

**QUARTELY REPORT FOR THE PERIOD ENDED ON 30 SEPTEMBER 2019**

**MUNICIPAL FINANCE MANAGEMENT ACT NO.56 of 2003(MFMA): QUARTERLY FINANCIAL REPORT FOR JULY – SEPTEMBER 2019**

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## 1. PURPOSE

To comply with section 52(d) of the MFMA, by the provision of a statement to the Executive Mayor containing certain financial particulars, as legislated.

## 2. BACKGROUND

Section 52(d) of the MFMA requires that:

The Mayor of a Municipality must within **30 days** after the end of each quarter submit a report to the **Council** on the implementation of the budget and the financial state of affairs.

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## PART 1: IN-YEAR REPORT

### 1. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL PERFORMANCE OF THE MUNICIPALITY FOR THE PERIOD ENDED ON 30 SEPTEMBER 2019

#### 1.1 Performance summary

Table 1: Performance summary

<b>Summary statement of Financial Performance</b>				
<b>Description</b>	<b>YTD Budget 2019/20</b>	<b>1<sup>st</sup> Quarter Actual</b>	<b>YTD Actual 2019/20</b>	<b>Variance Favorable (Unfavorable)</b>
Total Revenue by Source	(717,313,985)	(598,832,750)	(598,832,750)	118,481,235
Total Operating Expenditure	536,201,971	404,191,134	404,191,134	132,010,837
<b>(SURPLUS)/ DEFICIT</b>	<b>(181,112,014)</b>	<b>(191,641,616)</b>	<b>(194,641,616)</b>	<b>(13,529,602)</b>

#### Cash management

Bank balances	R 12,800,742
Call investments	R 243,194,053
<b>Cash and cash investments</b>	<b>R 255,994,795</b>

#### Debtors

<b>Total debtors book</b>	<b>R 3,961,351,972</b>
Debtors: Government	R 119,624,306
Debtors: Business	R 391,798,320
Debtors: Household	R 3,449,929,346

<b>CAPITAL GRANT EXPENDITURE</b>	<b>BUDGET</b>	<b>1st Quarter Expenditure</b>	<b>YTD ACTUALS</b>	<b>YTD%</b>
MIG	83 114 550	12 855 228	12 855 228	15.47
NDPG	60 000 000	1 713 303	1 713 303	2.86
DME/INER	3 960 000	-	-	-
	<b>147 074 550</b>	<b>14 568 531</b>	<b>14 568 531</b>	<b>9.91</b>

## **1.2 Collection rates and outstanding debtors**

The year to date collection rate for the month ended on 30 September 2019 is 72%

## **2. IN – YEAR BUDGET STATEMENT MAIN TABLE**

### **2.1 Monthly budget statement summary**

The table below provides a high- level summary of the Municipal's financial performance, capital expenditure, financial position, cash flow, debtors and creditors analysis.

**Table2 C1: Monthly Budget Statement Summary**

NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		937 758	855 461	855 461	24 635	126 228	213 865	(87 637)	-41%	855 461
Executive and council		107 152	3 898	3 898	80	128	974	(847)	-87%	3 898
Finance and administration		830 606	851 563	851 563	24 555	126 100	212 891	(86 791)	-41%	851 563
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		37 109	30 666	30 666	740	3 213	7 687	(4 454)	-58%	30 666
Community and social services		3 484	663	663	122	394	166	229	138%	663
Sport and recreation		2 887	15 627	15 627	11	60	3 907	(3 847)	-98%	15 627
Public safety		30 737	14 376	14 376	607	2 758	3 594	(836)	-23%	14 376
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		28 676	60 513	60 513	363	1 017	15 128	(14 111)	-93%	60 513
Planning and development		8 013	9 101	9 101	357	993	2 275	(1 282)	-56%	9 101
Road transport		20 477	51 395	51 395	-	-	12 849	(12 849)	-100%	51 395
Environmental protection		186	17	17	7	24	4	19	455%	17
<i>Trading services</i>		1 939 030	1 892 533	1 892 533	146 789	465 704	473 133	(7 430)	-2%	1 892 533
Energy sources		836 855	930 692	930 692	70 790	222 021	232 673	(10 652)	-5%	930 692
Water management		764 031	656 598	656 598	61 242	173 350	164 150	9 201	6%	656 598
Waste water management		132 790	133 193	133 193	6 369	26 069	33 298	(7 229)	-22%	133 193
Waste management		205 354	172 049	172 049	8 388	44 263	43 012	1 251	3%	172 049
<i>Other</i>	4	20 272	30 082	30 082	2 670	2 671	7 521	(4 849)	-64%	30 082
<b>Total Revenue - Functional</b>	2	2 962 845	2 869 256	2 869 256	175 198	598 833	717 314	(118 481)	-17%	2 869 256
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		605 559	603 803	604 223	31 369	79 146	151 056	(71 910)	-48%	604 223
Executive and council		237 160	318 912	318 832	20 459	52 728	79 708	(26 980)	-34%	318 832
Finance and administration		363 650	279 833	280 333	10 467	25 236	70 083	(44 847)	-64%	280 333
Internal audit		4 750	5 058	5 058	443	1 182	1 264	(83)	-7%	5 058
<i>Community and public safety</i>		276 371	291 510	291 570	18 476	51 628	72 893	(21 265)	-29%	291 570
Community and social services		43 042	73 862	73 862	3 056	9 063	18 465	(9 402)	-51%	73 862
Sport and recreation		138 069	102 739	102 739	6 579	16 343	25 685	(9 342)	-36%	102 739
Public safety		94 600	113 990	113 990	8 793	26 078	28 497	(2 420)	-8%	113 990
Housing		524	537	597	48	144	149	(5)	-4%	597
Health		135	382	382	-	-	95	(95)	-100%	382
<i>Economic and environmental services</i>		219 376	270 870	270 390	12 549	27 858	67 598	(39 740)	-59%	270 390
Planning and development		46 948	68 286	67 806	4 320	12 415	16 952	(4 537)	-27%	67 806
Road transport		171 294	198 114	198 114	8 143	15 125	49 529	(34 403)	-69%	198 114
Environmental protection		1 134	4 470	4 470	86	317	1 117	(800)	-72%	4 470
<i>Trading services</i>		2 147 923	2 024 240	2 024 240	65 102	241 170	237 959	3 211	1%	2 024 240
Energy sources		1 139 677	986 757	986 757	13 775	113 677	78 588	35 089	45%	986 757
Water management		683 930	684 792	684 792	35 123	75 960	71 198	4 762	7%	684 792
Waste water management		147 563	178 197	178 197	5 983	14 668	44 549	(29 881)	-67%	178 197
Waste management		176 753	174 494	174 494	10 221	36 865	43 623	(6 759)	-15%	174 494
<i>Other</i>		20 092	26 789	26 789	1 425	4 390	6 697	(2 307)	-34%	26 789
<b>Total Expenditure - Functional</b>	3	3 269 321	3 217 212	3 217 212	128 922	404 191	536 202	(132 011)	-25%	3 217 212
<b>Surplus/ (Deficit) for the year</b>		(306 476)	(347 956)	(347 956)	46 275	194 642	181 112	13 530	7%	(347 956)

## 5.2 Monthly Budget Statement – Financial Performance (Revenue by source)

### Actual operating revenue per revenue source

The actual operating revenue per revenue source is set out in Table 1 below. From the table 1 it is clear that actual operating revenue amounts to (R598,832,750) and compares unfavourably with the pro rata budgeted figure (R717,313,985) – a negative variance of R118,481,235 at the end of September 2019.

