



**MATJHABENG LOCAL MUNICIPALITY  
QUARTERLY BUDGET AND PERFORMANCE REPORT**

The attached report is submitted in terms of Section 52 (d) of the Municipal Finance Management Act (MFMA), Act 56 of 2003 for three months ended 31 December 2017

TABLE 1	Budget for the three months	Actual for the three months
<b>Revenue</b>	479 349 340	265 603 840
Intergovernmental Transfer	140 748 000	173 496 000
<b>Total Income</b>	<b>620 097 340</b>	<b>439 099 840</b>
<b>Expenditure</b>	<b>580 705 415</b>	<b>431 222 971</b>
Salaries	176 727 823	169 372 564
Water	109 856 301	70 000 000
Electricity	103 016 971	40 778 776
Other/Stationery, Telephone	191 104 320	151 071 631
<b>Net Surplus/(Deficit) before Capital payments</b>	<b>39 391 925</b>	<b>7 876 870</b>

(1)

MIG Payments	33 969 534
INEG Payments	-
WSIG Payments	-

(2)

Capital Assets procured - Equitable Share	1 717 992
Fleet & Equipment	27 300
Office Convention / Furniture	1 690 692

<b>Net Surplus/(Deficit) after Capital payments</b>	<b>-27 810 656</b>
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Table 1 indicates that the actual amount received is below the amount paid for the quarter by R -27 810 656  
The Municipality incurred more expenditure than amount received for three months period ending December 2017 .

1. Only R431 222 971 was spend from the total budget of R580 705 415

2. There was an over-spending of MIG payments of R 3 665 534 for the quarter

TABLE 2	Actual for the three months
Total Billings	417 390 651
Less: Indigent Billing	9 807 472
Actual Collectable Billing	407 583 180
Actual Revenue Received	260 873 743
Consumer Revenue	238 355 746
Other	22 517 997
Grants & Subsidies	173 496 000

(1)

(2)

(3)

Pay rate for Second Quarter (Billing)	64%
Total income percentage - Second Quarter	65%

**Notes**

1. The 'Actual Collectable Billing' figure reflects the amount invoiced to consumers for services consumed during the three months, excluding the poorest of the poor.

2. The 'Consumer Revenue' relates to revenue actually received from consumers during the three months.  
53% was collected on Consumer Revenue out of the Actual Collectable Billing

3. 'Other Revenue' relates to items such as Interest on debtors, Rentals etc. billed for the reporting period.

Table 3 and Table 4 provides an analysis of the various revenue and expenditure figures.

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Compiled By

15/01/2018  
Date

Lindsey Williams  
Reviewed By

15/01/2018  
Date

Thabo Panyani  
Approved By

15/01/2018  
Date

**MATJHABENG MUNICIPALITY**  
**THREE MONTHS (October - December 2017) REVENUE AND EXPENDITURE RESULTS AGAINST BUDGET**

**TABLE 3**  
**REVENUE RESULTS AGAINST BUDGET**

Description	Budget for the three months	Actual for the three months	Notes
Intergovernmental Transfer	140 748 000	173 496 000	1
Operational Grants - Equitable Share/FMG/EPWP/EEDG	101 894 000	131 460 000	
Capital Grants - MIG/WSIG/NEG	39 054 000	42 036 000	
Consumer Revenue & Assessments Rates	370 398 914	238 355 746	2
Other Revenue & Interest	108 950 426	27 248 094	3
	620 097 340	439 099 840	

Table 5 A contains the actual revenue by source.

**Notes**

1. Intergovernmental Transfer consist of Operational Grants and Capital Grants
2. The consumer revenue and assessment rates have a variance of R 132 043 168 this is due to lack of payment from consumers.
3. The Other Revenue includes interest on arrear accounts. The other revenue has a variance of R 81 702 332 against the budget.

