



"People's power in action"

MFMA SECTION 71 REPORT
MONTH ENDING 30 APRIL 2016

Municipal Manager
Executive Mayor

Revenue analysis for the month ending 30 April 2016

Revenue types	30 April 2016								Tenth Month Ending April 2016					
	Annual Budget 2015/2016	Budget	(BP-602) Actual Levies	Levies vs Budget	(BM-310) Actual Income	Income vs Levies	Other Levies	(GS-560) Total Levies	Budget	Actual Levies	Levies vs Budget	(GS-560) YTD Levies	Actual Income	Income vs Levies
Property rates	61,895,055	4,849,000	3,695,664	76%	2,498,063	68%	1,062,937	4,758,601	52,197,055	41,579,484	80%	51,749,365	34,779,895	84%
Electricity - conventional	184,220,100	14,350,746	13,753,303	96%	13,138,764	96%	-4,815	13,748,488	152,767,837	138,698,964	91%	141,340,057	114,138,953	82%
Water	93,086,263	8,003,115	6,859,104	86%	4,488,028	65%	1,250,753	8,109,857	78,594,479	72,874,983	93%	70,846,908	38,155,465	52%
Sanitation	25,950,000	2,162,500	2,303,415	107%	1,854,266	81%	14,632	2,318,047	21,625,000	22,948,928	106%	23,083,646	12,130,948	53%
Refuse	21,968,004	1,830,667	1,850,116	101%	1,314,914	71%	4,334	1,854,450	18,306,670	18,435,987	101%	18,467,801	8,964,118	49%
Total Direct Services	387,119,422	31,196,028	28,461,602	91%	23,294,035	82%	2,327,841	30,789,443	323,491,041	294,538,346	91%	305,487,777	208,169,379	71%
Other revenue	20,884,000	1,740,333	1,477,340	85%	378,990	26%	2,498,778	3,976,118	17,403,330	15,586,705	90%	26,863,370	2,879,593	18%
Indigent Contribution					2,462,163								23,164,578	
Income Forgone					957,590								9,440,142	
Revenue from levied services	408,003,422	32,936,361	29,938,942	91%	27,092,778	90%	4,826,619	34,765,561	340,894,371	310,125,051	91%	332,351,147	243,653,692	79%
Electricity - prepaid	94,812,276	8,523,624	-		6,277,738				79,373,215	-			65,765,213	
Revenue before operational	502,815,698	41,459,985	29,938,942		33,370,516				420,267,586	310,125,051			309,418,905	
Operational grants and subsidies	2,617,000								2,605,000				2,605,000	100%
Equitable share	161,083,246								161,083,000				161,083,000	100%
Total Revenue	666,515,944	41,459,985	29,938,942		33,370,516	-			583,955,586	310,125,051			473,106,905	-

Comments for April 2016 Section 71 Report.

Collection rate for April 2016 on the levied services is 90%.

Collection rate for sanitation and refuse for the month is 81% and 71% against levies respectively.

The collection rate for Property rates for the month is 68% against levies for the month.

Vat is not considered as part of income in this report since it will be paid over to SARS.

Deposits and payments in advance are also excluded from revenue collected for the month. Therefore reducing the collection rate.

Conventional electricity revenue for April is 96% .

YTD total is all levies excluding prepaid, grants and incentives on consumer accounts/income foregone.

Total direct services collection rate against levies is 82% for the month.

