"People's power in action"

MFMA SECTION 71 REPORT

MONTH ENDING 30 June 2017

Municipal Manager

Executive Mayor

Revenue analysis for the month ending 30 June 2017

Revenue types		June 2017							TWELVE MONTHS ENDING 30 JUNE 2017						
	Annual Budget 2016/2017	Budget	Levies per GS560	Levies vs Budget	Monthly Inc Indigent Contribution	(BM-310) Actual Income	Income + Income Ind Contribution	Income vs Levies	Budget	Levies per GS560 YTD	Levies vs Budget	(BM-310) Actual Income	Indigent Contribution	Actual Income + Ind Contribution	Income vs Levies
Property rates	67 069 288	5 142 873	5 081 960	99%	126 820	4 835 915	4 962 735	98%	67 069 288	66 222 522	99%	44 982 035	1 525 265	46 507 300	70%
Electricity - conventional	209 258 732	14 679 831	13 501 770	92%	429 662	18 567 472	18 997 134	141%	209 258 732	180 394 227	86%	150 192 752	9 283 327	159 476 079	88%
Water	96 247 056	7 975 746	6 818 329	85%	1 145 181	4 167 332	5 312 513	78%	96 247 056	85 501 779	89%	39 613 686	12 211 749	51 825 435	61%
Sanitation	44 028 238	2 809 140	3 534 504	126%	1 073 052	1 443 256	2 516 308	71%	44 028 238	42 398 000	96%	16 171 800	12 526 951	28 698 751	68%
Refuse	28 987 613	2 316 750	2 369 372	102%	696 347	987 808	1 684 155	71%	28 987 613	28 498 299	98%	11 257 057	8 113 707	19 370 764	68%
Total Direct Services	**445 590 927**	**32 924 340**	**31 305 935**	**95%**	**3 471 062**	**30 001 783**	**33 472 845**	**107%**	**445 590 927**	**403 014 827**	**90%**	**262 217 330**	**43 660 999**	**305 878 329**	**76%**
Other revenue	35 329 663	2 944 138	3 729 985	127%	-	768 123	768 123	**21%**	35 329 663	40 048 725	113%	4 504 383	-	4 504 383	11%
Revenue from levied services	**480 920 590**	**35 868 478**	**35 035 920**	98%	**3 471 062**	**30 769 906**	**34 240 968**	**88%**	**480 920 590**	**443 063 552**	92%	**266 721 713**	**43 660 999**	**310 382 712**	**70%**
Electricity - prepaid	96 500 000	8 201 429	-				7 705 365		96 500 000	-			-	83 065 138	
Revenue before operational	**577 420 590**	**44 069 907**	**35 035 920**				**-**		**577 420 590**	**443 063 552**	-	**266 721 713**	**-**	**393 447 850**	
Operational grants and subsidies	2 448 951					-	-		2 448 951	-		2 448 951	-	2 448 951	100%
Equitable share	158 519 001					-	-		158 519 001	-		158 519 000	-	158 519 000	100%
Total Revenue	**738 388 542**	**44 069 907**	**35 035 920**	-	**3 471 062**	**-**	**83 892 666**	**-**	**738 388 542**	**443 063 552**		**427 689 664**	**43 660 999**	**554 415 801**	-

Comments for June 2017 Section 71 Report.

Collection rate for June 2017 on the levied services is 88% for the month & 70% for twelve months.
Collection rate for both sanitation and refuse for June 2017 is 71%.For twelve months is 68% both.
The collection rate on Property rates is 98% for June 2017 & 70% for twelve months.
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 colleted for the month. Therefore reducing the collection rate.
Conventional electricity revenue for June 2017 is 141% & 88% for twelve months.
YTD total is all levies excluding prepaid, grants and incentives on consumer acccounts/income foregone.
Total direct services collection rate against levies is 107% for the month & 76% for twelve months.

