



"People's power in action"

MFMA SECTION 71 REPORT
MONTH ENDING 31 MARCH 2016

Municipal Manager
Executive Mayor

Revenue analysis for the month ending 31 March 2016

Revenue types	Annual	31 March 2016					Third Quarter Ending 31 March 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	3,695,523	76%	4,249,037	115%	1,060,437	4,755,960	14,547,000	11,147,859	77%	13,898,544	9,888,122	89%
Electricity - conventional	184,220,100	14,203,370	13,462,017	95%	11,774,717	87%	3,222,677	16,684,694	43,973,338	38,270,365	87%	47,526,729	33,153,195	87%
Water	93,086,263	8,509,897	7,173,879	84%	3,705,621	52%	2,117,184	9,291,063	23,587,593	19,461,842	83%	22,229,068	11,555,170	59%
Sanitation	25,950,000	2,162,500	2,297,258	106%	1,051,929	46%	92,646	2,389,904	6,487,500	6,885,176	106%	6,989,951	3,271,811	48%
Refuse	21,968,004	1,830,667	1,844,724	101%	821,569	45%	5,337	1,850,061	5,492,001	5,531,284	101%	5,545,807	2,525,859	46%
Total Direct Services	387,119,422	31,555,434	28,473,401	90%	21,602,873	76%	6,498,281	34,971,682	94,087,432	81,296,526	86%	96,190,099	60,394,157	74%
Other revenue	20,884,000	1,740,333	1,479,413	85%	331,034	22%	-224,059	1,255,354	5,220,999	4,406,221	84%	6,619,512	846,404	19%
Indigent Contribution					2,423,578								6,934,347	
Income Forgone					937,979								2,822,056	
Revenue from levied services	408,003,422	33,295,767	29,952,814	90%	25,295,464	84%	6,274,222	36,227,036	99,308,431	85,702,747	86%	102,809,611	70,996,964	83%
Electricity - prepaid	94,812,276	8,324,518	-		6,555,122				24,206,356	-			18,956,411	
Revenue before operational grants	502,815,698	41,620,285	29,952,814		31,850,586				123,514,787	85,702,747			89,953,375	
Operational grants and subsidies	2,617,000								2,605,000				2,605,000	100%
Equitable share	161,083,246				40,271,000				40,271,000				40,271,000	100%
Total Revenue	666,515,944	41,620,285	29,952,814		72,121,586	-			166,390,787	85,702,747			132,829,375	-

Comments for January- March 2016 Section 71 Reports

Collection rate for March 2016 on the levied services is 85%.

Collection rate for sanitation and refuse for the month is 46% and 45% against levies respectively.

The collection rate for Property rates for the month is 115% 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 March is 87%.

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

Total direct services collection rate against levies is 76% 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%
Total	229,271,900	157,391,256	69%	41,651,618	26,836,812	65%	6,408,509	3,147,885	76%

