



*“An improved quality of life
for all residents”*

In-Year Report

*Prepared in terms of the Local
Government: Municipal Finance
Management Act (56/2003):
Municipal Budget and Reporting
Regulations, Government Gazette
32141, 17 April 2009.*

Monthly Budget Statement October 2016

**JOE GQABI
DISTRICT
MUNICIPALITY**

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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Joe Gqabi District Municipality.

Budget related policy – Policy of the municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as a non-current asset on the Municipality's balance sheet.

Cash flow statement – A statement including only actual receipts and expenditure by the Municipality. Cash payments and receipts do not always coincide with budgeted timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period. The same principle applies with the cash receipts. The Municipality recognise the revenue on date of billing whilst payment may not appear in the same period; the receipt is recognised at date of receipt.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – A general grant paid to Municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between Municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting; this Municipality will need to fully comply by the end of June 2012.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages and general expenses.

Rates – Local Government tax levied in terms of the Local Government: Municipal Property Rates Act; Act 6 of 2004. The tax is based on the assessed market value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic objectives – The main priorities of the Joe Gqabi District Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, is spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

MIG – Municipal Infrastructure Grant

MWIG – Municipal Water Infrastructure Grant

WSIG – Water Services Infrastructure Grant

RBIG - Regional Bulk Infrastructure Grant

Vote – One of the main segments into which a budget. In Joe Gqabi District Municipality this means at directorate level. The votes for Joe Gqabi therefore are:

- Management Services;
- Financial Services;
- Corporate Services;
- Technical Services; and
- Community Services.

PART 1 – IN-YEAR REPORT

Section 1 –Mayor’s Report

1.1 PURPOSE

The purpose of this report is to comply with the section 71 of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009.

1.2 BACKGROUND

In terms of section 71(1) of the Municipal Finance Management Act (MFMA) the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the municipality’s budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) Actual revenue, per revenue source;
- (b) Actual borrowings;
- (c) Actual expenditure, per vote;
- (d) Actual capital expenditure, per vote;
- (e) The amount of any allocations received;
- (f) Actual expenditure on those allocations, excluding expenditure on—
 - (i) its share of the local government equitable share; and
 - (ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g) When necessary, an explanation of—
 - (i) Any material variances from the municipality have projected revenue by source, and from the municipality’s expenditure projections per vote;
 - (ii) Any material variances from the service delivery and budget implementation plan; and
 - (iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality’s approved budget.

2.1 In-Year Report - Monthly Budget Statement

2.1.1 The progress in implementation of budget in terms of SDBIP can be seen from the tables below.

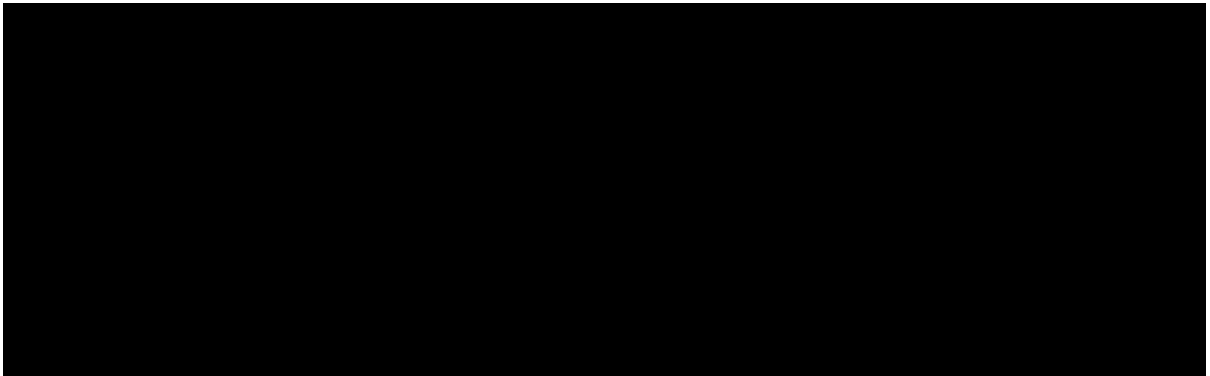
Table 1: Operating Revenue per category

As at 31 October 2016 the municipality recorded actual revenue of an amount of R 58, 030million, which represents 34% of the year to date year to date budgeted revenue.

A majority of the municipality revenue is a result of government grants and subsidies. They represent 48% of the total revenue for the month of October.

In the month of October revenue relating to service charges was recorded as R 20, 867 million. It is evident that there is improvement in the collection rate.

Table 2: Operating Expenditure per category



At end of October 2016, the municipality incurred R 27, 909 million on operating expenditure.

Detailed analysis follows:**Operating Expenditure by Nature**

The figures in this section should represent the accrued amounts; in other words when goods have been ordered, received or invoice issued and completed (reconciled with goods received and prices quoted), only than should it captured as an expense. The financial system currently, do not account the expenses in a manner as mentioned above. Shadow figures are reflected on the financial system once an order is issued. This action serves as a budgetary control mechanism and no actual financial entries are past. These figures cannot be used for reporting purposes. The amounts included as expenditure is currently only those for which a payment run has been completed.

- **Depreciation**

Depreciation was not recorded in October. However, going forward, depreciation will be done on a monthly basis in order to ensure reliability of monthly reporting.

- **Employee related costs**

The actual employee related costs spent for the year to date amounts to R54,851 million, which represents 85% of the year-to-date budget amount of R64, 619million.