BILLING & REVENUE PER TOWN 01/07/2016 - 30/06/2017 (Excluding Pre-paid Electricity)

Month		Kroonstad			Viljoenskroon			Steynsrus	
	Billing	Revenue	Percentage	Billing	Revenue	Percentage	Billing	Revenue	Percentage
Jul	31 203 153	15 092 910	48%	7 204 366	2 893 109	40%	831 328	333 417	40%
Aug	28 331 554	14 345 088	51%	5 677 300	3 262 571	57%	756 305	291 562	39%
Sep	27 703 007	21 895 163	79%	6 127 116	3 461 367	56%	761 276	381 584	50%
Oct	26 146 953	18 026 740	69%	5 873 794	3 402 200	58%	750 167	310 599	41%
Nov	27 398 287	20 684 908	75%	6 184 492	3 719 999	60%	794 943	384 428	48%
Dec	28 116 697	16 427 263	58%	5 836 480	2 966 623	51%	755 796	254 713	34%
Jan	27 404 318	22 915 109	84%	5 924 001	3 549 671	60%	715 887	404 790	57%
Feb	29 124 434	15 881 646	55%	6 025 024	2 971 223	49%	788 165	285 463	36%
Mar	26 781 664	20 258 876	76%	8 479 728	3 256 902	38%	653 767	338 462	52%
Apr	26 612 078	15 960 407	60%	6 184 289	2 914 735	47%	758 138	290 920	38%
May	24 235 257	19 003 164	78%	5 606 143	3 527 918	63%	768 245	333 681	43%
Jun	25 265 864	26 328 451	104%	5 848 271	3 986 252	68%	805 220	455 203	57%
Total	**328 323 266**	**226 819 725**	**70%**	**74 971 004**	**39 912 570**	**54%**	**9 139 237**	**4 064 822**	**45%**