PRE-PAID ELECTRICITY SALES

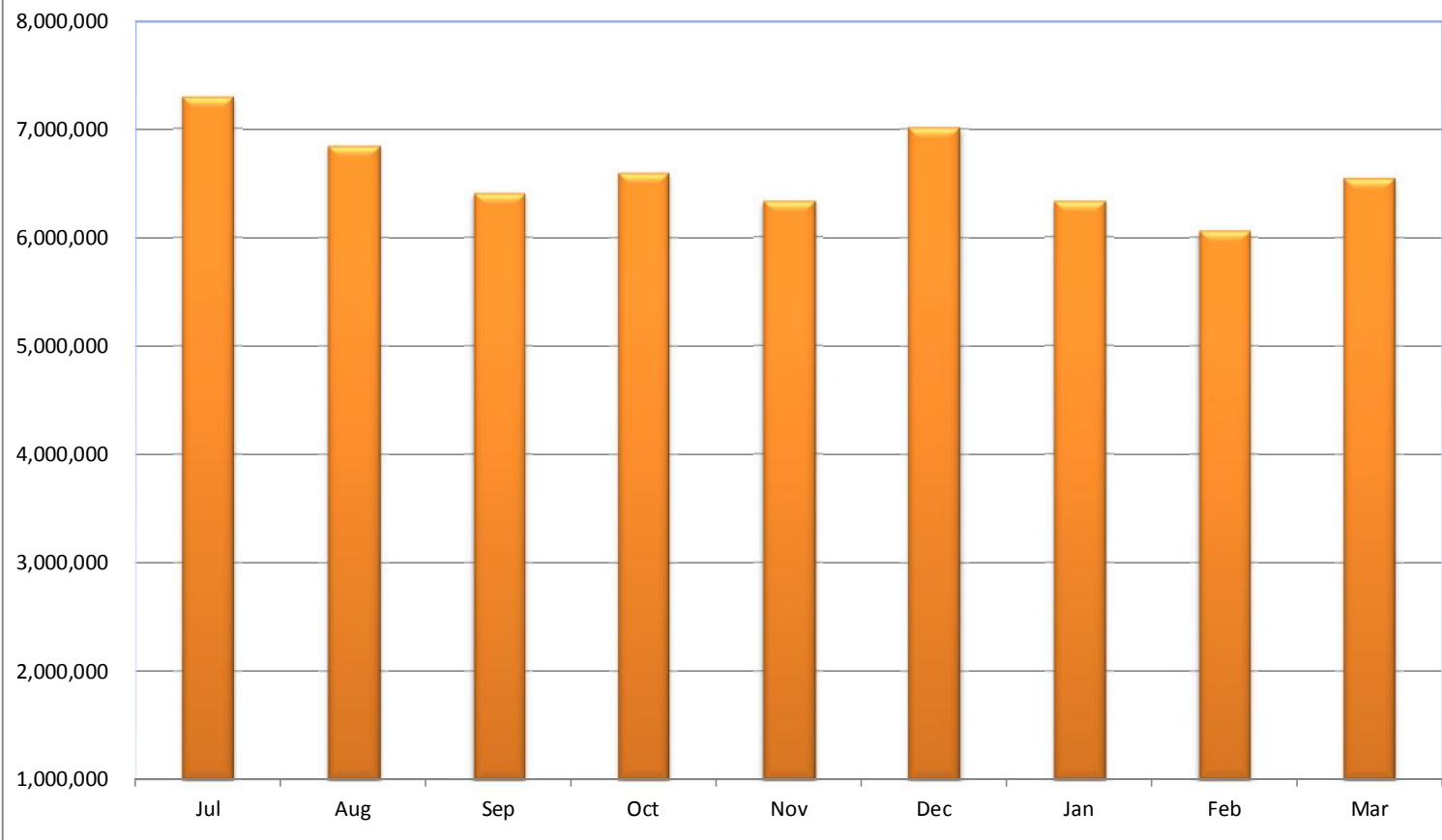
Month	Transactions	Units	Unit Value	Free Units	Avg Val/trans	Total
Jul	115378	6524987	7304098	221500	72	7,304,098
Aug	105562	6144302	6851294	403000	74	6,851,294
Sep	98292	5773132	6412592	409750	74	6,412,592
Oct	102,281	5,922,578	6,602,515	368,822	74	6,602,515
Nov	95,663	5,692,102	6,335,600	417,450	75	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
						59,487,475

The average collection rate for Kroonstad/Maokeng for March is 75%, Viljoenskroon/Rammulutsi is 71% and Steynsrus/Matlwangtlwang is 56% against the levy.

Kroonstad/Maokeng generated a revenue of R18.5m in March, Viljoenskroon/Rammolutsi's R3m, & Steynsrus/Matlwangtlwang generated R319 355.

The revenue generated through prepaid electricity for February is R6.5m. The electricity vendors are contributing to these sales.

Prepaid Electricity Sales 2015-16



Analysis of Debtors as at 31 March 2016

	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Total
Debtors Age Analysis By Income					
Water Tariffs	8,676,020	5,898,711	3,752,165	164,584,259	182,911,155
Electricity Tariffs	13,235,812	2,085,619	1,148,329	23,013,630	39,483,390
Rates (Property Rates)	2,686,374	1,040,645	689,691	24,483,406	28,900,116
Sewerage / Sanitation Tariffs	1,798,708	1,153,621	1,004,514	40,108,825	44,065,668
Refuse Removal Tariffs	1,407,901	904,020	793,573	27,709,941	30,815,435
Other	878,446	1,544,432	1,474,292	59,848,098	63,745,268
Total By Income Source	28,683,261	12,627,048	8,862,564	339,748,159	389,921,032
Debtors Age Analysis By Customer Group					
Government	4,757,555	1,674,410	1,307,226	9,001,650	16,740,841
Business	11,500,189	1,163,941	461,697	10,579,959	23,705,786
Households	8,754,983	7,014,953	4,931,880	181,715,171	202,416,987
Other	3,670,534	2,773,744	2,161,761	138,451,379	147,057,418
Total By Customer Group	28,683,261	12,627,048	8,862,564	339,748,159	389,921,032