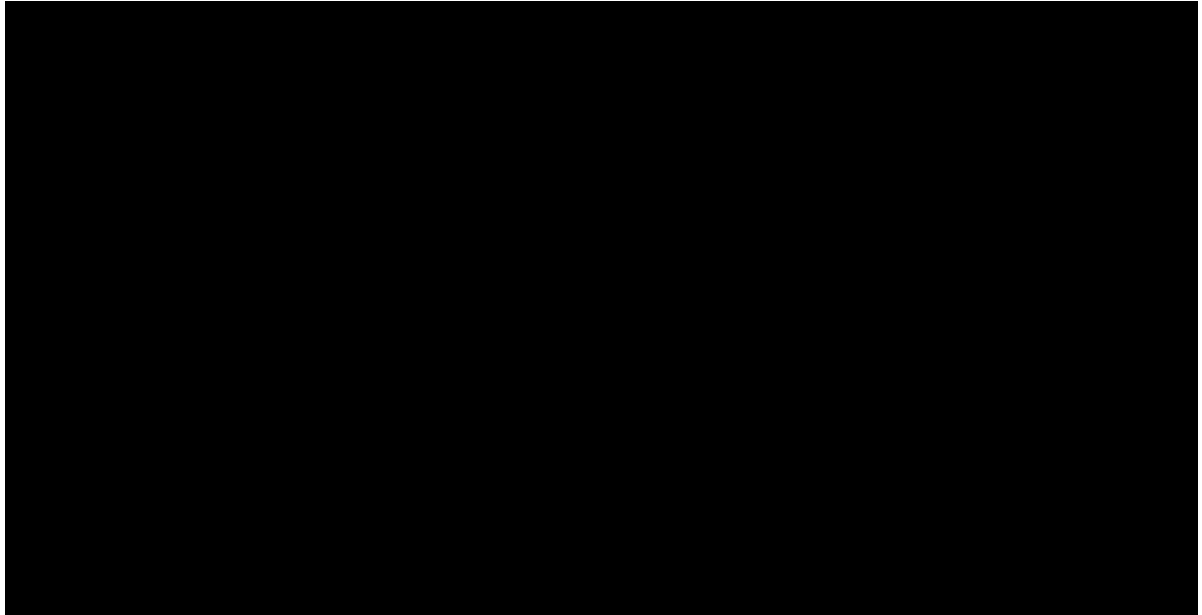
- **Remuneration of councilors**

The actual remuneration of councilors spent for the year to date amounts to R 1 543 million which represents 69% of the year-to-date budget amount of R2 216 million.

More detail with regard to the employee related cost and remuneration of councilors is provided in table SC8 on Page 25

Table 3: Capital Expenditure by Municipal Vote**Capital Expenditure**

The detail of this section can be found in Section 4 of this report Table C5 and also in Supporting table SC12; SC13a and SC13b.

**Capital Expenditure by Vote**

The capital expenditure recognised for the month of is R21, 403million, being the actual money spent on provision of service delivery in water and sanitation.

MIG grant is the main contributor of JGDM's capital budget.

2.1.2 Other information

Additional clarity on the contents of this report or answers to any questions posed will be given at the Finance Committee by the Acting Chief Financial Officer.

Section 2 - Resolutions

Recommended resolution to Council with regard to July 2016 in-year report is:

RESOLVED

- (a) That the Council take note of contents in the in-year monthly report for July 2016 as set out in the schedules contained in Section 4:
 - a. Table C1 – Monthly Budget Statement Summary;
 - b. Table C2 – Monthly Budget Statement – Financial Performance (Standard classification);
 - c. Table C3 – Monthly Budget Statement – Financial Performance Standard classification (Revenue and expenditure by Municipal Vote)
 - d. Table C4 – Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)
 - e. Table C5 – Monthly Budget Statement – Capital Expenditure;
 - f. Table C6 – Monthly Budget statement – Financial Position; and
 - g. Table C7 – Monthly Budget statement – Cash Flows.
- (b) That the Council take note that the report was submitted to the Executive Mayor on 14 October 2016.
- (c) Any other resolutions required by the Council.

Section 3 – Executive Summary

3.1 Introduction

This Budget statement report for October 2016 of Joe Gqabi District Municipality was prepared via the SAMRAS financial system to comply with the Budget and Reporting Regulations and guidelines as issued by National Treasury.

3.2 Financial Performance; Position and Cash flow

Section 4 of this report includes the tables with the detail figures.

3.2.1 Financial Performance

The detail of this section can be found in Section 4 of this report Table C2 (Summary per GFS); Table C3 (Summary per Municipal Vote) and Table C4 (Summary by Revenue Source and Expenditure Type). The latter is used to provide the executive summary.

3.2.1.1 Revenue by Source

It must be pointed out that in this section the figures represent the accrued amount and not actual cash receipts in other words the amounts billed. The transfers recognised represents only that portion of the grants and subsidies of which the conditions has been met, in other words only reflect the expenditure and not the receipts.

The other sources of revenue that have material variances in rand value are:

- **Interest Earned – External investments**

The actual amount earned in the form of Interest on Investments amounts to R270 925 which represents 32% of the year to date budget of R842, 000.

- **Other revenue**

Other Revenue is made up of contributions from LGSeta and revenue generated from Photostats.

3.2.2 Financial Position

The detail of this section can be found in Section 4 of this report Table C6 (Financial Position) below:

The financial position indicates the position of the Joe Gqabi District Municipality, after considering the municipality's assets, liabilities and the equity as at 31 October 2016

The current accumulated surplus of the municipality as at 31 October 2016 is R1, 369 billion.

