# MFMA SECTION 71 REPORT

# MONTH ENDING 31 OCTOBER 2018

**Executive Mayor**
**Municipal Manager**

**Revenue analysis for the month ending 31 October 2018**

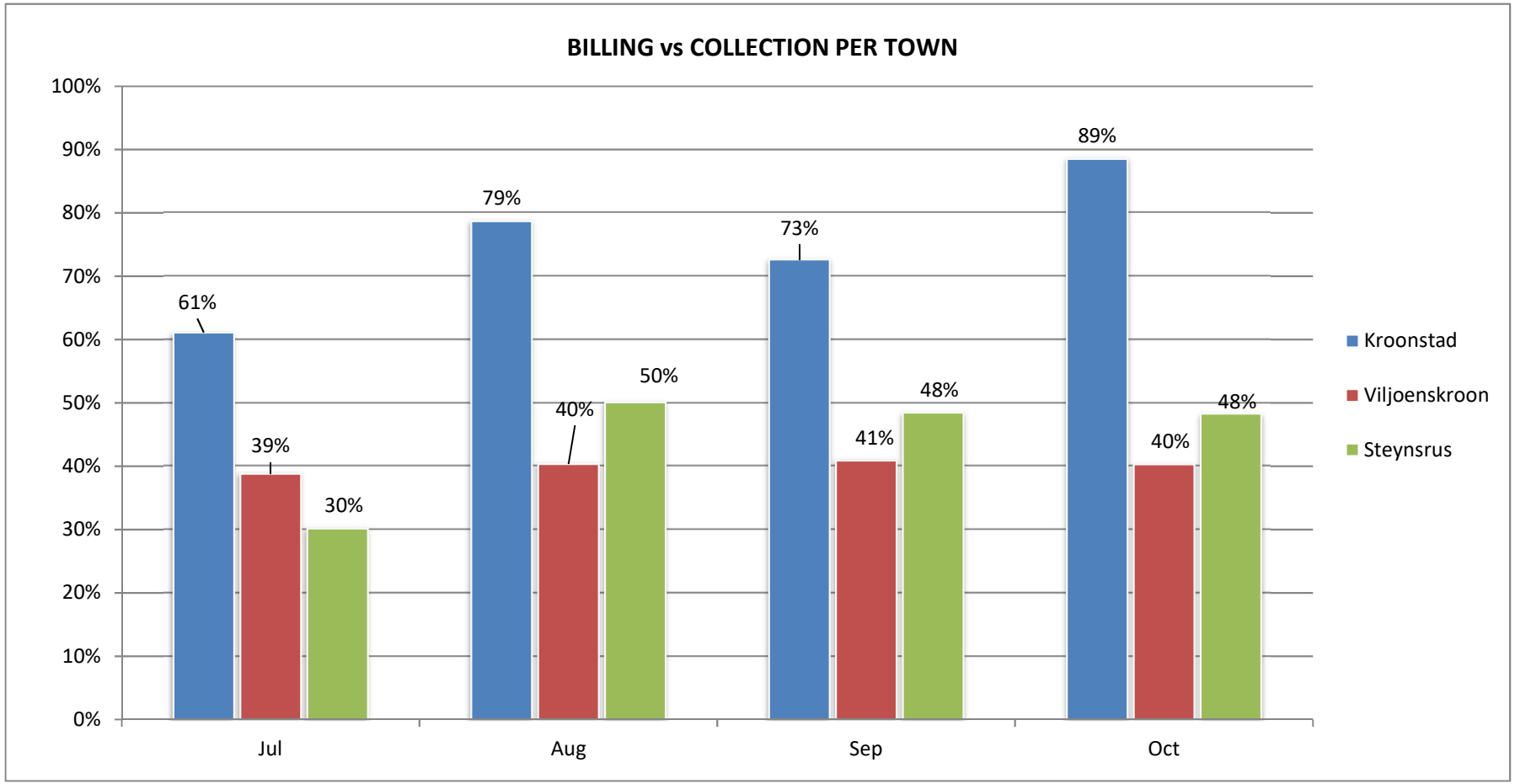
| Revenue types | | 31 October 2018 | | | | | | | Four Months Ending 31 October 2018 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Annual Budget 2018/2019 | Budget | Billing per GS 560 | Billing vs Budget | Monthly Inc Indigent Contribution | (BS-566) Actual Income | Actual Income + Income Ind Contribution | Income vs Billing | Budget | Billing per GS 560 | Billing vs Budget | Monthly Inc Indigent Contribution | (BM-310) Actual Income | Actual Income + Income Ind Contribution | Income vs Billing |
| Property rates | 70 608 063 | 5 404 595 | 5 000 860 | 93% | 1 912 705 | 3 178 229 | 5 090 934 | 102% | 27 371 306 | 23 807 248 | 87% | 7 650 820 | 13 818 464 | 21 469 284 | 90% |
| Electricity - conventional | 201 687 958 | 16 807 330 | 14 206 493 | 85% | 685 118 | 13 773 780 | 14 458 898 | 102% | 67 229 320 | 57 812 523 | 86% | 2 740 472 | 49 300 989 | 52 041 461 | 90% |
| Water | 120 885 000 | 10 073 750 | 7 149 609 | 71% | 1 892 433 | 3 491 419 | 5 383 852 | 75% | 40 295 000 | 36 385 367 | 90% | 7 569 732 | 12 162 319 | 19 732 051 | 54% |
| Sanitation | 41 922 000 | 3 493 500 | 3 676 014 | 105% | 1 130 092 | 2 484 211 | 3 614 303 | 98% | 13 974 000 | 14 013 343 | 100% | 4 520 368 | 8 397 713 | 12 918 081 | 92% |
| Refuse | 35 315 000 | 2 942 917 | 2 657 453 | 90% | 866 908 | 1 824 515 | 2 691 423 | 101% | 11 771 668 | 9 874 147 | 84% | 3 467 632 | 6 458 986 | 9 926 618 | 101% |
| **Total Direct Services** | **470 418 021** | **38 722 091** | **32 690 430** | **84%** | **6 487 256** | **24 752 153** | **31 239 410** | **96%** | **160 641 294** | **141 892 628** | **88%** | **25 949 024** | **90 138 471** | **116 087 495** | **82%** |
| Other revenue | 46 740 937 | 3 824 750 | 2 123 587 | 56% | - | 2 698 860 | 2 698 860 | 127% | 15 299 000 | 8 498 029 | 56% | - | 7 939 320 | 7 939 320 | 93% |
| **Revenue from Billed services** | **517 158 958** | **42 546 841** | **34 814 017** | **82%** | **6 487 256** | **27 451 013** | **33 938 270** | **97%** | **175 940 294** | **150 390 657** | **85%** | **25 949 024** | **98 077 791** | **124 026 815** | **82%** |
| *Electricity - prepaid* | *102 104 042* | *8 508 670* | *8 213 682* | 97% | *584 928* | *8 213 682* | *8 798 610* | *107%* | *34 034 680* | *34 454 338* | **101%** | *2 319 628* | *34 374 551* | *36 694 179* | *107%* |
| **Revenue before operational grants** | **619 263 000** | **51 055 511** | **43 027 699** | **84%** | **7 072 185** | **35 664 695** | **42 736 880** | **99%** | **209 974 974** | **184 844 995** | **88%** | **28 268 652** | **132 452 342** | **160 720 994** | **87%** |
| Operational grants and subsidies | 2 758 000 | - | - | | | - | - | | 2 758 000 | 2 758 000 | | - | 2 758 000 | 2 758 000 | 100% |
| Equitable share | 185 144 000 | - | - | | - | - | - | - | 77 143 000 | 77 143 000 | | - | 77 143 000 | 77 143 000 | 100% |
| **Total Revenue** | **807 165 000** | **51 055 511** | **43 027 699** | - | **7 072 185** | **35 664 695** | **42 736 880** | **99%** | **289 875 974** | **264 745 995** | **91%** | **28 268 652** | **212 353 342** | **240 621 994** | **91%** |

**Comments on Section 71 Report.**

Collection rate for the month for waste water management and waste management 98% & 101% respectively.
The collection rate on Property rates is 102% for the month & 90% for the four months.
Vat is not considered as part of income in this report since it will be paid over to SARS.
Conventional electricity revenue for September 2018 is 102% and 90% for the four months.
Total direct services collection rate against billing is 96% for the month of October 2018 and 82% for four months.
Indigents Contribution for Prepaid is 544 700 units x tariff 0.9127 = R497 147 + R87 780.71 (FBE in ESKOM Supplied Areas) = R584 928,40.