BILLING & REVENUE PER TOWN 01/07/2015 - 30/06/2016 (Excluding Pre-paid Electricity)

Month	Kroonstad			Viljoenskroon			Steynsrus		
	Billing	Revenue	Percentage	Billing	Revenue	Percentage	Billing	Revenue	Percentage
July	28,808,012	14,036,083	49%	4,479,816	2,759,329	62%	724,775	447,933	62%
Aug	27,500,716	18,825,687	68%	4,776,596	3,116,276	65%	782,005	385,778	49%
Sep	27,475,861	24,974,543	91%	4,761,388	3,341,058	70%	1,019,175	437,976	43%
Oct	25,727,578	13,393,801	52%	5,084,477	2,794,632	55%	735,480	325,495	44%
Nov	25,060,434	21,061,558	84%	4,971,454	3,291,188	66%	652,795	412,882	63%
Dec	24,507,940	13,492,180	55%	4,616,807	2,778,788	60%	610,738	260,201	43%
Jan	25,041,779	17,949,710	72%	4,937,428	3,072,521	62%	1,087,441	292,874	27%
Feb	20,390,218	15,063,839	74%	3,765,744	2,662,321	71%	86,480	265,391	307%
Mar	24,759,362	18,593,855	75%	4,257,908	3,020,699	71%	709,620	319,355	45%
Apr	24,194,690	20,401,975	84%	4,672,171	3,008,016	64%	835,933	263,035	31%
Total	253,466,590	177,793,231	70%	46,323,789	29,844,828	65%	7,244,442	3,410,920	71%