TABLE 4

## EXPENDITURE RESULTS AGAINST BUDGET

Description	Budget for the three months	Actual for the three months	Notes
Salaries	176 727 823	169 372 564	1
Water	109 856 301	70 000 000	2
Electricity	103 016 971	40 778 776	3
Other Expenditure	191 104 320	151 071 631	4
<b>Total</b>	<b>580 705 415</b>	<b>431 222 971</b>	
MIG Payments	<b>30 304 000</b>	<b>33 969 534</b>	5

## Notes

1. The actual amount paid for salaries is less than the budget amount for the three months with a variance of R 7 355 259
2. The variance of water against the budgeted amount is R 39 856 301
3. The variance in electricity against the budgeted amount is R 62 238 195 and this is due to financial constraints. The municipality has an arrangement with Eskom, the outstanding balance are settled with the EQS allocation by installments.
4. The budget for other expenditure is more than the actual with R 40 032 689. This expenditure is based on the cash flow.
5. MIG payments at end of December 2017 for a three month period amount to R 33 969 534

Table 5 B contains the Actual Expenditure by vote.

A

TABLE 5A -- [S71(1)(a), S71(2)(a), S71(3)] ACTUAL REVENUE PER REVENUE SOURCE [S71(1)(a)]			
	Budget for the Year	Budget for the three months	Actual for the three months
<b>Intergovernmental Transfers</b>		<b>140 748 000</b>	<b>173 496 000</b>
Operational Grants - Equitable Share/FMG/EPWP/EEEDG	562 992 000	101 694 000	131 460 000
Capital Grants - MIG/WSIG/INEG	406 776 000	39 054 000	42 036 000
	156 216 000		
<b>Consumer Revenue and Assessment rates</b>	<b>1 481 595 656</b>	<b>370 398 914</b>	<b>238 355 746</b>
Assessment Rates	279 252 170	69 813 043	65 999 893
Water	343 076 599	85 769 150	29 705 726
Electricity	627 540 121	156 885 030	121 407 505
Sewerage	147 747 698	36 936 925	12 352 307
Refuse Removal	83 979 088	20 994 767	8 890 315
<b>Other Revenue &amp; Interest</b>	<b>435 801 703</b>	<b>108 950 426</b>	<b>27 248 094</b>
Fines	20 071 683	5 017 921	923 368
Market	25 000 000	6 250 000	3 530 085
Rentals	30 000 000	7 500 000	2 128 181
Other	228 419 263	57 104 816	16 459 882
Interest - Debtors	128 854 652	32 213 663	3 929 934
Interest - Investments	3 456 105	864 028	276 645
<b>TOTAL</b>	<b>2 480 389 359</b>	<b>620 097 340</b>	<b>439 099 840</b>

B

TABLE 5B [S71(1)(c), S71(2)(a), S71(3)] ACTUAL EXPENDITURE PER VOTE [S71(1)(c)]			
	Budget for the Year	Budget for the three months	Actual for the three months
<b>Council General</b>	<b>85 815 756</b>	<b>21 453 939</b>	<b>38 086 632</b>
Office of the Executive Mayor	15 666 613	3 916 653	6 098 944
Office of the Speaker	2 488 970	622 243	5 534 567
Municipal Manager	81 847 081	20 461 770	32 859 042
Corporate Service	58 915 653	14 728 913	13 480 766
Financial Services	312 471 225	78 117 806	29 625 286
Human Resources	15 926 093	3 981 523	3 272 976
Community Services	194 353 673	48 588 418	55 321 432
Protection Services	162 687 725	40 671 931	45 839 770
Economic Development	19 123 633	4 780 908	6 682 880
Engineering Services	1 350 015 456	337 503 864	189 381 720
Housing Services	23 509 781	5 877 445	5 038 958
<b>TOTAL</b>	<b>2 322 821 659</b>	<b>580 705 415</b>	<b>431 222 971</b>

C

SALARIES - October - December 2017				
SALARIES	Budget for the Year	Budgeted for 3 months	Actual for the three months	Projected Expenditure for rest of year
Council General	55 230 646	13 807 662	9 457 118	37 828 471
Office of the Executive Mayor	8 630 903	2 157 726	2 274 964	9 099 855
Office of the Speaker	1 582 182	395 546	2 697 333	10 789 331
Municipal Manager	52 987 141	13 246 785	8 924 426	35 697 702
Corporate Service	45 828 861	11 457 215	10 987 745	43 950 979
Financial Services	50 778 586	12 694 647	13 741 583	54 966 332
Human Resources	14 256 253	3 564 063	3 220 219	12 880 875
Community Services	217 631 389	54 407 847	39 304 561	157 218 244
Protection Services	121 618 309	30 404 577	27 438 302	109 753 206
Economic Development	13 187 503	3 296 876	3 104 389	12 417 557
Engineering Services	109 373 451	27 343 363	44 001 167	176 004 668
Housing Services	15 806 069	3 951 517	4 220 759	16 883 036
<b>TOTAL</b>	<b>706 911 293</b>	<b>176 727 823</b>	<b>169 372 564</b>	<b>677 490 255</b>