Highlights	JAN	FEB	MAR
Services			
Councillors' debt	R 119,176	R 127,088	R 124,898
Officials debt	R 1,609,886	R 1,604,191	R 1,576,918
Sundry debtors			
Telephones (Officials & Councillors)	R 320,496	R 322,752	R 312,389
Study loans	R 96,049	R 94,939	R 94,564
<i>Indigents</i>	R 92,164,044	R 92,282,818	R 93,945,533
Total Debt 90 Days +	R 333,152,499	R 329,918,718	R 339,748,159

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
Detail									
Bulk Electricity	15,574,766	-	-	-	-	-	-	-	15,574,766
Loan repayments	-	-	-	-	-	-	-	-	-
Trade Creditors	5,173,022	1,293,889	952,484	648,196	-	-	-	-	8,067,591
Auditor General	17,499	17,358	81,036	-	-	-	-	-	115,893
DWAS	-	-	-	-	-	-	-	19,344,848	19,344,848
SITA	-	-	-	-	-	-	-	1,223,163	1,223,163
WSSA	-	-	-	-	-	-	-	-	-
GOVERNMENT GARAGE	249,134	249,134	249,134	2,341,120	-	-	-	-	3,088,522
OTHER CREDITORS	4,000,000	-	-	-	-	-	-	-	4,000,000
Total	25,014,421	1,560,381	1,282,654	2,989,316	-	-	-	20,568,011	51,414,783

OPERATING EXPENSES

DESCRIPTION	Annual Budget 2015/2016	Actual 31-Mar-16	YTD 31-Mar-16	Variance	% Exp
EMPLOYEE RELATED COSTS	198,576,490	16,830,662	148,367,239	67,039,913	75%
REMUNERATION OF COUNCILLORS	16,596,317	1,481,161	13,405,491	4,671,986	81%
BULK PURCHASES	214,107,438	14,693,681	139,791,815	89,009,304	65%
CONTRACTED SERVICES	29,221,470	234,637	16,357,013	13,099,094	56%
TOTAL REPAIR AND MAINTENANCE	56,092,741	3,854,114	32,609,641	27,337,214	58%
DEPRECIATION ON ASSETS	21,190,004	453,453	4,068,999	7,063,335	19%
CONTRIBUTIONS TO BAD DEBTS	5,564,000	463,667	3,709,333	1,854,667	67%
GENERAL EXPENSES	113,743,850	9,618,559	79,096,113	44,266,297	70%
TOTAL EXPENDITURE (NETT)	655,092,310	47,629,934	437,405,645	254,341,810	67%

CONTRACTED SERVICES

Description	Annual Budget 2015/2016	Actual 31-Mar-16	YTD 31-Mar-16	Variance	% Exp
CASH COLLECTION COST (DEPOSIT FEES)	510,813	3,358	280,824	229,989	55%
INTERNAL AUDIT	3,175,000	-	873,302	2,301,698	28%
PERFORMANCE MANAGEMENT	400,000	67,260	67,260	332,740	17%
METER READING FEES	1,287,231	-	604,282	682,949	47%
RAILWAY SIDING	686,689	44,000	73,323	613,366	11%
SECURITY (MONITORING OF ALARMS)	661,737	115,033	300,925	360,812	45%
SECURITY SERVICES	22,500,000	4,985	14,157,096	8,342,904	63%
CONTRACTED SERVICES	29,221,470	234,637	16,357,013	12,864,457	56%