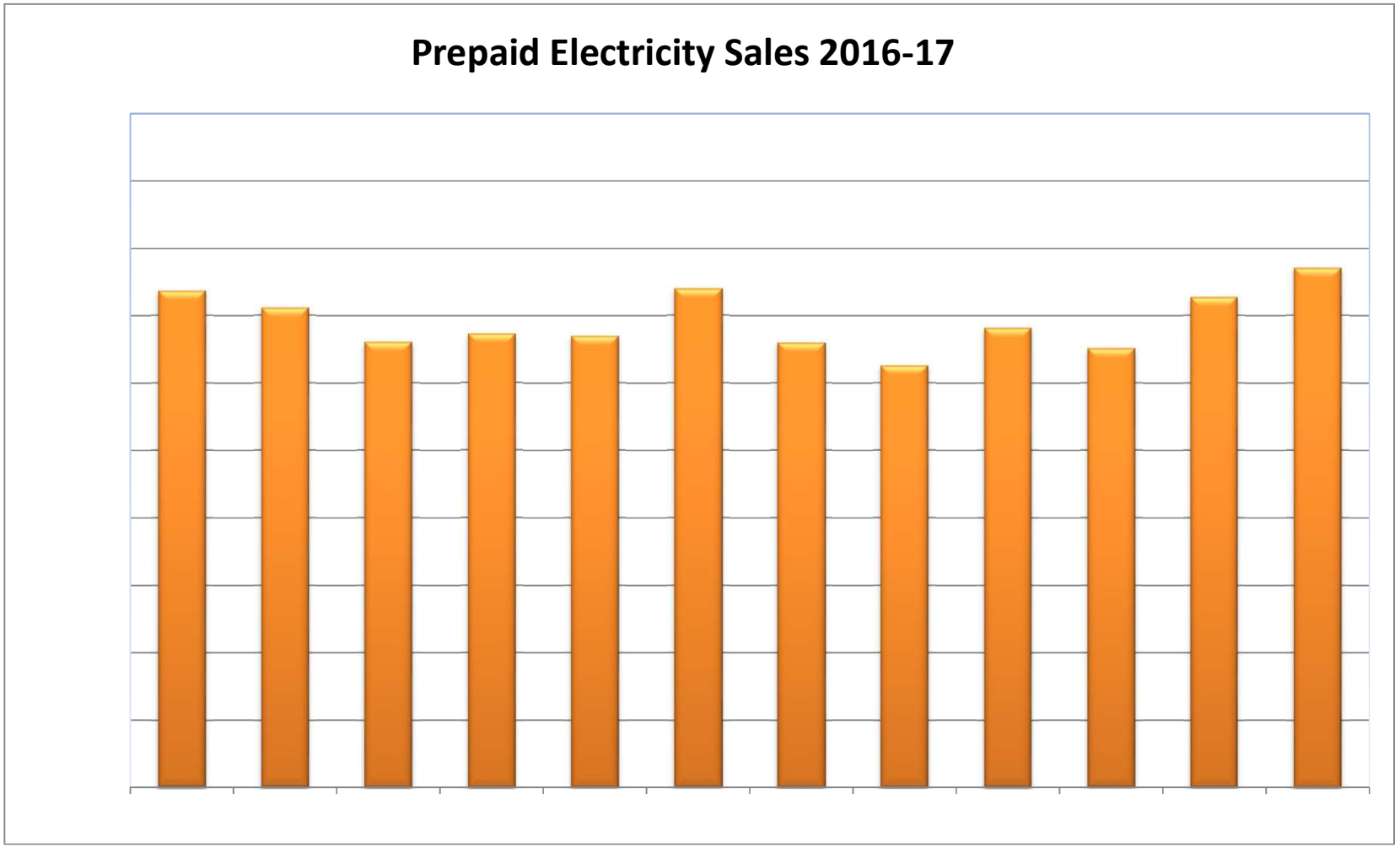
PRE-PAID ELECTRICITY SALES

Month	Transactions	Units	Unit Value	Free Units	Avg Val/trans	Total
Jul	112561	6224756	7365732	444550	75	7 365 732
Aug	111019	5987752	7115537	453350	73	7 115 537
Sep	100443	5601131	6606044	465400	75	6 606 044
Oct	101 786	5 674 148	6 724 283	463 050	75	6 724 283
Nov	98 926	5 647 936	6 694 480	465 550	77	6 694 480
Dec	96 555	6 178 768	7 397 510	465 100	87	7 397 510
Jan	100 391	5 612 138	6 594 786	470 450	75	6 594 786
Feb	89 251	5 308 793	6 256 258	474 100	79	6 256 258
Mar	100 771	5 736 180	6 821 081	476 450	77	6 821 081
Apr	93 143	5 548 480	6 511 419	478 050	80	6 511 419
May	102 436	6 104 223	7 272 933	479 250	81	7 272 933
Jun	104 152	6 435 611	7 705 365	482 350	84	7 705 365
						83 065 428

The average collection rate for Kroonstad/Maokeng for June 2017 is 104% ,Viljoenskroon/Rammulutsi is 68% & Steynsrus/Matlwangtlwang is 57% .

Kroonstad/Maokeng generated a revenue of R26.3m for June 2017 ,Viljoenskroon/Rammolutsi's R3.9m & Steynsrus/Matlwangtlwang generated R455 203.

The revenue generated through prepaid electricity for the month is R7.7m. The electricity vendors are contributing to these sales.


Prepaid Electricity Sales 2016-17

Analysis of Debtors as at 30 June 2017

	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Total
Debtors Age Analysis By Income					
Water Tariffs	6 617 486	3 989 538	4 407 019	204 661 398	219 675 441
Electricity Tariffs	13 089 752	1 412 669	1 111 162	23 713 047	39 326 630
Rates (Property Rates)	2 858 660	1 021 046	655 928	27 520 147	32 055 781
Sewerage / Sanitation Tariffs	2 468 404	1 555 499	1 434 624	51 371 034	56 829 561
Refuse Removal Tariffs	1 661 754	1 045 040	962 475	35 766 468	39 435 737
Other	3 177 477	2 155 736	1 889 776	84 023 128	91 246 117
Total By Income Source	**29 873 533**	**11 179 528**	**10 460 984**	**427 055 222**	**478 569 267**
Debtors Age Analysis By Customer Group					
Government	3 665 389	1 582 080	1 413 464	11 406 932	18 067 865
Business	9 748 006	839 679	517 750	13 267 043	24 372 478
Households	10 027 851	6 356 414	5 976 484	213 775 318	236 136 067
Other	6 432 287	2 401 355	2 553 286	188 605 929	199 992 857
Total By Customer Group	**29 873 533**	**11 179 528**	**10 460 984**	**427 055 222**	**478 569 267**