D

OVERTIME - October - December 2017				
OVERTIME	Budget for the Year	Budgeted for 3 months	Actual for the three months	Projected Expenditure for rest of year
Council General	-	-	-	-
Office of the Executive Mayor	642 750	160 688	917 670	3 670 680
Office of the Speaker	314 286	78 572	108 365	433 459
Municipal Manager	455 321	113 830	245 064	980 257
Corporate Service	1 130 237	282 559	622 780	2 491 120
Financial Services	8 038	2 010	37 912	151 648
Human Resources	15 486 812	3 871 703	5 398 886	21 595 543
Community Services	6 041 548	1 510 387	2 653 642	10 614 569
Protection Services	17 093	4 273	20 561	82 243
Economic Development	16 855 522	4 213 881	8 516 488	34 065 952
Engineering Services	133 929	33 482	55 728	222 911
Housing Services	-	-	-	-
<b>TOTAL</b>	<b>41 085 536</b>	<b>10 271 384</b>	<b>18 577 096</b>	<b>74 308 382</b>

The municipal budget is compiled in line with the National Treasury GFS classifications. The objective of this is to ensure a standardised budget structure that all municipalities will use.

## TOP TWENTY (20) OUTSTANDING DEBTORS

DEBTORS - DECEMBER 2017				COMMENTS:
		R		
1	ANGLOGOLD ASHANTI LTD	19 884 312	Busy with payment arrangement with mine	
2	PUBLIC WORKS (HEALTH/HO	12 464 094	Payment receive statements was send on follow up for balance	
3	PHINDANA PROPERTIES 169	9 205 913	Handed over to Municipal debt collectors(Trifecta)	
4	SEDIENG WATERAARD	9 036 617	Matters currently handled with Municipal debt collectors(Trifecta ) reference attached	
5	SEDIENG WATER	8 647 391	Matters currently handled with Municipal debt collectors(Trifecta ) reference attached	
6	TOSA TECHNICAL COLLEGE	8 093 344	Client is disputing rates matter given over to Municipal debt collectors (Trifecta)	
7	REAHOLA HOUSING ASSOCIA	6 299 658	No collection. Campton of matter are human settlement to give progress report	
8	PRESIDENT STEYN GOLD MI	5 651 596	Mine is having dispute with sewerage point busy sorting out	
9	SENTRAL WES KOOPERASIE	5 536 390	Client is paying current accounts having dispute on rates and taxes current settlement proposal legal department to review	
10	PRESIDENT STEYN MYN 1	3 577 258	Receiling payments on monthly basis till account is paid in full	
11	PUBLIC WORKS (HEALTH)	3 513 587	Payment received, statements was send on follow up for balance	
12	FLAMINGO LAKE DEVELOPMENT	3 337 322	Mathabeng property, write off proposal handed over to EXCO	
13	ANGLOGOLD ASHANTI	3 034 702	On schedule 23 (A) that is with legal for possible write off debt as was taken back by council	
14	EDEN CHRISTELIKE BEDIEN	3 006 017	NGO client is requesting write-off management declined. Client to arrange meeting with CFO and executive Mayor	
15	ST ANDREWS SCHOOL WELKO	2 900 706	client is disputing to pay due to been christian school. Management declined due to school is private funding	
16	PUBLIC WORKS DEPT	2 884 585	Payment received statements was send on follow up for balance	
17	ERF 2515 WELKOM (PTY)	2 787 971	On disconnection list for 14 Jan 2018 if not out law enforcement will be assisting	
18	REPUBLIEK VAN SUID-AFRI	2 758 774	Statement was send to government for payment	
19	PUBLIC WORKS (HEALTH/HO	2 741 916	Payment received statements was send on follow up for balance	
20	ERFDEEL MYN	2 629 948	Mine is having dispute with sewerage point busy sorting out	
	TOTAL	R 118 192 102		