## BILLING & REVENUE PER TOWN 01/07/2018 - 30/06/2019 (Excluding Pre-paid Electricity)

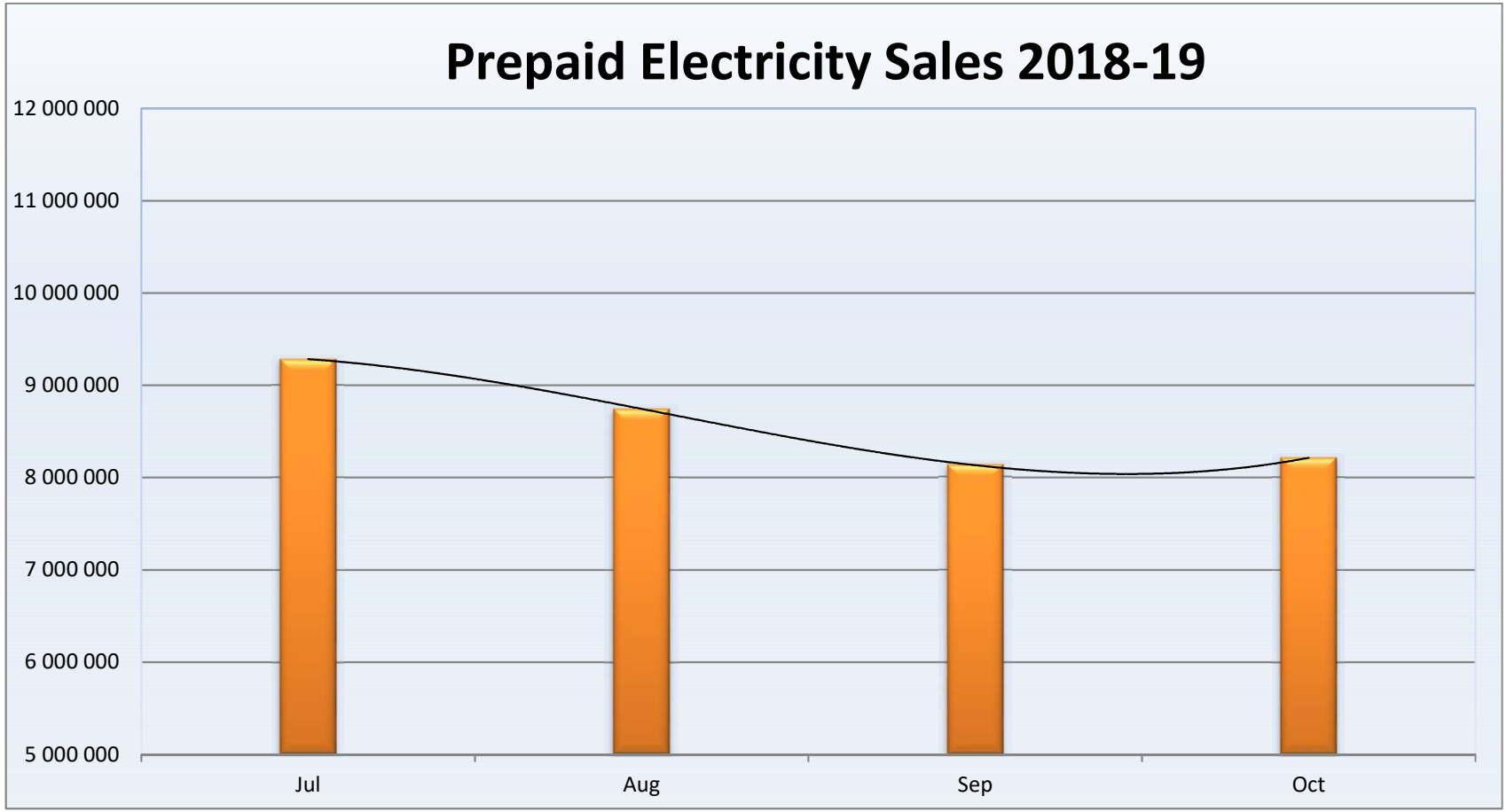
| Month | Kroonstad | | | Viljoenskroon | | | Steynsrus | | |
|---|---|---|---|---|---|---|---|---|---|
| | Billing (BP135) | Receipts (BP135) | Percentage | Billing (BP135) | Receipts (BP135) | Percentage | Billing (BP135) | Receipts (BP135) | Percentage |
| Jul | 40 896 936 | 24 991 365 | 61% | 10 459 414 | 4 060 890 | 39% | 1 347 610 | 406 364 | 30% |
| Aug | 31 046 780 | 24 433 317 | 79% | 9 011 852 | 3 633 906 | 40% | 822 932 | 412 286 | 50% |
| Sep | 34 189 905 | 24 835 390 | 73% | 9 795 201 | 4 003 578 | 41% | 952 021 | 461 521 | 48% |
| Oct | 29 357 194 | 25 992 800 | 89% | 9 755 489 | 3 932 322 | 40% | 989 115 | 477 645 | 48% |
| **Total** | **135 490 814** | **100 252 871** | **75%** | **39 021 956** | **15 630 697** | **40%** | **4 111 678** | **1 757 815** | **44%** |



**PRE-PAID ELECTRICITY SALES**

| Month | Transactions | Units | Unit Value | Free Units | Avg Val/trans | Total | % Movement |
|---|---|---|---|---|---|---|---|
| Jul | 127 836 | 7 130 818 | 9 283 058 | 532 400 | 83.51 | 9 283 058 | 9% |
| Aug | 121 870 | 6 747 241 | 8 743 915 | 538 200 | 82.51 | 8 743 915 | -6% |
| Sep | 111 777 | 6 313 432 | 8 133 896 | 542 550 | 83.69 | 8 133 896 | -7% |
| Oct | 112 082 | 6 325 693 | 8 213 682 | 544 700 | 84.28 | 8 213 682 | 1% |
| | | | | | | **34 374 551** | |

The average collection rate for Kroonstad/Maokeng for October 2018 is 89% ,Viljoenskroon/Rammulutsi is 88% & Steynsrus/Matlwangtlwang is 48%.
Kroonstad/Maokeng generated a revenue of R26m for October 2018 ,Viljoenskroon/Rammolutsi's R3.9m & Steynsrus/Matlwangtlwang generated R477 645.
The revenue generated through prepaid electricity for the month is R8.2m. The electricity vendors are contributing to these sales.