Highlights	**APR**	**MAY**	**JUN**
Services			
Councillors' debt (>90 days)	R 270 609	R 270 574	R 245 045
Officials debt (>90 days)	R 1 754 689	R 1 793 511	R 1 796 646
Sundry debtors			
Telephones (Officials & Councillors)	R 375 857	R 371 931	R 369 499
Study loans	R 106 170	R 107 036	R 107 902
Indigents	R 127 434 384	R 129 413 910	R 130 580 468
Total Debt 90 Days +	**R 420 018 033**	**R 425 503 031**	**R 427 055 222**

Creditors

Detail	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	31 584 933	24 272 404	26 215 078	128 603 865	-	-	-	-	210 676 280
Loan repayments	828 030	-	-	-	-	-	-	-	828 030
Trade Creditors	8 443 000	512 985	420 834	523 338	-	-	-	-	9 900 157
Auditor General	28 877	21 783	23 287	313 327	1 652 249	-	-	-	2 039 523
DWS	128 821	266 257	212 752	233 826	-	-	-	6 932 669	7 774 324
WSSA	246 728	246 728	246 728	2 520 097	-	-	-	-	3 260 282
GOVERNMENT GARAGE	291 219	300 000	300 168	307 637	-	-	-	2 089 670	3 288 694
Total	**41 551 608**	**25 620 157**	**27 418 848**	**132 502 089**	**1 652 249**	**-**	**-**	**9 022 339**	**237 767 290**

OPERATING EXPENSES

DESCRIPTION	Annual Budget 2016/2017	Actual 30-Jun-17	YTD 30-Jun-17	Variance	% Exp
TOTAL EXPENDITURE (NETT)	**701 536 894**	**44 288 371**	**511 793 615**	**204 353 491**	**73%**

CONTRACTED SERVICES

Description	Annual Budget 2016/2017	Actual 30-Jun-17	YTD 30-Jun-17	Variance	% Exp
CONTRACTED SERVICES	**29 507 603**	**2 168 081**	**25 098 695**	**4 408 908**	**85%**

OPERATING EXPENSES

DESCRIPTION	Annual Budget 2016/2017	Actual 30-Jun-17	YTD 30-Jun-17	Variance	% Exp

OPERATING EXPENSES

DESCRIPTION	Annual Budget	Actual 30-Jun-17	YTD 30-Jun-17	Variance	% Exp

OPERATING EXPENSES

DESCRIPTION	Annual Budget	Actual 30-Jun-17	YTD 30-Jun-17	Variance	% Exp
GENERAL EXPENSES	**122 029 688**	**12 866 548**	**108 477 392**	**13 552 296**	**89%**

CASH FLOW ANALYSIS FOR THE MONTH ENDING

Detail	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Cash Receipts by Source												
Service charges - other												
Transfer receipts - operational												
Cash Receipts by Source	**97 247 090**	**37 869 839**	**39 126 948**	**35 013 011**	**39 827 187**	**98 830 292**	**34 652 709**	**31 629 964**	**79 891 606**	**40 355 528**	**44 370 003**	**35 197 838**
Other Cash Flows/Receipts by Source												
Total Cash Receipts by Source	**112 027 090**	**37 869 839**	**40 888 948**	**35 560 011**	**39 827 187**	**111 871 292**	**34 652 709**	**32 354 964**	**82 419 921**	**40 525 044**	**44 370 003**	**35 197 838**
Cash Payments by Type												
Cash Payments by Type	**108 565 632**	**36 606 157**	**39 561 581**	**22 905 297**	**27 875 467**	**95 401 526**	**45 788 311**	**27 812 012**	**79 705 087**	**39 241 911**	**29 200 673**	**43 567 182**
Other Cash Flows/Payments by Type												
Total Cash Payments by Type	**110 440 877**	**39 084 342**	**40 476 282**	**36 464 018**	**38 065 535**	**97 209 459**	**51 212 474**	**31 195 384**	**83 074 991**	**41 906 592**	**33 398 417**	**45 395 805**
Net Increase/(Decrease) in Cash Held	**1 586 213**	**-1 214 503**	**412 666**	**-904 007**	**1 761 652**	**14 661 833**	**-16 559 765**	**1 159 580**	**-655 070**	**-1 381 548**	**10 971 586**	**-10 197 967**
Cash/cash equivalents at the month/year begin:	**5 063 141**	**6 649 354**	**5 434 851**	**5 847 517**	**4 943 510**	**6 705 162**	**21 366 995**	**4 807 230**	**5 966 810**	**5 311 740**	**3 930 192**	**14 901 778**
Cash/cash equivalents at the month/year end:	**6 649 354**	**5 434 851**	**5 847 517**	**4 943 510**	**6 705 162**	**21 366 995**	**4 807 230**	**5 966 810**	**5 311 740**	**3 930 192**	**14 901 778**	**4 703 811**