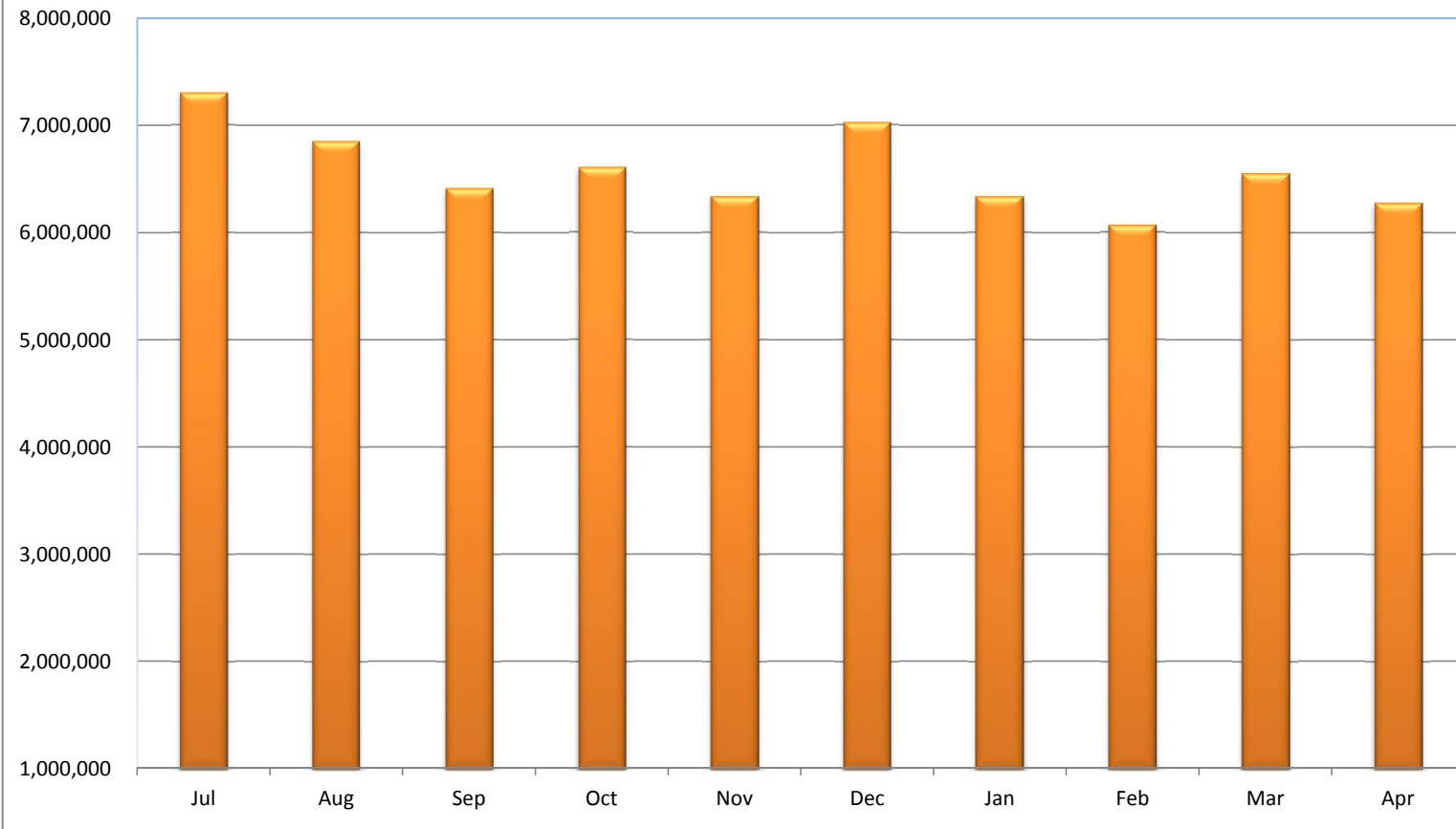
PRE-PAID ELECTRICITY SALES

Month	Transactions	Units	Unit Value	Free Units	Avg Val/trans	Total
Jul	115378	6524987	7304098	221500	72	7,304,098
Aug	105562	6144302	6851294	403000	74	6,851,294
Sep	98292	5773132	6412592	409750	74	6,412,592
Oct	102,281	5,922,578	6,602,515	368,822	74	6,602,515
Nov	95,663	5,692,102	6,335,600	417,450	75	6,335,600
Dec	94,369	6,233,506	7,024,965	377,072	85	7,024,965
Jan	97,836	6,590,464	6,334,226	420,350	74	6,334,226
Feb	89,715	5,445,737	6,067,063	426,550	77	6,067,063
Mar	97,642	5,875,615	6,555,122	428,050	76	6,555,122
Apr	96,585	5,682,474	6,277,738	432,500	74	6,277,738
						65,765,213

The average collection rate for Kroonstad/Maokeng for April is 84%, Viljoenskroon/Rammulutsi is 64% and Steynsrus/Matlwangtlwang is 31% against the levy. Kroonstad/Maokeng generated a revenue of R20.4m in April, Viljoenskroon/Rammulutsi's R3m, & Steynsrus/Matlwangtlwang generated R263 035.

The revenue generated through prepaid electricity for April is R6.2m. The electricity vendors are contributing to these sales.

Prepaid Electricity Sales 2015-16



Analysis of Debtors as at 30 April 2016

	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Total
Debtors Age Analysis By Income					
Water Tariffs	7,566,037	5,248,197	5,498,414	165,925,789	184,238,437
Electricity Tariffs	13,210,670	1,992,461	1,476,903	21,076,739	37,756,773
Rates (Property Rates)	3,224,473	1,030,737	735,736	24,649,054	29,640,000
Sewerage / Sanitation Tariffs	1,763,261	962,105	847,612	40,139,045	43,712,023
Refuse Removal Tariffs	1,376,013	771,733	694,257	27,858,334	30,700,337
Other	3,103,932	635,654	1,526,876	58,660,389	63,926,851
Total By Income Source	30,244,386	10,640,887	10,779,798	338,309,350	389,974,421
Debtors Age Analysis By Customer Group					
Government	5,533,626	1,381,171	1,243,676	5,242,758	13,401,231
Business	12,084,488	998,671	567,634	10,911,826	24,562,619
Households	9,653,716	5,422,706	6,275,460	184,069,312	205,421,194
Other	2,972,556	2,838,339	2,693,028	138,085,454	146,589,377
Total By Customer Group	30,244,386	10,640,887	10,779,798	338,309,350	389,974,421

Highlights	FEB	MAR	APR
Services			
Councillors' debt	R 127,088	R 124,898	R 125,697
Officials debt	R 1,604,191	R 1,576,918	R 1,565,286
Sundry debtors			
Telephones (Officials & Councillors)	R 322,752	R 312,389	R 310,756
Study loans	R 94,939	R 94,564	R 94,802
<i>Indigents</i>	R 92,282,818	R 93,945,533	R 95,587,173
Total Debt 90 Days +	R 329,918,718	R 339,748,159	R 338,309,350