The major revenue variances against the budget are:

- ▶ **Interest earned on outstanding debtors:** The continuous increase of the debtors book results in the increase of interest earned on outstanding debtors balances.

**TABLE 3: ACTUAL REVENUE PER SOURCE FOR SEPTEMBER 2019**

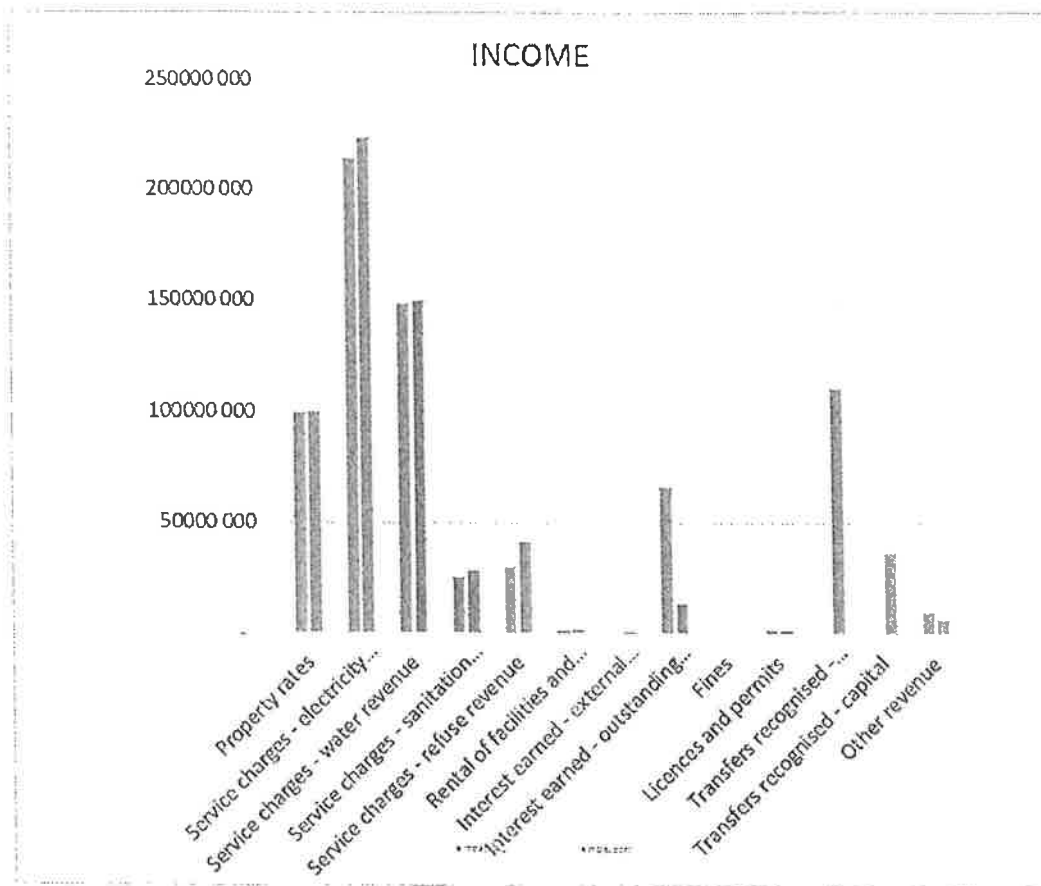
NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		325 128	400 836	400 836	20 235	99 457	100 209	(753)	-1%	400 836
Service charges - electricity revenue		767 364	893 580	893 580	68 315	214 339	223 395	(9 056)	-4%	893 580
Service charges - water revenue		573 391	600 321	600 321	57 405	148 624	150 080	(1 456)	-1%	600 321
Service charges - sanitation revenue		112 075	115 825	115 825	6 268	25 518	28 956	(3 439)	-12%	115 825
Service charges - refuse revenue		141 329	166 772	166 772	6 441	30 269	41 693	(11 424)	-27%	166 772
Rental of facilities and equipment		8 572	8 375	8 375	593	1 319	2 094	(774)	-37%	8 375
Interest earned - external investments		21 171	3 238	3 238	15	15	809	(795)	-98%	3 238
Interest earned - outstanding debtors		284 309	54 934	54 934	12 423	66 492	13 734	52 758	384%	54 934
Dividends received								-		
Fines, penalties and forfeits		9 133	1 700	1 700	180	508	425	83	19%	1 700
Licences and permits		7 675	5 931	5 931	310	1 656	1 483	173	12%	5 931
Agency services		-	5 000	5 000	-	-	1 250	(1 250)	-100%	5 000
Transfers and subsidies		400 186	442 778	442 778	-	-	110 695	(110 695)	-100%	442 778
Other revenue		45 010	22 891	22 891	3 013	10 637	5 723	4 915	86%	22 891
Gains on disposal of PPE		(966)	-	-	-	-	-	-		-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>2 694 379</b>	<b>2 722 181</b>	<b>2 722 181</b>	<b>175 198</b>	<b>598 833</b>	<b>680 545</b>	<b>(81 713)</b>	<b>-12%</b>	<b>2 722 181</b>
Transfers and subsidies - capital projects - provincially funded (National / Provincial and District)		166 890	147 075	147 075	-	-	36 769	(36 769)	(0)	147 075

**TABLE 4: ACTUAL REVENUE PER REVENUE DEPARTMENT FOR SEPTEMBER 2019**

**NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September**

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		937 758	855 461	855 461	24 635	126 228	213 865	(87 637)	-41%	855 461
Executive and council		107 152	3 898	3 898	80	128	974	(847)	-87%	3 898
Finance and administration		830 606	851 563	851 563	24 555	126 100	212 891	(86 791)	-41%	851 563
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		37 109	30 666	30 666	740	3 213	7 667	(4 454)	-58%	30 666
Community and social services		3 484	663	663	122	394	166	229	138%	663
Sport and recreation		2 887	15 627	15 627	11	60	3 907	(3 847)	-98%	15 627
Public safety		30 737	14 376	14 376	607	2 758	3 594	(836)	-23%	14 376
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		28 676	60 513	60 513	363	1 017	15 128	(14 111)	-93%	60 513
Planning and development		8 013	9 101	9 101	357	993	2 275	(1 282)	-56%	9 101
Road transport		20 477	51 395	51 395	-	-	12 849	(12 849)	-100%	51 395
Environmental protection		186	17	17	7	24	4	19	455%	17
<i><b>Trading services</b></i>		1 939 030	1 892 533	1 892 533	146 789	465 704	473 133	(7 430)	-2%	1 892 533
Energy sources		836 855	930 692	930 692	70 790	222 021	232 673	(10 652)	-5%	930 692
Water management		764 031	656 598	656 598	61 242	173 350	164 150	9 201	6%	656 598
Waste water management		132 790	133 193	133 193	6 369	26 069	33 298	(7 229)	-22%	133 193
Waste management		205 354	172 049	172 049	8 368	44 263	43 012	1 251	3%	172 049
<i><b>Other</b></i>	<b>4</b>	20 272	30 082	30 082	2 670	2 671	7 521	(4 849)	-64%	30 082
<b>Total Revenue - Functional</b>	<b>2</b>	<b>2 962 845</b>	<b>2 869 256</b>	<b>2 869 256</b>	<b>175 198</b>	<b>598 833</b>	<b>717 314</b>	<b>(118 481)</b>	<b>-17%</b>	<b>2 869 256</b>



