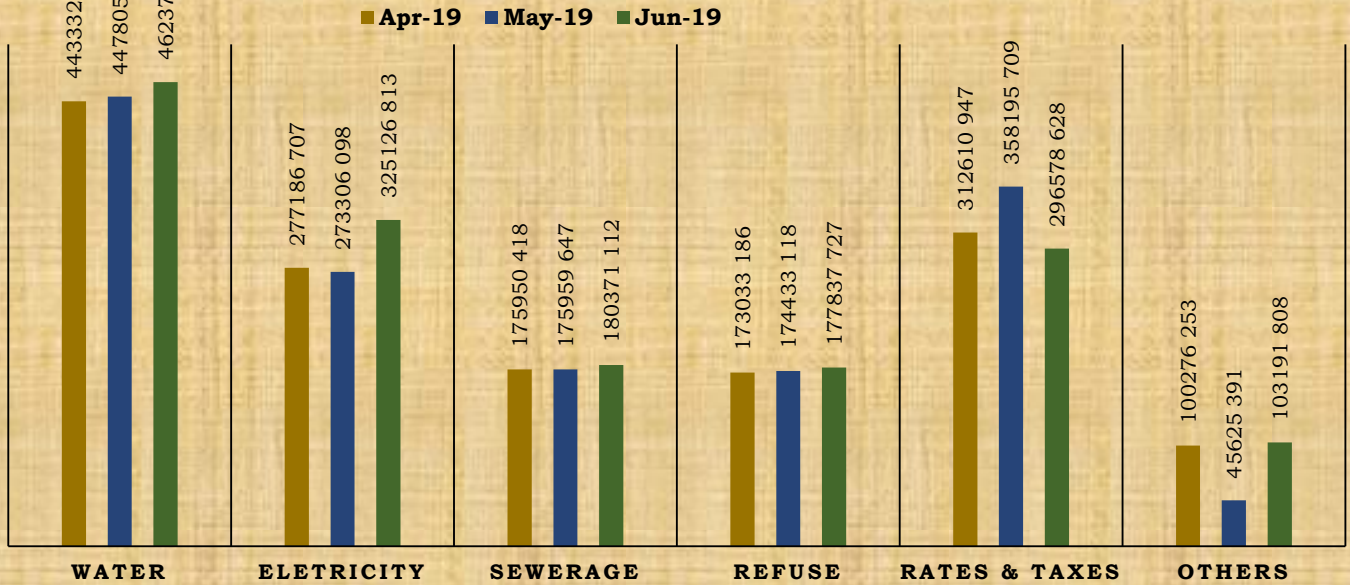
The total debt book amounted to **R1.5 billion** by the end of **June 2019**.