3.2.2.1 Current Assets

- **Cash**

The cash balance of R 8, 254 million includes cash floats in the form of petty cash and cashier floats. The rest is the "cashbook balance" of the primary bank account.

- **Call Investment Deposits**

Call investment deposits consist of investments made with various financial institutions when there is surplus cash available in the main bank account. These monies are then transferred to the general bank account as when needed. The investment policy is used to determine what bank to invest money into.

A monthly investment register is submitted to management.

- **Inventory**

The year to date value of inventory as at 31 October 2016 is R 3,574 million.

The current ratio for the month is 0.49, which is below the norm of 1.5 – 2.1, and this highlights serious financial challenges of the municipality and likely liquidity problems *i.e.* insufficient cash to meet short-term financial obligations. Current assets must therefore be increased in order to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities

3.2.2.2 Non-Current Assets

The year to date actual on non-current assets is R 1,533 billion and the year to date budget is R1, 710 billion.

3.2.2.3 Current Liabilities

- **Trade and other payables**

The detail of this section can be found in Section 6 of this report Table C6 (Statement of Financial Position and SC4 (Aged Creditors)).

The amount of the trade and other payables as at 31 October 2016 is R230, 098 million and this amount include creditors, provisions, and unspent conditional grants.

The total actual amount of creditors as at 31 October 2016 amounts to R 18, 161 million.

It must be noted that the age analysis is based on invoice date not invoice received. So in terms of the MFMA requirements the DM is complying.

3.2.2 Cash Flow

The detail of this section can be found in Section 4 of this report Table C7 (Cash Flow)

The cash flow statement for the month indicates that the municipality's operations during the month resulted in a positive cash outflow of R3, 615million.

3.3 Remedial or corrective steps

The remedial or corrective steps are listed in order of importance below:

3.3.1 *Bank reconciliation*

The daily automated bank reconciliation is functioning; we however faced challenges with it which resulted in us reverting back to the manual bank reconciliation. The information is derived from the system and the necessary journals are identified early and processed as and when they occur.

3.3.2 *Monthly Procedures*

To get the in-year figures more accurate the monthly actions with regard to the following have been instituted:

- Contributions of medical aid for pensioners;
- Creditors and Debtors reconciliations
- VAT reconciliation;
- Depreciation;
- Short term portion of long-term liabilities; and

- Recognition of interest earned both for call deposits and non-current investments
- Identifying incorrect allocations and wrong vote classifications

3.3.3 Recognition of Trade payables

A monthly integrity report is run on a monthly basis which generates exceptions with regards to the creditor's module. This matter has been reported to the relevant manager and is being addressed.

3.4 Conclusion

JGDM had many challenges during the 2015/16 financial year due to the effects of taking over the water and sanitation services from the local municipalities. The effects of such challenges carried over to 2016/2017 financial year.

The district municipality has declared a state of drought disaster, in the region. A number of dams within the district reported to have below 40% capacity and this resulted in level 2 and 3 water restrictions, these restrictions amongst others, prohibits users of portable water to water their gardens and wash their cars with a hose pipe.

In terms of financial management, the municipality has established itself as a model in the province. This is supported by the fact that the Auditor General has issued the municipality with a clean audit opinion in 2014-2015 financial years. There are still challenges with the Billing and the municipality is making efforts in implementing a credit control policy.

Section 4 – In-year budget statement tables

4.1 Monthly budget statements

4.1.1 Table C1: Monthly Budget Statement Summary (This table provide a summary of the most important information by pulling its information from the other tables to follow.)

DC14 Joe Gqabi - Table C1 Monthly Budget Statement Summary - M04 October

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	(40,305)
Service charges	131,912	71,981	71,981	20,867	26,485	30,903	(4,418)	-14%	82,758
Investment revenue	4,299	3,368	3,368	271	1,268	1,556	(288)	-19%	2,778
Transfers recognised - operational	254,689	335,199	335,199	4,694	101,971	121,632	(19,661)	-16%	315,362
Other own revenue	6,890	12,844	12,844	7,954	8,524	908	7,616	839%	17,611
Total Revenue (excluding capital transfers and contributions)	397,789	423,392	423,392	33,786	138,247	154,999	(16,752)	-11%	378,204
Employee costs	164,837	193,859	193,859	13,615	54,851	48,812	6,038	12%	209,208
Remuneration of Councillors	5,310	6,649	6,649	454	1,544	2,141	(597)	-28%	4,880
Depreciation & asset impairment	46,422	50,756	50,756	-	230	79,624	(79,394)	-100%	21,462
Finance charges	5,103	2,255	2,255	-	230	388	(159)	-41%	1,976
Materials and bulk purchases	776	4,264	4,264	30	30	-	30	#DIV/0!	4,264
Transfers and grants	13,809	2,000	2,000	-	-	-	-	-	2,000
Other expenditure	248,626	234,643	251,338	13,811	48,897	97,590	(48,693)	-50%	516,814
Total Expenditure	484,883	494,426	511,122	27,909	105,781	228,555	(122,774)	-54%	760,604
Surplus/(Deficit)	(87,093)	(71,035)	(87,730)	5,876	32,466	(73,556)	106,022	-144%	(382,400)
Transfers recognised - capital	285,733	261,663	278,358	24,245	78,104	62,455	15,649	25%	256,229
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	198,640	190,628	190,628	30,121	110,570	(11,101)	121,671	-1096%	(126,172)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	198,640	190,628	190,628	30,121	110,570	(11,101)	121,671	-1096%	(126,172)
Capital expenditure & funds sources									
Capital expenditure	-	244,602	244,602	21,403	57,569	135,112	(77,543)	-57%	244,602
Capital transfers recognised	-	184,889	182,889	15,326	39,310	107,258	(67,948)	-63%	182,889
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	11,605	5,903	-	-	3,968	(3,968)	-100%	5,903
Internally generated funds	-	48,108	55,810	6,077	18,259	23,886	(5,626)	-24%	55,810
Total sources of capital funds	-	244,602	244,602	21,403	57,569	135,112	(77,543)	-57%	244,602
Financial position									
Total current assets	(33,627)	41,686	41,686	-	126,533	-	-	-	41,686
Total non current assets	1,499,405	1,709,908	1,709,908	-	1,533,439	-	-	-	1,709,908
Total current liabilities	155,024	91,180	91,180	-	256,422	-	-	-	91,180
Total non current liabilities	40,331	79,973	79,973	-	34,192	-	-	-	79,973
Community wealth/Equity	1,270,423	1,580,441	1,580,441	-	1,258,558	-	-	-	1,580,441
Cash flows									
Net cash from (used) operating	101,449	259,671	259,671	24,847	59,172	21,639	(37,533)	-173%	239,730
Net cash from (used) investing	(94,743)	(278,436)	(278,436)	(21,232)	(56,446)	(23,203)	33,243	-143%	(278,505)
Net cash from (used) financing	(229)	5,910	5,910	-	(339)	493	831	169%	(2,002)
Cash/cash equivalents at the month/year end	11,808	2,949	(12,871)	-	5,135	(1,088)	(6,223)	572%	(38,029)
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	12,768	11,610	11,209	18,021	11,734	11,504	57,851	130,534	265,230
Creditors Age Analysis									
Total Creditors	5,416	5,850	5,310	152	39	109	93	1,192	18,161