Creditors	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
Bulk Electricity	15,811,710	-	-	-	-	-	-	-	15,811,710
Loan repayments	-	-	-	-	-	-	-	-	-
Trade Creditors	2,065,784	3,543,729	813,414	874,474	-	-	-	-	7,297,401
Auditor General	424,548	-	-	-	-	-	-	-	424,548
DWAS	148,467	266,257	212,752	233,826	-	-	-	18,328,588	19,189,889
SITA	-	-	-	-	-	-	-	1,223,163	1,223,163
WSSA	-	-	-	-	-	-	-	-	-
GOVERNMENT GARAGE	518,148	272,556	-	-	-	-	-	4,756,512	5,547,215
OTHER CREDITORS	4,000,000	-	-	-	-	-	-	-	4,000,000
Total	22,968,657	4,082,542	1,026,166	1,108,300	-	-	-	24,308,263	53,493,926

OPERATING EXPENSES

DESCRIPTION	Annual Budget 2015/2016	Actual 30-Apr-16	YTD 30-Apr-16	Variance	% Exp
EMPLOYEE RELATED COSTS	198,576,490	17,114,323	165,481,562	33,094,928	83%
REMUNERATION OF COUNCILLORS	16,596,317	1,474,517	14,880,008	1,716,309	90%
BULK PURCHASES	214,107,438	14,657,331	154,449,146	59,658,292	72%
CONTRACTED SERVICES	29,221,470	5,360,713	21,717,726	7,473,744	74%
TOTAL REPAIR AND MAINTENANCE	56,092,741	5,060,092	37,669,733	18,423,008	67%
DEPRECIATION ON ASSETS	21,190,004	1,765,834	17,658,337	3,531,667	83%
CONTRIBUTIONS TO BAD DEBTS	5,564,000	463,667	4,636,667	927,333	83%
GENERAL EXPENSES	113,743,850	7,825,427	86,921,540	26,852,310	76%
TOTAL EXPENDITURE (NETT)	655,092,310	53,721,904	503,414,719	151,677,591	77%

CONTRACTED SERVICES

Description	Annual Budget 2015/2016	Actual 30-Apr-16	YTD 30-Apr-16	Variance	% Exp
CASH COLLECTION COST (DEPOSIT FEES)	510,813	64,475	345,299	165,514	68%
INTERNAL AUDIT	3,175,000	608,618	1,481,920	1,693,080	47%
PERFORMANCE MANAGEMENT	400,000	-	67,260	302,740	17%
METER READING FEES	1,287,231	539,088	1,143,370	143,861	89%
RAILWAY SIDING	686,689	24,650	97,973	588,716	14%
SECURITY (MONITORING OF ALARMS)	661,737	8,259	309,184	352,553	47%
SECURITY SERVICES	22,500,000	4,115,623	18,272,719	4,227,281	81%
CONTRACTED SERVICES	29,221,470	5,360,713	21,717,726	7,473,744	74%