**5.3 Monthly Budget Statement – Financial Performance (Expenditure per category)**

**1. Actual operating expenditure per category**

The actual operating expenditure per vote is set out in Table 2 below. Total actual operating expenditure of R 404,191,134 compares favourably with the pro rata budgeted expenditure of R 534,201,971 – a variance of R 132,010,837.

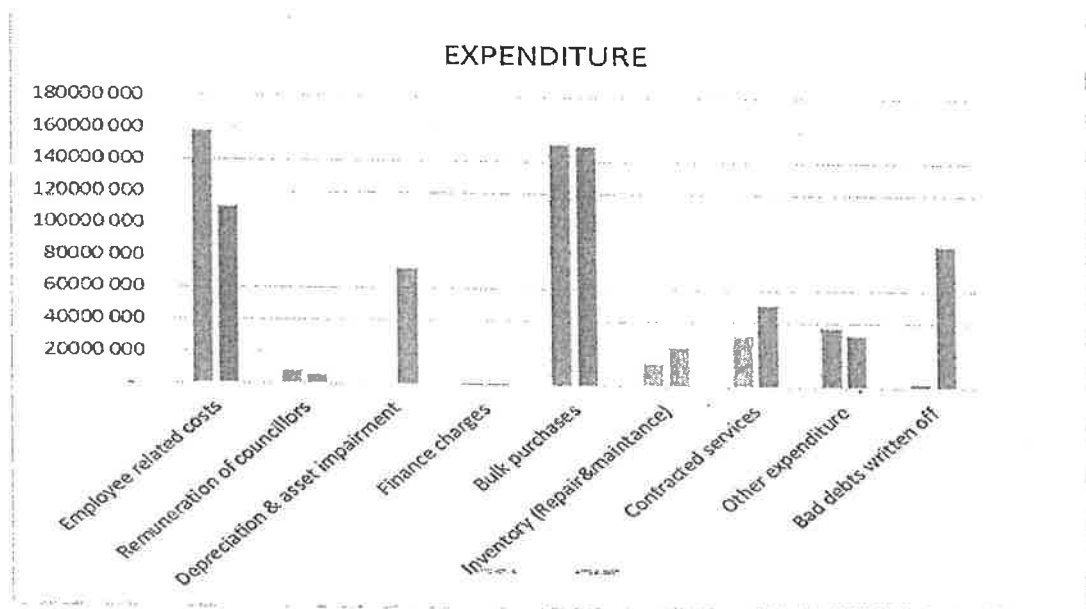


**TABLE 5: ACTUAL OPERATIONAL EXPENDITURE PER CATEGORY FOR SEPTEMBER 2019**

Description	Ref	2018/19	Budget Year 2019/20							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		605 559	603 803	604 223	31 369	79 146	151 056	(71 910)	-48%	604 223
Executive and council		237 160	318 912	318 832	20 459	52 728	79 708	(26 980)	-34%	318 832
Finance and administration		363 650	279 833	280 333	10 467	25 236	70 083	(44 847)	-64%	280 333
Internal audit		4 750	5 058	5 058	443	1 182	1 264	(83)	-7%	5 058
<b>Community and public safety</b>		276 371	291 510	291 570	18 476	51 628	72 893	(21 265)	-29%	291 570
Community and social services		43 042	73 862	73 862	3 056	9 063	18 465	(9 402)	-51%	73 862
Sport and recreation		138 069	102 739	102 739	6 579	16 343	25 685	(9 342)	-36%	102 739
Public safety		94 600	113 990	113 990	8 793	26 078	28 497	(2 420)	-8%	113 990
Housing		524	537	597	48	144	149	(5)	-4%	597
Health		135	382	382	-	-	95	(95)	-100%	382
<b>Economic and environmental services</b>		219 376	270 870	270 390	12 549	27 858	67 598	(39 740)	-59%	270 390
Planning and development		46 948	68 286	67 806	4 320	12 415	16 952	(4 537)	-27%	67 806
Road transport		171 294	198 114	198 114	8 143	15 125	49 529	(34 403)	-69%	198 114
Environmental protection		1 134	4 470	4 470	86	317	1 117	(800)	-72%	4 470
<b>Trading services</b>		2 147 923	2 024 240	2 024 240	65 102	241 170	237 959	3 211	1%	2 024 240
Energy sources		1 139 677	986 757	986 757	13 775	113 677	78 588	35 089	45%	986 757
Water management		683 930	684 792	684 792	35 123	75 960	71 198	4 762	7%	684 792
Waste water management		147 563	178 197	178 197	5 983	14 668	44 549	(29 881)	-67%	178 197
Waste management		176 753	174 494	174 494	10 221	36 865	43 623	(6 759)	-15%	174 494
<b>Other</b>		20 092	26 789	26 789	1 425	4 390	6 697	(2 307)	-34%	26 789
<b>Total Expenditure - Functional</b>	3	3 269 321	3 217 212	3 217 212	128 922	404 191	536 202	(132 011)	-25%	3 217 212
<b>Surplus/ (Deficit) for the year</b>		(306 476)	(347 956)	(347 956)	46 275	194 642	181 112	13 530	7%	(347 956)
<b>Expenditure By Type</b>										
Employee related costs		631 012	663 853	663 873	54 091	158 047	110 646	47 402	43%	663 873
Remuneration of councillors		34 200	36 438	36 438	2 862	8 555	6 073	2 482	41%	36 438
Debt impairment		722 372	530 000	530 000	2 945	2 945	88 333	(85 389)	-97%	530 000
Depreciation & asset impairment		402 816	434 145	434 145	-	-	72 358	(72 358)	-100%	434 145
Finance charges		72 736	6 323	6 323	354	737	1 054	(317)	-30%	6 323
Bulk purchases		1 000 732	899 216	899 216	32 467	151 377	149 869	1 508	1%	899 216
Other materials		54 228	145 570	145 095	9 228	14 013	24 266	(10 253)	-42%	145 095
Contracted services		187 767	304 362	306 262	17 059	31 371	50 960	(19 589)	-38%	306 262
Transfers and subsidies										
Other expenditure		155 306	197 304	195 859	9 917	37 147	32 643	4 504	14%	195 859
Loss on disposal of PPE		8 151	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		3 269 321	3 217 212	3 217 212	128 922	404 191	536 202	(132 011)	-25%	3 217 212