AGE ANALYSIS OF DEBTORS AS AT 30 JUNE 2018/19								
DESCRIPTION	0- 30 DAYS	31-60 DAYS	61-90 DAYS	91 DAYS +	TOTAL	CREDITED AMOUNT	TOTAL DEBT	PREVIOUS MONTH TOTAL DEBT
AGE ANALYSIS OF DEBTORS - BY INCOME SOURCE								
Water	23 300 352	7 468 678	6 700 667	424 995 775	462 465 472	-90 245	462 375 227	447 805 710
Electricity	44 441 511	9 094 962	4 177 948	267 569 497	325 283 917	-157 104	325 126 813	273 306 098
Sewerage	3 387 203	3 029 506	3 031 733	170 962 957	180 411 400	-40 288	180 371 112	175 959 647
Refuse	2 865 124	2 818 433	2 787 982	169 407 986	177 879 524	-41 797	177 837 727	174 433 118
Rates & Taxes	11 217 796	11 418 845	10 922 071	340 748 664	374 307 376	-77 728 748	296 578 628	358 195 709
Total	85 211 986	33 830 423	27 620 401	1 373 684 879	1 520 347 689	-78 058 182	1 442 289 507	1 429 700 282
Others	37 492	-	-	59 377 296	59 414 788	-2 065	59 412 723	2 016 913
Sundries	158 085	147 363	140 422	43 334 627	43 780 496	-1 411	43 779 085	43 608 478
Total other	195 577	147 363	140 422	102 711 923	103 195 284	-3 477	103 191 808	45 625 391
Total Debt	85 407 563	33 977 786	27 760 822	1 476 396 802	1 623 542 973	-78 061 659	1 545 481 314	1 475 325 673
AGE ANALYSIS OF DEBTORS - BY CUSTOMER GROUP								
Government departments	24 088 259	16 057 938	11 229 830	285 534 852	336 910 878	-19 595 508	317 315 371	295 824 497
Business	33 031 805	5 079 164	3 861 045	180 972 343	222 944 356	-49 739 871	173 204 485	143 640 573
Residential	18 510 126	9 878 449	9 787 486	652 343 990	690 520 050	-5 561 054	684 958 996	674 910 722
Indigents	3 510 187	1 128 876	1 111 743	117 958 552	123 709 358	-830 325	122 879 033	119 860 889
Fdc industrial & Tenants	5 335 242	1 243 953	1 204 411	157 037 898	164 821 505	-31 959	164 789 545	160 081 346
Churches & welfare	147 228	77 465	72 993	3 981 104	4 278 788	-87 699	4 191 089	4 119 875
Farmers/Agriculture	455 818	359 737	352 556	29 387 754	30 555 865	-285 688	30 270 177	29 868 562
Map Water Accounts	85 755	33 386	31 695	18 695 610	18 846 445	-	18 846 445	18 772 405
Total	85 164 420	33 858 968	27 651 758	1 445 912 101	1 592 587 247	-76 132 105	1 516 455 142	1 447 078 869
Others	225 357	102 171	92 417	28 844 452	29 264 398	-1 267 066	27 997 331	27 234 475
Sundries	17 787	16 647	16 647	1 640 249	1 691 329	-662 488	1 028 841	1 012 329
Total	243 143	118 818	109 064	30 484 701	30 955 727	-1 929 554	29 026 173	28 246 804
Total Debt	85 407 563	33 977 786	27 760 822	1 476 396 802	1 623 542 973	-78 061 659	1 545 481 314	1 475 325 673
Increase/ - decrease in the total debt								70 155 641

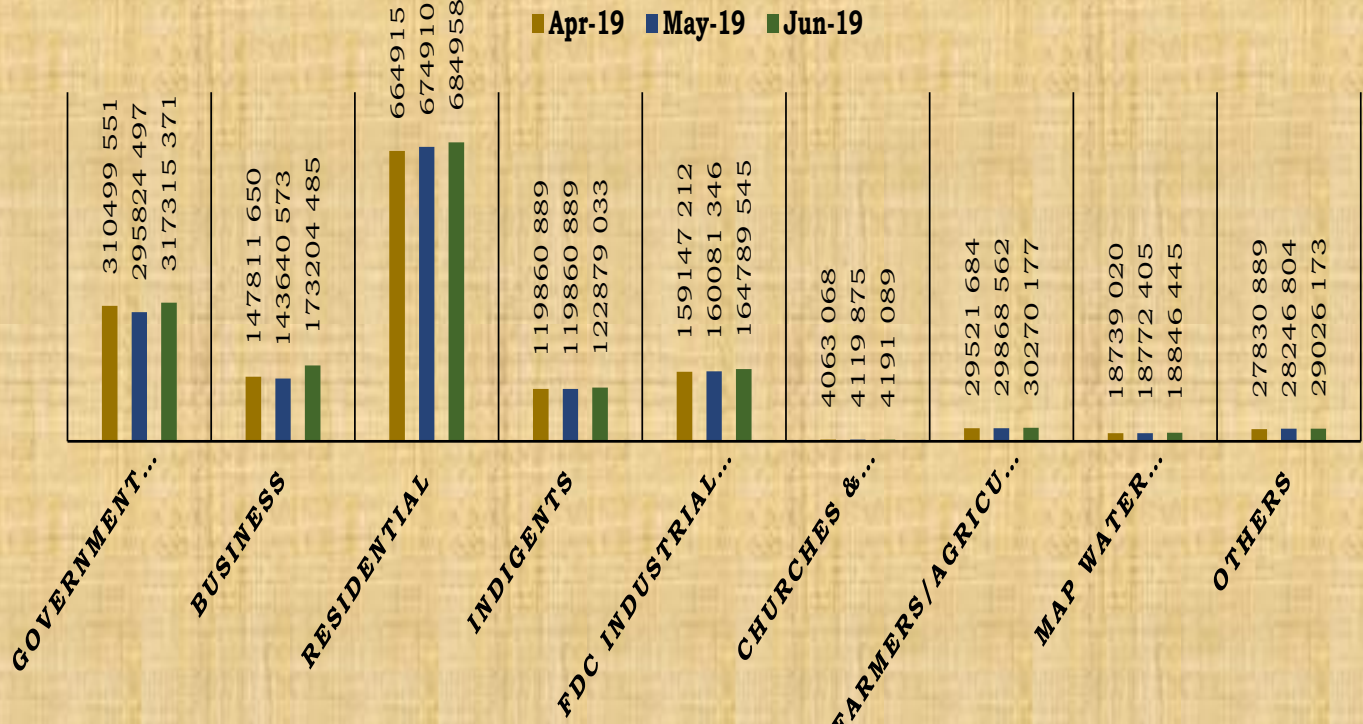
APRIL- JUNE 2019 BALANCES			
Description	Apr-19	May-19	Jun-19
DEBTORS - BY INCOME SOURCE			
Water	443 332 281	447 805 710	462 375 227
Electricity	277 186 707	273 306 098	325 126 813
Sewerage	175 950 418	175 959 647	180 371 112
Refuse	173 033 186	174 433 118	177 837 727
Rates & Taxes	312 610 947	358 195 709	296 578 628
Others	100 276 253	45 625 391	103 191 808
TOTAL	1 482 389 792	1 475 325 673	1 545 481 314
DEBTORS - BY CUSTOMER GROUP			
Government departments	310 499 551	295 824 497	317 315 371
Business	147 811 650	143 640 573	173 204 485
Residential	664 915 829	674 910 722	684 958 996
Indigents	119 860 889	119 860 889	122 879 033
Fdc industrial & Tenants	159 147 212	160 081 346	164 789 545
Churches & welfare	4 063 068	4 119 875	4 191 089
Farmers/Agriculture	29 521 684	29 868 562	30 270 177
Map Water Accounts	18 739 020	18 772 405	18 846 445
Others	27 830 889	28 246 804	29 026 173
TOTAL	1 482 389 792	1 475 325 673	1 545 481 314