**Analysis of Debtors as at 31 October 2018**

| Detail | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | Total |
|---|---|---|---|---|---|
| Debtors Age Analysis By Income | | | | | |
| Water | 9 154 279 | 13 092 009 | 8 111 666 | 299 135 089 | 329 493 043 |
| Electricity | 14 117 215 | 3 520 751 | 2 126 830 | 23 758 087 | 43 522 883 |
| Property Rates | 4 396 130 | 1 707 181 | 1 281 730 | 47 422 422 | 54 807 463 |
| Sewerage | 3 829 405 | 2 646 296 | 2 422 260 | 80 215 553 | 89 113 514 |
| Refuse Removal | 2 689 664 | 1 815 458 | 1 655 993 | 56 437 983 | 62 599 098 |
| Other | 869 548 | 1 066 336 | 1 040 029 | 36 640 380 | 39 616 293 |
| **Total By Income Source** | **35 056 241** | **23 848 031** | **16 638 508** | **543 609 514** | **619 152 294** |
| Debtors Age Analysis By Customer Group | | | | | |
| Government | 5 814 853 | 3 036 360 | 2 560 896 | 21 275 078 | 32 687 187 |
| Business | 13 410 407 | 3 019 538 | 1 464 629 | 18 391 912 | 36 286 486 |
| Households | 14 380 238 | 16 663 804 | 11 284 035 | 463 768 968 | 506 097 045 |
| Other | 1 450 743 | 1 128 329 | 1 328 948 | 40 173 556 | 44 081 576 |
| **Total By Customer Group** | **35 056 241** | **23 848 031** | **16 638 508** | **543 609 514** | **619 152 294** |

| | |
|---|---|
| **Total Debtors as at 30 September 2018** | **614 741 043** |
| **% Increase / (Decrease) in Debtors** | **1%** |

| **Highlights** | **Aug** | **Sep** | **% Change** | **Sep** | **% Change** | **Reference** |
|---|---|---|---|---|---|---|
| **Services** | | | | | | |
| Councillors' debt (>90 days) | R 222 786 | R 228 855 | 3% | R 228 619 | 0% | Annexure A |
| Officials debt (>90 days) | R 2 154 890 | R 2 245 793 | 4% | R 1 966 168 | -12% | Annexure B |
| **Sundry debtors** | | | | | | |
| Telephones (Officials & Councillors) | R 403 478 | R 398 421 | -1% | R 391 572 | -2% | |
| Study loans | R 119 822 | R 120 670 | 1% | R 118 128 | -2% | |
| ***Indigents*** | **R 189 919 121** | **R 189 229 489** | **0%** | **R 189 304 365** | 0% | |
| **Total Debt 90 Days +** | **R 520 261 247** | **R 529 218 501** | **2%** | **R 543 609 514** | 3% | |

**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 | 61 100 121 | 19 072 450 | 33 784 622 | 32 614 208 | - | - | - | 132 399 969 | 278 971 370 |
| Loan repayments | 874 835 | 850 497 | 837 628 | - | - | - | - | - | 2 562 960 |
| Trade Creditors | 2 572 016 | 6 820 180 | 2 546 138 | 718 619 | - | - | - | | 12 656 953 |
| Auditor General | 2 517 469 | 924 530 | 453 980 | 23 008 | 77 567 | 1 500 401 | - | - | 5 496 955 |
| DWS | 34 412 | 34 412 | 341 741 | - | - | - | - | 7 275 953 | 7 686 517 |
| GOVERNMENT GARAGE | 330 057 | 557 330 | 263 151 | 6 045 476 | - | - | - | - | 7 196 014 |
| **Total** | **67 428 910** | **28 259 399** | **38 227 260** | **39 401 311** | **77 567** | **1 500 401** | **-** | **139 675 922** | **314 570 769** |

**OPERATING EXPENSES**

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Oct-18 | YTD 31-Oct-18 | Variance | % Exp |
|---|---|---|---|---|---|
| EMPLOYEE RELATED COSTS | 267 548 781 | 42 989 377 | 86 643 954 | 180 904 827 | 32 |
| REMUNERATION OF COUNCILLORS | 18 192 324 | 3 062 110 | 6 278 635 | 11 913 689 | 35 |
| CONTRACTED SERVICES | 105 865 582 | 4 183 761 | 12 838 131 | 93 027 451 | 12 |
| INVENTORY | 10 646 075 | 620 922 | 1 367 830 | 9 278 245 | 13 |
| BULK PURCHASES | 251 236 583 | 9 118 808 | 30 882 782 | 220 353 801 | 12 |
| CONTRIBUTIONS TO BAD DEBTS | 10 132 804 | 844 400 | 3 377 601 | 6 755 203 | 33 |
| DEPRECIATION ON ASSETS | 32 881 133 | 2 740 094 | 10 960 378 | 21 920 755 | 33 |
| GENERAL EXPENSES | 94 069 724 | 1 921 036 | 10 712 316 | 83 357 408 | 11 |
| **TOTAL EXPENDITURE (NETT)** | **790 573 006** | **65 480 509** | **163 061 628** | **627 511 378** | **21** |

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Oct-18 | YTD 31-Oct-18 | Variance | % Exp |
|---|---|---|---|---|---|
| **OUTSOURCE SERVICES** | | | | | |
| OS: BURIAL SERVICES | 252 480 | - | 70 000 | 182 480 | 28 |
| OS: B&A HUMAN RESOURCES | 94 680 | - | - | 94 680 | - |
| OS: B&A OCCUPATIONAL HEALTH & SAFETY | 207 200 | 12 863 | 35 166 | 172 034 | 17 |
| OS: B&A ORGANISATIONAL | 5 619 | - | - | 5 619 | - |
| OS: B&A PROJECT MANAGEMENT | 210 400 | - | - | 210 400 | - |
| OS: B&A RESEARCH & ADVISORY | 1 689 500 | 98 084 | 529 450 | 1 160 051 | 31 |
| OS: B&A QUALIFICATION VERIFICATION | 31 560 | - | - | 31 560 | - |
| OS: B&A VALUER | 215 870 | 15 000 | 56 000 | 159 870 | 26 |
| OS: CATERING SERVICES | 7 332 344 | 135 937 | - 669 431 | 8 001 775 | -9 |
| OS: CLEANING SERVICES | 178 840 | 12 462 | 12 462 | 166 378 | 7 |
| OS: ELECTRICAL | 12 634 184 | 53 663 | 1 360 338 | 11 273 846 | 11 |
| OS: MEDICAL SERVICES [HEALTH SERV & | 641 071 | - | - | 641 071 | - |
| OS: PERSONNEL & LABOUR | 7 328 159 | 308 146 | 798 358 | 6 529 801 | 11 |
| OS: CONNECT/DIS-CONNECTION: ELECTICI | 282 609 | - | - | 282 609 | - |
| OS: TRAFFIC FINES MANAGEMENT | 170 000 | 13 079 | 21 836 | 148 165 | 13 |
| **OS: TRANSPORT SERVICES** | **16 743** | **-** | **-** | **16 743** | **-** |
| **SUB TOTAL : OUTSOURCE SERVICES** | **31 291 259** | **649 234** | **2 214 178** | **29 077 081** | 7 |
| **CONSULTANTS AND PROFESSIONAL SERVICES** | | | | | |
| C&PS: B&A ACCOUNTANTS & AUDITORS | 157 800 | - | - | 157 800 | - |
| C&PS: B&A AUDIT COMMITTEE | 250 000 | - | 119 006 | 130 994 | 48 |
| C&PS: B&A BUSINESS & FIN MANAGEMENT | 280 534 | - | - | 280 534 | - |
| C&PS: B&A MEDICAL EXAMINATIONS | 663 057 | 570 | 570 | 662 487 | 0 |
| C&PS: B&A OCCUPATIONAL HEALTH & SAFE | 5 620 | - | - | 5 620 | - |
| C&PS: B&A PROJECT MANAGEMENT | 4 734 000 | 52 531 | 164 022 | 4 569 978 | 3 |
| C&PS: LAB SERV WATER | 7 243 956 | 354 484 | 1 465 468 | 5 778 488 | 20 |
| C&PS: LEGAL COST ADVICE & LITIGATION | 4 378 487 | 246 953 | 706 441 | 3 672 046 | 16 |
| C&PS: LEGAL COST COLLECTION | 558 928 | 37 316 | 122 684 | 436 244 | 22 |
| **SUB TOTAL : CONSULTANT AND PROF SERV** | **18 272 382** | **691 854** | **2 578 189** | **15 694 193** | **14** |
| CONTRACTORS | | | | | |
| CONTR: ARTISTS & PERFORMERS | 327 524 | - | - | 327 524 | - |
| CONTR: BUILDING CONTRACTORS | 49 903 | - | - | 49 903 | - |
| CONTR: CATERING SERVICES | 62 470 | - | - | 62 470 | - |
| CONTR: FIRE SERVICES | 80 499 | - | - | 80 499 | - |
| CONTR: GARDENING SERVICES | 999 400 | 22 455 | 22 455 | 976 945 | 2 |
| CONTR: INTERIOR DECORATOR | 15 780 | - | - | 15 780 | - |
| CONTR: INSPECTION FEES | - | 315 612 | 315 612 | - 315 612 | - |
| CONTR: MAINT OF BUILDINGS & FACILIT | 189 360 | 8 322 | 34 573 | 154 787 | 18 |
| CONTR: MAINTENANCE OF EQUIPMENT | 1 926 484 | 89 179 | 221 152 | 1 705 332 | 11 |
| CONTR: MAINTENANCE OF EQUIPMENT (FLE | 3 750 397 | 34 831 | 403 829 | 3 346 568 | 11 |