**TABLE 6: ACTUAL OPERATIONAL EXPENDITURE PER VOTE FOR  
SEPTEMBER 2019**

Description	Ref	2018/19	Budget Year 2019/20							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>	<b>1</b>									
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		605 559	603 803	604 223	31 369	79 146	151 056	(71 910)	-48%	604 223
Executive and council		237 160	318 912	318 832	20 459	52 728	79 708	(26 980)	-34%	318 832
Finance and administration		363 650	279 833	280 333	10 467	25 236	70 083	(44 847)	-64%	280 333
Internal audit		4 750	5 058	5 058	443	1 182	1 264	(83)	-7%	5 058
<i>Community and public safety</i>		276 371	291 510	291 570	18 476	51 628	72 893	(21 265)	-29%	291 570
Community and social services		43 042	73 862	73 862	3 056	9 063	18 465	(9 402)	-51%	73 862
Sport and recreation		138 069	102 739	102 739	6 579	16 343	25 685	(9 342)	-36%	102 739
Public safety		94 600	113 990	113 990	8 793	26 078	28 497	(2 420)	-8%	113 990
Housing		524	537	597	48	144	149	(5)	-4%	597
Health		135	382	382	-	-	95	(95)	-100%	382
<i>Economic and environmental services</i>		219 376	270 870	270 390	12 549	27 858	67 598	(39 740)	-59%	270 390
Planning and development		46 948	68 286	67 806	4 320	12 415	16 952	(4 537)	-27%	67 806
Road transport		171 294	198 114	198 114	8 143	15 125	49 529	(34 403)	-69%	198 114
Environmental protection		1 134	4 470	4 470	86	317	1 117	(800)	-72%	4 470
<i>Trading services</i>		2 147 923	2 024 240	2 024 240	65 102	241 170	237 959	3 211	1%	2 024 240
Energy sources		1 139 677	986 757	986 757	13 775	113 677	78 588	35 089	45%	986 757
Water management		683 930	684 792	684 792	35 123	75 960	71 198	4 762	7%	684 792
Waste water management		147 563	178 197	178 197	5 983	14 668	44 549	(29 881)	-67%	178 197
Waste management		176 753	174 494	174 494	10 221	36 865	43 623	(6 759)	-15%	174 494
Other		20 092	26 789	26 789	1 425	4 390	6 697	(2 307)	-34%	26 789
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>3 269 321</b>	<b>3 217 212</b>	<b>3 217 212</b>	<b>128 922</b>	<b>404 191</b>	<b>536 202</b>	<b>(132 011)</b>	<b>-25%</b>	<b>3 217 212</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(306 476)</b>	<b>(347 956)</b>	<b>(347 956)</b>	<b>46 275</b>	<b>194 642</b>	<b>181 112</b>	<b>13 530</b>	<b>7%</b>	<b>(347 956)</b>



#### **5.4 Actual capital expenditure per vote and funding source**

The actual capital expenditure per vote is set out in Table 7 below.

The actual capital expenditure per vote is set out in Table 4 below. The actual capital expenditure of R13, 022,965 compares unfavourably with pro rata budgeted capital expenditure of R 42,018,639 with variances or under spending of R28, 995,673. Actual capital expenditure amounts to 7.75% lower than the 25% pro- rata of total capital budget of R 168,074,554 after three months of the financial year.

## TABLE 7: ACTUAL CAPITAL EXPENDITURE PER VOTE FOR SEPTEMBER 2019

NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03  
September

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 01 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 02 - Health Services		-	-	-	-	-	-	-	-	-
Vote 03 - Community Services		-	-	-	-	-	-	-	-	-
Vote 04 - Housing		1 800	15 000	15 000	-	-	3 750	(3 750)	-100%	15 000
Vote 05 - Sport Arts And Culture		-	-	-	-	-	-	-	-	-
Vote 06 - Council General		-	-	-	-	-	-	-	-	-
Vote 07 - Civil Engineering		-	-	-	-	-	-	-	-	-
Vote 08 - Water Section		-	11 610	11 610	-	-	2 902	(2 902)	-100%	11 610
Vote 09 - City Electrical Engineering		-	-	-	-	-	-	-	-	-
Vote 10 - Corporate Governance		4 452	2 560	2 560	-	-	640	(640)	-100%	2 560
Vote 11 - Budget And Treasury Office		66 923	44 411	44 411	8 983	9 716	11 103	(1 387)	-12%	44 411
Vote 12 - Cleansing		8 822	4 574	4 574	-	-	1 143	(1 143)	-100%	4 574
Vote 13 - Sewerage		-	-	-	-	-	-	-	-	-
Vote 14 - Market		9 783	23 575	23 575	-	398	5 894	(5 496)	-93%	23 575
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>91 779</b>	<b>101 730</b>	<b>101 730</b>	<b>8 983</b>	<b>10 113</b>	<b>25 432</b>	<b>(15 319)</b>	<b>-60%</b>	<b>101 730</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 01 - Public Safety		863	11 000	9 000	21	21	2 250	(2 229)	-99%	9 000
Vote 02 - Health Services		352	8 000	8 000	-	-	2 000	(2 000)	-100%	8 000
Vote 03 - Community Services		2 529	-	-	-	-	-	-	-	-
Vote 04 - Housing		1 591	-	-	-	-	-	-	-	-
Vote 05 - Sport Arts And Culture		-	-	-	-	-	-	-	-	-
Vote 06 - Council General		-	-	-	-	-	-	-	-	-
Vote 07 - Civil Engineering		-	-	-	-	-	-	-	-	-
Vote 08 - Water Section		-	-	-	-	-	-	-	-	-
Vote 09 - City Electrical Engineering		-	-	-	-	-	-	-	-	-
Vote 10 - Corporate Governance		19 612	13 754	13 754	-	360	3 438	(3 079)	-90%	13 754
Vote 11 - Budget And Treasury Office		8 118	-	2 000	-	-	500	(500)	-100%	2 000
Vote 12 - Cleansing		15 282	3 794	3 794	260	260	948	(688)	-73%	3 794
Vote 13 - Sewerage		-	3 000	3 000	-	-	750	(750)	-100%	3 000
Vote 14 - Market		10 731	22 837	22 837	1 200	2 269	6 699	(4 430)	-66%	22 837
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	<b>59 078</b>	<b>62 385</b>	<b>62 385</b>	<b>1 481</b>	<b>2 910</b>	<b>16 586</b>	<b>(13 677)</b>	<b>-82%</b>	<b>62 385</b>
<b>Total Capital Expenditure</b>		<b>150 857</b>	<b>164 115</b>	<b>164 115</b>	<b>10 464</b>	<b>13 023</b>	<b>42 019</b>	<b>(28 996)</b>	<b>-69%</b>	<b>164 115</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>4 344</b>	<b>19 000</b>	<b>17 000</b>	<b>21</b>	<b>21</b>	<b>4 750</b>	<b>(4 729)</b>	<b>-100%</b>	<b>17 000</b>
Executive and council		3 992	11 000	9 000	21	21	2 750	(2 729)	-99%	9 000
Finance and administration		352	8 000	8 000	-	-	2 000	(2 000)	-100%	8 000
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>2 791</b>	<b>15 000</b>	<b>15 000</b>	<b>-</b>	<b>-</b>	<b>3 750</b>	<b>(3 750)</b>	<b>-100%</b>	<b>15 000</b>
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		2 791	15 000	15 000	-	-	3 750	(3 750)	-100%	15 000
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>20 514</b>	<b>46 412</b>	<b>46 412</b>	<b>1 200</b>	<b>2 503</b>	<b>11 103</b>	<b>(8 600)</b>	<b>-77%</b>	<b>46 412</b>
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		20 514	46 412	46 412	1 200	2 503	11 103	(8 600)	-77%	46 412
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>123 209</b>	<b>76 053</b>	<b>74 093</b>	<b>9 243</b>	<b>10 499</b>	<b>19 514</b>	<b>(9 015)</b>	<b>-46%</b>	<b>74 093</b>
Energy sources		24 064	20 274	16 314	-	413	5 069	(4 655)	-92%	16 314
Water management		75 041	44 411	46 411	8 983	9 825	11 603	(1 778)	-15%	46 411
Waste water management		24 104	8 368	8 368	260	260	2 092	(1 832)	-88%	8 368
Waste management		-	3 000	3 000	-	-	750	(750)	-100%	3 000
Other		-	11 610	11 610	-	-	2 902	(2 902)	-100%	11 610
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>150 857</b>	<b>168 075</b>	<b>164 115</b>	<b>10 464</b>	<b>13 023</b>	<b>42 019</b>	<b>(28 996)</b>	<b>-69%</b>	<b>164 115</b>