DEBTORS- BY INCOME SOURCE



DEBTORS- BY CUSTOMER GROUP





2.3. AGE ANALYSIS OF CREDITORS

FS194 Maluti-a-Phofung - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q4 Fourth Quarter

Description	NT Code	Budget Year 2018/19								Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	135 540	105 448	89 525	3 822 571	-	-	-	-	4 153 083	3 013 610
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	4 896	4 951	4 696	4 615	-	-	-	-	19 159	25 367
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	4 972	4 979	5 006	-	10 020	-	-	-	24 977	30 489
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	546	503	3 697	-	-	-	4 746	4 058
Other	0900	945	-	-	1 732	118 130	-	-	-	120 808	153 377
Total By Customer Type	1000	146 353	115 377	99 774	3 829 422	131 848	-	-	-	4 322 774	3 226 901

2.4. INVESTMENTS PORTFOLIO

This information is also reflected in a prescribed Schedule C format in **Annexure B - Table SC5**

The below table indicate investments both long term and short term by the end of the **month**. Long term investments are comprised of insurance policies.

Description	Amount	%
Call Accounts	511 465	15%
Long term investments	2 887 846	85%
Total	3 399 311	100%

APRIL - JUNE 2019 MOVEMENTS						
Account Number	Name of the Institution	Opening Balance	Withdrawals	Re - Investments	Interest Earned	Closing Balance
5926	Sanlam	393 131	0	0	0	393 131
50189057	Sanlam - Money Market	2 075 945	0	0	25 259	2 101 205
11690236x2	Sanlam	393 511	0	0	0	393 511
62027358292	FNB Call Account	23 359	-191 900 070	191 400 000	551 036	74 326
62387689824	FNB JAZZ Fund	108 149	0	0	1 762	109 911
62199534580	FNB Call Account - MIG Funds	14 207	0	0	231	14 438
62212896346	FNB Call Account - Intabazwe corridor	143 283	-919	80 973	2 923	226 260
348526407	Standard BANK	85 813	0	0	719	86 531
TOTAL		3 237 398	-191 900 989	191 480 973	581 931	3 399 313