OPERATING EXPENSES

DESCRIPTION	Annual Budget 2015/2016	Actual 30-Apr-16	YTD 30-Apr-16	Variance	% Exp
ABET TRAINING	55,000	-	-	55,000	0%
ACTIVITIES DISABILITIES	52,800	-	44,376	8,424	84%
ACTIVITIES YOUTH OFFICER	675,000	33,720	276,207	398,793	41%
ADVERTISEMENTS	336,442	23,823	270,002	66,440	80%
AUDIT FEES (EXTERNAL)	4,565,870	151,530	2,790,585	1,775,285	61%
BANK CHARGES	2,247,844	187,460	1,754,107	493,737	78%
BANK OVERDRAFT INTEREST	-	-	-73,944	73,944	-100%
BIOLOGICAL RISK ASSESSMENT	-	-	-	-	0%
BOOKS & MAGAZINES	22,995	673	1,802	21,193	8%
BURSARIES	-	-	-	-	0%
CHEMICALS	6,581,864	427,895	3,075,881	3,505,983	47%
CIVIC FUNERALS	140,000	-	113,912	26,088	81%
CLEANING CAMPAIGN	30,000	1,613	3,361	26,639	11%
CLEANING MATERIALS	412,044	25,957	329,568	82,476	80%
COMMISSION PAID	4,234,691	365,897	3,186,191	1,048,500	75%
COMMITTEES AUDIT	325,000	-	173,988	151,012	54%
COMMITTEES CHILDCARE	52,800	25,880	52,560	240	100%
COMMITTEES HIC/AIDS	99,999	-	46,150	53,849	46%
COMMITTEES LOCAL SPORT	50,000	2,740	40,920	9,080	82%
COMMITTEES OLD AGE	52,800	-	42,480	10,320	80%
COMMITTEES WARDS	1,375,000	306,500	1,288,856	86,144	94%
COMMONAGE	4,000	-	-	4,000	0%
CONFERENCES/SEMINARS/MEETINGS	1,981,564	103,783	1,558,839	422,725	79%
PROFESSIONAL FEES	5,048,900	360,697	4,187,992	860,908	83%

OPERATING EXPENSES

DESCRIPTION	Annual Budget	Actual 30-Apr-16	YTD 30-Apr-16	Variance	% Exp
DECORATION MATERIAL	20,000	-	-	20,000	0%
DISCIPLINARY HEARINGS	5,000	-	-	5,000	0%
EMPLOYMENT EQUITY	5,000	-	-	5,000	0%
EMPL ASST PROGRAMME	105,000	6,227	46,014	58,986	44%
ENTERTAINMENT COST	472,346	51,522	380,874	91,472	81%
EVENTS LOGISTICS	10,000	-	9,100	900	91%
FUEL & LUBRICANTS	6,430,213	428,321	3,798,838	2,631,375	59%
FUNERAL ATTENDANCE	6,167	-	-	6,167	0%
GRAVE - NUMBERS	7,000	-	5,856	1,144	84%
GRANT EXP - FMG	1,675,000	-	1,119,899	555,101	67%
GRANT EXP - LG SETA MANDATORY	602,784	-	52,800	549,984	9%
GRANT EXP - MSIG	930,000	-	858,557	71,443	92%
INDIGENT - CONTRIBUTIONS	23,546,130	2,462,163	23,164,578	381,552	98%
INSURANCE GENERAL	3,200,000	-53,909	2,917,424	282,576	91%
INSURANCE GENERAL EXCESS	578,007	14,886	74,567	503,440	13%
INTERNSHIP & EXPERIENTAL TRAINING	20,000	-	-	20,000	0%
INTERVIEW EXPENSES	8,000	-	4,942	3,058	62%
INTERIM SURVEY OF ERVIN	5,628	-	-	5,628	0%
LABORATORY CONSUMABLES	34,462	-	21,709	12,753	63%
LABORATORY FEES	2,387,783	-	344,066	2,043,717	14%
LATE PAYMENT - CREDITORS	50,000	5,845	9,476	40,524	19%
LEANER SHIP	20,000	-	142	19,858	1%
LEGAL FEES	1,540,573	402,303	1,444,954	95,619	94%
LICENSES OTHER	1,750,574	217,426	1,251,205	499,369	71%
LICENCES PUBLIC	3,600	-	639	2,961	18%
LICENSES VEHICLES	475,326	32,274	290,446	184,881	61%
MEDICAL EXAMINATIONS	365,000	104,150	333,526	31,474	91%
MEDICINES	5,880	-	1,596	4,284	27%
MEMBERSHIP FEES	9,000	-	2,736	6,264	30%
M SOLAR/SCOA PROJECT	-	-	25,728	-25,728	-100%
PAUPER BURIALS	57,574	-	38,217	19,358	66%
PENSIONERS GRANT	8,080	850	6,615	1,465	82%
POSTAL SERVICES(POSTAGE & TELEGRAMS)	1,361,536	115,794	1,076,699	284,837	79%
POSTOFFICE & EASYPAY COMMISSION	451,128	29,940	277,540	173,588	62%
PRE-PAID METERS	1,685,000	-	822,336	862,664	49%
PRINTING & STATIONERY	2,428,762	117,328	1,830,446	598,316	75%
PRODUCTIONS,SHOWS & MARKETING	-	-	-	-	0%
PROTECTIVE CLOTHING	2,221,512	3,238	727,952	1,493,560	33%
PUBLICITY (MARKETING/BRANDING)	8,000	-	740	7,260	9%
RECREATION	2,000	-	-	2,000	0%
RECRUITMENT FEES	16,500	-	14,337	2,163	87%
RENT - OFFICE EQUIPMENT & OTHER	1,380,975	7,426	427,269	953,706	31%
RENT - VEHICLES	4,898,800	889,100	2,562,123	2,336,677	52%
RETIREE AWARDS	5,000	-	-	5,000	0%
SALGA MEMBERSHIP FEES	2,216,810	-	2,216,810	-	100%
SKILLS DEVELOPMENT LEVY	1,299,540	146,146	1,416,470	-116,930	109%
SOCIAL PROGRAMS	869,965	57,319	862,578	7,387	99%
STOCK AND MATERIAL	345,979	1,953	205,473	140,506	59%
SUBSCRIPTION FEES	5,103	-	-	5,103	0%
SUPPLEMENTARY VALUATIONS	158,048	38,000	129,000	29,048	82%
TELEPHONE & FAX	2,187,138	173,708	1,816,173	370,965	83%
TOURISM	55,500	-	23,823	31,677	43%
TOWN PLANNING COST	100,000	-	-	100,000	0%

