

OVERSTRAND MUNICIPALITY



Monthly Budget Statement June 2013

In-Year Report of the Municipality

Prepared in terms of Section 71 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 28 of the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009.

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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.

Budget – The financial plan of the Municipality.

Capital expenditure - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

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

Equitable share – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

FMG – Financial Management Grant.

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

GRAP – Generally Recognised Accounting Practice. The standard for municipal accounting.

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 legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant.

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

NDPG – Neighbourhood Development Partnership Grant.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages, repairs and maintenance etc.

Rates – Local Government tax based on the assessed 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 (SDBIP). A detailed plan comprising annual and quarterly performance information.

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

Vote – A main appropriation segment of the budget. In Overstrand Municipality this relates to the directorate level for operating expenditure and the GFS classification for capital expenditure.

YTD – Year to date

PART 1 – IN-YEAR REPORT

Executive Summary

Revenue by Source

The Year-to-Date actual revenue is 2.37% below the YTD budget.

Borrowings

The balance of borrowings amounts to R382,1m at the end of June 2013.

Operating expenditure by vote & type

Current expenditure is 1.77% below YTD budget projections for June 2013.

Capital expenditure

YTD expenditure on capital amounts to R140,4 million, or 83.8%, of a total budget of R167,5m. The expenditure is funded by means of grants, public contributions, borrowings and internally generated cash.

Allocations received (National & Provincial Grants)

All DORA allocations for 2012/2013 have been received.

Spending on Grants

Spending on grants amounts to R8,7m for June 2013.

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M12 June

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>	-2%	Final year end transactions in progress	Not required
<u>Expenditure By Type</u>	-2%	Final year end transactions in progress	Not required
<u>Capital Expenditure</u>	-16%	Less proposed roll-overs the spending stands at 99,5%	R26,4m identified for proposed roll-over budget

Performance in relation to SDBIP targets

SDBIP performance will be tabled in a separate comprehensive report.

Remedial or corrective steps

No remedial or corrective steps are required at this time as this is the final month of this financial year.

In-year budget statement tables

Table C1: s71 Monthly Budget Statement Summary

WC032 Overstrand - Table C1 Monthly Budget Statement Summary - M12 June

Description	2011/12	Budget Year 2012/13							
	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	137 506	148 024	119 129	9 621	117 235	119 129	(1 894)	-2%	119 129
Service charges	405 670	460 017	447 228	34 445	435 001	447 228	(12 226)	-3%	447 228
Investment revenue	9 210	7 420	9 920	387	9 731	9 920	(190)	-2%	9 920
Transfers recognised - operational	36 492	41 033	41 958	1 128	41 327	41 958	(632)	-2%	41 658
Other own revenue	26 459	38 933	39 347	4 234	38 699	39 347	(648)	-2%	39 647
Total Revenue (excluding capital transfers and contributions)	615 337	695 427	657 582	49 814	641 993	657 582	(15 590)	-2%	657 582
Employee costs	207 938	229 091	227 845	23 545	230 036	227 845	2 191	1%	227 845
Remuneration of Councillors	6 717	7 071	7 101	575	7 084	7 101	(17)	-0%	7 101
Depreciation & asset impairment	100 669	107 515	107 417	8 951	107 417	107 417	-		107 417
Finance charges	31 727	38 054	38 054	13 827	37 310	38 054	(744)	-2%	38 054
Materials and bulk purchases	181 772	157 118	157 000	27 006	157 788	157 000	788	1%	157 000
Transfers and grants	28 454	28 000	35 975	2 800	35 319	35 975	(656)		35 975
Other expenditure	204 995	224 206	185 588	30 027	170 576	185 588	(15 012)	-8%	185 588
Total Expenditure	762 273	791 055	758 982	106 731	745 530	758 982	(13 451)	-2%	758 982
Surplus/(Deficit)	(146 936)	(95 627)	(101 399)	(56 917)	(103 538)	(101 399)	(2 138)	2%	(101 399)
Transfers recognised - capital	58 931	64 042	61 399	7 369	54 197	60 899	(6 703)	-11%	60 899
Contributions & Contributed assets	14 300	6 600	-	249	500	500	-		500
Surplus/(Deficit) after capital transfers & contributions	(73 705)	(24 985)	(40 000)	(49 298)	(48 841)	(40 000)	(8 841)	22%	(40 000)
Surplus/ (Deficit) for the year	(73 705)	(24 985)	(40 000)	(49 298)	(48 841)	(40 000)	(8 841)	22%	(40 000)
Capital expenditure & funds sources									
Capital expenditure	163 295	169 043	167 500	39 903	140 379	167 500	(27 121)	-16%	167 501
Capital transfers recognised	20 447	62 459	72 267	7 281	54 360	72 267	(17 907)	-25%	61 540
Public contributions & donations	7 546	8 183	516	249	500	516	(16)	-3%	500
Borrowing	99 489	83 901	77 146	23 928	67 544	77 146	(9 602)	-12%	87 805
Internally generated funds	35 812	14 500	17 572	8 444	17 976	17 572	404	2%	17 656
Total sources of capital funds	163 295	169 043	167 500	39 903	140 379	167 500	(27 121)	-16%	167 501
Financial position									
Total current assets	210 056	168 534	188 406		179 484				188 406
Total non current assets	3 185 767	3 217 794	3 176 849		3 224 330				3 176 849
Total current liabilities	136 076	128 739	119 548		132 841				119 548
Total non current liabilities	451 677	490 304	493 437		511 611				493 437
Community wealth/Equity	2 808 069	2 767 284	2 752 270		2 759 362				2 752 270
Cash flows									
Net cash from (used) operating	99 941	107 245	96 321	(28 662)	74 652	96 321	(21 669)	-22%	96 321
Net cash from (used) investing	(151 794)	(160 205)	(158 662)	(40 494)	(145 955)	(158 662)	12 707	-8%	(158 662)
Net cash from (used) financing	108 549	38 460	37 160	27	28 872	37 160	(8 288)	-22%	37 160
Cash/cash equivalents at the month/year end	126 699	87 646	101 518	-	84 269	101 518	(17 250)	-17%	101 518
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 Revenue Source	34 634	1 818	1 230	984	838	847	3 819	15 655	59 825
Creditors Age Analysis									
Total Creditors	69 187	-	-	-	-	-	-	-	69 187

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

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June

Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
Governance and administration	194 017	213 907	179 290	12 153	176 922	179 290	(2 368)	-1%	179 290
Executive and council	31 553	40 194	37 802	36	36 795	37 802	(1 007)	-3%	37 802
Budget and treasury office	147 583	164 346	138 372	11 540	137 169	138 372	(1 203)	-1%	138 372
Corporate services	14 881	9 367	3 117	578	2 958	3 117	(159)	-5%	3 117
Community and public safety	22 776	36 058	48 227	3 174	39 795	48 227	(8 432)	-17%	48 227
Community and social services	2 155	2 042	2 292	190	2 619	2 292	327	14%	2 292
Sport and recreation	6 608	8 808	9 215	473	7 762	9 215	(1 453)	-16%	9 215
Public safety	10 048	11 288	12 467	1 503	11 939	12 467	(528)	-4%	12 467
Housing	3 965	13 919	24 254	1 008	17 475	24 254	(6 778)	-28%	24 254
Economic and environmental services	16 246	20 555	19 985	4 187	20 050	19 985	65	0%	19 985
Planning and development	12 084	8 464	9 393	933	9 390	9 393	(3)	0%	9 393
Road transport	3 863	12 029	10 529	3 254	10 595	10 529	66	1%	10 529
Environmental protection	299	63	63	0	65	63	2	3%	63
Trading services	455 529	495 549	471 480	37 919	459 923	471 480	(11 557)	-2%	471 480
Electricity	227 884	263 628	255 520	21 464	247 472	255 520	(8 047)	-3%	255 520
Water	108 343	114 629	100 611	7 036	96 581	100 611	(4 031)	-4%	100 611
Waste water management	79 221	69 723	68 280	5 488	68 756	68 280	476	1%	68 280
Waste management	40 081	47 569	47 069	3 931	47 114	47 069	45	0%	47 069
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	688 567	766 069	718 982	57 433	696 689	718 982	(22 292)	-3%	718 982
Expenditure - Standard									
Governance and administration	125 277	130 149	112 140	17 415	106 930	112 140	(5 210)	-5%	112 140
Executive and council	53 351	46 850	62 267	11 575	66 917	62 267	4 650	7%	62 267
Budget and treasury office	43 978	52 213	21 732	2 149	18 588	21 732	(3 144)	-14%	21 732
Corporate services	27 948	31 087	28 141	3 691	21 425	28 141	(6 716)	-24%	28 141
Community and public safety	138 824	102 612	99 270	9 555	94 831	99 270	(4 438)	-4%	99 270
Community and social services	28 217	32 509	29 319	2 778	28 795	29 319	(524)	-2%	29 319
Sport and recreation	18 030	24 049	21 615	1 484	19 509	21 615	(2 107)	-10%	21 615
Public safety	36 785	39 804	42 284	4 099	41 297	42 284	(987)	-2%	42 284
Housing	55 792	6 250	6 052	1 195	5 231	6 052	(821)	-14%	6 052
Economic and environmental services	124 769	132 649	130 561	18 917	127 912	130 561	(2 649)	-2%	130 561
Planning and development	33 459	31 334	31 424	3 651	29 548	31 424	(1 876)	-6%	31 424
Road transport	85 308	93 215	92 252	14 451	91 741	92 252	(511)	-1%	92 252
Environmental protection	6 002	8 100	6 885	815	6 623	6 885	(262)	-4%	6 885
Trading services	373 403	425 644	417 011	60 844	415 857	417 011	(1 154)	0%	417 011
Electricity	200 844	227 137	225 211	36 984	225 487	225 211	276	0%	225 211
Water	80 360	89 359	86 469	12 309	86 666	86 469	197	0%	86 469
Waste water management	48 241	59 263	58 592	6 999	56 976	58 592	(1 617)	-3%	58 592
Waste management	43 959	49 886	46 738	4 552	46 728	46 738	(10)	0%	46 738
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	762 273	791 055	758 982	106 731	745 530	758 982	(13 451)	-2%	758 982
Surplus/ (Deficit) for the year	(73 705)	(24 985)	(40 000)	(49 298)	(48 841)	(40 000)	(8 841)	22%	(40 000)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the GFS 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.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