2.5. EXTERNAL LOANS

APRIL -JUNE 2019 MOVEMENTS							
Loan Number	Financial Institution	Department	Opening Balances (01 April 2019)	Provision for interest	Re-payment made	Interest payment made	Balance as at 30 June 2019
11076/103	DBSA	Water	437 125.20	9 468.71	-	-	446 594
11076/202	DBSA	Rates & General	468 024.98	14 952.10	-	-	482 977
13768/102	DBSA	Water	826 346.07	10 136.46	-	-	836 483
13768/202	DBSA	Water	719 470.91	8 857.67	-	-	728 329
13768/302	DBSA	Sewerage	1 095 334.46	11 401.06	-	-	1 106 736
61006823	DBSA	Water Meters	2 703 552.87	38 496.01	-	-	2 742 049
61006824	DBSA	MAP Building	2 963 856.07	20 052.62	-	-	2 983 909
TOTAL			9 213 711	113 365	-	-	9 327 075

2.6. SUMMARY OF THE STAFF BENEFITS

The consolidated total employee costs was estimated to be at **R541 million** or **100%** of the budget by the end of the 4th quarter. The overall outcomes for the **4th quarter** ending **30 June 2019** amounted to **R129, 492, 394.00** and the year to date was **R513, 699, 279.00** which was **5% less** than the target of **R541 million**.

DESCRIPTIONS	SUMMARY EMPLOYEES RELATED COSTS									
	ADJUSTMENT BUDGET	QUARTERLY ALLOCATION	1ST QUARTER OUTCOMES	2ND QUARTER OUTCOMES	3RD QUARTER OUTCOMES	4TH QUARTER OUTCOMES	YEAR TO DATE OUTCOMES	YEAR TO DATE TARGET	% YTD TARGET VS BUDGET	% YTD OUTCOMES vs BUDGET
TOTAL SENIOR MANAGER SALARIES & BENEFITS	29 262 955	7 315 739	6 143 155	3 711 273	3 917 049	3 197 910	16 969 386	29 262 955	100%	-72%
MUNICIPAL STAFF										
SALARIES & WAGES	315 458 777	26 288 231	66 974 766	71 447 775	71 951 516	74 451 791	284 825 848	315 458 777	100%	-11%
SUBSISTENCE ALLOWANCE	3 668 785	305 732	665 209	966 189	919 757	1 031 489	3 582 643	3 668 785	100%	-2%
TELEPHONE ALLOWANCE	643 000	53 583	1 039 824	1 019 609	164 815	308 024	2 532 272	643 000	100%	75%
HOUSING SUBSIDY	3 663 676	305 306	811 687	1 400 049	2 600 168	1 357 779	6 169 683	3 663 676	100%	41%
LEAVE PAY	3 408 180	284 015	752 527	824 596	1 264 243	367 121	3 208 488	3 408 180	100%	-6%
TRAVEL OR VEHICLE ALLOWANCE	14 483 812	1 206 984	3 297 807	4 088 205	2 691 486	4 605 516	14 683 013	14 483 812	100%	1%
OVERTIME	33 094 242	2 757 854	10 897 466	12 214 748	13 975 777	11 229 604	48 317 595	33 094 242	100%	32%
SHIFT ALLOWANCE	982 424	81 869	-	-	9 419	2 226 216	2 235 635	982 424	100%	56%
ACTING ALLOWANCE	2 539 849	211 654	469 362	609 639	951 279	473 159	2 503 439	2 539 849	100%	-1%
ANNUAL BONUS	30 033 047	2 502 754	6 416 417	9 692 874	4 678 329	5 631 037	26 418 657	30 033 047	100%	-14%
LONG SERVICE AWARD	3 583 862	298 655	900 282	610 286	1 170 617	837 514	3 518 700	3 583 862	100%	-2%
WATER CRISIS ALLOWANCE	1 316 000	109 667	-	-	-	-	-	1 316 000	100%	-100%
STANDY ALLOWANCE	2 881 167	240 097	606 258	789 288	830 723	869 114	3 095 383	2 881 167	100%	7%
TOOLS ALLOWANCE	-	-	500	1 471	-	-	1 971	-	0%	100%
STAT CONTR.:BARGAINING COUNCIL	118 000	9 833	41 186	93 444	36 332	27 913	198 876	118 000	100%	41%
INSURANCE : GROUP LIFE	1 558 228	129 852	361 858	398 841	416 560	386 694	1 563 953	1 558 228	100%	0%
MEDICAL AID	19 895 005	1 657 917	4 758 733	5 351 818	5 709 082	5 232 837	21 052 469	19 895 005	100%	5%
PENSION FUND	45 947 629	3 828 969	10 505 814	12 122 569	12 554 189	11 797 886	46 980 459	45 947 629	100%	2%
INSURANCE : UIF	2 914 637	242 886	713 999	754 052	664 652	1 108 118	3 240 820	2 914 637	100%	10%
POST RETIREMENT BENEFIT- MEDICAL AID	1 505 563	125 464	235 434	285 136	424 747	13 087	958 405	1 505 563	100%	-57%
TOTAL MUNICIPAL STAFF RELATED COSTS	487 695 883	40 641 324	109 449 129	122 670 589	121 013 690	121 954 899	475 088 308	487 695 883	100%	-3%
TOTAL REMUNERATION OF COUNCILLORS	24 452 589	2 037 716	6 381 417	6 484 637	4 435 947	4 339 585	21 641 585	24 452 589	100%	-13%
TOTAL COUNCILLORS & EMPLOYEES RELATED COSTS	541 411 427	45 117 619	121 973 700	132 866 498	129 366 686	129 492 394	513 699 279	541 411 427	100%	-5%