4.1.2 Table C2: Monthly Budget Statement - Financial Performance (standard classification)

(This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.)

DC14 Joe Gqabi - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M04 October

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
Governance and administration		324,966	312,944	312,944	29,131	130,019	106,742	23,277	22%	288,435
Executive and council		4,286	-	-	-	-	-	-	-	-
Budget and treasury office		320,132	304,455	304,455	29,130	129,658	106,371	23,287	22%	280,292
Corporate services		548	8,489	8,489	1	361	371	(10)	-3%	8,143
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		219,043	202,837	202,837	12,039	49,539	60,824	(11,285)	-19%	203,737
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		209,726	191,212	191,212	12,039	49,539	60,824	(11,285)	-19%	192,112
Environmental protection		9,317	11,625	11,625	-	-	-	-	-	11,625
Trading services		110,644	169,273	185,968	16,861	36,793	29,736	7,057	24%	142,260
Electricity		-	-	-	-	-	-	-	-	-
Water		105,948	151,828	168,523	16,741	28,992	23,943	5,050	21%	115,738
Waste water management		4,695	17,445	17,445	120	7,800	5,793	2,008	35%	26,522
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	654,652	685,055	701,750	58,030	216,351	197,302	19,049	10%	634,432
Expenditure - Standard										
Governance and administration		157,003	182,640	182,990	11,928	34,767	70,783	(36,017)	-51%	225,775
Executive and council		43,736	48,811	50,048	5,905	14,432	42,288	(27,855)	-66%	90,677
Budget and treasury office		69,021	74,821	73,597	2,764	9,893	15,792	(5,899)	-37%	67,605
Corporate services		44,246	59,008	59,345	3,260	10,442	12,704	(2,262)	-18%	67,493
Community and public safety		15,635	15,594	15,574	1,352	4,848	4,638	210	5%	17,214
Community and social services		2,931	2,109	2,109	147	596	672	(76)	-11%	2,088
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		12,705	13,485	13,465	1,204	4,252	3,966	286	7%	15,126
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		134,891	149,244	149,264	5,820	40,357	52,829	(12,472)	-24%	73,635
Planning and development		1	0	0	1	1	-	1	#DIV/0!	1
Road transport		114,101	125,534	125,534	4,334	34,533	46,427	(11,894)	-26%	32,089
Environmental protection		20,789	23,710	23,730	1,485	5,823	6,402	(579)	-9%	41,545
Trading services		177,354	146,949	163,294	8,809	38,206	100,305	(62,099)	-62%	353,531
Electricity		-	-	-	-	-	-	-	-	-
Water		141,040	119,782	133,202	6,843	30,230	67,040	(36,810)	-55%	302,292
Waste water management		36,314	27,166	30,092	1,966	7,976	33,265	(25,289)	-76%	51,239
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	484,883	494,426	511,122	27,909	118,178	228,555	(110,377)	-48%	670,156
Surplus/ (Deficit) for the year		169,769	190,628	190,628	30,121	98,173	(31,254)	129,427	-414%	(35,723)

4.1.3 Table C3: Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

(The budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality. As part of Table C3; a table with the sub-votes is also prepared.)