Municipal Investments

Regulation 9(1) of Government Gazette 27431 states:

That the accounting officer of a municipality or municipal entity must within 10 working days of the end of each month, as part of the Section 71 report required by the Act, submit to the mayor of the municipality or the board of directors of the municipal entity a report describing in accordance with the generally recognised accounting practice the investment portfolio of that municipality or municipal entity at the end of the month.

Bank Accounts:

Detail	Bank Acc num	Type of investment	Vote num

	ABSA - 1	ABSA - 2	ABSA - 3	Total
Balance 01-Jul- 2016				**6 344 541,96**
Balance at 30-Apr-2017				**2 754 176,87**
Balance at 31-May-2017				**1 886 054,84**
Balance at 30-Jun-2017				**1 169 790,96**
INTEREST EARNED				**821 729,46**
INTEREST ACCRUED				**3 519,54**

Investment in Shares:

DESCRIPTION	NUMBER OF SHARES	BALANCE 31/05/2017	WITHDRAWALS / TRANSFERS	FAIR VALUE GAIN / (LOSS)	BALANCE 30/06/2017
Senwes					
Senwesbel					
		230 822	**-**	**-**	**228 103**

Report on conditional grants at 30-Jun-17

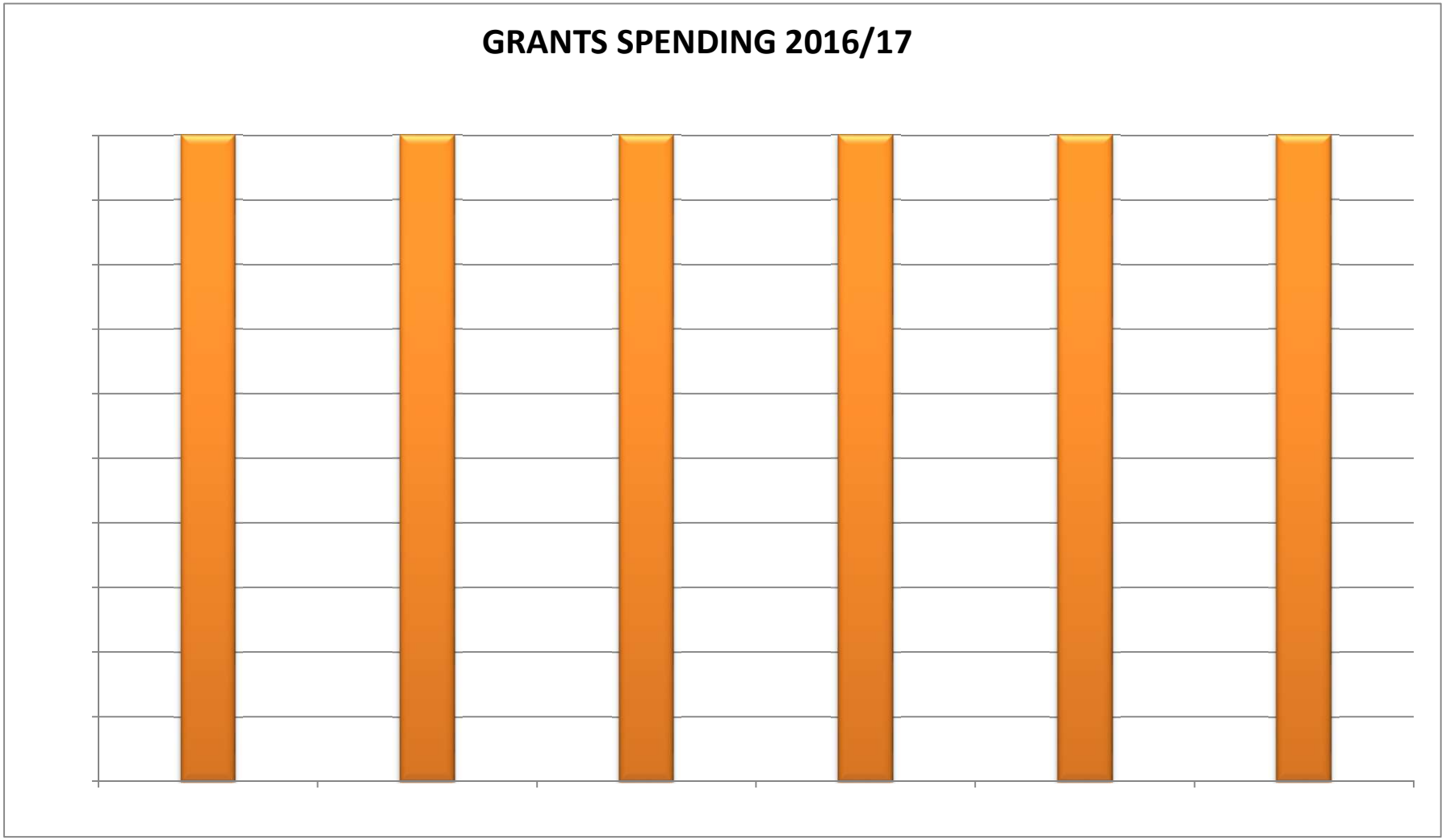
Municipality: FS201 Moqhaka

Financial Accounting for Grant Funds Received and Expended

	OPERATIONAL GRANTS		CAPITAL GRANTS				