OPERATING EXPENSES

DESCRIPTION	Annual Budget 2015/2016	Actual 31-Mar-16	YTD 31-Mar-16	Variance	% Exp
ABET TRAINING	55,000	-	-	55,000	0%
ACTIVITIES DISABILITIES	52,800	-	44,376	8,424	84%
ACTIVITIES YOUTH OFFICER	675,000	1,540	242,487	432,513	36%
ADVERTISEMENTS	336,442	22,691	246,179	90,263	73%
AUDIT FEES (EXTERNAL)	4,565,870	-	2,639,055	1,926,815	58%
BANK CHARGES	2,247,844	176,974	1,566,647	681,197	70%
BANK OVERDRAFT INTEREST	-	-332	-73,944	73,944	-100%
BIOLOGICAL RISK ASSESSMENT	-	-	-	-	0%
BOOKS & MAGAZINES	22,995	-	1,129	21,866	5%
BURSARIES	-	-	-	-	0%
CHEMICALS	6,581,864	234,896	2,647,986	3,933,878	40%
CIVIC FUNERALS	140,000	-	113,912	26,088	81%
CLEANING CAMPAIGN	30,000	-	1,748	28,252	6%
CLEANING MATERIALS	412,044	71,226	303,611	108,434	74%
COMMISSION PAID	4,234,691	298,665	2,820,294	1,414,397	67%
COMMITTEES AUDIT	325,000	78,567	173,988	151,012	54%
COMMITTEES CHILDCARE	52,800	1,980	26,680	26,120	51%
COMMITTEES HIC/AIDS	99,999	-	46,150	53,849	46%
COMMITTEES LOCAL SPORT	50,000	-	38,180	11,820	76%
COMMITTEES OLD AGE	52,800	-	42,480	10,320	80%
COMMITTEES WARDS	1,375,000	22,500	982,356	392,644	71%
COMMONAGE	4,000	-	-	4,000	0%
CONFERENCES/SEMINARS/MEETINGS	1,930,164	144,462	1,455,057	475,107	75%
PROFESSIONAL FEES	5,048,900	210,000	3,827,295	1,221,605	76%

OPERATING EXPENSES

DESCRIPTION	Annual Budget	Actual 31-Mar-16	YTD 31-Mar-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	2,818	39,787	65,213	38%
ENTERTAINMENT COST	442,346	38,018	329,352	112,994	74%
EVENTS LOGISTICS	10,000	2,370	9,100	900	91%
FUEL & LUBRICANTS	6,530,213	408,267	3,370,517	3,159,696	52%
FUNERAL ATTENDANCE	6,167	-	-	6,167	0%
GRAVE - NUMBERS	7,000	-	5,856	1,144	84%
GRANT EXP - FMG	1,675,000	87,491	1,119,899	555,101	67%
GRANT EXP - LG SETA MANDATORY	602,784	-	52,800	549,984	-100%
GRANT EXP - MSIG	930,000	-	858,557	71,443	92%
INDIGENT - CONTRIBUTIONS	23,546,130	2,423,578	20,702,415	2,843,715	88%
INSURANCE GENERAL	3,200,000	19,168	2,971,333	228,667	93%
INSURANCE GENERAL EXCESS	578,007	7,698	59,681	518,326	10%
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	332,832	344,066	2,043,717	14%
LATE PAYMENT - CREDITORS	50,000	-	3,632	46,368	7%
LEANER SHIP	20,000	-	142	19,858	1%
LEGAL FEES	1,540,573	2,078	1,042,651	497,922	68%
LICENSES OTHER	1,750,574	15,959	1,033,780	716,794	59%
LICENCES PUBLIC	3,600	-	639	2,961	18%
LICENSES VEHICLES	474,956	26,392	258,172	217,155	54%
MEDICAL EXAMINATIONS	365,000	-	229,376	135,624	63%
MEDICINES	5,880	-	1,596	4,284	27%
MEMBERSHIP FEES	9,000	2,736	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	25	5,765	2,315	71%
POSTAL SERVICES(POSTAGE & TELEGRAMS)	1,361,536	99,873	960,905	400,631	-100%
POSTOFFICE & EASYPAY COMMISSION	451,128	28,962	247,600	203,528	-100%
PRE-PAID METERS	1,685,000	-	822,336	862,664	49%
PRINTING & STATIONERY	2,460,532	103,405	1,713,119	747,043	70%
PRODUCTIONS,SHOWS & MARKETING	-	-	-	-	0%
PROTECTIVE CLOTHING	2,121,512	149,490	724,714	1,396,798	34%
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	121,457	419,843	961,132	30%
RENT - VEHICLES	4,998,800	439,600	1,673,023	3,225,777	33%
RETIREE AWARDS	5,000	-	-	5,000	0%
SALGA MEMBERSHIP FEES	2,216,810	-	2,216,810	-	100%
SKILLS DEVELOPMENT LEVY	1,299,540	141,843	1,270,323	29,217	98%
SOCIAL PROGRAMS	869,965	198,900	805,258	64,707	93%
STOCK AND MATERIAL	345,979	16,383	203,520	142,459	59%
SUBSCRIPTION FEES	5,103	-	-	5,103	0%
SUPPLEMENTARY VALUATIONS	158,048	-	91,000	67,048	58%
TELEPHONE & FAX	2,187,138	424,650	1,642,465	544,673	75%
TOURISM	55,500	-	23,823	31,677	43%
TOWN PLANNING COST	100,000	-	-	100,000	0%