**OPERATING EXPENSES**

| DESCRIPTION | Annual Budget | Actual 31-Oct-18 | YTD 31-Oct-18 | Variance | % Exp |
|---|---|---|---|---|---|
| CONTR: MAINTENANCE OF UNSPECIFIED AS | 28 102 | - | - | 28 102 | - |
| CONTR: MAINTENANCE FLEET | 10 912 279 | 396 147 | 2 189 766 | 8 722 513 | 20 |
| CONTR: PREPAID ELECTRICITY VENDORS | 5 260 000 | - | 929 137 | 4 330 863 | 18 |
| **CONTR: SAFEGUARD & SECURITY** | **29 322 103** | **1 845 516** | **3 582 797** | **25 739 306** | **12** |
| **CONTR: TRAFFIC & STREET LIGHTS** | **3 377 640** | **130 612** | **346 443** | **3 031 197** | **10** |
| **SUB TOTAL : CONTRACTORS** | **56 301 941** | **2 842 673** | **8 045 764** | **48 256 177** | **14** |
| **CONTRACTED SERVICES** | **105 865 582** | **4 183 761** | **12 838 131** | **93 027 451** | 12 |
| **OPERATIONAL COST** | | | | | |
| **OC: ADV/PUB/MARK - CORP & MUN ACTIVI** | **435 229** | **13 833** | **56 871** | **378 358** | 13 |
| **OC: ADV/PUB/MARK - STAFF RECRUITMENT** | **8 996** | **-** | **600** | **8 396** | 7 |
| **OC: AUDIT COST: EXTERNAL** | **6 311 357** | **-** | **-** | **6 311 357** | - |
| **OC: BC/FAC/C FEES - BANK ACCOUNTS** | **2 282 840** | **228 279** | **672 321** | **1 610 519** | 29 |
| OC: COMMISSION - THIRD PARTY VENDORS | 5 536 242 | 505 239 | 1 182 760 | 4 353 482 | 21 |
| OC: COMM - POSTAGE/STAMPS/FRANKING M | 1 810 206 | 126 328 | 496 327 | 1 313 879 | 27 |
| OC: COMM - PHONE FAX TELEGRAPH & TEL | 1 250 256 | 75 679 | 205 859 | 1 044 397 | 16 |
| OC: DEEDS | 3 156 | - | - | 3 156 | - |
| OC: DRIVERS LICENCES & PERMITS | 3 156 | - | - | 43 404 | - |
| OC: EXT COM SERV PROV - GPS LICENCE | 4 478 339 | 43 016 | 1 238 917 | 3 239 422 | 28 |
| OC: EXT COM SERV PROV - SYSTEM ADVIS | 315 600 | - | 12 552 | 303 048 | 4 |
| OC: HIRE CHARGES | 32 499 151 | 1 136 591 | 2 471 615 | 30 027 536 | 8 |
| OC: INSUR UNDER - EXCESS PAYMENTS | 300 000 | 6 064 | 35 303 | 264 697 | 12 |
| OC: INSUR UNDER - PREMIUMS | 3 400 000 | 2 352 | 13 322 | 3 386 678 | 0 |
| OC: LEARNERSHIPS & INTERNSHIPS | 122 473 | - | - | 122 473 | - |
| OC: LIC - VEHICLE LIC & REGISTRATION | 650 493 | 51 344 | 177 403 | 473 090 | 27 |
| OC: LIC - VEHICLE LIC & REGISTR FLEE | 7 543 | - | 2 183 | 5 361 | 29 |
| OC: PERSONNEL AGENCY FEES (PERS RECR | 94 680 | 4 373 | 12 629 | 82 051 | 13 |
| OC: PRINTING & PUBLICATIONS | 1 125 139 | - | 3 959 | 1 121 180 | 0 |
| OC: PROFESSIONAL BODIES M/SHIP & SUB | 3 103 345 | 1 513 | 7 383 | 3 095 962 | 0 |
| OC: REMUNERATION TO WARD COMMITTEES | 1 533 290 | 83 500 | 161 500 | 1 371 790 | 11 |
| OC: ROAD WORTHY TEST FLEET | 550 000 | - | - | 550 000 | - |
| OC: SKILLS DEVELOPMENT FUND LEVY | 1 841 000 | - | 383 579 | 1 457 421 | 21 |
| OC: SERVITUDES & LAND SURVEYS | 21 040 | - | - | 21 040 | - |
| OC: SIGNAGE | 257 253 | - | 77 715 | 179 538 | 30 |
| OC: SMALL DIFFERENCES TOLERANCES | - | - | 0 | - 0 | - |
| OC: TOLL GATE FEES | 1 578 | - | - | 1 578 | - |
| OC: T&S DOM - ACCOMMODATION | 2 656 667 | 126 666 | 599 859 | 2 056 808 | 23 |
| OC: T&S - NON-EMPLOYEES | 53 001 | - | - | 53 001 | - |
| OC: TRANSPORT - MUNICIPAL ACTIVITIES | 4 734 | - | - | 4 734 | - |
| OC: UNIFORM & PROTECTIVE CLOTHING | 2 353 636 | 3 982 | 27 561 | 2 326 075 | 1 |
| OC: WET FUEL | 10 242 065 | 351 070 | 824 351 | 9 417 714 | 8 |
| OC: WORKMEN'S COMPENSATION FUND | 1 315 000 | - | - | 1 315 000 | - |
| SUB TOTAL : OPERATIONAL COST | 84 564 309 | 2 759 828 | 8 664 567 | 75 899 742 | 10 |
| INTEREST DIVIDENDS AND RENT ON LAND | | | | | |
| INT PAID BOR: ANNUITY LOANS | 2 627 469 | - | - | 2 627 469 | - |
| INT PAID: OVERDUE ACCOUNTS | 512 797 | - | - | 512 797 | - |
| SUB TOTAL - INTEREST DIVID & RENT - | 3 140 266 | - | - | 3 140 266 | - |
| OPERATING LEASES | | | | | |
| OPR LEASES: FURNITURE & OFFICE EQUIP | 1 361 625 | 59 650 | 63 662 | 1 297 963 | 5 |
| OPR LEASES: INFRA - TRANSPORTATION | 1 248 476 | - | 64 641 | 1 183 835 | 5 |
| OPR LEASES: MACHINERY & EQUIPMENT | - | - | - 1 590 | 1 590 | - |
| OPR LEASES: TRANSPORT ASSETS | 3 743 048 | - | - | 3 743 048 | - |
| **SUB TOTAL : OPERATING LEASES** | **6 353 149** | **59 650** | **126 713** | **6 226 436** | **2** |
| **GENERAL RXPENSES** | **94 057 724** | **2 819 478** | **8 791 280** | **85 266 444** | **9** |