	Finance Management Grant (FMG)	LG SETA (Mandatory)	Municipal Infrastructure Grant (MIG)	Extended Public Works Programme (EPWP)	RBIG/DWS	Integrated National Electrification Programme Grant (INEP)	Total Capital Grants
DORA Allocation for the 2016/17	**1 810 000**	**-**	**38 349 000**	**1 000 000**	**2 000 000**	**7 000 000**	**48 349 000**
Unspent grants at beginning of the financial year	-	339 282	-	-	-	-	**-**
Received Prior Months	1 810 000	-	38 349 000	1 000 000	2 000 000	7 000 000	**48 349 000**
Received This Month	-	-	-	-	-	-	**-**
Total Funds Received	**1 810 000**	**339 282**	**38 349 000**	**1 000 000**	**2 000 000**	**7 000 000**	**48 349 000**
Spent Prior Months	1 312 066	339 282	38 229 000	1 000 000	1 830 498	6 628 722	**47 688 220**
Spent This Month	497 934	-	120 000	-	169 502	371 278	**660 780**
Total Funds Spent	1 810 000	339 282	38 349 000	1 000 000	2 000 000	7 000 000	**48 349 000**
Total funds Received and Not Spent	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Percentage of Funds Spent	100%	100%	100%	100%	100%	100%	**100%**
Funds Currently Committed but Not Spent	-	-	-	-	-	-	**-**
Scheduled Transfers Withheld	-	-	-	-	-	-	**-**

Capital Government grants and subsidies consist of the following:

Municipal Infrastructure Grant	38 349 000
DWS (Regional Bulk Infrastructure Grant)	2 000 000
EPWP (Incentive)	1 000 000
DoE (Department of Energy)	7 000 000
Total	**48 349 000**