E

## TOP TWENTY (20) OUTSTANDING CREDITORS

CREDITORS - DECEMBER 2017				
		R	COMMENTS:	
1	Sedibeng Water	1 988 362 042	Sedibeng Water	
2	Eskom	1 743 276 726	Eskom	
3	Compensation Commissioner	15 939 464	Compensation Commissioner	
4	Jager Technologies	11 604 892	Meter Reading	
5	Auditor General	6 221 403	Auditor General	
6	Sedtrade	5 226 140	Streets Resealing	
7	Aqua Transport	3 842 430	Refuse Removal Trucks	
8	Sebenza Engineering Services	3 839 930	Refuse Removal Trucks	
9	Practicon Trading Enterprise	3 509 875	Protective Clothing	
10	Khabokedi Waste Management	3 420 874	Landfill Site Rehabilitation	
11	Man In One Security	3 298 746	Security Services	
12	Business Connexion	2 910 994	Solar	
13	Royal Haskoning DHV	2 681 619	Upgrading Kilpan Pumstaion	
14	Eskom FBE	2 538 500	Free Basic Electricity	
15	Scheme Security	2 080 219	Security Services	
16	Manna Holdings	1 890 129	Valuation Roll	
17	WW Civils and Construction	1 461 726	Disconnection and Reconnection -Water	
18	Fez Auditors and Consultants	1 456 865	AFS	
19	Tswana Hydraulics	1 326 904	Repairs and Maintenance-Fleet	
20	Syntell Networks	1 021 825	Prepaid Electricity Vending	
	<b>TOTAL</b>	<b>R 3 805 871 304</b>		

**F ACTUAL CAPITAL EXPENDITURE PER VOTE**

<b>TABLE 6 -- [S71(1)(d)]</b>	<b>Capex for three months</b>	
Council General	R	1 690 692
Office of the Executive Mayor	R	-
Mayoral Committee	R	-
Office of the Speaker	R	-
Municipal Manager	R	-
Corporate Services	R	-
Financial Services	R	-
Human Resources	R	-
Community Services	R	8 243 417
Protection Services	R	-
Economic Development	R	2 208 175
Engineering Services	R	23 517 941
Mechanical Workshop	R	27 300
	R	35 687 525

**G AMOUNT OF ANY ALLOCATIONS RECEIVED**

<b>TABLE 7 -- [S71(1)(e), S71(1)(f)]</b>	<b>Funds Received for three months</b>		<b>Funds Spent for three months</b>	
MIG/LDM/Sundry	R	28 536 000	R	33 969 534
Equitable Share	R	131 210 000	R	131 210 000
MSIG	R	-	R	-
FMG	R	-	R	515 321
EPWP	R	250 000	R	233 805
EEDG	R	-	R	-
WSIG	R	9 000 000	R	-
INEG	R	4 500 000	R	-
<b>Total</b>		<b>173 496 000</b>		<b>165 928 659</b>



Table 6

ACTUAL BILLING BY SOURCE AGAINST ACTUAL RECEIPTS FOR THE THREE MONTHS PERIOD AS AT DECEMBER 2017									
SOURCE	Oct-17 proj.	Actual	% Collected	Nov-17 proj.	Actual	% Collected	Dec-17 proj.	Actual	% Collected
Assessment rates	24 028 351	26 694 585	111.10%	23 901 055	17 064 569	71.40%	23 720 954	22 240 639	93.76%
Water	31 746 632	10 048 877	31.65%	29 487 946	10 620 542	36.02%	27 108 471	9 036 308	33.33%
Electricity	47 729 758	47 029 756	98.53%	41 597 698	40 897 130	98.32%	41 468 220	33 480 619	80.74%
Sanitation	13 241 834	3 752 303	28.34%	15 023 508	4 560 109	30.35%	15 030 920	4 039 895	26.88%
Refuse removal	9 496 436	3 047 124	32.09%	9 408 384	3 266 301	34.72%	9 457 873	2 576 890	27.25%
Fines	1 672 640	369 153	22.07%	1 672 640	295 048	17.64%	1 672 640	259 167	15.49%
Market	2 083 333	1 118 769	53.70%	2 083 333	1 046 097	50.21%	2 083 333	1 365 219	65.53%
Rentals	2 500 000	765 049	30.60%	2 500 000	846 531	33.86%	2 500 000	516 601	20.66%
Other	19 034 939	4 988 178	26.21%	19 034 939	3 575 127	18.78%	19 034 939	7 896 577	41.48%
Interest	11 025 896	1 437 339	13.04%	11 025 896	1 385 609	12.57%	11 025 896	1 367 742	12.40%
<b>TOTAL REVENUE</b>	<b>162 559 820</b>	<b>99 251 132</b>	<b>61.06%</b>	<b>155 735 400</b>	<b>83 557 163</b>	<b>53.65%</b>	<b>153 103 247</b>	<b>82 779 656</b>	<b>54.07%</b>