**CASH FLOW ANALYSIS FOR THE MONTH ENDING**

| **Detail** | **Oct-18** |
|---|---|
| **Cash Receipts by Source** | |
| Property rates | 2 915 888 |
| Service charges - electricity revenue | 25 661 172 |
| Service charges - water revenue | 3 279 903 |
| Service charges - sanitation revenue | 2 776 763 |
| Service charges - refuse revenue | 1 700 066 |
| Service charges - other | - |
| Interest earned - external investments | 61 028 |
| Interest earned - outstanding debtors | 135 964 |
| Fines | - |
| Transfer receipts - operational | - |
| Other revenue | 3 751 689 |
| **Cash Receipts by Source** | **40 282 473** |
| **Other Cash Flows/Receipts by Source** | |
| Transfer receipts - capital | 3 000 000 |
| Borrowing long term/refinancing | - |
| **Total Cash Receipts by Source** | **43 282 473** |
| **Cash Payments by Type** | |
| Employee related costs | 21 011 552 |
| Remuneration of councillors | 1 581 210 |
| Bulk purchases - Electricity | 9 118 808 |
| Contracted services | 649 234 |
| General expenses | 4 909 214 |
| **Cash Payments by Type** | **37 270 018** |
| **Other Cash Flows/Payments by Type** | |
| Capital assets | 6 570 641 |
| Repayment of borrowing | - |
| **Total Cash Payments by Type** | **43 840 659** |
| **Net Increase/(Decrease) in Cash Held** | **-558 186** |
| **Cash/cash equivalents at the month/year begin:** | **15 063 785** |
| **Cash/cash equivalents at the month/year end:** | **14 505 599** |
| | |
| **Cash Book Balance (GL)** | **-24 787 545** |

## 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 | 20-7531-4898 | Fixed Deposit | 34055053140ZZZZZZZWM |
| ABSA - 2 | 20-5824-7882 | Fixed Deposit | 34055053040ZZZZZZZWM |
| ABSA - 3 | 91-3190-1443 | Call Account | 34055053240ZZZZZZZWM |

| | 20-7531-4898 | 20-5824-7882 | 91-3190-1443 | |
|---|---|---|---|---|
| | **ABSA - 1** | **ABSA - 2** | **ABSA - 3** | **Total** |
| **Balance 01-Jul- 2018** | **4 121.40** | **80 236.40** | **40 411.89** | **124 769.69** |
| **Balance at 30-Sep-2018** | **4 183.36** | **80 236.40** | **10 182 447.70** | **10 266 867.46** |
| | - | - | -2 578 971.64 | -2 578 971.64 |
| Invested | - | - | 11 460 000.00 | 11 460 000.00 |
| Withdrawn | - | - | -14 100 000.00 | -14 100 000.00 |
| Interest earned | - | - | 61 028.36 | 61 028.36 |
| **Balance at 31-Oct-2018** | **4 183.36** | **80 236.40** | **7 603 476.06** | **7 687 895.82** |
| **INTEREST EARNED** | **61.96** | **-** | **377 064.17** | **377 126.13** |

**Investment in Shares:**

| DESCRIPTION | NUMBER OF SHARES | BALANCE 30/09/2018 | WITHDRAWALS / TRANSFERS | FAIR VALUE GAIN / (LOSS) | BALANCE 31/10/2018 |
|---|---|---|---|---|---|
| **Senwes** | 11 822 | 111 127 | - | R -4 728.80 | 106 398 |
| **Senwesbel** | 18 130 | 90 650 | - | R -9 065.00 | 81 585 |
| | | **201 777** | **-** | **-13 794** | **187 983** |