**TABLE 8: ACTUAL CAPITAL EXPENDITURE PER FUNDING SOURCE FOR SEPTEMBER 2019**

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Funded by:</b>										
National Government		149 643	143 115	143 115	10 443	13 002	37 269	(24 267)	-65%	143 115
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital		149 643	143 115	143 115	10 443	13 002	37 269	(24 267)	-65%	143 115
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		1 215	21 000	21 000	21	21	5 250	(5 229)	-100%	21 000
<b>Total Capital Funding</b>		<b>150 857</b>	<b>164 115</b>	<b>164 115</b>	<b>10 464</b>	<b>13 023</b>	<b>42 519</b>	<b>(29 496)</b>	<b>-69%</b>	<b>164 115</b>

### 5.5 Monthly Budget Statement - Cash Flow Statement (Annexure B)

- The opening balance for the month of September 2019 amount to R158, 688,799 and the closing balance of R255, 994,795.
- Total cash receipts by source reflect an amount of R234 million, for the month of September 2019.
- Total cash payments indicate an amount of R124 million, for the month of September 2019.

**TABLE 9: ACTUAL CASH FLOW SEPTEMBER 2019**

NW403 City Of Matlosana - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	Budget Year 2019/20									
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>	1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			316 661		29 931	89 295	79 165	10 129	13%		
Service charges			1 340 133		77 621	225 601	335 033	(109 432)	-33%		
Other revenue			38 977		126 467	142 178	9 744	132 434	1359%		
Government - operating			442 778		-	182 326	110 695	71 631	65%		
Government - capital			147 075		-	145 028	36 769	108 259	294%		
Interest			14 225		15	15	3 556	(3 542)	-100%		
Dividends			-					-			
<b>Payments</b>											
Suppliers and employees			(2 112 452)		(123 732)	(598 408)	(528 113)	70 295	-13%		
Finance charges			(6 323)		(354)	(544)	(1 581)	(1 036)	66%		
Transfers and Grants											
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			<b>-</b>	<b>181 075</b>	<b>-</b>	<b>109 947</b>	<b>185 490</b>	<b>45 269</b>	<b>(140 221)</b>	<b>-310%</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE											
Decrease (increase) in non-current debtors											
Decrease (increase) other non-current receivables			(1 000)				(250)	250	-100%		
Decrease (increase) in non-current investments											
<b>Payments</b>											
Capital assets			(168 075)		(10 464)	(13 023)	(42 019)	(28 996)	69%		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			<b>-</b>	<b>(169 075)</b>	<b>-</b>	<b>(10 464)</b>	<b>(13 023)</b>	<b>(42 269)</b>	<b>(29 246)</b>	<b>69%</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits			2 000								
<b>Payments</b>											
Repayment of borrowing			(14 000)		(2 177)	(2 960)	(3 500)	(540)	15%		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			<b>-</b>	<b>(12 000)</b>	<b>-</b>	<b>(2 177)</b>	<b>(2 960)</b>	<b>(3 500)</b>	<b>(540)</b>	<b>15%</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>											
Cash/cash equivalents at beginning:			(0)		97 306	169 507	(500)				
Cash/cash equivalents at monthly year end:			110 000				110 000				
			110 000			169 507	109 500				

## 5.6 Actual borrowings

The municipality's position on external loans is set out in Table 6 below. The municipality started the 2019/2020 financial year with borrowing debt of R23,623,528.23 and after repayments (R 2,223,127.67) were made, the total borrowings outstanding as at 30 September 2019 amounts to R 21,400,400.56

**TABLE 10: ACTUAL BORROWING FOR SEPTEMBER 2019**

Borrowing Reference No	Start Date	Exp Date	Borrowing Period		Lender	Purpose	Interest Rate (Fixed/Float)	Interest Paid This quarter	Opening Balance 01/09/2019	Debt Repaid or Repaid	Additional Principal Accrued	Balance at 30/09/2019
			From	To								
<b>ANNUITY LOANS</b>												
NW11182	1/10/1999	30/09/2018	20	7435456	Development Bank of SA	Provision of Infrastructure	15.25	0.00	0.00	0.00	0.00	0.00
NW13637	1/10/2000	30/09/2020	20	3951000	Development Bank of SA	Provision of Infrastructure	15.0	60 069.73	669 469.67	267 691.07	0.00	600 577.91
NW1036771	1/11/2010	1/11/2025	15	35269878	Development Bank of SA	Provision of Infrastructure	14.75	564 923.24	21 409 136.75	609 913.91	0.00	20 799 622.76
10906	30/09/1999	30/09/2019	20	5587000	Development Bank of SA	Provision of Infrastructure	15.25	29 588.62	371 723.43	371 723.43		0.00
10912	30/09/1999	30/09/2019	20	7477000	Development Bank of SA	Provision of Infrastructure	15.25	42 338.78	550 595.95	550 595.95		0.00
10913	30/09/1999	30/09/2019	20	5780000	Development Bank of SA	Provision of Infrastructure	15.25	32 585.76	423 693.23	423 693.23		0.00
<b>TOTAL ANNUITIES</b>								<b>736 536.33</b>	<b>23 623 528.23</b>	<b>2 223 127.57</b>	<b>0.00</b>	<b>21 400 400.56</b>

## PART 2 SUPPORTING DOCUMENTS

### 3. IN -YEAR BUDGET STATEMENT SUPPORTING TABLES AND DOCUMENTATIONS

#### 3.1 Debtors age analysis

##### Debtors age analysis per service

The municipality's total outstanding debtors amounted to R 3,961,351,972 as at 30 September 2019 compared to R 3,616,860,881 as at 30 June 2019.