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

WC032 Overstrand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Council	31 483	40 131	37 738	26	36 723	37 738	(1 015)	-2.7%	37 738
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	1 264	1 488	1 638	376	1 476	1 638	(162)	-9.9%	1 638
Vote 4 - Finance	147 583	164 346	138 372	11 540	137 169	138 372	(1 203)	-0.9%	138 372
Vote 5 - Community Services	245 739	269 865	263 588	21 567	252 252	263 588	(11 336)	-4.3%	263 588
Vote 6 - Local Economic Development	5 402	4 105	5 127	494	4 954	5 127	(174)	-3.4%	5 127
Vote 7 - Infrastructure & Planning	247 050	274 846	260 052	21 928	252 177	260 052	(7 875)	-3.0%	260 052
Vote 8 - Protection Services	10 048	11 288	12 467	1 503	11 939	12 467	(528)	-4.2%	12 467
Total Revenue by Vote	688 567	766 069	718 982	57 433	696 689	718 982	(22 292)	-3.1%	718 982
Expenditure by Vote									
Vote 1 - Council	41 790	39 456	54 306	9 404	59 863	54 306	5 557	10.2%	54 306
Vote 2 - Municipal Manager	940	1 454	977	93	824	977	(153)	-15.7%	977
Vote 3 - Management Services	12 515	11 193	7 716	1 360	3 504	7 716	(4 212)	-54.6%	7 716
Vote 4 - Finance	43 978	52 213	21 732	2 149	18 588	21 732	(3 144)	-14.5%	21 732
Vote 5 - Community Services	372 748	366 913	354 380	47 269	347 833	354 380	(6 547)	-1.8%	354 380
Vote 6 - Local Economic Development	5 347	8 364	7 905	1 046	7 624	7 905	(281)	-3.6%	7 905
Vote 7 - Infrastructure & Planning	248 170	271 660	269 681	41 311	265 997	269 681	(3 684)	-1.4%	269 681
Vote 8 - Protection Services	36 785	39 804	42 284	4 099	41 297	42 284	(987)	-2.3%	42 284
Total Expenditure by Vote	762 273	791 055	758 982	106 731	745 530	758 982	(13 451)	-1.8%	758 982
Surplus/ (Deficit) for the year	(73 705)	(24 985)	(40 000)	(49 298)	(48 841)	(40 000)	(8 841)	22.1%	(40 000)

The operating expenditure budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Council; Municipal Manager; Management Services; Finance; Community Services; Local Economic Development; Infrastructure & Planning and Protection Services.

Unauthorised expenditure by year end would occur either for the municipality as a whole if the adjusted budget for 'Total Expenditure by Vote' or if any of the individual budgets for any specific vote/s were overspent. During the financial year some of the figures are influenced by transactions that occur annually only.

The vote for Council will show overspent because of year end transactions i.e provisions. The Total Expenditure by Vote budget is not overspent.

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

WC032 Overstrand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	2011/12	Budget Year 2012/13							
	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	136 511	147 024	118 129	9 559	116 321	118 129	(1 808)	-2%	118 129
Property rates - penalties & collection charges	995	1 000	1 000	62	914	1 000	(86)	-9%	1 000
Service charges - electricity revenue	224 957	260 510	253 485	19 853	245 491	253 485	(7 995)	-3%	253 485
Service charges - water revenue	83 909	93 528	89 943	6 199	85 500	89 943	(4 443)	-5%	89 943
Service charges - sanitation revenue	39 922	58 680	57 007	4 492	57 223	57 007	216	0%	57 007
Service charges - refuse revenue	56 883	47 299	46 792	3 901	46 788	46 792	(4)	0%	46 792
Rental of facilities and equipment	6 732	8 011	8 192	273	7 272	8 192	(920)	-11%	8 192
Interest earned - external investments	6 879	5 215	7 715	227	7 527	7 715	(188)	-2%	7 715
Interest earned - outstanding debtors	2 331	2 205	2 205	160	2 204	2 205	(1)	0%	2 205
Fines	5 278	6 229	6 249	759	6 042	6 249	(207)	-3%	6 249
Licences and permits	1 786	1 847	1 857	141	1 968	1 857	112	6%	1 857
Agency services	1 907	2 081	2 081	163	2 024	2 081	(58)	-3%	2 081
Transfers recognised - operational	36 492	41 033	41 958	1 128	41 327	41 958	(632)	-2%	41 658
Other revenue	8 499	20 765	20 968	2 898	21 393	20 968	425	2%	21 268
Gains on disposal of PPE	2 256						-		
contributions)	615 337	695 427	657 582	49 814	641 993	657 582	(15 590)	-2%	657 582
Expenditure By Type									
Employee related costs	207 938	229 091	227 845	23 545	230 036	227 845	2 191	1%	227 845
Remuneration of councillors	6 717	7 071	7 101	575	7 084	7 101	(17)	0%	7 101
Debt impairment	(190)	1 000	1 000	83	1 000	1 000	-		1 000
Depreciation & asset impairment	100 669	107 515	107 417	8 951	107 417	107 417	-		107 417
Finance charges	31 727	38 054	38 054	13 827	37 310	38 054	(744)	-2%	38 054
Bulk purchases	126 669	144 421	143 721	25 834	145 022	143 721	1 300	1%	143 721
Other materials	55 103	12 697	13 279	1 172	12 767	13 279	(512)	-4%	13 279
Contracted services	24 777	69 426	71 861	15 816	67 109	71 861	(4 752)	-7%	71 861
Transfers and grants	28 454	28 000	35 975	2 800	35 319	35 975	(656)	-2%	35 975
Other expenditure	180 408	153 780	112 727	14 128	102 467	112 727	(10 260)	-9%	112 727
Loss on disposal of PPE							-		
Total Expenditure	762 273	791 055	758 982	106 731	745 530	758 982	(13 451)	-2%	758 982
Surplus/(Deficit)	(146 936)	(95 627)	(101 399)	(56 917)	(103 538)	(101 399)	(2 138)	0	(101 399)
Transfers recognised - capital	58 931	64 042	61 399	7 369	54 197	60 899	(6 703)	(0)	60 899
Contributions recognised - capital	14 300	6 600	-	249	500	500	-		500
Contributed assets							-		
Surplus/(Deficit) after capital transfers & Taxation	(73 705)	(24 985)	(40 000)	(49 298)	(48 841)	(40 000)	-		(40 000)
Surplus/(Deficit) after taxation	(73 705)	(24 985)	(40 000)	(49 298)	(48 841)	(40 000)			(40 000)
Surplus/(Deficit) attributable to municipality	(73 705)	(24 985)	(40 000)	(49 298)	(48 841)	(40 000)			(40 000)
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	(73 705)	(24 985)	(40 000)	(49 298)	(48 841)	(40 000)			(40 000)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 2.37% below the YTD budget.

Current expenditure is 1.77%, below year-to-date budget projections for June 2013.