2.7. CONTRACTED SERVICES

The below table shows the new alignment of contracted services, repairs & maintenance and other line items which were previously budgeted as other general expenditure. The repairs and maintenance budget is shared between contracted services and inventory (as indicated on table 2.8).

Description	Adjustment Budget	1st Quarter Actuals	2nd Quarter Actuals	3rd Quarter Actuals	4th Quarter Actuals	YearTD Actuals	Balances
Outsourced Services							
OS: Burial Services	150 000	29 500	6 000	3 000		41 500	108 500
OS: B&A Occupational Health & Safety	-	-	-	-		-	-
OS: B&A Project Management (Landfill site)	8 185 263	-	682 105	2 046 316		4 092 632	4 092 631
OS: B&A Research & Advisory (Revenue enhancement)	6 810 000	-	77 164	17 352	581 650	676 165	6 133 835
OS: Strategic Waste Management Plan	350 000	-	-	-	86 957	86 957	263 043
OS: R & M - Grounds & Open Spaces	400 000	-	-	113 054	-	113 054	286 946
OS: Security Services	31 000 000	-	5 433 300	4 036 035	15 541 243	25 010 578	5 989 422
OS: Traffic Fines Management	1 000 000	-	163 730	77 668	-	241 398	758 602
Sub Total : Outsource Services	47 895 263	29 500	6 362 299	6 293 424	16 209 850	30 262 283	17 632 980
Consultants And Professional Services							
C&PS: B&A Air Pollution	340 000	-	152 174	-	-	152 174	187 826
C&Ps: B&A Audit Committee	60 000	-	19 728	6 933	-	26 661	33 339
C&Ps: B&A Business & Fin Management	4 500 000	-	1 082 667	750 349	(1 077 360)	755 655	3 744 345
C&PS: Debt Collectors	500 000	-	-	-	-	-	500 000
C&PS: Indigent Register	1 000 000	-	-	-	-	-	1 000 000
C&PS: Vat Review	4 000 000	-	1 673 773	-	1 352 629	3 026 402	973 598
C&Ps: B&A Project Management (PMU)	7 966 050	2 309 000	1 731 750	1 067 913	1 818 338	6 927 000	1 039 050
C&Ps: B&A Valuer & Assessors	3 000 000	-	-	-	-	-	3 000 000
C&Ps: I&P Geodetic Control & Surveys (Valuation roll)	1 500 000	-	-	-	-	-	1 500 000
C&Ps: Rural Formalisation	500 000	-	-	-	-	-	500 000
C&Ps: Urban Renewal	500 000	-	-	-	80 000	80 000	420 000
C&Ps: Legal Cost Advice & Litigation	20 000 000	2 988 420	2 944 531	(711 142)	6 861 772	12 083 581	7 916 419
Sub Total : Consultant And Prof Services	43 866 050	5 297 420	7 604 623	1 114 052	9 035 378	23 051 473	20 814 577
Contractors							
Contr: Audio-Visual Services (Arts & Culture)	37 500	-	18 396	-	17 500	35 896	1 604
Contr: Catering Services (Arts & Culture)	197 500	-	-	5 000	16 500	21 500	176 000
Contr: Electrical Street Lights	4 000 000	237 728	-	434 783	1 159 420	1 831 930	2 168 070
R & M - Network Reticulation	5 000 000	-	-	112 238	99 888	212 126	4 787 874
R & M - Substations	20 000 000	-	274 438	2 579 162	3 995 639	6 849 239	13 150 761
R & M - Transformers	10 000 000	-	1 617 605	268 000	1 591 700	3 477 305	6 522 695
Contr: Event Promoters (Arts & Culture)	37 500	-	-	-	-	-	37 500
R & M - Buildings	3 000 000	12 180	-	54 452	296 440	363 072	2 636 928
R&M- Maintanance of equipment	300 000	-	-	246 000	14 020	260 020	39 980
R & M - Computer Equipment	500 000	-	-	-	-	-	500 000
R & M - Motors & Pumps	190 000	-	1 280	-	-	1 280	188 720
Contr: Maintenance Of Unspecified Assets	2 000 000	-	-	-	-	-	2 000 000
R & M - Maintanance Of Vip Toilets	5 000 000	-	1 883 535	701 100	974 700	3 559 335	1 440 665
R & M - Resurfacing Of Roads	10 000 000	-	715 000	-	1 410 775	2 125 775	7 874 225
R & M - Streets & Stormwater	6 000 000	1 146 959	1 232 478	620 072	2 297 633	5 297 141	702 859
R & M - Vehicles	1 600 000	-	-	129 526	-	129 526	1 470 474
Contr: Medical Services (Medical examination)	100 000	-	-	1 200	-	1 200	98 800
Contr: Prepaid Electricity Vendors	8 000 000	1 104 169	1 328 644	2 194 133	1 285 042	5 911 988	2 088 012
Sub Total : Contractors	75 962 500	2 501 035	7 071 375	7 345 666	13 159 258	30 077 335	45 885 165
Total : Contracted Services	167 723 813	7 827 955	21 038 297	14 753 142	38 404 487	83 391 091	84 332 722