Current to thirty days debt increased with R 41,709,608 to R 239,266,151 compared to R 197,556,543 as at 30 September 2019; 31 to 60 days debt decreased with R 32,062,271, 90 days increased with R 30,347,539 and 91 days and older debt as at 30 September 2019 has increased with R 80,259,488 to R 3,467,905,352 compared to R 3,201,599,704 as at 31 August 2019.

##### Debtors age analysis per debtor type

Government owe the municipality R 119,624,306 (3.01%)

Business debtors R 391,798,320 (9.89%)

Domestic debtors R 3,449,929,346 (87.09%)

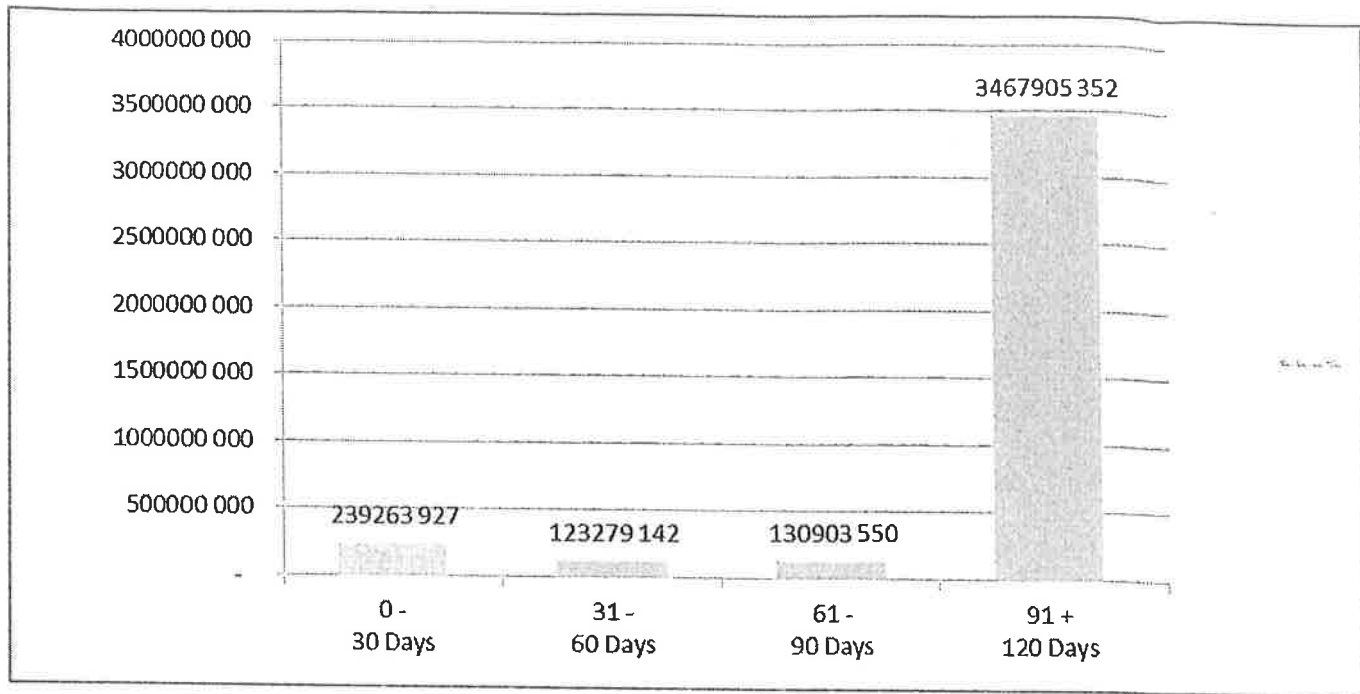
The total outstanding debt of R 3,961,351,972 is a great concern. Council appointed debt collectors, they started on January 2019 and they collected R23, 83 million as at September 2019.

**TABLE 11: OUTSTANDING DEBTORS AS AT 31 SEPTEMBER 2019**

NW403 City Of Matielosana - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2019/20										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts LLo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dye	151-180 Dys	181 Dye-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	89 530	38 944	35 364	37 258	30 179	28 776	186 287	1 090 007	1 536 345	1 372 507		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	72 967	29 107	13 253	8 722	7 155	6 137	48 519	186 745	372 605	257 278		
Receivables from Non-exchange Transactions - Property Rates	1400	23 831	10 345	36 750	4 899	4 017	3 459	19 074	161 004	263 378	192 452		
Receivables from Exchange Transactions - Waste Water Management	1500	7 372	5 272	4 804	4 345	4 233	4 142	24 198	164 744	219 110	201 862		
Receivables from Exchange Transactions - Waste Management	1600	13 174	9 874	9 121	8 370	8 229	8 117	47 213	316 577	420 675	368 505		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	28 698	27 734	27 104	26 810	26 176	25 396	137 965	710 727	1 010 410	926 873		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	3 692	2 903	4 506	5 635	1 921	753	9 381	110 937	138 830	128 628		
<b>Total By Income Source</b>	<b>2000</b>	<b>239 264</b>	<b>123 278</b>	<b>130 904</b>	<b>95 840</b>	<b>81 909</b>	<b>76 781</b>	<b>472 636</b>	<b>2 740 740</b>	<b>3 961 352</b>	<b>3 467 905</b>		
<b>2018/19 - totals only</b>													
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	8 849	6 471	31 181	3 353	2 144	1 579	24 016	41 852	119 446	72 945		
Commercial	2300	90 659	22 147	12 032	7 537	7 413	5 801	33 242	212 967	391 788	266 960		
Households	2400	139 755	94 661	87 690	84 950	72 352	69 401	415 378	2 485 921	3 450 108	3 128 001		
Other	2500	-	-	-	-	-	-	-	-	-	-		
<b>Total By Customer Group</b>	<b>2600</b>	<b>239 264</b>	<b>123 278</b>	<b>130 904</b>	<b>95 840</b>	<b>81 909</b>	<b>76 781</b>	<b>472 636</b>	<b>2 740 740</b>	<b>3 961 352</b>	<b>3 467 905</b>		





### 3.2 Creditors age analysis

The municipality's total outstanding creditors amounted to R996, 919,221 as at 30 September 2019 compared with the R 898,466,534 as at 31 August 2019 and increased with R98, 452,687.