DC14 Joe Gqabi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - MANAGEMENT SERVICES		4,286	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		320,132	304,455	304,455	29,130	129,658	106,371	23,287	21.9%	280,292
Vote 3 - CORPORATE SERVICES		548	8,489	8,489	1	361	371	(10)	-2.7%	8,143
Vote 4 - TECHNICAL SERVICES		320,369	360,485	377,180	28,899	86,332	90,560	(4,228)	-4.7%	334,372
Vote 5 - COMMUNITY SERVICES		9,317	11,625	11,625	-	-	-	-	-	11,625
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	654,652	685,055	701,750	58,030	216,351	197,302	19,049	9.7%	634,432
Expenditure by Vote	1									
Vote 1 - MANAGEMENT SERVICES		47,778	48,811	50,048	6,051	14,856	42,288	(27,432)	-64.9%	91,144
Vote 2 - FINANCIAL SERVICES		69,021	74,821	73,597	2,764	9,893	15,792	(5,899)	-37.4%	37,764
Vote 3 - CORPORATE SERVICES		40,205	59,008	59,345	3,115	10,019	12,704	(2,685)	-21.1%	67,493
Vote 4 - TECHNICAL SERVICES		277,555	261,768	278,113	12,663	70,843	144,679	(73,836)	-51.0%	462,567
Vote 5 - COMMUNITY SERVICES		50,324	50,019	50,019	3,317	12,567	13,093	(526)	-4.0%	72,260
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	484,883	494,426	511,122	27,909	118,178	228,555	(110,377)	-48.3%	731,229
Surplus/ (Deficit) for the year	2	169,769	190,628	190,628	30,121	98,173	(31,254)	129,427	-414.1%	(96,797)

4.1.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure)

(This table reflects the operating budget and actual figures of the financial performance. The revenue is specifically set out by source due to the fact that Council approves the revenue budget by source and the expenditure budget by vote.)

DC14 Joe Gqabi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		-	-	-	-	-	-	-	-	(40,305)
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	54,315	54,315	-	-	-	-	-	-
Service charges - sanitation revenue		-	13,163	13,163	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		131,912	4,503	4,503	20,867	26,485	30,903	(4,418)	-14%	82,758
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-
Interest earned - external investments		4,299	3,368	3,368	271	1,268	1,556	(288)	-19%	2,778
Interest earned - outstanding debtors		5,347	2,866	2,866	7,931	7,931	222	7,709	3469%	8,476
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	119	119	-	-	-	-	-	119
Transfers recognised - operational		254,689	335,199	335,199	4,694	101,971	121,632	(19,661)	-16%	315,362
Other revenue		2,199	9,858	9,858	23	593	686	(93)	-14%	9,015
Gains on disposal of PPE		(657)	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		397,789	423,392	423,392	33,786	138,247	154,999	(16,752)	-11%	378,204
Expenditure By Type										
Employee related costs		164,837	193,859	193,859	13,615	54,851	48,812	6,038	12%	209,208
Remuneration of councillors		5,310	6,649	6,649	454	1,544	2,141	(597)	-28%	4,880
Debt impairment		70,897	20,875	20,875	-	-	533	(533)	-100%	20,342
Depreciation & asset impairment		46,422	50,756	50,756	-	230	79,624	(79,394)	-100%	21,462
Finance charges		5,103	2,255	2,255	-	230	388	(159)	-41%	1,976
Bulk purchases		776	4,264	4,264	30	30	-	30	#DIV/0!	4,264
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	-	-	-	-	-	-
Transfers and grants		13,809	2,000	2,000	-	-	-	-	-	2,000
Other expenditure		177,730	213,768	230,463	13,811	48,897	97,057	(48,160)	-50%	496,472
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		484,883	494,426	511,122	27,909	105,781	228,555	(122,774)	-54%	760,604
Surplus/(Deficit)		(87,093)	(71,035)	(87,730)	5,876	32,466	(73,556)	106,022	(0)	(382,400)
Transfers recognised - capital		285,733	261,663	278,358	24,245	78,104	62,455	15,649	0	256,229
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		198,640	190,628	190,628	30,121	110,570	(11,101)			(126,172)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		198,640	190,628	190,628	30,121	110,570	(11,101)			(126,172)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		198,640	190,628	190,628	30,121	110,570	(11,101)			(126,172)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		198,640	190,628	190,628	30,121	110,570	(11,101)			(126,172)

4.1.5. Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding.