OPERATING EXPENSES

DESCRIPTION	Annual Budget	Actual 31-Mar-16	YTD 31-Mar-16	Variance	% Exp
TRAFFIC SIGNS	127,776	52,327	137,010	90,766	107%
TRAINING STAFF	100,000	7,545	51,181	48,819	51%
TRAINING COUNCILLORS	36,074	-	10,560	25,514	29%
WEED KILLERS / PEST CONTROL	300,000	262,009	262,878	37,122	88%
WINDEED	47,594	3,262	26,728	20,866	56%
WORKMENS COMPENSATION	890,000	-	-	890,000	0%
GENERAL EXPENSES	95,927,480	6,682,301	62,996,282	32,931,198	66%

CASH FLOW ANALYSIS FOR THE MONTH ENDING**Detail****Mar-16****Cash Receipts by Source**

Property rates	4,248,643
Service charges - electricity revenue	19,812,090
Service charges - water revenue	4,080,776
Service charges - sanitation revenue	1,199,199
Service charges - refuse revenue	936,588
Service charges - other	-
Interest earned - outstanding debtors	-
Fines	-
Transfer receipts - operational	40,271,000
Other revenue	5,881,398
Cash Receipts by Source	76,429,694

Other Cash Flows/Receipts by Source

Transfer receipts - capital	17,452,598
Borrowing long term/refinancing	-

Total Cash Receipts by Source 93,882,292**Cash Payments by Type**

Employee related costs	16,830,661
Remuneration of councillors	1,481,160
Bulk purchases - Electricity	13,786,295
Contracted services	2,234,637
General expenses	49,521,335
Cash Payments by Type	83,854,088

Other Cash Flows/Payments by Type

Capital assets	12,709,746
Repayment of borrowing	-

Total Cash Payments by Type 96,563,834**Net Increase/(Decrease) in Cash Held -2,681,542****Cash/cash equivalents at the month/year begin: 10,654,411****Cash/cash equivalents at the month/year end: 7,972,869**

Report on conditional grants at 31 March 2016

Municipality:

FS201 Moqhaka

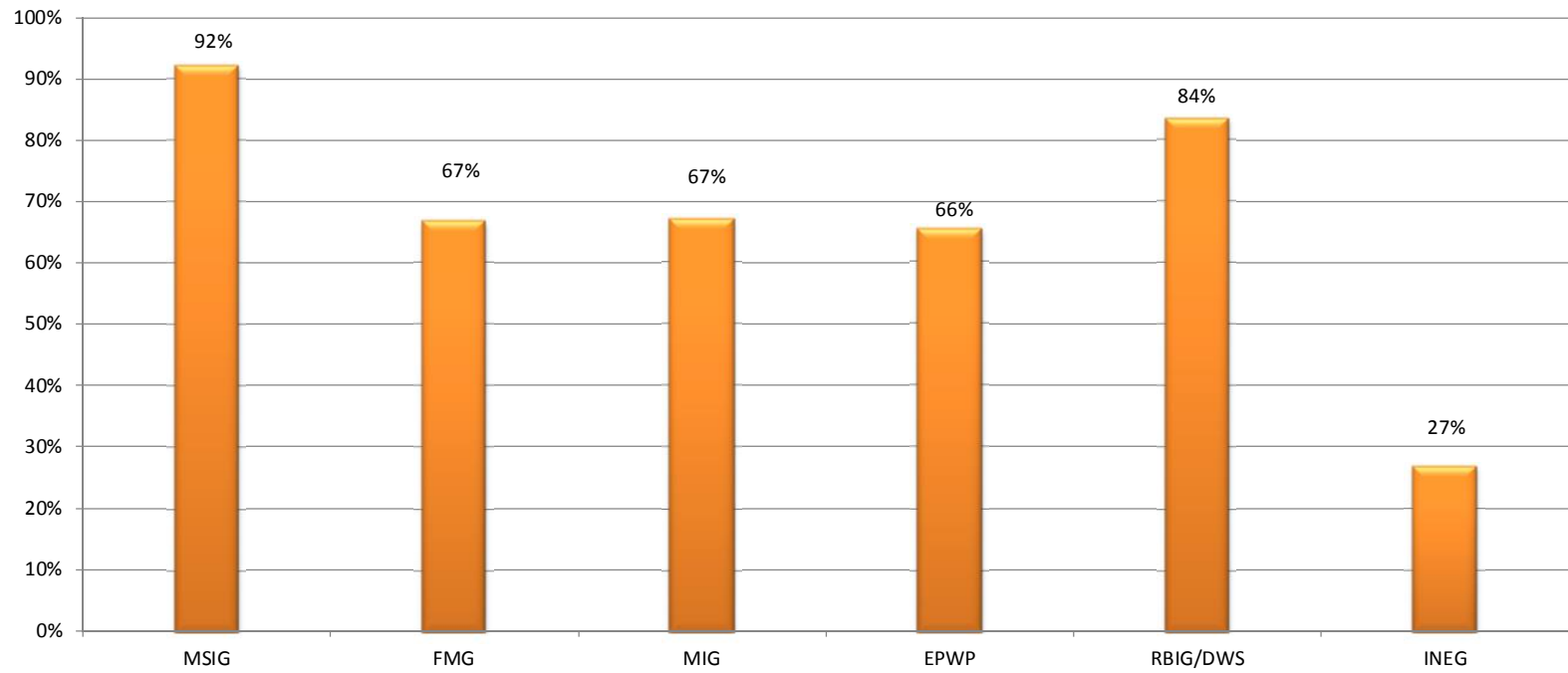
Financial Accounting for Grant Funds Received and Expended