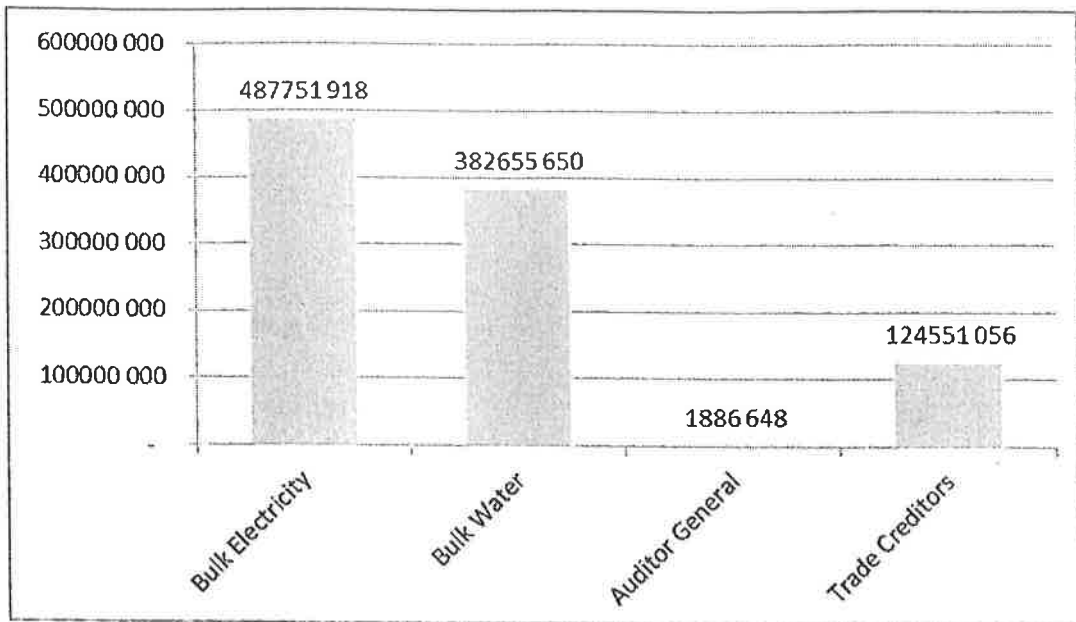
Midvaal – Paid a total of R 25,000,000 for the arrangements.

Eskom – Paid the current account amount of R739, 890.42.

**TABLE 12: CREDITOR'S AGE ANALYSIS AS AT 31 SEPTEMBER 2019**

NW403 City Of Matlosana - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2019/20								Total
		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	
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100	57 103		91 117	109 262	230 270				487 752
Bulk Water	0200	32 878	25 724	2 604	334	321 116				382 656
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	15 426	14 501	7 409	1 350	85 865				124 551
Auditor General	0800	1 858	28							1 887
Other	0900									-
<b>Total By Customer Type</b>	<b>1000</b>	<b>107 266</b>	<b>40 253</b>	<b>101 130</b>	<b>110 945</b>	<b>637 251</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>996 845</b>



### 3.3 Investment

Surplus cash is invested on a daily basis depending on the commitment of funds. The municipality's investments as at 30 September 2019 is as set out in Table 12 below. The municipality started the beginning of the month with total investments of R285, 994,306.43 and after investments made of R 67,964,161.28 and withdrawals of R101, 987,518.02 closed with an investment balance of R 252,928,696 at the five listed local banks.

**TABLE 13: INVESTMENTS AS AT 30 SEPTEMBER 2019**

NW403 City Of Matlosana - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of Investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
<b>R thousands</b>									
<b>Municipality</b>									
Amount received									
ABSA		-	daily call		738		149 837		153 003
INVESTEC		-	daily call		34		6 423		6 456
SANLAM		2yrs	Policy	2020/08/01			9 675		9 675
FNB		12months	Long term	2020/06/30			60		60
NEDBANK		1month	short term	2019/09/18			120 000		-
NEDBANK		-	daily call						83 734
<b>Municipality sub-total</b>					<b>772</b>		<b>285 994</b>	<b>-</b>	<b>252 929</b>
<b>Entities</b>									
<b>Entities sub-total</b>					<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>				<b>772</b>		<b>285 994</b>	<b>-</b>	<b>252 929</b>

### 3.4 Allocations received and actual expenditure on allocations received

The municipality's position with regard to grant allocation received and the actual expenditure on the grant allocations received are set out in Table 8 and 9 below. The Operating grants expenditure to the amount of R 1,173,991 was spent and capital grants spending for the month of September 2019 amounted to R 12,009,262.

**TABLE 14: TRANSFER AND GRANT RECEIPTS**

NW403 City Of Matlosana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants:</b>										
<b>National Government:</b>		95	441 998	441 998	--	182 326	111 860	70 466	63.0%	447 441
Energy Efficiency and Demand Side Management Grant	95	3 000	3 000	3 000	--	--	945	(945)	-100.0%	3 780
Equitable Share	--	429 961	429 961	429 961	--	179 150	107 490	71 660	66.7%	429 961
Expanded Public Works Programme Integrated Grant	--	1 983	1 983	1 983	--	496	992	(496)	-50.0%	3 966
Local Government Financial Management Grant	--	2 680	2 680	2 680	--	2 680	1 340	1 340	100.0%	5 360
Local Government Equitable Share	--	4 374	4 374	4 374	--	--	1 094	(1 094)	-100.0%	4 374
Other transfers and grants [insert description]		--	--	--	--	--	--	--	--	--
<b>Provincial Government:</b>		52	780	--	--	--	--	--	--	--
Disaster and Emergency Services	52	780	--	--	--	--	--	--	--	--
Other transfers and grants [insert description]		--	--	--	--	--	--	--	--	--
<b>District Municipality:</b>		--	--	--	--	--	--	--	--	--
[insert description]		--	--	--	--	--	--	--	--	--
<b>Other grant providers:</b>		--	--	--	--	--	--	--	--	--
[insert description]		--	--	--	--	--	--	--	--	--
<b>Total Operating Transfers and Grants</b>	5	147	442 778	441 998	--	182 326	111 860	70 466	63.0%	447 441
<b>Capital Transfers and Grants:</b>										
<b>National Government:</b>		166 890	147 075	147 075	--	40 928	36 769	4 159	11.3%	147 075
Integrated National Electrification Programme Grant	12 205	3 960	3 960	3 960	--	--	990	(990)	-100.0%	3 960
Municipal Infrastructure Grant	85 228	83 115	83 115	83 115	--	34 997	20 779	14 218	68.4%	83 115
Neighbourhood Development Partnership Grant	52 457	60 000	60 000	60 000	--	5 931	15 000	(9 069)	-60.5%	60 000
Water Services Infrastructure Grant	17 000	--	--	--	--	--	--	--	--	--
<b>Provincial Government:</b>		--	--	--	--	--	--	--	--	--
[insert description]		--	--	--	--	--	--	--	--	--
<b>District Municipality:</b>		--	--	--	--	--	--	--	--	--
[insert description]		--	--	--	--	--	--	--	--	--
<b>Other grant providers:</b>		101 576	--	--	--	--	--	--	--	--
[insert description]		--	--	--	--	--	--	--	--	--
Unspecified		101 576	--	--	--	--	--	--	--	--
<b>Total Capital Transfers and Grants</b>	5	268 466	147 075	147 075	--	40 928	36 769	4 159	11.3%	147 075
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	268 613	589 853	589 073	--	223 254	148 629	74 625	50.2%	594 516