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

WC032 Overstrand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M12 June

Vote Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	928	845	1 445	273	1 330	1 445	(115)	-8%	1 445
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	116 444	108 601	133 374	27 834	111 983	133 374	(21 391)	-16%	133 374
Vote 6 - Local Economic Development	2 864	2 418	3 388	149	3 144	3 388	(245)	-7%	3 388
Vote 7 - Infrastructure & Planning	42 414	56 883	28 966	11 436	23 693	28 966	(5 273)	-18%	28 966
Vote 8 - Protection Services	645	297	327	210	230	327	(97)	-30%	327
Total Capital Multi-year expenditure	163 295	169 043	167 500	39 903	140 379	167 500	(27 121)	-16%	167 501
Total Capital Expenditure	163 295	169 043	167 500	39 903	140 379	167 500	(27 121)	-16%	167 501
Capital Expenditure - Standard Classification									
Governance and administration	24 067	13 100	7 672	2 103	7 491	7 672	(180)	-2%	7 672
Executive and council							-		
Budget and treasury office							-		
Corporate services	24 067	13 100	7 672	2 103	7 491	7 672	(180)	-2%	7 672
Community and public safety	3 319	16 875	28 103	3 186	20 993	28 103	(7 110)	-25%	28 103
Community and social services	327	1 300	2 203	1 860	2 149	2 203	(55)	-2%	2 203
Sport and recreation	1 531	1 698	2 024	380	1 971	2 024	(53)	-3%	2 024
Public safety	645	297	327	210	223	327	(104)	-32%	327
Housing	817	13 580	23 548	736	16 651	23 548	(6 897)	-29%	23 548
Health							-		
Economic and environmental services	8 340	14 138	14 108	3 811	13 863	14 108	(245)	-2%	14 108
Planning and development	2 864	2 418	3 388	149	3 144	3 388	(245)	-7%	3 388
Road transport	5 477	11 720	10 720	3 662	10 720	10 720	0	0%	10 720
Environmental protection							-		
Trading services	127 569	124 931	117 618	30 803	98 031	117 618	(19 586)	-17%	117 618
Electricity	30 061	50 283	28 441	10 450	22 182	28 441	(6 260)	-22%	28 441
Water	57 384	50 128	58 919	9 278	48 634	58 919	(10 285)	-17%	58 919
Waste water management	39 927	17 520	23 257	7 276	21 856	23 257	(1 401)	-6%	23 257
Waste management	196	7 000	7 000	3 800	5 359	7 000	(1 641)	-23%	7 000
Total Capital Expenditure - Standard Classification	163 295	169 043	167 500	39 903	140 379	167 500	(27 121)	-16%	167 501
Funded by:									
National Government	18 854	47 082	48 383	6 333	37 449	48 383	(10 933)	-23%	37 640
Provincial Government	1 593	15 377	23 884	949	16 911	23 884	(6 973)	-29%	23 900
District Municipality							-		
Other transfers and grants							-		
Transfers recognised - capital	20 447	62 459	72 267	7 281	54 360	72 267	(17 907)	-25%	61 540
Public contributions & donations	7 546	8 183	516	249	500	516	(16)	-3%	500
Borrowing	99 489	83 901	77 146	23 928	67 544	77 146	(9 602)	-12%	87 805
Internally generated funds	35 812	14 500	17 572	8 444	17 976	17 572	404	2%	17 656
Total Capital Funding	163 295	169 043	167 500	39 903	140 379	167 500	(27 121)	-16%	167 501

The capital expenditure is 16%, R27,1m below the budget.

Table C6: Monthly Budget Statement - Financial Position
WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	2011/12	Budget Year 2012/13			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	51 699	87 646	101 518	29 227	101 518
Call investment deposits	75 000	-	-	55 042	-
Consumer debtors	50 320	50 309	50 309	51 565	50 309
Other debtors	25 935	23 465	29 465	34 132	29 465
Current portion of long-term receivables	25	24	24		24
Inventory	7 076	7 089	7 089	9 518	7 089
Total current assets	210 056	168 534	188 406	179 484	188 406
Non current assets					
Long-term receivables	126	110	110	101	110
Investments	5 691	11 020	11 020	11 145	11 020
Investment property	87 823	87 289	87 289	87 823	87 289
Investments in Associate					
Property, plant and equipment	3 065 757	3 115 953	3 075 008	3 098 890	3 075 008
Agricultural					
Biological assets					
Intangible assets	3 547	3 422	3 422	3 547	3 422
Other non-current assets	22 823	-		22 823	
Total non current assets	3 185 767	3 217 794	3 176 849	3 224 330	3 176 849
TOTAL ASSETS	3 395 823	3 386 328	3 365 255	3 403 814	3 365 255
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing	16 424	18 401	18 401	17 756	18 401
Consumer deposits	31 206	34 914	34 914	34 932	34 914
Trade and other payables	80 893	63 992	59 794	80 152	59 794
Provisions	7 554	11 432	6 439		6 439
Total current liabilities	136 076	128 739	119 548	132 841	119 548
Non current liabilities					
Borrowing	340 581	372 042	370 742	364 394	370 742
Provisions	111 097	118 262	122 695	147 217	122 695
Total non current liabilities	451 677	490 304	493 437	511 611	493 437
TOTAL LIABILITIES	587 754	619 043	612 985	644 452	612 985
NET ASSETS	2 808 069	2 767 284	2 752 270	2 759 362	2 752 270
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	2 490 973	2 450 195	2 435 180	2 757 470	2 750 343
Reserves	317 096	317 089	317 089	1 891	1 926
TOTAL COMMUNITY WEALTH/EQUITY	2 808 069	2 767 284	2 752 270	2 759 362	2 752 270

The statement of financial position is reasonably in line with expectations for the financial year.

Table C7: Monthly Budget Statement - Cash Flow

WC032 Overstrand - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	604 210	648 293	647 047	40 211	581 629	647 047	(65 418)	-10%	647 047
Government - operating	34 322	41 033	41 883	1 128	41 327	41 883	(556)	-1%	41 883
Government - capital	59 121	69 059	71 242	7 618	54 697	71 242	(16 545)	-23%	71 242
Interest	9 210	7 420	7 420	387	9 731	7 420	2 310	31%	7 420
Dividends							-		
Payments									
Suppliers and employees	(546 799)	(592 506)	(597 242)	(61 379)	(540 102)	(597 242)	(57 140)	10%	(597 242)
Finance charges	(31 669)	(38 054)	(38 054)	(13 827)	(37 310)	(38 054)	(744)	2%	(38 054)
Transfers and Grants	(28 454)	(28 000)	(35 975)	(2 800)	(35 319)	(35 975)	(656)	2%	(35 975)
NET CASH FROM/(USED) OPERATING ACTIVITIES	99 941	107 245	96 321	(28 662)	74 652	96 321	(21 669)	-22%	96 321
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	13 722			-	-		-		
Decrease (Increase) in non-current debtors	2 189	30 000	30 000			30 000	(30 000)	-100%	30 000
Decrease (increase) other non-current receivables	20	40	40	8	50	40	11	27%	40
Decrease (increase) in non-current investments	(4 430)	(4 047)	(4 047)	(427)	(5 454)	(4 047)	(1 407)	35%	(4 047)
Payments									
Capital assets	(163 295)	(186 198)	(184 655)	(40 074)	(140 551)	(184 655)	(44 104)	24%	(184 655)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(151 794)	(160 205)	(158 662)	(40 494)	(145 955)	(158 662)	(12 707)	8%	(158 662)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							-		
Borrowing long term/refinancing	110 000	50 000	48 700	-	38 700	48 700	(10 000)	-21%	48 700
Increase (decrease) in consumer deposits	12 844	4 914	4 914	27	3 726	4 914	(1 188)	-24%	4 914
Payments									
Repayment of borrowing	(14 295)	(16 454)	(16 454)	-	(13 554)	(16 454)	(2 900)	18%	(16 454)
NET CASH FROM/(USED) FINANCING ACTIVITIES	108 549	38 460	37 160	27	28 872	37 160	8 288	22%	37 160
NET INCREASE/ (DECREASE) IN CASH HELD	56 696	(14 500)	(25 181)	(69 128)	(42 431)	(25 181)			(25 181)
Cash/cash equivalents at beginning:	70 004	102 146	126 699		126 699	126 699			126 699
Cash/cash equivalents at month/year end:	126 699	87 646	101 518		84 269	101 518			101 518

Table C7 balances to the current Cashbook balance, shown in the 'YTD actual' column which is R84,269 million.

The municipality started the year with a positive cashbook balance of R126 699 million as opposed to the original budgeted balance of R102 146 million. The June closing balance is R 84 269 million. Refer to Supporting Table SC9 for more detail on the cash position.

Supporting Table SC9: Monthly Budget Statement – Actual & revised targets for cash receipts & cash flows