DC14 Joe Gqabi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M04 October

Vote Description	Ref	2015/16	Budget Year 2016/17							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
Capital expenditure - Municipal Vote										
Expenditure of single-year capital appropriation	1									
Vote 1 - MANAGEMENT SERVICES										
1.1 - Executive Mayor		-	-	-	-	-	-	-	-	-
1.2 - Council Expenses		-	-	-	-	-	-	-	-	-
1.3 - Municipal Manager		-	-	-	-	-	-	-	-	-
1.4 - Operations		-	-	-	-	-	-	-	-	-
1.5 - Audit		-	-	-	-	-	-	-	-	-
1.6 - LED		-	-	-	-	-	-	-	-	-
1.7 - Communications		-	-	-	-	-	-	-	-	-
1.8 - JoGEDA		-	-	-	-	-	-	-	-	-
1.9 - SPU Unit		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	200	200	-	-	60	(60)	-100%	200
2.1 - Director: Financial Services		-	-	-	-	-	-	-	-	-
2.2 - Revenue & Expenditure		-	-	-	-	-	-	-	-	-
2.3 - Budget Office		-	-	-	-	-	-	-	-	-
2.4 - Supply Chain Management		-	200	200	-	-	60	(60)	-100%	200
2.5 - Sanitation Financial Services		-	-	-	-	-	-	-	-	-
2.6 - Water Financial Services		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	3,268	3,268	-	-	2,934	(2,934)	-100%	3,268
3.1 - Director: Corporate Services		-	-	-	-	-	-	-	-	-
3.2 - Corporate Services		-	1,435	1,435	-	-	1,435	(1,435)	-100%	1,435
3.3 - Human Resources		-	-	-	-	-	-	-	-	-
3.4 - Legal Services		-	-	-	-	-	-	-	-	-
3.5 - Information Technology		-	1,833	1,833	-	-	1,499	(1,499)	-100%	1,833
3.6 - Property Services		-	-	-	-	-	-	-	-	-
3.7 - Skills & Development		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	238,133	238,133	21,403	57,569	129,117	(71,548)	-55%	238,133
4.1 - Director: Technical Services		-	-	-	-	-	-	-	-	-
4.2 - Technical Services		-	-	-	-	-	-	-	-	-
4.3 - Technical Support/PMU		-	-	-	-	-	-	-	-	-
4.4 - Roads		-	-	-	-	-	-	-	-	-
4.5 - Sanitation		-	50,701	52,894	5,418	22,093	17,918	4,175	23%	52,894
4.6 - Water		-	187,432	185,239	15,985	35,476	111,200	(75,724)	-68%	185,239
Vote 5 - COMMUNITY SERVICES		-	3,001	3,001	-	-	3,001	(3,001)	-100%	3,001
5.1 - Director: Community Services		-	-	-	-	-	-	-	-	-
5.2 - Water Service Authority		-	-	-	-	-	-	-	-	-
5.3 - Municipal Health		-	-	-	-	-	-	-	-	-
5.4 - Disaster Management		-	3,001	3,001	-	-	3,001	(3,001)	-100%	3,001
5.5 - Working for Water/Wetlands		-	-	-	-	-	-	-	-	-
5.6 - Fire services		-	-	-	-	-	-	-	-	-
Total single-year capital expenditure		-	244,602	244,602	21,403	57,569	135,112	(77,543)	(0)	244,602
Total Capital Expenditure		-	244,602	244,602	21,403	57,569	135,112	(77,543)	(0)	244,602

4.1.6 Table C6: Monthly Budget Statement - Financial Position

DC14 Joe Gqabi - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		5,357	381	381	8,254	381
Call investment deposits		5,341	2,568	2,568	24,665	2,568
Consumer debtors		91,572	26,014	26,014	71,560	26,014
Other debtors		(139,074)	10,000	10,000	18,481	10,000
Current portion of long-term receivables		-	-	-	-	-
Inventory		3,178	2,723	2,723	3,574	2,723
Total current assets		(33,627)	41,686	41,686	126,533	41,686
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		3,305	2,989	2,989	3,399	2,989
Investment property		2,534	2,894	2,894	2,457	2,894
Investments in Associate		-	-	-	-	-
Property, plant and equipment		1,492,149	1,698,713	1,698,713	1,526,153	1,698,713
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		1,417	5,312	5,312	1,430	5,312
Other non-current assets		-	-	-	-	-
Total non current assets		1,499,405	1,709,908	1,709,908	1,533,439	1,709,908
TOTAL ASSETS		1,465,779	1,751,594	1,751,594	1,659,972	1,751,594
LIABILITIES						
Current liabilities						
Bank overdraft		2,615	-	-	-	-
Borrowing		11,168	1,286	1,286	8,754	1,286
Consumer deposits		-	1,042	1,042	-	1,042
Trade and other payables		123,090	53,514	53,514	230,098	53,514
Provisions		18,150	35,337	35,337	17,570	35,337
Total current liabilities		155,024	91,180	91,180	256,422	91,180
Non current liabilities						
Borrowing		4,800	48,739	48,739	4,987	48,739
Provisions		35,531	31,234	31,234	29,205	31,234
Total non current liabilities		40,331	79,973	79,973	34,192	79,973
TOTAL LIABILITIES		195,355	171,152	171,152	290,615	171,152
NET ASSETS	2	1,270,423	1,580,441	1,580,441	1,369,358	1,580,441
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,270,926	1,580,441	1,580,441	1,369,358	1,580,441
Reserves		(502)	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1,270,423	1,580,441	1,580,441	1,369,358	1,580,441

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC14 Joe Gqabi - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	2015/16		Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges		47,817	36,158	36,158	2,233	7,840	3,013	4,827	160%	81,939
Other revenue		-	9,977	9,977	331	1,459	831	628	76%	-
Government - operating		311,264	335,199	335,199	4,606	110,046	27,933	82,113	294%	335,199
Government - capital		96,876	261,663	261,663	43,495	206,519	21,805	184,714	847%	261,663
Interest		4,535	3,368	3,368	54	414	281	134	48%	3,368
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(345,992)	(374,258)	(374,258)	(25,873)	(266,299)	(31,188)	235,111	-754%	(348,588)
Finance charges		(764)	(2,255)	(2,255)	-	(809)	(188)	621	-330%	(4,121)
Transfers and Grants		(12,286)	(10,181)	(10,181)	-	-	(848)	(848)	100%	(89,730)
NET CASH FROM/(USED) OPERATING ACTIVITIES		101,449	259,671	259,671	24,847	59,172	21,639	(37,533)	-173%	239,730
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		150	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	171	1,123	-	1,123	#DIV/0!	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		219	300	300	-	-	25	(25)	-100%	231
Payments										
Capital assets		(95,112)	(278,736)	(278,736)	(21,403)	(57,569)	(23,228)	34,341	-148%	(278,736)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(94,743)	(278,436)	(278,436)	(21,232)	(56,446)	(23,203)	33,243	-143%	(278,505)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	12,305	12,305	-	-	1,025	(1,025)	-100%	-
Increase (decrease) in consumer deposits		171	-	-	-	-	-	-	-	(1,001)
Payments										
Repayment of borrowing		(399)	(6,395)	(6,395)	-	(339)	(533)	(194)	36%	(1,001)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(229)	5,910	5,910	-	(339)	493	831	169%	(2,002)
NET INCREASE/ (DECREASE) IN CASH HELD		6,478	(12,854)	(12,854)	3,615	2,387	(1,071)			(40,777)
Cash/cash equivalents at beginning:		5,330	15,804	(17)		2,748	(17)			2,748
Cash/cash equivalents at month/year end:		11,808	2,949	(12,871)		5,135	(1,088)			(38,029)