2.8. INVENTORY

This category includes other materials and consumables which the municipality procures to either repair or run operations. Most of the items were previously budgeted as repairs and maintenance and others as general expenditure.

Description	Adjustment Budget	1st quarter Actuals	2nd Quarter Actuals	3rd Quarter Actuals	4th Quarter Actuals	YearTD Actuals	Balances
Inventory - R & M - Network Reticulation	2 000 000	-	1 552 051	434 783	-	1 986 834	13 166
Inventory - R & M - Resurfacing Of Roads	5 000 000	-	9 400	80 980	16 812	107 192	4 892 808
Inventory - R & M - Substations	3 600 000	1 910 848	1 041 553	(679 848)	199 961	2 472 514	1 127 486
Inventory - R & M - Transformers	2 400 000	-	1 295 375	-	-	1 295 375	1 104 625
Inventory - R & M - Vehicles	400 000	191 751	207 034	-	-	398 784	1 216
Inventory - Meeting items	50 000	-	-	-	-	-	50 000
Inventory - Food parcels	50 000	-	-	30 822	-	30 822	19 178
Inventory - Consumables	123 000	-	-	-	20 000	20 000	103 000
Inventory - Attire/Trophies/Musical Instruments (Arts & Culture projects)	210 000	-	-	-	-	-	210 000
Inventory - Affected Victims (for Disaster management projects)	300 000	-	-	-	19 500	19 500	280 500
Inventory - AIDS/HIV Project	50 000	-	-	-	-	-	50 000
Inventory - Assessment (for Disaster management projects)	500 000	320 375	20 942	(296 725)	-	44 592	455 408
Inventory - Equipment (for Disaster management projects)	300 000	-	-	-	-	-	300 000
Inventory - Fencing (for Agriculture projects)	300 000	-	-	-	-	-	300 000
Inventory - Immediate Relief Items (for Disaster management projects)	300 000	-	-	-	-	-	300 000
Inventory - Library Programmes	40 000	-	-	-	-	-	40 000
Inventory - Materials & Consumables	1 000 000	61 092	433 496	95 014	2 690	592 291	407 709
Inventory - Pound Animal Food	300 000	30 000	51 000	67 368	117 000	265 368	34 632
Inventory - Pound Animal Medication	100 000	-	3 414	19 259	-	22 673	77 327
Inventory - PPA System (for public participation)	50 000	-	-	-	41 800	41 800	8 200
Inventory - PPM Megaphones (for public participation)	40 000	-	6 000	-	3 500	9 500	30 500
Inventory - Printing & Stationery	1 500 000	190 904	223 016	163 962	214 303	792 185	707 815
Inventory - Reduction (for Disaster management projects)	100 000	-	-	-	-	-	100 000
Inventory - Seedlings/Equip/Compose (for Agriculture projects)	300 000	-	-	-	-	-	300 000
Inventory - Skills Development Program	100 000	571 141	535 677	(1 106 818)	122 171	122 171	(22 171)
Inventory - Study Materials (for training of Councillors)	90 000	-	-	-	-	-	90 000
Inventory - R & M - Buildings	300 000	5 854	175 000	(5 854)	-	175 000	125 000
Inventory - R & M - Computer Equipment	100 000	-	-	-	-	-	100 000
Inventory - R & M - Equipment & Tools	50 000	-	1 696	-	-	1 696	48 304
Inventory - R & M - Grounds & Open Spaces	50 000	-	342	10 825	-	11 167	38 833
Fleet - Fuel & Oil	3 000 000	-	747 260	559 835	607 025	1 914 120	1 085 880
Sub Total - Inventory	22 703 000	3 281 965	6 303 256	(626 398)	1 364 762	10 323 585	12 379 415