WC032 Overstrand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M12 June

Description	Budget Year 2012/13											
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Budget	June Budget
R thousands												
Cash Receipts By Source												
Property rates	8 345	11 832	13 988	12 817	11 999	12 108	12 039	(8 207)	9 570	9 985	10 013	8 184
Property rates - penalties & collection charges	77	95	89	75	76	74	74	76	74	73	69	62
Service charges - electricity revenue	18 449	13 089	23 931	23 296	20 604	20 385	14 926	19 434	18 263	18 812	20 134	18 568
Service charges - water revenue	4 226	4 644	5 596	6 241	6 582	6 431	6 442	10 514	8 393	8 085	7 726	5 479
Service charges - sanitation revenue	2 510	4 395	4 368	4 529	4 642	4 539	5 377	5 699	4 981	5 124	4 929	3 706
Service charges - refuse	2 398	3 857	3 924	4 037	3 925	3 885	3 703	3 922	3 878	4 039	3 984	3 233
Rental of facilities and equipment	643	518	477	552	1 117	990	699	509	704	362	335	262
Interest earned - external investments	639	592	656	694	661	667	758	615	598	731	689	227
Interest earned - outstanding debtors	186	205	189	190	171	181	184	190	184	184	181	160
Fines	377	313	178	376	392	312	589	842	601	731	573	759
Licences and permits	170	188	132	154	146	133	199	188	152	180	186	141
Agency services	158	149	129	187	192	165	208	157	155	180	182	163
Transfer receipts - operating	15 142	127	271	103	275	8 420	389	263	9 662	4 587	960	1 128
Other revenue	13 009	16 210	1 180	2 447	2 773	1 416	1 033	1 764	395	(1 612)	2 764	(347)
Cash Receipts by Source	66 329	56 212	55 109	55 698	53 555	59 707	46 620	35 966	57 610	51 461	52 726	41 726
Other Cash Flows by Source												
Transfer receipts - capital	–	6 024	2 533	5 009	6 632	9 264	3 553	472	1 671	6 683	5 235	7 618
Contributions & Contributed assets												
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–	–	–	–	–	38 700	–
Increase in consumer deposits	2 804	(147)	108	112	517	(158)	(71)	(11)	305	455	9	27
Receipt of non-current debtors												
Receipt of non-current receivables	0	17	10	0	0	8	0	0	0	6	1	8
Change in non-current investments	(426)	(425)	(424)	(438)	(432)	(449)	(564)	(431)	(434)	(528)	(476)	(427)
Total Cash Receipts by Source	68 708	61 681	57 336	60 381	60 273	68 372	49 539	35 996	59 152	58 078	96 195	48 952
Cash Payments by Type												
Employee related costs	14 468	17 152	17 130	17 490	26 921	17 055	19 855	18 407	17 231	17 844	17 607	4 062
Remuneration of councillors	561	561	561	561	561	561	777	592	592	592	592	575
Interest paid	134	–	–	4 660	–	9 000	1 854	–	114	7 719	–	13 827
Bulk purchases - Electricity	2 509	18 311	19 531	8 451	10 179	9 293	11 684	9 946	9 407	10 298	9 580	25 834
Bulk purchases - Water & Sewer												
Other materials	437	819	945	1 257	1 455	1 328	1 492	903	804	891	1 262	1 172
Contracted services	792	3 161	2 999	5 362	3 444	3 761	4 264	4 607	4 849	7 699	10 355	15 816
Grants and subsidies paid - other municipalities												
Grants and subsidies paid - other	3 264	3 339	3 323	3 229	3 158	3 498	3 079	1 315	2 762	2 782	2 771	2 800
General expenses	16 033	12 582	3 347	23 651	9 027	8 235	6 871	(11 040)	(3 255)	19 123	4 661	13 920
Cash Payments by Type	38 197	55 925	47 836	64 661	54 745	52 731	49 876	24 730	32 504	66 947	46 829	78 006
Other Cash Flows/Payments by Type												
Capital assets	100	8 541	4 043	7 364	10 243	13 512	4 867	12 126	7 528	14 809	17 343	40 074
Repayment of borrowing	792	–	–	3 506	–	4 546	813	–	–	3 896	–	–
Total Cash Payments by Type	39 090	64 466	51 880	75 530	64 988	70 789	55 556	36 857	40 032	85 653	64 172	118 080
NET INCREASE/(DECREASE) IN CASH HELD	29 618	(2 785)	5 456	(15 149)	(4 715)	(2 417)	(6 017)	(860)	19 120	(27 575)	32 023	(69 128)
Cash/cash equivalents at the month/year beginning	126 699	156 318	153 532	158 988	143 839	139 124	136 707	130 690	129 829	148 950	121 374	153 397
Cash/cash equivalents at the month/year end	156 318	153 532	158 988	143 839	139 124	136 707	130 690	129 829	148 950	121 374	153 397	84 269

This supporting table gives a detailed breakdown of information summarised in Table C7

PART 2 – SUPPORTING DOCUMENTATION

Debtors' analysis

Supporting Table SC3 Debtors' age analysis

WC032 Overstrand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description	NT Code	Budget Year 2012/13								Total
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	
R thousands										
Debtors Age Analysis By Revenue Source										
Rates	1200	10 927	344	235	186	175	157	942	3 170	16 136
Electricity	1300	14 065	321	184	129	109	100	437	1 659	17 004
Water	1400	7 831	437	350	314	241	147	629	2 139	12 087
Sewerage / Sanitation	1500	5 077	226	164	137	128	211	470	2 003	8 417
Refuse Removal	1600	3 985	150	107	87	76	71	324	1 251	6 051
Housing (Rental Revenue)	1700	161	22	15	11	7	6	24	59	304
Other	1900	(7 412)	318	176	120	101	155	993	5 375	(174)
Total By Revenue Source	2000	34 634	1 818	1 230	984	838	847	3 819	15 655	59 825
2011/12 - totals only		36 080	2 370	1 744	1 426	1 314	1 090	5 907	13 614	63 545
Debtors Age Analysis By Customer Category										
Government	2200	433	125	52	23	16	5	209	359	1 222
Business	2300	8 314	73	25	18	17	19	118	469	9 053
Households	2400	25 887	1 620	1 153	943	806	823	3 492	14 827	49 550
Other	2500									-
Total By Customer Category	2600	34 634	1 818	1 230	984	838	847	3 819	15 655	59 825

Debtors' levels remain constant with no noticeable decline. The increased debtors results from the year-on-year increase in billings from increased tariffs. Overall payment levels on debtors for the current year billing remains constant at 100%.

Summary of Indigent Households

Indigent Household Statistics				
	Indigent Households	Amount	Other Households	Total Households
2012				
July	7 079	3 264 087	23 727	30 806
August	7 154	3 315 909	24 091	31 245
September	7 159	3 322 669	24 044	31 203
October	6 752	3 228 604	24 428	31 180
November	6 417	3 052 948	24 801	31 218
December	6 331	3 487 547	24 823	31 154
2013				
January	6 329	3 019 071	25 403	31 732
February	6 366	1 513 300	25 019	31 385
March	6 281	2 762 186	25 098	31 379
April	6 318	2 781 732	25 399	31 379
May	6 357	2 770 826	25 024	31 381
June	6 423	2 799 704	24 953	31 376

Summary of Debtors Age Analysis

MONTH	< 30 Days	< 60 Days	< 90 Days	< 120 Days	< 150 Days	<180 Days	<365 Days	>365 Days	Total
2012/13									
June	34 634 053	1 817 609	1 229 587	983 922	838 226	846 960	3 819 099	15 655 357	59 824 814
May	34 215 596	2 040 087	1 218 150	946 003	922 389	872 760	3 844 163	15 727 300	59 786 448
April	38 069 858	1 862 283	1 232 094	1 092 944	972 138	703 926	4 107 187	15 979 934	64 020 364
March	38 392 551	2 068 857	1 339 282	1 162 305	815 308	768 341	4 473 258	15 640 601	64 660 503
February	39 279 549	2 034 932	1 394 896	989 359	877 325	709 822	4 727 555	15 459 055	65 472 492
January	45 998 222	2 042 376	1 208 856	1 074 512	792 043	1 205 853	4 936 190	15 162 013	72 420 065
December	37 069 093	1 862 678	1 266 512	919 092	1 320 858	974 083	5 033 808	14 791 405	63 237 529
November	35 841 964	1 900 476	1 114 880	1 478 817	1 050 268	995 966	5 360 996	14 563 315	62 306 682
October	36 670 194	1 854 017	1 892 312	1 262 853	1 178 574	1 071 983	5 515 219	14 729 762	64 174 915
September	38 679 087	3 286 925	1 551 019	1 352 908	1 204 125	1 135 522	5 666 172	14 716 505	67 592 262
August	40 922 657	2 332 537	1 673 907	1 343 116	1 212 037	1 105 196	5 529 709	14 494 120	68 613 279
July	42 652 731	2 701 019	1 674 434	1 422 705	1 192 225	1 195 606	5 637 986	13 923 058	70 399 765

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

Description	NT Code	Budget Year 2012/13								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	
R thousands										
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	23 353								23 353
Auditor General	0800									-
Other	0900	45 834								45 834
Total By Customer Type	2600	69 187	-	-	-	-	-	-	-	69 187

Supporting Table SC4 reflects creditors paid during June 2013.

The payment of creditors is within requirements of the MFMA

Investment portfolio analysis

Supporting Table SC5

WC032 Overstrand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June

Investments by maturity Name of institution & investment ID R thousands	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							
Municipality								
LIBERTY 15934476	15 YEARS		01/09/2025	23		4 464	125	4 613
LIBERTY 21196964	14 YEARS		01/09/2025	19		5 578	260	5 857
MOMENTUM MP 3853776	14 YEARS		01/07/2026	(30)		675	30	675
ABSA 4074809272	DAILY	CALL		23	4.8%	5 887		5 910
ABSA 9284200168	DEP PLUS	CALL		99	5.0%	24 033		24 132
NEDBANK 1232086916	32 DAYS	FIXED	30/07/2013		5.2%		25 000	25 000
Municipality sub-total				134		40 638	25 415	66 187
TOTAL INVESTMENTS AND INTEREST				134		40 638	25 415	66 187

Surplus cash not immediately required is invested in call and monthly deposits.

Long term investments relate to the sinking fund investments.