OPERATING EXPENSES

DESCRIPTION	Annual Budget	Actual 30-Apr-16	YTD 30-Apr-16	Variance	% Exp
TRAFFIC SIGNS	207,776	1,403	138,413	69,363	67%
TRAINING STAFF	100,000	19,517	70,698	29,302	71%
TRAINING COUNCILLORS	36,074	-	10,560	25,514	29%
WEED KILLERS / PEST CONTROL	300,000	-	262,878	37,122	88%
WINDEED	47,594	2,918	29,646	17,948	62%
WORKMENS COMPENSATION	890,000	710,241	710,241	179,759	80%
GENERAL EXPENSES	95,957,480	8,004,256	71,000,538	24,956,942	74%

CASH FLOW ANALYSIS FOR THE MONTH ENDING

Detail

Apr-16

Cash Receipts by Source

Property rates	2,497,180
Service charges - electricity revenue	22,212,767
Service charges - water revenue	4,981,043
Service charges - sanitation revenue	2,113,862
Service charges - refuse revenue	1,499,001
Service charges - other	-
Interest earned - outstanding debtors	124,101
Fines	-
Transfer receipts - operational	-
Other revenue	8,890,106
Cash Receipts by Source	42,318,060

Other Cash Flows/Receipts by Source

Transfer receipts - capital	5,538,849
Borrowing long term/refinancing	-

Total Cash Receipts by Source 47,856,909

Cash Payments by Type

Employee related costs	17,114,322
Remuneration of councillors	1,474,517
Bulk purchases - Electricity	14,657,330
Contracted services	5,360,712
General expenses	5,921,111
Cash Payments by Type	44,527,992

Other Cash Flows/Payments by Type

Capital assets	6,282,656
Repayment of borrowing	-

Total Cash Payments by Type 50,810,648

Net Increase/(Decrease) in Cash Held -2,953,739

Cash/cash equivalents at the month/year begin: 7,972,869

Cash/cash equivalents at the month/year end: 5,019,130

Report on conditional grants at 30 April 2016

Municipality:

FS201 Moqhaka

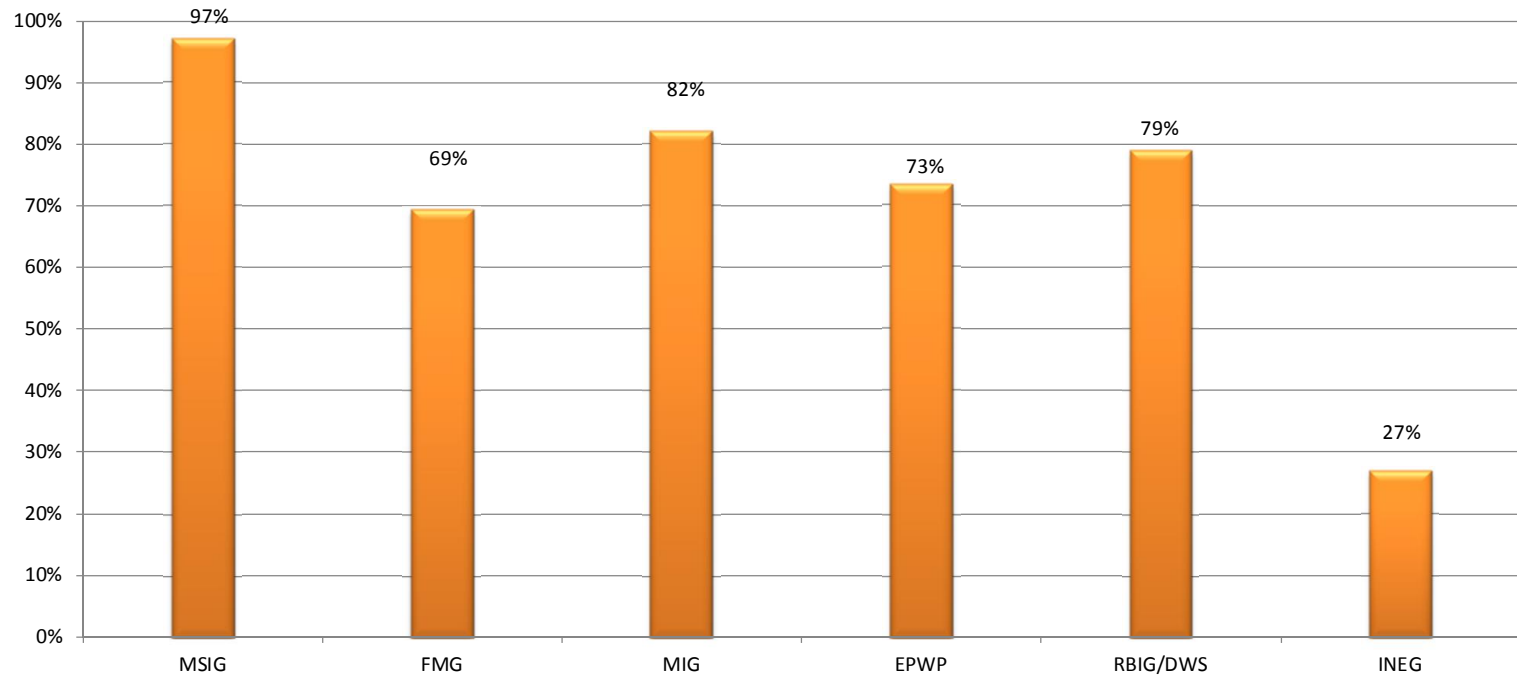
Financial Accounting for Grant Funds Received and Expended