## Report on conditional grants at 31-Oct-18

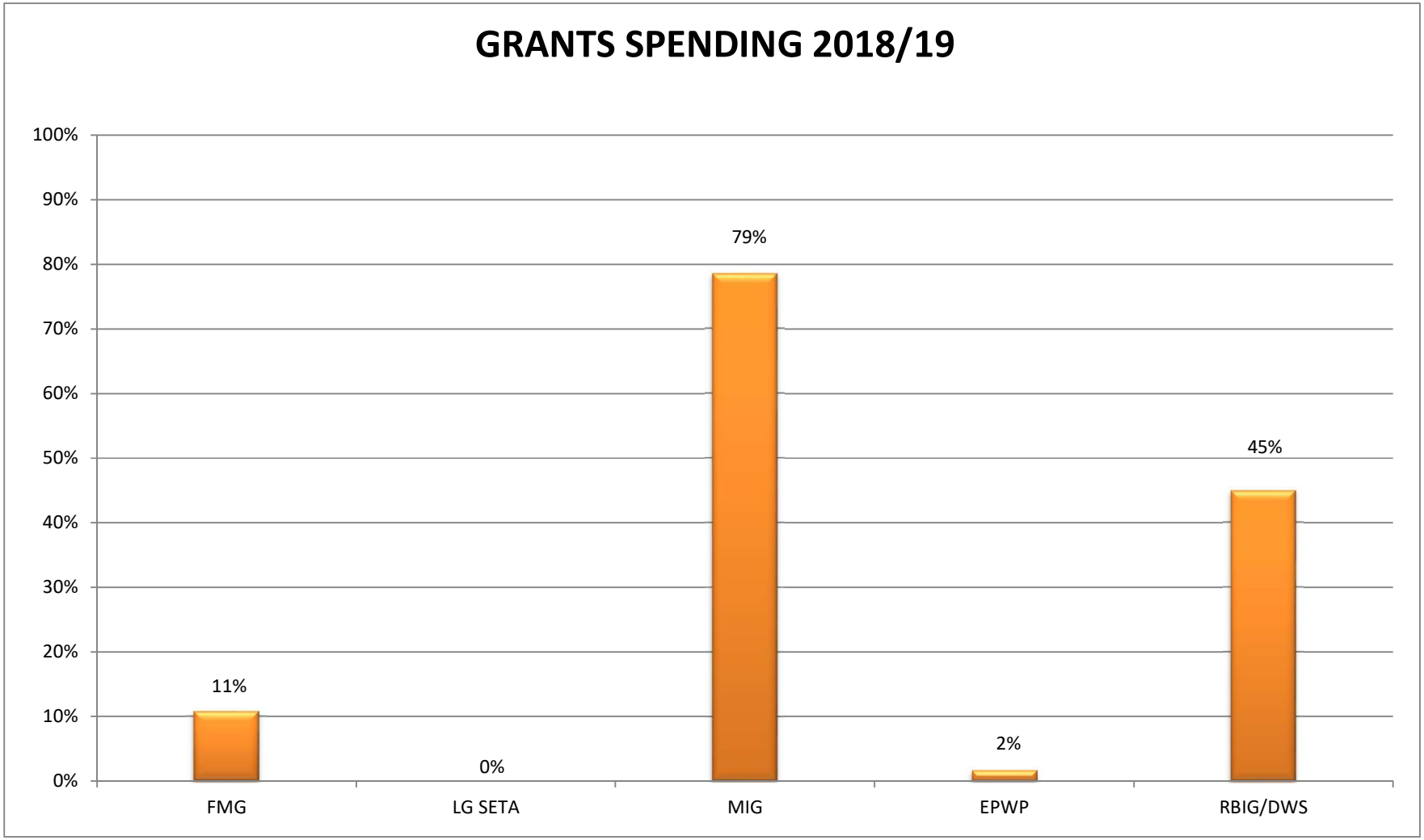
**Municipality:** FS201 Moqhaka

**Financial Accounting for Grant Funds Received and Expended**

| | OPERATIONAL GRANTS | | | CAPITAL GRANTS | | | |
|---|---|---|---|---|---|---|---|
| | Finance Management Grant (FMG) | LG SETA (Mandatory) | FS CoGTA Grant | Municipal Infrastructure Grant (MIG) | Extended Public Works Programme (EPWP) | Water Services Infrastructure Grant (WISG) | Total Capital Grants |
| **DORA Allocation for the 2018/19** | **2 215 000** | **543 000** | **-** | **39 410 000** | **1 000 000** | **10 000 000** | **50 410 000** |
| **Unspent grants at beginning of the financial year** | **-** | **479 269** | **1 112 239** | **-** | **-** | **-** | **-** |
| Received Prior Months | 2 215 000 | - | | 20 326 000 | 250 000 | 4 000 000 | **24 576 000** |
| Received This Month | - | 214 969 | | - | - | 3 000 000 | **3 000 000** |
| **Total Funds Received** | **2 215 000** | **694 239** | **1 112 239** | **20 326 000** | **250 000** | **7 000 000** | **27 576 000** |
| Spent Prior Months | 197 787 | - | - | 12 100 429 | 2 927 | 1 143 027 | **13 246 383** |
| Spent This Month | 41 667 | | - | 3 856 054 | 13 558 | 1 999 063 | **5 868 674** |
| Total Funds Spent | 239 454 | - | - | 15 956 483 | 16 485 | 3 142 090 | **19 115 057** |
| **Total funds Received and Not Spent** | **1 975 546** | **694 239** | **1 112 239** | **4 369 517** | **233 515** | **3 857 910** | **8 460 943** |
| Percentage of Funds Spent | 11% | 0% | 0% | 79% | 2% | 45% | 69% |
| Funds Currently Committed but Not Spent | - | - | - | - | - | - | **-** |
| Scheduled Transfers Withheld | - | - | - | - | - | - | **-** |

### Capital Government grants and subsidies consist of the following:

| | |
|---|---|
| Municipal Infrastructure Grant | 39 410 000 |
| Water Services Infrastructure Grant | 10 000 000 |
| EPWP (Incentive) | 1 000 000 |
| **Total** | **50 410 000** |


GRANTS SPENDING 2018/19
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
11%
0%
79%
2%
45%
FMG
LG SETA
MIG
EPWP
RBIG/DWS

## 31 October 2018

## 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 | Annual Budget 2018/2019 | Actual 31-Oct-18 | YTD 31-Oct-18 | % Exp |
|---|---|---|---|---|
| **EMPLOYEE RELATED COST** | | | | |
| **SENIOR MANAGEMENT** | | | | |
| SM - SALARIES ALLOW AND SERV BENEFITS | | | | |
| MM - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM MM: SAL & ALL - BASIC SALARY | 852 139.00 | 71 009.80 | 71 009.80 | 8.33 |
| SM MM: SAL & ALL - PERFORM BASED BONUS | 0.00 | 0.00 | 0.00 | 0 |
| SM MM: ALLOW - CELLULAR & TELEPHONE | 36 000.00 | 3 000.00 | 3 000.00 | 8.33 |
| SM MM: ALLOW - HOUSING BENEFITS | 0.00 | 0.00 | 0.00 | 0 |
| SM MM: ALLOW - TRAVEL OR MOTOR VEHICLE | 518 978.00 | 43 248.14 | 43 248.14 | 8.33 |
| SM MM: SRB - LONG SERVICE | 620 681.00 | 0.00 | 0.00 | 0 |
| **SUB TOTAL: MM - SAL ALLOW & SERV BENEF** | **2 027 798.00** | **117 257.94** | **117 257.94** | **5.78** |
| CFO - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM CFO: SAL & ALL - BASIC SALARY | 696 564.00 | 58 047.05 | 58 047.05 | 8.33 |
| SM CFO: SAL & ALL - PERFORM BASED BONUS | 0.00 | 0.00 | 0.00 | 0 |
| SM CFO: ALLOW - CELLULAR & TELEPHONE | 20 400.00 | 1 700.00 | 1 700.00 | 8.33 |
| SM CFO: ALLOW - HOUSING BENEFITS | 0.00 | 0.00 | 0.00 | 0 |
| SM CFO: ALLOW - TRAVEL OR MOTOR VEHICLE | 371 081.00 | 26 423.45 | 26 423.45 | 7.12 |
| **SUB TOTAL: CFO - SAL ALLOW & SERV BENEF** | **1 088 045.00** | **86 170.50** | **86 170.50** | **7.91** |
| D01 - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM D01: SAL & ALL - BASIC SALARY | 696 565.00 | 58 047.05 | 58 047.05 | 8.33 |
| SM D01: SAL & ALL - PERFORM BASED BONUS | 0.00 | 0.00 | 0.00 | 0 |
| SM D01: ALLOW - CELLULAR & TELEPHONE | 12 000.00 | 1 000.00 | 1 000.00 | 8.33 |
| SM D01: ALLOW - HOUSING BENEFITS | 0.00 | 0.00 | 0.00 | 0 |
| SM D01: ALLOW - TRAVEL OR MOTOR VEHICLE | 311 465.00 | 25 955.45 | 25 955.45 | 8.33 |
| SM D01: SRB - ENTERTAINMENT | 603 008.00 | 13 072.10 | 32 490.47 | 5.38 |
| SM D01: SRB - ACTING & POST RELATE ALLOW | 0.00 | 0.00 | 0.00 | 0 |
| **SUB TOTAL: DTS - SAL ALLOW & SERV BENEF** | **1 623 038.00** | **98 074.60** | **117 492.97** | **7.23** |
| DO2 - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM D02: SAL & ALL - BASIC SALARY | 52 600.00 | 58 047.05 | 58 047.05 | 110.35 |
| SM D02: SAL & ALL - PERFORM BASED BONUS | 0.00 | 0.00 | 0.00 | 0 |