Allocation and grant receipts and expenditure

Supporting Table SC6 – Grant receipts

WC032 Overstrand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	33 973	39 196	40 224	-	39 528	40 224	(696)	-1.7%	40 224
Local Government Equitable Share	31 156	36 146	36 146	-	36 146	36 146	-		36 146
Finance Management	1 250	1 250	1 250	-	1 250	1 250	-		1 250
Municipal Systems Improvement	790	800	800	-	800	800	-		800
EPWP Incentive	777	1 000	2 028	-	1 332	2 028	(696)	-34.3%	2 028
Provincial Government:	783	850	1 434	-	1 068	1 434	(66)	-4.6%	1 434
Provincial Library Grant	640	704	704	-	704	704	-		704
Basic Service Grant (Maintenance)			300	-	-	300	-		300
CDW	78	81	81	-	81	81	-		81
Mn Road Subsidy	65	65	65	-	65	65	-		65
Housing Consumer Education Grant			66	-	-	66	(66)	-100.0%	66
Multi Purpose Centre/ABS			218	-	218	218	-		218
District Municipality:	-	-	-	-	-	-	-		-
<i>[insert description]</i>							-		
Other grant providers:	-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	34 756	40 046	41 658	-	40 596	41 658	(762)	-1.8%	41 658
Capital Transfers and Grants									
National Government:	54 183	21 165	37 020	-	36 339	37 020	(681)	-1.8%	37 020
Municipal Infrastructure Grant (MIG)	13 971	16 947	16 947	-	16 947	16 947	-		16 947
Neighbourhood Development Partnership	2 000	2 418	3 099	-	2 418	3 099	(681)	-22.0%	3 099
Integrated National Electricity Grant	2 000	1 800	1 800	-	1 800	1 800	-		1 800
RBIG	36 212		15 174	-	15 174	15 174	-		15 174
Provincial Government:	6 605	10 580	20 548	-	20 352	20 548	(196)	-1.0%	20 548
Housing/ ABS	6 605	10 580	20 548	-	20 352	20 548	(196)	-1.0%	20 548
District Municipality:	-	-	-	-	-	-	-		-
<i>[insert description]</i>							-		
Other grant providers:	-	-	3 831	-	1 500	3 831	(2 331)	-60.8%	3 831
Basic Service Grant	-		3 000			3 000	(3 000)	-100.0%	3 000
Municipal pound	-		331			331			331
National Lotto			500			500			500
Mobility Strategy (Walkways/Cycle Lanes Paralell Rd)				-	1 500				
National Lotto/ Mobility Strategy							-		
Total Capital Transfers and Grants	60 787	31 745	61 399	-	58 191	61 399	(3 208)	-5.2%	61 399
TOTAL RECEIPTS OF TRANSFERS & GRANTS	95 543	71 791	103 058	-	98 787	103 058	(3 970)	-3.9%	103 058

Grant receipts are monitored according to the payment schedules. Year to date actual only reflects actual receipts for 2012/2013. The Adjustment Budget column includes unspent grant funding.

Supporting Table SC7 – Grant expenditure

WC032 Overstrand - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure - M12 June

Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	2 121	3 050	4 078	999	3 904	4 078	(174)	-4.3%	4 078
Local Government Equitable Share							-		
Finance Management	1 250	1 250	1 250	415	1 250	1 250	(0)	0.0%	1 250
Municipal Systems Improvement	790	800	800	195	800	800	(0)	0.0%	800
EPWP Incentive	81	1 000	2 028	389	1 854	2 028	(174)	-8.6%	2 028
Provincial Government:	846	850	1 434	385	1 387	1 434	(47)	-3.3%	1 434
Provincial Library Grant	640	704	704	105	704	704	-		704
CDW	78	81	81	20	81	81	(0)	0.0%	81
Mn Road Subsidy	65	65	65	-	65	65	-		65
Housing Consumer Education Grant	63		66	4	19	66	(47)	-71.4%	66
Multi Purpose Centre/ABS			518	257	518	518	-		518
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
0							-		
Total operating expenditure of Transfers and Grants:	2 967	3 900	5 512	1 384	5 291	5 512	(221)	-4.0%	5 512
Capital expenditure of Transfers and Grants									
National Government:	57 463	21 165	37 020	6 166	37 021	37 020	1	0.0%	37 020
Municipal Infrastructure Grant (MIG)	13 971	16 947	16 947	4 450	16 947	16 947	-		16 947
Neighbourhood Development Partnership	5 281	2 418	3 099	105	3 100	3 099	1	0.0%	3 099
Integrated National Electricity Grant	2 000	1 800	1 800	1 611	1 800	1 800	-		1 800
RBIG	36 212		15 174	-	15 174	15 174	-		15 174
Provincial Government:	3 186	10 580	23 548	736	16 651	23 548	(6 897)	-29.3%	23 548
Housing/ ABS	3 186	10 580	23 548	736	16 651	23 548	(6 897)	-29.3%	23 548
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	650	-	831	460	725	831	(106)	-12.7%	831
National Lotto/ Mobility Strategy	650		831	460	725	831	(106)	-12.7%	831
Total capital expenditure of Transfers and Grants	61 300	31 745	61 399	7 362	54 397	61 399	(7 003)	-11.4%	61 399
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	64 267	35 645	66 912	8 746	59 688	66 912	(7 224)	-10.8%	66 912

Grant expenditure is monitored against grant receipts. The Adjustment Budget column includes unspent grant funding.

Expenditure on councillor and board members allowances and employee benefits

Supporting Table SC8

WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

Summary of Employee and Councillor remuneration	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Councillors (Political Office Bearers plus Other)</u>									
Basic Salaries and Wages	6 717	7 071	7 101	575	7 084	7 101	(17)	0%	7 101
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Motor Vehicle Allowance							-		
Cellphone Allowance							-		
Housing Allowances							-		
Other benefits and allowances		-		-	-	-	-		-
Sub Total - Councillors	6 717	7 071	7 101	575	7 084	7 101	(17)	0%	7 101
<u>Senior Managers of the Municipality</u>									
Basic Salaries and Wages	7 082	7 591	7 591	675	7 986	7 591	395	5%	7 986
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Overtime							-		
Performance Bonus							-		
Motor Vehicle Allowance							-		
Cellphone Allowance	128	119	119	12	139	119	20	17%	139
Housing Allowances							-		
Other benefits and allowances							-		
Post-retirement benefit obligations	-						-		
Sub Total - Senior Managers of Municipality	7 210	7 710	7 710	687	8 125	7 710	416	5%	8 125
<u>Other Municipal Staff</u>									
Basic Salaries and Wages	116 931	137 201	135 494	11 313	145 963	135 494	10 469	8%	135 494
Pension and UIF Contributions	21 014	24 228	24 228	1 936	23 123	24 228	(1 105)	-5%	24 228
Medical Aid Contributions	7 354	9 831	9 831	702	7 999	9 831	(1 832)	-19%	9 831
Overtime	12 030	10 617	10 617	842	11 583	10 617	965	9%	10 617
Performance Bonus	9 483	10 838	10 838	-	-	10 838	(10 838)	-100%	10 838
Motor Vehicle Allowance	8 240	9 648	9 648	768	8 800	9 648	(848)	-9%	9 648
Cellphone Allowance	725	677	677	130	1 440	677	763	113%	677
Housing Allowances	1 023	1 096	1 096	85	1 041	1 096	(56)	-5%	1 096
Other benefits and allowances	10 461	8 551	8 597	1 119	7 528	8 597	(1 070)	-12%	8 182
Long service awards		693	693	151	690	693	(3)	0%	693
Post-retirement benefit obligations	13 467	8 000	8 415	2 861	10 795	8 415	2 380	28%	8 415
Provision for Leave				2 138	2 138	-			
Sub Total - Other Municipal Staff	200 729	221 381	220 136	22 858	221 911	220 136	1 775	1%	219 721
% increase		10.3%	9.7%						9.5%
Total Municipal Entities	-	-	-	-	-	-	-		-
TOTAL SALARY, ALLOWANCES & BENEFITS	214 656	236 161	234 946	24 120	237 120	234 946	2 174	1%	234 947

SDBIP

The results of the SDBIP for the last quarter ended 30 June 2013 will be included in a separate comprehensive report to be tabled in Council.