GRANTS SPENDING 2016/17

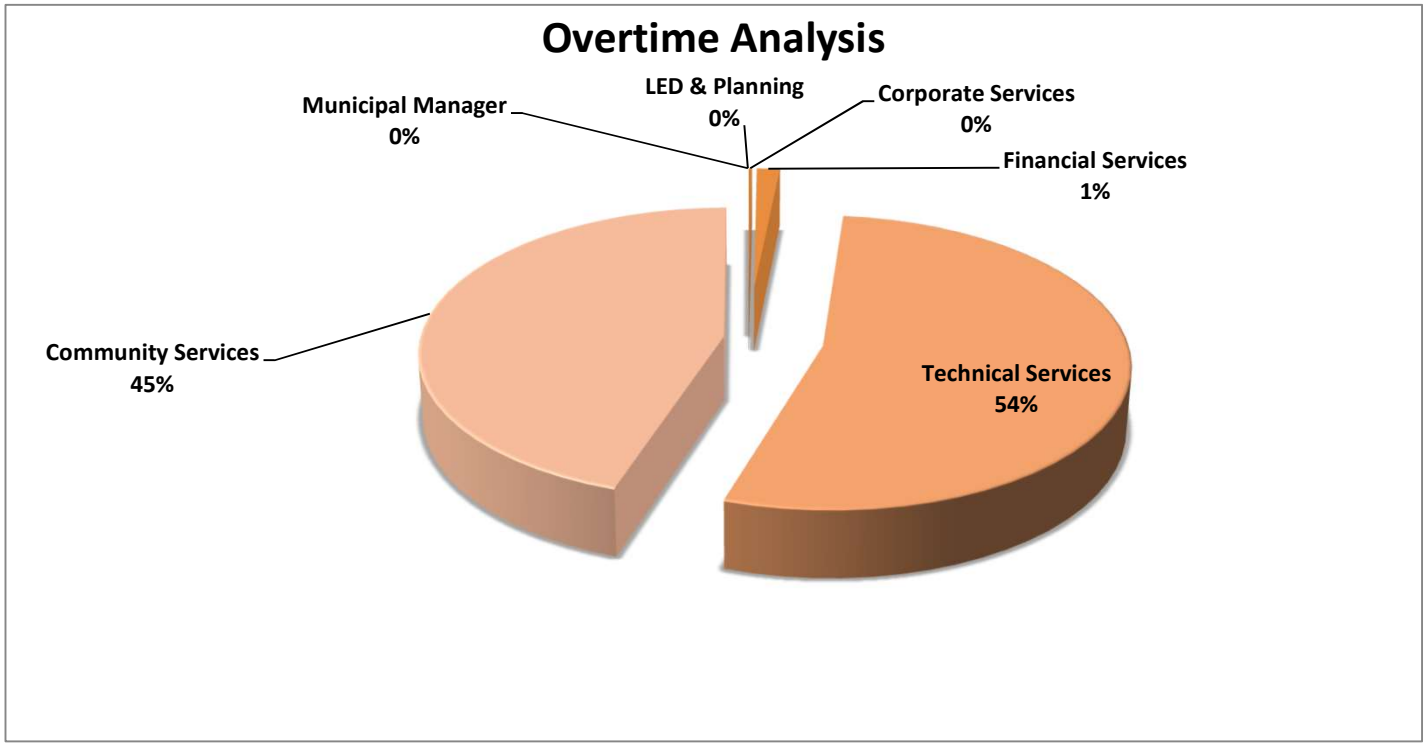
Friday, 30 June 2017

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

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

DESCRIPTION	Budget 2016/17	Actual	YTD	% Exp
SUB-TOTAL EMPLOYEE COSTS	170 139 867	15 024 408	176 934 432	104%
SUB-TOTAL SOCIAL CONTRIBUTION	39 671 272	3 379 337	41 771 632	105%
TOTAL EMPLYEE COSTS	209 811 139	18 403 744	218 706 064	104%

Analysis of overtime per department

Description	30-Apr		31-May		30-Jun	
	Hours	Cost	Hours	Cost	Hours	Cost
Total	14 096	1 444 067	16 507	1 815 896	14 097	1 421 435

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.