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2.9. BANK TRANSACTIONS SUMMARY REPORT

Description	Apr-19	May-19	Jun-19
Opening balances as per bank statement (surplus/- deficit)	(1 052 915)	2 987 382	891 554
INCOME			
Interest on credit balance	30 056	13 989	17 725
Equitable Share	-	-	-
Other Grants received	-	-	-
Direct deposits	14 330 347	20 899 522	30 485 793
Cashier deposits	695 928	924 438	910 740
Transf from Pre-paid acc	24 600 000	6 000 000	8 500 000
Transf from Corridor acc	-	-	-
Trans from call accounts dda	-	-	-
Trans from call accounts call	4 000 000	5 000 000	9 300 000
Trans from investment account	-	-	-
Trans from MIG accounts	62 600 000	60 500 000	48 200 000
Sundry credit on bank statement	941	279 235	18 938
Total income for the period	106 257 271	93 617 185	97 433 196
EXPENDITURE			
Ele payments- Creditors	(64 146 831)	(60 273 922)	(44 428 407)
Cheques Creditors	-	-	-
Ele -Netto Salaries	(24 670 025)	(20 152 263)	(19 759 228)
Ele - salary 3rd parties	(11 322 261)	(3 587 589)	(3 508 769)
Ele- Project salaries	(1 875 146)	(1 747 568)	(213 750)
Bank charges	(108 355)	(78 160)	(75 415)
Interest paid on debit balance	(1 271)	-	-
Debit order	(93 085)	(73 481)	(85 094)
Debit transfer to investment	-	(9 800 000)	(13 000 000)
Rd cheques	-	-	(5 600 000)
Sundry Debits on bank statement	-	(30)	(20 000)
Total expenditure for the period	(102 216 975)	(95 713 012)	(86 690 664)
Closing balance as per bank statement (surplus/ (deficit)	2 987 382	891 554	11 634 086

2.10. BANK BALANCES

Description	Apr-19	May-19	Jun-19
Main Accounts			
FNB - Maluti Main Acc	2 987 382	891 554	11 634 086
FNB - Pre-paid Acc	968 030	1 617 796	591 870
Total Main Accounts	3 955 411	2 509 350	12 225 956
Call deposits			
FNB Call Acc	1 935 600	3 750 115	74 325
DDA	108 149	108 746	109 346
Standard Bank	86 041	86 286	86 531
Project account			
FNB CALL Acc - MIG funds	14 206	14 282	14 361
FNB CALL Acc - INT/Harr Corridor	166 008	187 820	221 568
FNB CALL Acc- Investment account	90 349 693	35 206 697	169 021
Total - Call Accounts	92 659 697	39 353 946	675 154
Total - Bank Balances	96 615 109	41 863 296	12 901 111