	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	49,570,870	-
Received This Month	930,000	1,675,000	7,348,000	345,000	16,890,106	-
Total Funds Received	930,000	1,675,000	38,899,000	1,151,000	66,460,976	5,000,000
Spent Prior Months	858,557	1,032,409	21,727,610	371,345	38,279,136	1,339,780
Spent This Month	-	87,491	4,399,009	383,059	17,240,432	-
Total Funds Spent	858,557	1,119,900	26,126,619	754,404	55,519,568	1,339,780
Total funds Received and Not Spent	71,443	555,100	12,772,381	396,596	10,941,408	3,660,220
Percentage of Funds Spent	92%	67%	67%	66%	84%	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	112,524,000

GRANTS SPENDING 2015/16



REPORT ON STAFF BENEFITS: Staff costs analysis for the month of March 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	336,342	6,656,892	75%
HOUSING SUBSIDY	1,090,918	81,753	745,584	68%
OTHER ALLOWANCES	939,476	67,932	601,420	64%
OVERTIME	14,063,453	1,362,820	11,999,316	85%
TELEPHONE ALLOWANCE	485,806	33,906	298,061	61%
SALARIES TEMPORARY STAFF	359,779	-	-	0%
SALARIES & WAGES BASIC	123,015,651	10,442,315	91,789,089	75%
STANDBY ALLOWANCE	1,586,150	122,992	1,165,890	74%
VEHICLE ALLOWANCE	8,945,611	799,951	6,758,753	76%
LONG-SERVICE AWARDS	17,632	-	-	0%
SUB-TOTAL EMPLOYEE COSTS	159,338,157	13,248,011	120,015,004	75%

GROUP LIFE INSURANCE GENERAL	1,805,391	128,845.80	1,288,920.21	71%
INDUSTRIAL COUNCIL LEVY	83,914	6,836.75	58,710.50	70%
INSURANCE UNEMPLOYMENT	1,295,247	104,093.16	924,185.78	71%
MEDICAL AID SCHEME	11,873,061	1,016,335.01	8,167,541.08	69%
PENSION FUNDS	21,343,416	1,787,640.00	15,601,010.89	73%
POST-RETIREMENT MEDICAL BENEFITS	2,837,304	538,900.80	2,311,865.90	81%
SUB-TOTAL SOCIAL CONTRIBUTION	39,238,333	3,582,652	28,352,234	72%
TOTAL EMPLOYEE COSTS	198,576,490	16,830,662	148,367,239	75%

Analysis of overtime per department

Description

Municipal Manager
 Corporate Services
 Financial Services
 Technical Services
 Community Services
Total

31-Jan		29-Feb		31-Mar	
Hours	Cost	Hours	Cost	Hours	Cost
-	-	-	-	-	-
44	3,102	95	6,277	136	20,015
1,115	123,655	425	50,016	351	43,047
9,335	895,676	8,451	764,191	7,728	692,488
6,470	647,263	10,593	905,738	4,878	487,613
16,964	1,669,696	19,564	1,726,223	13,093	1,243,163

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.