	Municipal Systems Improvement Grant (MSIG)	Finance Management Grant (FMG)	Municipal Infrastructure Grant (MIG)	Extended Public Works Programme (EPWP)	RBIG/DWS	Integrated National Electrification Programme Grant (INEG)
DORA Allocation for the 2015/16	930,000	1,675,000	38,899,000	1,151,000	-	-
Unspent grants at beginning of the financial year	-	-	-	-	-	5,000,000
Received Prior Months	-	-	31,551,000	806,000	66,460,976	-
Received This Month	930,000	1,675,000	7,348,000	345,000	5,538,850	-
Total Funds Received	930,000	1,675,000	38,899,000	1,151,000	71,999,826	5,000,000
Spent Prior Months	858,557	1,119,900	26,126,619	754,404	55,519,568	1,339,780
Spent This Month	43,597	41,667	5,758,858	90,138	1,289,452	-
Total Funds Spent	902,154	1,161,567	31,885,477	844,542	56,809,020	1,339,780
Total funds Received and Not Spent	27,846	513,433	7,013,523	306,458	15,190,806	3,660,220
Percentage of Funds Spent	97%	69%	82%	73%	79%	27%
Funds Currently Committed but Not Spent	-	-	-	-	-	-
Scheduled Transfers Withheld	-	-	-	-	-	-

Capital Government grants and subsidies consist of the following:

Municipal Infrastructure Grant	38,899,000
DWS	67,474,000
EPWP (Incentive)	1,151,000
Regional Bulk Infrastructure Grant	-
DoE (Department of Energy)	5,000,000
Total	<u>112,524,000</u>

GRANTS SPENDING 2015/16



REPORT ON STAFF BENEFITS: Staff costs analysis for the month of April 2016 (MFMA Section 66)

Summary of Section 66 of the MFMA - Salaries and Wages (Staff Benefits)

DESCRIPTION	Budget 2015/16	Actual	YTD	% Exp
ANNUAL BONUS	8,833,681	515,817	7,172,709	81%
HOUSING SUBSIDY	1,090,918	81,783	827,366	76%
OTHER ALLOWANCES	939,476	68,090	669,510	71%
OVERTIME	14,063,453	1,699,437	13,698,753	97%
TELEPHONE ALLOWANCE	485,806	37,470	335,530	69%
SALARIES TEMPORARY STAFF	359,779	-	-	0%
SALARIES & WAGES BASIC	123,015,651	10,550,556	102,339,645	83%
STANDBY ALLOWANCE	1,586,150	123,736	1,289,627	81%
VEHICLE ALLOWANCE	8,945,611	824,057	7,582,810	85%
LONG-SERVICE AWARDS	17,632	-	-	0%
SUB-TOTAL EMPLOYEE COSTS	159,338,157	13,900,946	133,915,950	84%
GROUP LIFE INSURANCE GENERAL	1,805,391	127,612	1,416,533	78%
INDUSTRIAL COUNCIL LEVY	83,914	6,895	65,605	78%
INSURANCE UNEMPLOYMENT	1,295,247	108,490	1,032,676	80%
MEDICAL AID SCHEME	11,873,061	1,083,965	9,251,506	78%
PENSION FUNDS	21,343,416	1,884,645	17,485,656	82%
POST-RETIREMENT MEDICAL BENEFITS	2,837,304	1,770	2,313,636	82%
SUB-TOTAL SOCIAL CONTRIBUTION	39,238,333	3,213,378	31,565,612	80%
TOTAL EMPLOYEE COSTS	198,576,490	17,114,323	165,481,562	83%

Analysis of overtime per department

Description	29-Feb		31-Mar		30-Apr	
	Hours	Cost	Hours	Cost	Hours	Cost
Municipal Manager	-	-	-	-	64	6,843
Corporate Services	95	6,277	136	20,015	80	6,457
Financial Services	425	50,016	351	43,047	370	48,001
Technical Services	8,451	764,191	7,728	692,488	9,272	858,748
Community Services	10,593	905,738	4,878	487,613	6,789	685,012
Total	19,564	1,726,223	13,093	1,243,163	16,575	1,605,061

The overtime needs to be administered and only real emergencies be attended to after hours, on weekends and on holidays. Each department needs to do proper planning to manage their own budget in order to avoid unnecessary expenditure, thus ensuring that they stay within the budget for the year, to avoid overspending.