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Oct-18 | YTD 31-Oct-18 | % Exp |
|---|---|---|---|---|
| SM D02: ALLOW - CELLULAR & TELEPHONE | 0.00 | 1 000.00 | 1 000.00 | 0 |
| SM D02: ALLOW - HOUSING BENEFITS | 0.00 | 9 720.15 | 9 720.15 | 0 |
| SM D02: ALLOW - TRAVEL OR MOTOR VEHICLE | 0.00 | 17 476.11 | 17 476.11 | 0 |
| **SUB TOTAL: DPS - SAL ALLOW & SERV BENEF** | **52 600.00** | **86 243.31** | **86 243.31** | **163.96** |
| DO3 - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM D03: SAL & ALL - BASIC SALARY | 696 565.00 | 58 047.06 | 58 047.06 | 8.33 |
| SM D03: SAL & ALL - PERFORM BASED BONUS | 0.00 | 0.00 | 0.00 | 0 |
| SM D03: ALLOW - CELLULAR & TELEPHONE | 12 000.00 | 1 000.00 | 1 000.00 | 8.33 |
| SM D03: ALLOW - HOUSING BENEFITS | 129 196.00 | 13 296.38 | 13 296.38 | 10.29 |
| SM D03: ALLOW - TRAVEL OR MOTOR VEHICLE | 212 695.00 | 22 100.53 | 22 100.53 | 10.39 |
| **SUB TOTAL: DCH - SAL ALLOW & SERV BENEF** | **1 050 456.00** | **94 443.97** | **94 443.97** | **8.99** |
| DO4 - SALARIES ALLOW AND SERV BENEFITS | | | | |
| SM D04: SAL & ALL - BASIC SALARY | 1 400 000.00 | 0.00 | 0.00 | 0.00 |
| SM D04: SAL & ALL - PERFORM BASED BONUS | 117 000.00 | 0.00 | 0.00 | 0.00 |
| SM D04: ALLOW - CELLULAR & TELEPHONE | 9 600.00 | 0.00 | 0.00 | 0.00 |
| SM D04: ALLOW - HOUSING BENEFITS | 10 320.00 | 0.00 | 0.00 | 0.00 |
| SM D04: ALLOW - TRAVEL OR MOTOR VEHICLE | 236 700.00 | 0.00 | 0.00 | 0.00 |
| **SUB TOTAL: DCS - SAL ALLOW & SERV BENEF** | **1 773 620.00** | **0.00** | **0.00** | **0.00** |
| **SUB TOTAL: SM - SAL ALLOW & SERV BENEF** | **7 615 557.00** | **482 190.32** | **501 608.69** | **6.58** |
| | | | | |
| SM - SOCIAL CONTRIBUTIONS | | | | |
| MM - SOCIAL CONTRIBUTIONS | | | | |
| SM MM: SOC CONTR: MEDICAL | 50 618.00 | 4 218.17 | 4 218.17 | 8.33 |
| SM MM: SOC CONTR: PENSION FUNDS | 0.00 | 0.00 | 0.00 | 0.00 |
| SM MM: SOC CONTR: UIF | 1 785.00 | 148.72 | 148.72 | 8.33 |
| SM MM: SOC CONTR: BARGAINING COUNCIL | 0.00 | 0.00 | 0.00 | 0.00 |
| **SUB TOTAL: MM - SOCIAL CONTRIBUTIONS** | **52 403.00** | **4 366.89** | **4 366.89** | **8.33** |
| CFO - SOCIAL CONTRIBUTIONS | | | | |
| SM CFO: SOC CONTR: GROUP LIFE INSURANCE | 0.00 | 0.00 | 0.00 | 0.00 |
| SM CFO: SOC CONTR: MEDICAL | 42 681.00 | 3 556.80 | 3 556.80 | 8.33 |
| SM CFO: SOC CONTR: PENSION FUNDS | 104 484.00 | 8 707.06 | 8 707.06 | 8.33 |
| SM CFO: SOC CONTR: UIF | 1 785.00 | 148.72 | 148.72 | 8.33 |
| SM CFO: SOC CONTR: BARGAINING COUNCIL | 0.00 | 0.00 | 0.00 | 0.00 |
| **SUB TOTAL: CFO - SOCIAL CONTRIBUTIONS** | **148 950.00** | **12 412.58** | **12 412.58** | **8.33** |
| D01 - SOCIAL CONTRIBUTIONS | | | | |

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Oct-18 | YTD 31-Oct-18 | % Exp |
|---|---|---|---|---|
| SM D01: SOC CONTR: GROUP LIFE INSURANCE | 0.00 | 0.00 | 0.00 | 0.00 |
| SM D01: SOC CONTR: MEDICAL | 50 618.00 | 4 218.17 | 4 218.17 | 8.33 |
| SM D01: SOC CONTR: PENSION FUNDS | 104 484.00 | 8 707.06 | 8 707.06 | 8.33 |
| SM D01: SOC CONTR: UIF | 1 785.00 | 148.72 | 148.72 | 8.33 |
| SM D01: SOC CONTR: BARGAINING COUNCIL | 0.00 | 0.00 | 0.00 | 0.00 |
| **SUB TOTAL: DTS - SOCIAL CONTRIBUTIONS** | **156 887.00** | **13 073.95** | **13 073.95** | **8.33** |
| D02 - SOCIAL CONTRIBUTIONS | | | | |
| SM D02: SOC CONTR: GROUP LIFE INSURANCE | 0.00 | 0.00 | 0.00 | 0.00 |
| SM D02: SOC CONTR: MEDICAL | 0.00 | 2 908.20 | 2 908.20 | 0.00 |
| SM D02: SOC CONTR: PENSION FUNDS | 0.00 | 8 707.06 | 8 707.06 | 0.00 |
| SM D02: SOC CONTR: UIF | 0.00 | 148.72 | 148.72 | 0.00 |
| SM D02: SOC CONTR: BARGAINING COUNCIL | 0.00 | 0.00 | 0.00 | 0.00 |
| **SUB TOTAL: DPS - SOCIAL CONTRIBUTIONS** | **0.00** | **11 763.98** | **11 763.98** | **0.00** |
| D03 - SOCIAL CONTRIBUTIONS | | | | |
| SM D03: SOC CONTR: GROUP LIFE INSURANCE | 0.00 | 0.00 | 0.00 | 0.00 |
| SM D03: SOC CONTR: MEDICAL | 27 715.00 | 3 464.40 | 3 464.40 | 12.50 |
| SM D03: SOC CONTR: PENSION FUNDS | 0.00 | 0.00 | 0.00 | 0.00 |
| SM D03: SOC CONTR: UIF | 1 785.00 | 148.72 | 148.72 | 8.33 |
| SM D03: SOC CONTR: BARGAINING COUNCIL | 0.00 | 0.00 | 0.00 | 0.00 |
| **SUB TOTAL: DCH - SOCIAL CONTRIBUTIONS** | **29 500.00** | **3 613.12** | **3 613.12** | **12.24** |
| D04 - SOCIAL CONTRIBUTIONS | | | | |
| SM D04: SOC CONTR: GROUP LIFE INSURANCE | 0.00 | 0.00 | 0.00 | 0.00 |
| SM D04: SOC CONTR: MEDICAL | 0.00 | 0.00 | 0.00 | 0.00 |
| SM D04: SOC CONTR: PENSION FUNDS | 0.00 | 0.00 | 0.00 | 0.00 |
| SM D04: SOC CONTR: UIF | 0.00 | 0.00 | 0.00 | 0.00 |
| SM D04: SOC CONTR: BARGAINING COUNCIL | 0.00 | 0.00 | 0.00 | 0.00 |
| SUB TOTAL: DCS - SOCIAL CONTRIBUTIONS | 0.00 | 0.00 | 0.00 | 0.00 |
| **SUB TOTAL: SM - SOCIAL CONTRIBUTIONS** | **387 740.00** | **45 230.52** | **45 230.52** | **11.66** |
| **SM - POST RETIREMENT BENEFITS** | | | | |
| SM: PRB - MED: CURRENT SERVICE COST | 2 707 187.00 | 0.00 | 0.00 | 0.00 |
| SM: PRB - MED: INTEREST COST | 894 200.00 | 0.00 | 0.00 | 0 |
| **SUB TOTAL : SM - POST RETIREMENT BENEFIT** | **3 601 387.00** | **0.00** | **0.00** | **0.00** |
| **SM: PST RET BEN OBL CST CAP PPE** | 0.00 | 0.00 | 0.00 | 0.00 |
| **SUB TOTAL : SM - COST CAPITALISED TO PPE** | **0.00** | **0.00** | **0.00** | **0.00** |
| **SUB TOTAL : SENIOR MANAGEMENT** | **11 604 684.00** | **527 420.84** | **546 839.21** | **4.71** |