Financial Performance

Supporting Table SC2

WC032 Overstrand - Supporting Table SC2 Monthly Budget Statement - performance indicators - M12 June

Description of financial indicator	Basis of calculation	2011/12	Budget Year 2012/13			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	2.3%	18.4%	19.2%	19.4%	19.2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	60.9%	49.6%	46.1%	48.1%	52.4%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	15.6%	16.4%	16.3%	16.8%	16.3%
Gearing	Long Term Borrowing/ Funds &	107.4%	117.3%	116.9%	18918.1%	19247.7%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	154.4%	130.9%	157.6%	135.1%	157.6%
Liquidity Ratio	Monetary Assets/Current Liabilities	93.1%	68.1%	84.9%	63.4%	84.9%
<u>Revenue Management</u>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual	12.4%	10.6%	12.2%	13.4%	12.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
<u>Funding of Provisions</u>						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
<u>Other Indicators</u>						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	7.1%	7.2%	6.7%	6.9%	7.3%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	20.4%	27.4%	25.3%	25.6%	25.0%
Employee costs	Employee costs/Total Revenue - capital revenue	33.8%	32.9%	34.6%	35.8%	34.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	16.5%	17.4%	17.8%	17.4%
Interest & Depreciation	I&D/Total Revenue - capital revenue	21.5%	20.9%	22.1%	22.5%	22.1%
<u>IDP regulation financial viability indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	18.5%	26.8			26.8
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	12.6%	12.0%	7.2%		12.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	5.8%	1.9			1.9

Capital programme performance

Supporting Table SC12

WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M12 June

Month	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	1 052	1 000	100	100	100	100	-		0%
August	3 577	3 500	8 541	8 541	8 641	8 641	-		5%
September	17 318	7 320	4 043	4 043	12 684	12 684	-		8%
October	13 422	12 500	7 364	7 364	20 048	20 048	-		12%
November	13 868	10 320	10 243	10 243	30 291	30 291	-		18%
December	12 578	18 600	13 512	13 512	43 803	43 803	-		26%
January	6 137	13 500	4 867	4 867	48 670	48 670	-		29%
February	9 365	19 850	12 126	12 126	60 797	60 797	-		36%
March	15 931	16 530	13 502	7 528	68 324	74 299	5 974	8.0%	40%
April	9 487	21 000	15 215	14 809	83 134	89 514	6 380	7.1%	49%
May	11 983	22 842	30 764	17 343	100 477	120 278	19 801	16.5%	59%
June	48 578	22 081	47 223	39 903	140 379	167 500	27 121	16.2%	83%
Total Capital expenditure	163 295	169 043	167 500	140 379					

Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June

Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								%	
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	133 045	115 800	127 812	34 578	108 252	127 812	19 559	15.3%	127 812
Infrastructure - Road transport	12 754	16 185	15 185	4 378	15 578	15 185	(393)	-2.6%	15 185
<i>Roads, Pavements & Bridges</i>	5 477	11 720	10 720	3 662	10 720	10 720	(0)	0.0%	10 720
<i>Storm water</i>	7 278	4 465	4 465	716	4 858	4 465	(393)	-8.8%	4 465
Infrastructure - Electricity	30 061	42 933	28 441	10 450	22 203	28 441	6 238	21.9%	28 441
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>	30 061	42 933	28 441	10 450	22 203	28 441	6 238	21.9%	28 441
<i>Street Lighting</i>							-		
Infrastructure - Water	57 384	36 628	58 919	9 278	48 634	58 919	10 285	17.5%	58 919
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>	57 384	36 628	58 919	9 278	48 634	58 919	10 285	17.5%	58 919
<i>Reticulation</i>							-		
Infrastructure - Sanitation	32 650	13 055	18 267	6 673	16 478	18 267	1 789	9.8%	18 267
<i>Reticulation</i>							-		
<i>Sewerage purification</i>	32 650	13 055	18 267	6 673	16 478	18 267	1 789	9.8%	18 267
Infrastructure - Other	196	7 000	7 000	3 800	5 359	7 000	1 641	23.4%	7 000
<i>Waste Management</i>	196	7 000	7 000	3 800	5 359	7 000	1 641	23.4%	7 000
Community	3 319	13 578	28 091	3 485	20 997	28 091	7 094	25.3%	28 091
Parks & gardens			2 179	2 156	2 156	2 179	23	1.1%	2 179
Sportsfields & stadia	1 531	1 698	2 024	380	1 964	2 024	60	3.0%	2 024
Security and policing	645		327	210	223	327	104	31.7%	327
Cemeteries	121	1 300					-		
Social rental housing	817	10 580	23 548	736	16 651	23 548	6 897	29.3%	23 548
Other	206						-		
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	26 002	10 078	5 654	39	5 654	5 654	0	0.0%	5 654
General vehicles	6 800	829			-	-	-		-
Specialised vehicles	-	-	-	-	-	-	-		-
Other	19 202	9 249	5 654	39	5 654	5 654	0	0.0%	5 654
Intangibles	928	845	1 445	273	1 330	1 445	115	8.0%	1 445
Computers - software & programming	928	845	1 445	273	1 330	1 445	115	8.0%	1 445
Other							-		
Total Capital Expenditure on new assets	163 295	140 301	163 001	38 374	136 233	163 001	26 769	16.4%	163 001

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M12 June

Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	-	22 350	525	24	131	525	394	75.1%	525
Infrastructure - Road transport	-	-	525	24	131	525	394	75.1%	525
<i>Roads, Pavements & Bridges</i>							-		
<i>Storm water</i>			525	24	131	525	394	75.1%	525
Infrastructure - Electricity	-	7 350	-	-	-	-	-		-
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		7 350		-	-	-	-		
<i>Street Lighting</i>							-		
Infrastructure - Water	-	13 500	-	-	-	-	-		-
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>		13 500		-	-	-	-		
<i>Reticulation</i>							-		
Infrastructure - Sanitation	-	1 500	-	-	-	-	-		-
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		1 500					-		
Infrastructure - Other	-	-	-	-	-	-	-		-
<i>Waste Management</i>							-		
Community	-	3 297	879	488	756	879	123	14.0%	879
Parks & gardens							-		
Sportsfields & stadia							-		
Swimming pools							-		
Community halls							-		
Libraries							-		
Recreational facilities							-		
Fire, safety & emergency							-		
Security and policing		297					-		
Cemeteries			879	488	756	879	123	14.0%	879
Social rental housing		3 000					-		
Other							-		
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Housing development							-		
Other							-		
Other assets	-	3 095	3 095	1 016	3 260	3 095	(165)	-5.3%	3 095
General vehicles		3 095	3 095	1 016	3 260	3 095	(165)	-5.3%	3 095
Specialised vehicles	-	-	-	-	-	-	-		-
Total Capital Expenditure on renewal of	-	28 742	4 499	1 528	4 147	4 499	352	7.8%	4 499

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June

Description	2011/12	Budget Year 2012/13							
	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	43 120	87 156	87 156	6 288	87 048	87 156	108	0.1%	87 156
Infrastructure - Road transport	25 843	42 407	42 407	2 769	42 236	42 407	171	0.4%	42 407
<i>Roads, Pavements & Bridges</i>	25 231	39 842	39 842	2 525	39 790	39 842	52	0.1%	39 842
<i>Storm water</i>	611	2 565	2 565	243	2 446	2 565	119	4.6%	2 565
Infrastructure - Electricity	4 601	14 091	14 091	830	14 105	14 091	(14)	-0.1%	14 091
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>	4 601	14 091	14 091	830	14 105	14 091	(14)	-0.1%	14 091
<i>Street Lighting</i>							-		
Infrastructure - Water	6 892	21 484	21 484	2 093	21 502	21 484	(18)	-0.1%	21 484
<i>Dams & Reservoirs</i>	52	82	82	80	80	82	2	2.0%	82
<i>Water purification</i>	1 709	1 965	1 965	320	1 963	1 965	2	0.1%	1 965
<i>Reticulation</i>	5 132	19 437	19 437	1 693	19 459	19 437	(21)	-0.1%	19 437
Infrastructure - Sanitation	4 568	7 669	7 669	433	7 708	7 669	(38)	-0.5%	7 669
<i>Reticulation</i>	3 687	6 618	6 618	299	6 623	6 618	(5)	-0.1%	6 618
<i>Sewerage purification</i>	882	1 051	1 051	134	1 085	1 051	(33)	-3.2%	1 051
Infrastructure - Other	1 215	1 505	1 505	163	1 499	1 505	7	0.4%	1 505
<i>Waste Management</i>	1 215	1 505	1 505	163	1 499	1 505	7	0.4%	1 505
Community	6 012	5 218	5 218	2 112	5 408	5 218	(189)	-3.6%	5 218
Parks & gardens	1 410	1 535	1 535	303	1 503	1 535	32	2.1%	1 535
Sportsfields & stadia	456	959	959	270	956	959	3	0.3%	959
Swimming pools	228	296	296	268	289	296	7	2.2%	296
Community halls	734	922	922	855	916	922	6	0.6%	922
Libraries	180	164	164	56	161	164	4	2.1%	164
Recreational facilities							-		
Fire, safety & emergency	538	657	657	233	848	657	(192)	-29.2%	657
Security and policing	524	507	507	46	546	507	(39)	-7.7%	507
Cemeteries	37	62	62	60	62	62	0	0.0%	62
Social rental housing							-		
Other	1 905	117	117	19	125	117	(8)	-7.2%	117
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	270	207	207	-	-	207	207	100.0%	207
Housing development	270	207	207	-	-	207	207	100.0%	207
Other assets	15 443	21 832	21 832	2 412	21 958	21 832	(126)	-0.6%	21 832
General vehicles	4 682	5 051	5 051	894	5 399	5 051	(348)	-6.9%	5 051
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment							-		
Computers - hardware/equipment	4 309	5 035	5 035	717	5 035	5 035	0	0.0%	5 035
Other Buildings	1 023	1 231	1 231	210	1 368	1 231	(137)	-11.2%	1 231
Other	5 429	10 516	10 516	590	10 156	10 516	360	3.4%	10 516
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	64 845	114 413	114 413	10 811	114 414	114 413	(0)	0.0%	114 413