PART 2 – IN-YEAR REPORT

Section 5–Debtors' analysis

5.1 Supporting Table SC3

The municipality took over the billing function from all the local municipalities (Senqu, Maletswai, Gariep and Elundini) currently the billing and managing of debtors is done by the municipality.

Debtors are managed by use of Sebata financial system. The figures below were extracted from Sebata. The municipality has some shortfalls with regards to integrating SAMRAS and Sebata on a monthly basis. However, the municipality is still in the process of resolving this issue.

DC14 Joe Gqabi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2016/17									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Debts i.to Council Pol
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	9,035	8,426	7,678	13,238	8,962	8,856	44,437	92,374	193,006	167,867	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	3,733	3,184	3,531	4,783	2,772	2,648	13,414	38,160	72,224	61,776	-	
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	-	-	-	-	-	-	-	(0)	(0)	(0)	-	
Total By Income Source	2000	12,768	11,610	11,209	18,021	11,734	11,504	57,851	130,534	265,230	229,643	-	
2015/16 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,984	2,221	1,705	3,080	1,703	1,749	9,088	26,684	48,213	42,303	-	
Commercial	2300	1,028	650	648	896	610	765	2,390	4,206	11,193	8,867	-	
Households	2400	9,676	8,666	8,767	13,958	9,356	8,926	46,015	98,694	204,055	176,947	-	
Other	2500	81	74	89	87	64	65	358	951	1,768	1,525	-	
Total By Customer Group	2600	12,768	11,610	11,209	18,021	11,734	11,504	57,851	130,534	265,230	229,643	-	

Section 6—Creditors' analysis

6.1 Supporting Table SC4

The table below is the reflection of the creditor's age analysis as at 31 October 2016 with total creditors amounting to R18, 161million.

DC14 Joe Gqabi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description R thousands	NT Code	Budget Year 2016/17									Prior year totals for chart (same period)	
		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		
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	5,416	5,850	5,310	152	39	109	93	1,192	18,161	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	5,416	5,850	5,310	152	39	109	93	1,192	18,161	-	-

Section 7–Investment portfolio analysis

7.1 Supporting Table SC5

The investments of Joe Gqabi are represented by the investment in the entity Jogeda and a zero coupon investment at DBSA. The current investment register will be changed to make provision for call investment deposits (Deposits shorter than 90 days); Short term investments (Deposits longer than 90 days but shorter than 12 months) and non-current investments.

Table SC5 correctly represent only the non current investments to the value of R 3,399 million.

DC14 Joe Gqabi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October

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							
R thousands									
Municipality									
JOGEDA		NA	Entity	NA	NA	NA	2,226	(332)	1,894
DBSA			Zero coupon		8		1,411	94	1,505
Municipality sub-total					8		3,637	(238)	3,399
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				8		3,637	(238)	3,399

Section 8 – Allocation and grant receipts and expenditure

8.1 Supporting Table SC6 – Grants

This table below shows the status of grants transfer and expenditure to date.

To date, the municipality has spent R51 million and grants recognised as revenue for the month amount to R 15 million.

Grant Reconciliation JULY 2016 TO JUNE 2017								
Name of Grant		Opening Balance	Receipts YTD	Transferred to I/S July	Transferred to I/S August	Transferred to I/S September	Closing Balance-UNSPENT	% spent
DWAF	OPEX	(5,749.63)	-	-	-	-	(5,749.63)	#DIV/0!
Environmental Health Practitioner	OPEX	(2,023,389.68)	-	-	-	-	(2,023,389.68)	#DIV/0!
Finance Management Grant	OPEX	-	1,250,000.00	-	-	(1,400.00)	1,248,600.00	0%
MIG	CAPEX	(2,532,298.22)	47,537,000.00	(17,096,234.88)	(10,090,169.63)	(6,740,516.94)	11,077,780.33	0%
Rural Roads Asset Management	OPEX	13,607.19	1,136,000.00	-	(9,992.47)	-	1,139,614.72	0%
Expanded Public Works Programs	OPEX	-	369,000.00	-	(196,499.52)	-	172,500.48	0%
Public Works Special Programs	OPEX	(3,883,897.33)	-	(1,661,210.05)	(1,705,827.11)	(1,710,789.28)	(8,961,723.77)	#DIV/0!
LGSETA	OPEX	(14,615.28)	769,337.82	(146,850.00)	(184,984.22)	(23,770.22)	399,118.10	0%
Water Services Infrastructure Grant	CAPEX	-	-	-	-	-	-	#DIV/0!
RBIG	CAPEX	(4,235,910.00)	14,475,000.00	-	(1,143,865.10)	(792,433.12)	8,302,791.78	0%
Drought Relief- COGTA	CAPEX	(12,041,029.06)	25,298,376.95	-	(4,271,345.24)	(6,043,771.00)	2,942,231.65	0%
Department of Human Settlement	CAPEX	(5,485,489.66)	-	-	-	-	(5,485,489.66)	#DIV/0!
		(30,208,771.67)	90,834,714.77	(18,904,294.93)	(17,602,683.29)	(15,312,680.56)	8,806,284.32	

Section 9 – Expenditure on councillor and board members allowances and employee benefits

9.1 Supporting Table C8

Table SC8 seeks to comply with the reporting requirements of Section 66 of the MFMA regarding disclosure of expenditure on staff benefits.