**TABLE 15: TRANSFER AND GRANT EXPENDITURE**

NW403 City Of Matlosana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	Ref	2018/19	Budget Year 2019/20							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		70 064	441 998	441 998	1 174	180 425	22 207	158 218	712.5%	88 829
Energy Efficiency and Demand Side Management Grant		91	3 000	3 000	-	-	500	(500)	-100.0%	2 000
Equitable Share		61 785	429 961	429 961	-	179 150	16 485	162 665	986.8%	65 939
Expanded Public Works Programme Integrated Grant		1 864	1 983	1 983	-	-	2 492	(2 492)	-100.0%	9 966
Local Government Financial Management Grant		2 964	2 680	2 680	56	157	1 340	(1 183)	-88.3%	5 360
Municipal Infrastructure Grant		3 360	4 374	4 374	1 118	1 118	1 391	(273)	-19.7%	5 564
Provincial Government:		616	780	780	-	-	-	-	-	-
Libraries, Archives and Museums		534	780	780	-	-	-	-	-	-
Specify (Add grant description)		82	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>70 680</b>	<b>442 778</b>	<b>442 778</b>	<b>1 174</b>	<b>180 425</b>	<b>22 207</b>	<b>158 218</b>	<b>712.5%</b>	<b>88 829</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		149 643	147 075	147 075	12 009	14 569	35 779	(21 210)	-59.3%	143 115
Integrated National Electrification Programme Grant		10 613	3 960	3 960	-	-	-	-	-	-
Municipal Infrastructure Grant		81 761	83 115	83 115	12 009	12 855	20 779	(7 923)	-38.1%	83 115
Neighbourhood Development Partnership Grant		42 486	60 000	60 000	-	1 713	15 000	(13 287)	-88.6%	60 000
Water Services Infrastructure Grant		14 783	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>149 643</b>	<b>147 075</b>	<b>147 075</b>	<b>12 009</b>	<b>14 569</b>	<b>35 779</b>	<b>(21 210)</b>	<b>-59.3%</b>	<b>143 115</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>220 323</b>	<b>589 853</b>	<b>589 853</b>	<b>13 183</b>	<b>194 994</b>	<b>57 986</b>	<b>137 008</b>	<b>236.3%</b>	<b>231 943</b>

**REASONS TO NON EXPENDITURE**

- **NDPG** - The Contractor for the Turnkey services suspended the works as from the 31st July 2019 till today.
- **MIG** - Water Supply from Midvaal End Point to Jouberton and Alabama (Phase 1B)  
The project started late due to the negotiations between the contractor and the Municipality on the appointment of additional scope and the Service Level Agreement.
- Paving of Taxi Routes and Stormwater Drainage in Tigane (Phase 9) - Delayed Supply Chain Processes of appointing the Contractor.
- **Roll over** - Delayed approval of the roll over application as we cannot spend the 2018/19 projects.

## 16. Council and employee benefits

NW403 City Of Matlosana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C					D	
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		11 721	21 475	21 475	1 753	5 239	5 369	(130)	-2%	21 475
Pension and UIF Contributions		2 139	2 483	2 483	178	535	621	(86)	-14%	2 483
Medical Aid Contributions		17	115	115	1	4	29	(24)	-85%	115
Motor Vehicle Allowance										
Cellphone Allowance		3 408	3 590	3 590	285	851	898	(47)	-5%	3 590
Housing Allowances										
Other benefits and allowances		16 914	8 775	8 775	644	1 926	2 194	(268)	-12%	8 775
<b>Sub Total - Councillors</b>		<b>34 200</b>	<b>36 438</b>	<b>36 438</b>	<b>2 862</b>	<b>8 555</b>	<b>9 110</b>	<b>(555)</b>	<b>-6%</b>	<b>36 438</b>
<b>% Increase</b>	4		<b>6.5%</b>	<b>6.5%</b>						<b>6.5%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		5 902	9 982	9 982	461	1 382	2 496	(1 114)	-45%	9 982
Pension and UIF Contributions		10	16	16	1	2	4	(2)	-44%	16
Medical Aid Contributions		33	14	14	3	8	4	5	127%	14
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		628	966	966	47	140	241	(101)	-42%	966
Cellphone Allowance		24	104	104	2	6	26	(20)	-77%	104
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		36	6	6	-	-	2	(2)	-100%	6
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>6 634</b>	<b>11 088</b>	<b>11 088</b>	<b>513</b>	<b>1 538</b>	<b>2 772</b>	<b>(1 234)</b>	<b>-45%</b>	<b>11 088</b>
<b>% Increase</b>	4		<b>67.2%</b>	<b>67.2%</b>						<b>67.2%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		369 625	416 085	416 085	32 972	99 290	104 021	(4 731)	-5%	416 085
Pension and UIF Contributions		78 959	90 347	90 347	7 010	21 084	22 587	(1 503)	-7%	90 347
Medical Aid Contributions		34 706	42 435	42 435	3 017	9 091	10 609	(1 518)	-14%	42 435
Overtime		47 872	32 721	32 721	4 472	12 383	8 180	4 202	51%	32 721
Performance Bonus		29 132	34 609	34 609	2 686	6 324	8 652	(2 328)	-27%	34 609
Motor Vehicle Allowance										
Cellphone Allowance		962	1 132	1 132	82	249	283	(34)	-12%	1 132
Housing Allowances		6 524	6 859	6 859	567	1 696	1 715	(19)	-1%	6 859
Other benefits and allowances		13 969	19 987	20 007	1 895	4 250	5 002	(752)	-15%	20 007
Payments in lieu of leave		17 937	8 590	8 590	877	2 142	2 148	(5)	0%	8 590
Long service awards		(8 757)	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	33 449	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>624 378</b>	<b>652 765</b>	<b>652 785</b>	<b>53 578</b>	<b>156 509</b>	<b>163 196</b>	<b>(6 687)</b>	<b>-4%</b>	<b>652 785</b>
<b>% increase</b>	4		<b>4.5%</b>	<b>4.5%</b>						<b>4.5%</b>
<b>Total Parent Municipality</b>		<b>665 212</b>	<b>700 292</b>	<b>700 312</b>	<b>56 952</b>	<b>166 602</b>	<b>175 078</b>	<b>(8 476)</b>	<b>-5%</b>	<b>700 312</b>

## 17. RATIOS

NW403 City Of Matlosana - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

Description of financial indicator	Basis of calculation	Ref	2018/19	Budget Year 2019/20			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		2.2%	13.7%	13.7%	0.2%	1.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		24.2%	34.9%	34.9%	35.5%	34.9%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>							
Current Ratio	Current assets/current liabilities	1	48.9%	41.8%	41.8%	72.2%	41.8%
Liquidity Ratio	Monetary Assets/Current Liabilities		-3.1%	6.3%	6.3%	10.8%	6.3%
<b>Revenue Management</b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		31.2%	20.9%	20.9%	200.0%	20.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Creditors Management</b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<b>Funding of Provisions</b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<b>Other Indicators</b>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		23.4%	24.4%	24.4%	26.4%	24.4%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.6%	8.4%	8.4%	2.7%	8.4%
Interest & Depreciation	I&D/Total Revenue - capital revenue		17.6%	16.2%	16.2%	0.1%	1.6%
<b>IDP regulation financial viability indicators</b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

## 8. RECOMMENDATIONS

1. Based on the contents of this report it is recommended that the Executive Mayor submits to the Council this report as per section 52(d) of the MFMA.
2. That Council takes cognizance of the section 52(d) report for the quarter ending 31 September 2019.