Supporting Table SC13d

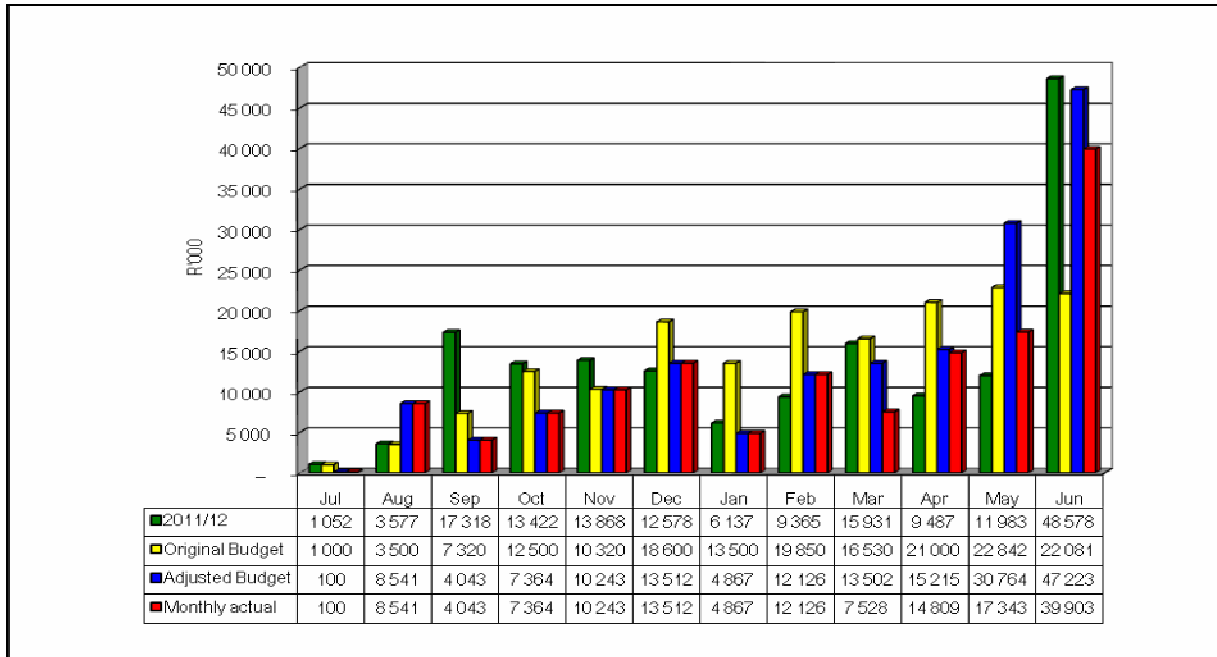
WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M11 May

Description	2011/12	Budget Year 2012/13							
	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	87 037	97 807	97 709	7 796	97 709	97 709	-		97 807
Infrastructure - Road transport	36 340	36 016	36 016	3 001	36 016	36 016	-		36 016
<i>Roads, Pavements & Bridges</i>	34 105	36 016	36 016	3 001	36 016	36 016	-		36 016
<i>Storm water</i>	2 235						-		
Infrastructure - Electricity	18 441	22 705	22 607	1 884	22 607	22 607	-		22 705
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>	18 441	22 705	22 607	1 884	22 607	22 607	-		22 705
<i>Street Lighting</i>							-		
Infrastructure - Water	16 029	21 992	21 992	1 345	21 992	21 992	-		21 992
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>	16 029	21 992	21 992	1 345	21 992	21 992	-		21 992
<i>Reticulation</i>							-		
Infrastructure - Sanitation	13 422	13 494	13 494	1 266	13 494	13 494	-		13 494
<i>Reticulation</i>	13 422	13 494	13 494	1 266	13 494	13 494	-		13 494
<i>Sewerage purification</i>							-		
Infrastructure - Other	2 804	3 600	3 600	300	3 600	3 600	-		3 600
<i>Waste Management</i>	2 168	3 600	3 600	300	3 600	3 600	-		3 600
<i>Other</i>	637						-		
Community	4 359	5 243	5 243	415	5 243	5 243	-		5 243
Recreational facilities	4 359	5 243	5 243	415	5 243	5 243	-		5 243
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	9 054	4 466	4 466	741	4 466	4 466	-		4 466
General vehicles	2 077	602	602	50	602	602	-		602
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment							-		
Computers - hardware/equipment		510	510	42	510	510	-		510
Furniture and other office equipment	1 578						-		
Civic Land and Buildings							-		
Other Buildings	5 399	28	28	2	28	28	-		28
Other Land							-		
Surplus Assets - (Investment or Inventory)							-		
Other		3 326	3 326	646	3 326	3 326	-		3 326
Agricultural assets	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
Intangibles	219	-	-	-	-	-	-		-
Computers - software & programming	219						-		
Total Repairs and Maintenance Expenditure	100 669	107 515	107 417	8 951	107 417	107 417	-		107 515