DC14 Joe Gqabi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

Summary of Employee and Councillor remuneration	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5,310	6,649	6,649	454	1,544	2,141	(597)	-28%	4,880
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		5,310	6,649	6,649	454	1,544	2,141	(597)	-28%	4,880
% increase	4		25.2%	25.2%						-8.1%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		9	12	12	1	3	4	(1)	-22%	10
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		119	156	156	11	45	50	(5)	-9%	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		128	168	168	12	48	54	(5)	-10%	10
% increase	4		30.7%	30.7%						-92.0%
Other Municipal Staff										
Basic Salaries and Wages		101,623	109,379	109,379	9,139	36,324	35,894	429	1%	111,404
Pension and UIF Contributions		14,151	15,127	15,127	1,258	5,062	5,092	(30)	-1%	15,322
Medical Aid Contributions		6,134	7,472	7,472	492	2,156	1,718	439	26%	6,584
Overtime		8,185	8,354	8,354	706	3,056	2,170	886	41%	15,546
Performance Bonus		8,940	19,947	19,947	59	181	(5,008)	5,189	-104%	26,115
Motor Vehicle Allowance		5,664	5,923	5,923	452	1,816	2,005	(189)	-9%	5,309
Cellphone Allowance		1,307	1,313	1,313	106	428	436	(8)	-2%	1,315
Housing Allowances		987	924	924	92	527	332	195	59%	1,625
Other benefits and allowances		8,084	8,290	8,290	711	2,895	2,748	147	5%	9,600
Payments in lieu of leave		553	6,057	6,057	-	-	146	(146)	-100%	6,057
Long service awards		767	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		2,413	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		158,808	182,786	182,786	13,016	52,446	45,534	6,911	15%	198,876
% increase	4		15.1%	15.1%						25.2%
Total Parent Municipality		164,245	189,602	189,602	13,482	54,038	47,729	6,309	13%	203,766

Section 10 – Capital programme performance

10.1 Supporting Table C13

Supporting Tables SC13 include the following:

- SC13a: Capital expenditure on new assets by asset class
- SC13b: Capital expenditure on renewal of existing assets by asset class

These two tables total to Table C5.

DC14 Joe Gqabi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M04 October

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	86,697	90,645	4,604	29,789	36,844	7,055	19.1%	90,645
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	57,408	57,408	3,360	19,561	17,934	(1,627)	-9.1%	57,408
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	57,408	57,408	3,360	19,561	17,934	(1,627)	-9.1%	57,408
Infrastructure - Sanitation		-	29,289	33,237	1,244	10,228	18,909	8,682	45.9%	33,237
Reticulation		-	29,289	33,207	1,244	10,228	18,909	8,682	45.9%	33,237
Sewerage purification		-	-	30	-	-	-	-	-	-
Infrastructure - Other		-	-	-	0	(0)	-	0	#DIV/0!	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	0	(0)	-	0	#DIV/0!	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	156,572	152,624	16,800	27,781	97,270	69,489	71.4%	152,624
General vehicles		-	20,377	14,675	-	-	3,968	3,968	100.0%	14,675
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	134,060	134,060	16,800	27,781	90,722	62,941	69.4%	134,060
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	2,135	3,889	-	-	2,580	2,580	100.0%	3,889
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	-	243,269	243,269	21,403	57,569	134,114	76,544	57.1%	243,269
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

- SC13c: Expenditure on repairs and maintenance by asset class

The capital budget projects or items should be split between new and replacement. The original approved budget did not provide the detail in order to do this. At present all capital projects/items is captured as if it is new assets.

DC14 Joe Gqabi - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M04 October

Description	Ref	2015/16		Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		6,778	25,010	25,020	728	2,689	6,597	3,908	59.2%	61,425
Infrastructure - Road transport		2,970	3,080	3,090	264	579	938	359	38.3%	2,561
Roads, Pavements & Bridges		2,970	3,080	3,090	264	579	938	359	38.3%	2,561
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		3,808	21,930	21,930	465	2,110	5,659	3,549	62.7%	58,865
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		3,808	21,930	21,930	465	2,110	5,659	3,549	62.7%	58,865
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		372	3,861	3,906	17	100	522	422	80.9%	1,808
General vehicles		20	218	228	-	11	41	29	71.9%	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		52	64	99	2	5	21	16	76.6%	50
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		300	3,579	3,579	15	84	460	377	81.8%	1,758
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure		7,150	28,871	28,926	745	2,789	7,119	4,330	60.8%	63,233
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

Section 11 – Material variances to the SDBIP

11.1 Overview

No comments apart from those already mentioned in the executive summary.

Section 12 – Other supporting documentation

12.1 Other information

None

Section 13 – Municipal Manager’s quality certification

QUALITY CERTIFICATE

I, ZA Williams, the Municipal Manager of Joe Gqabi District Municipality, hereby certifies that:

the monthly budget statement;

quarterly report on the implementation of the budget;

mid-year budget and performance assessment;

For the month ended in October 2016 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act.

Print Name: _____

Municipal Manager of Joe Gqabi District Municipality (DC14)

Signature: _____

Date: 14.11.2016_____