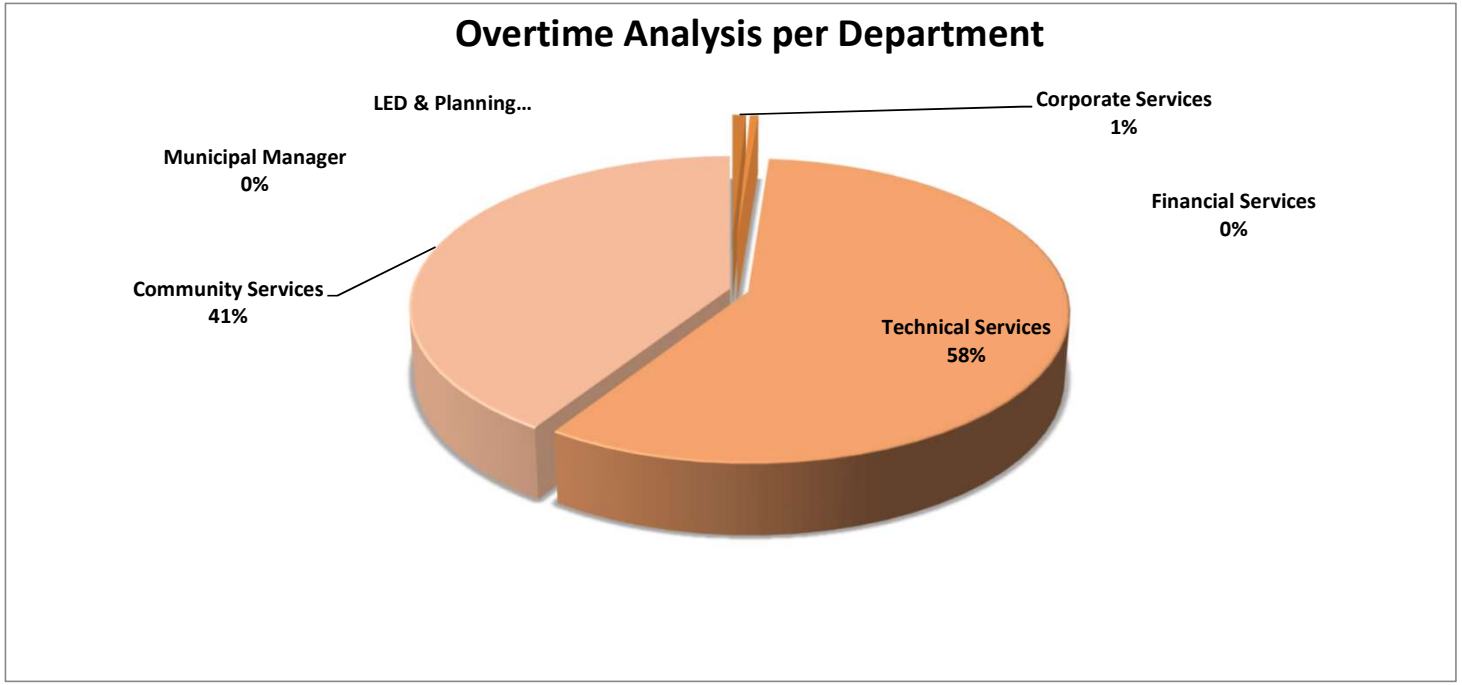
| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Oct-18 | YTD 31-Oct-18 | % Exp |
|---|---|---|---|---|
| | | | | |
| **MUNICIPAL STAFF** | | | | |
| MS - SALARIES ALLOW AND SERV BENEFITS | | | | |
| MS: SAL & ALL: BASIC SALARY & WAGES | 151 360 854.00 | 26 301 951.96 | 52 410 547.82 | 34.62 |
| MS: SAL & ALL: PERFORMANCE BASED BONUSES | 15 426 185.00 | 2 023 842.01 | 5 587 543.56 | 36.22 |
| MS: ALL - CELLULAR & TELEPHONE | 718 535.00 | 3 424 863.57 | 6 606 026.90 | 919.37 |
| MS: HB & INC: HOUSING BENEFITS | 1 547 451.00 | 190 208.09 | 401 952.46 | 25.97 |
| MS: ALL - TRAVEL OR MOTOR VEHICLE | 13 738 790.00 | 2 218 101.46 | 4 606 983.95 | 33.53 |
| MS: OVERTIME - NON STRUCTURED | 18 930 126.00 | 992.07 | 992.07 | 0.00 |
| MS: SRB - STANDBY ALLOWANCE | 2 371 254.00 | 374 083.82 | 749 428.97 | 31.60 |
| MS: IN-KIND BENEFITS | 2 347 517.00 | 0.00 | 0.00 | 0.00 |
| MS: SRB - NON PENSIONABLE | 1 249.00 | 0.00 | 0.00 | 0.00 |
| **SUB TOTAL : MS - SAL ALLOW & SERV BENEF** | **206 441 961.00** | **34 534 042.98** | **70 363 475.73** | **34.08** |
| | | | | |
| **MS - SOCIAL CONTRIBUTIONS** | | | | |
| MS: SOC CONTR - BARGAINING COUNCIL | 767 849.00 | 15 278.25 | 30 582.75 | 3.98 |
| MS: SOC CONTR - GROUP LIFE INSURANCE | 1 861 210.00 | 244 347.88 | 487 880.57 | 26.21 |
| MS: SOC CONTR - MEDICAL | 20 898 282.00 | 2 567 883.70 | 5 148 158.52 | 24.63 |
| MS: SOC CONTR - PENSION | 24 035 643.00 | 4 597 599.32 | 9 067 241.71 | 37.72 |
| MS: SOC CONTR - UNEMPLOYMENT INSUR FUND | 1 939 152.00 | 248 373.74 | 499 797.72 | 25.77 |
| **SUB TOTAL : MS - SOCIAL CONTRIBUTIONS** | **49 502 136.00** | **7 673 482.89** | **15 233 661.27** | **30.77** |
| MS - COST CAPITALISED TO PPE | | | | |
| MS: IN-KIND BENEFITS CST CAP PPE | 0.00 | 254 430.78 | 499 978.27 | 0.00 |
| **SUB TOTAL : MS - COST CAPITALISED TO PPE** | **0.00** | **254 430.78** | **499 978.27** | **0.00** |
| **SUB TOTAL : MUNICIPAL STAFF** | **255 944 097.00** | **42 461 956.65** | **86 097 115.27** | **33.63** |
| **SUB TOTAL : EMPLOYEE RELATED COST** | **267 548 781.00** | **42 989 377.49** | **86 643 954.48** | **32.38** |

## Note:

*The Regulation No. 10178 on Municipal Standard Chart of Accounts (mSCOA) requires that all municipality comply with the requirements of mSCOA as Gazetted. This change in reporting has led to additional changes in the municipality's financial system, which ultimately affected the final reports output.*

| DESCRIPTION | Annual Budget 2018/2019 | Actual 31-Oct-18 | YTD 31-Oct-18 | % Exp |
|---|---|---|---|---|

## Analysis of overtime per department

| Description | 31-Aug-18 | | 30-Sep-18 | | 31-Oct-18 | |
|---|---|---|---|---|---|---|
| | Hours | Cost | Hours | Cost | Hours | Cost |
| Municipal Manager | - | - | - | - | - | - |
| Corporate Services | 69 | 8 584 | 90 | 12 065 | 87 | 12 809 |
| Financial Services | 20 | 2 204 | 22 | 3 274 | 39 | 7 899 |
| Technical Services | 6 923 | 796 473 | 6 443 | 802 272 | 7 464 | 936 560 |
| Community Services | 5 288 | 606 019 | 5 455 | 638 892 | 5 489 | 657 904 |
| LED & Planning | - | - | - | - | - | - |
| **Total** | **12 301** | **1 413 280** | **12 009** | **1 456 502** | **13 080** | **1 615 172** |

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.