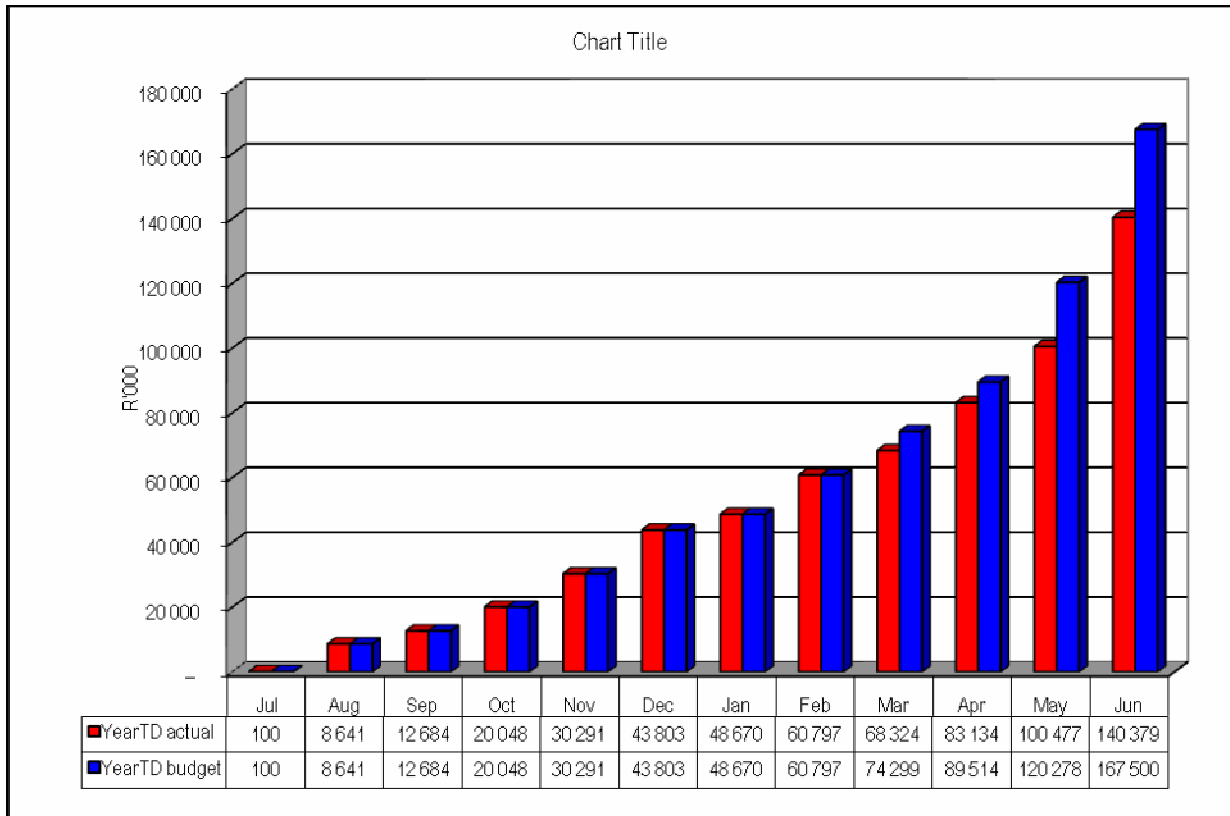
Other supporting documentation

Section 71 charts

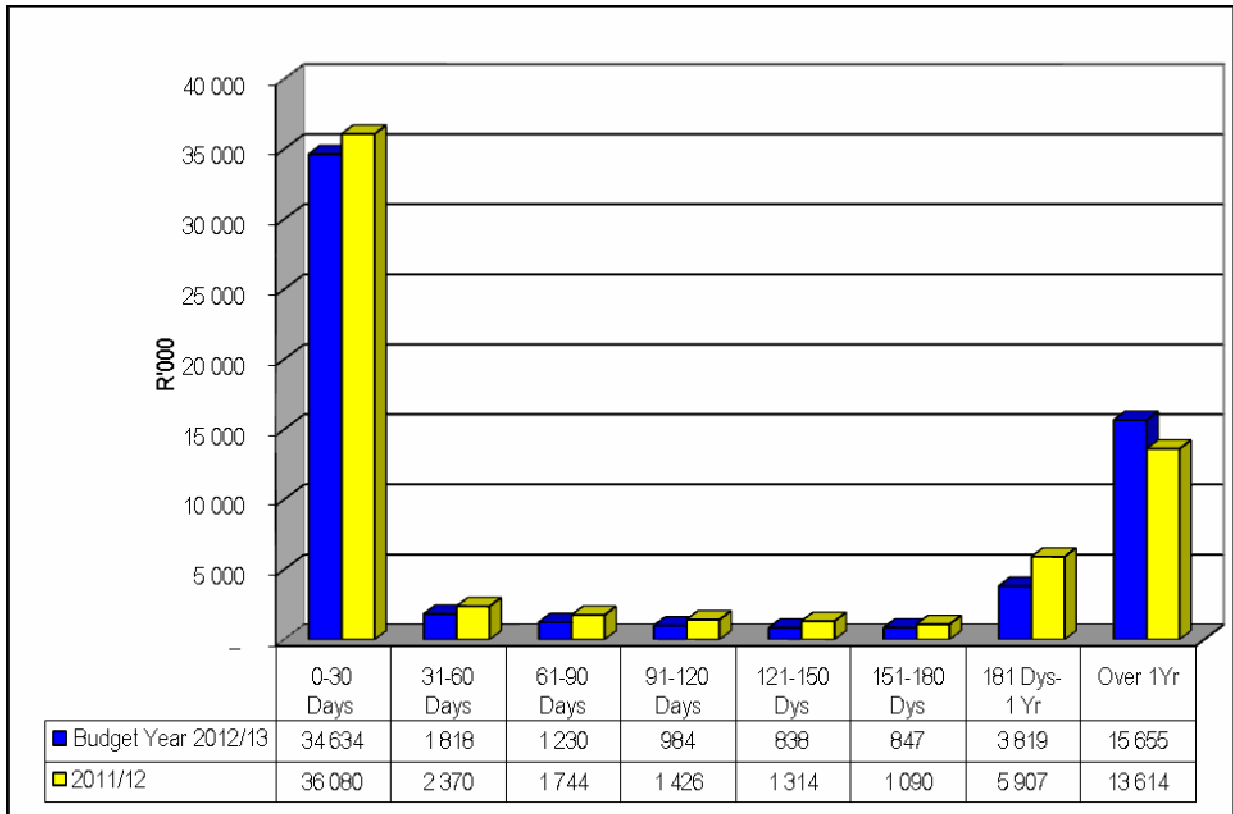
Capital expenditure monthly trend - actual vs target



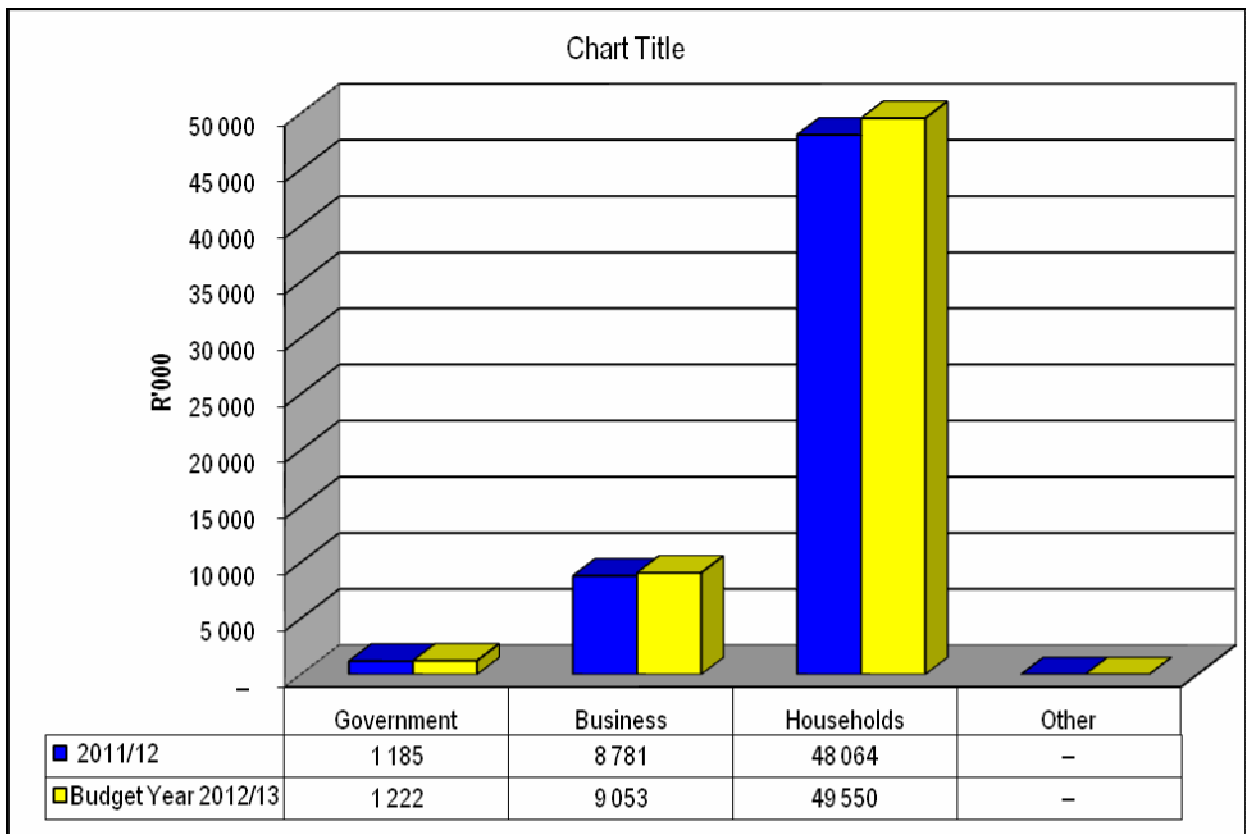
Capital expenditure – YTD actual vs YTD trend



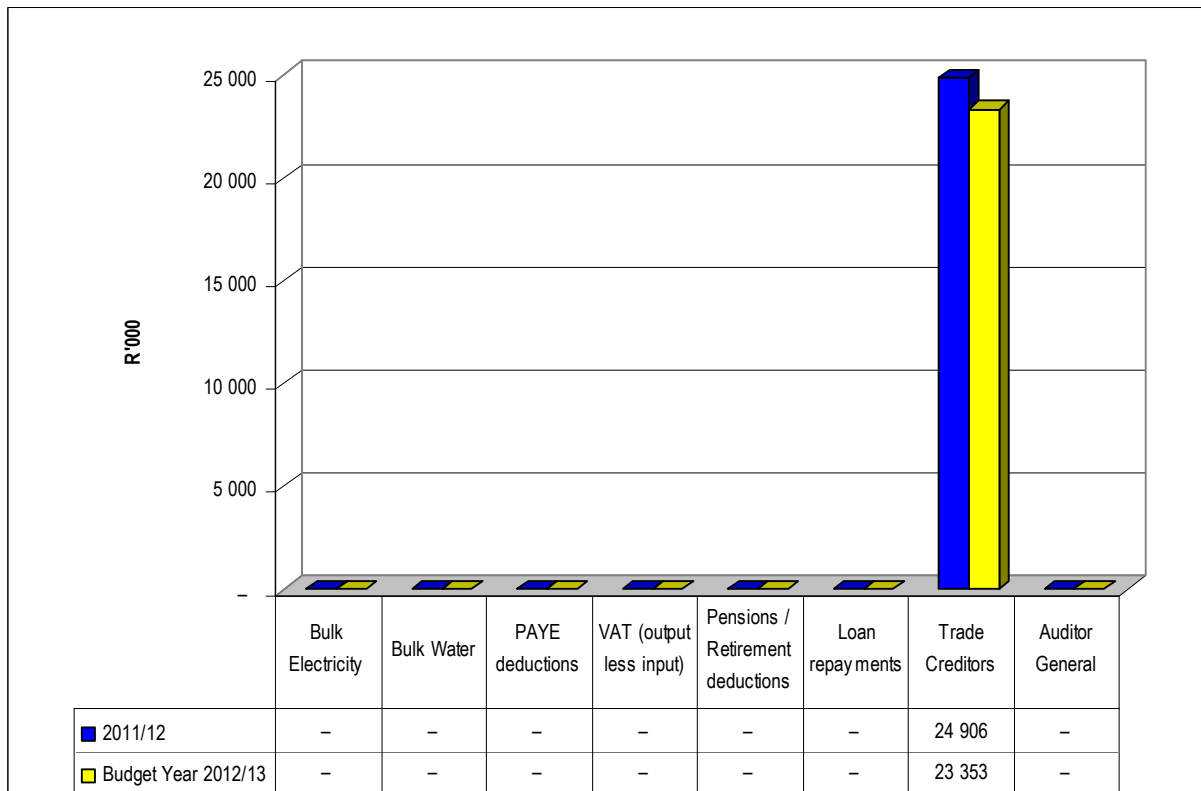
Debtors Age Analysis



Debtors by Type



Creditor Payments



Municipal manager's quality certification

QUALITY CERTIFICATE

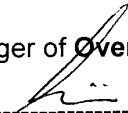
I, C Groenewald the Municipal Manager of Overstrand Municipality, hereby certify that the –

The Monthly Budget Statement

For the month of **June 2013** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name CC Groenewald

Municipal Manager of **Overstrand Municipality (WC032)**

Signature ----- 

Date ----- 12/7/2013