The above tables represents the total collectable revenue. The amounts billed versus the actual receipts.  
It excludes Government Grants so as get the correct percentage collected from consumers

QUARTERLY PROJECTIONS OF REV AND EXP BY STANDARD CLASSIFICATION (GFS Classification by NT)						
STANDARD CLASSIFICATION DESCRIPTION A	Quarter ending 31 December 2017					
	PROJECTED OPEX R'000 B	PROJECTED REV R'000 C	PROJECTED CAPEX R'000 D	ACTUAL OPEX R'000 E	ACTUAL REV R'000 F	ACTUAL CAPEX R'000 G
Executive and Council	330 316 735	710 810 318	6 762 766	82 579 184	177 702 579	1 690 692
Finance and Admin	118 501 144	343 959 437	-	29 625 286	85 989 859	-
Corporate	53 923 063	-	-	13 480 766	-	-
Human Resource	13 091 903	-	-	3 272 976	-	-
Planning and Dev	26 731 521	-	8 832 699	6 682 880	-	2 208 175
Housing	20 155 832	8 512 722	-	5 038 958	2 128 181	-
	46 887 353	8 512 722	8 832 699	28 475 579	2 128 181	2 208 175
Community & Social Services	52 063 292	-	-	13 015 823	-	-
Sports and Recreation	75 933 980	-	32 973 670	18 983 495	-	8 243 417
Environmental Health	3 307 432	-	-	826 858	-	-
Public Safety and Transport	183 359 078	3 693 472	-	45 839 770	923 368	-
Refuse Removal	89 981 024	35 561 258	-	22 495 256	8 890 315	-
	404 644 806	39 254 730	32 973 670	101 161 202	9 813 683	8 243 417
Admin	23 661 148	-	94 071 764	5 915 287	-	23 517 941
Water	383 582 336	118 822 906	-	95 895 584	29 705 726	-
Waste Management	86 928 444	49 409 228	-	21 732 111	12 352 307	-
Electricity	212 482 376	485 630 021	-	53 120 594	121 407 505	-
Mechanical Engineering	9 905 896	-	-	2 476 474	-	-
Road Transport	40 966 680	-	-	10 241 670	-	-
	757 526 880	653 862 154	94 071 764	189 381 720	163 465 539	23 517 941
GRAND TOTAL	1 711 799 981	1 756 399 362	142 640 900	431 222 971	439 099 840	35 660 225

The above table indicates the quarterly projections of revenue and expenditure per standard classification (GFS classification) for the quarter ending 31 December 2017. Column A contains the classification description, column B,C,D provides the projected operating expenditure, revenue and capital expenditure for the 3 months. Column E, F, G is the actual expenditure, revenue and capital expenditure.

1. All cost for Mayorral,councillor, committee and municipal manager expenses. The income include Equitable Share and interest income.

**PAYMENT RATIO PER WARD - October - December 2017**

Councillor	Ward	Registered Indigents	Billings	Income	% Payment to Billing
M Sebotsa	1	1098	6 291 734,24	4 157 877,21	66%
S E Tshabangu	2	310	2 862 301,31	207 397,77	7%
M P Kopela	3	425	21 033 740,80	18 134 697,50	86%
S J Liphoko	4	331	6 358 123,16	544 587,49	9%
P M I Molelekoa	5	430	8 909 381,18	2 794 417,82	31%
B H Mahlumba	6	388	2 980 414,98	253 539,07	9%
N E Monjovo	7	563	4 802 716,11	342 183,15	7%
M D Masienyane	8	491	13 621 204,74	9 905 869,43	73%
H S Badenhorst	9	192	31 334 978,64	30 395 283,89	97%
S Ramalefane	10	902	6 967 550,13	1 573 822,94	23%
V R Morris	11	303	6 028 811,96	1 089 316,21	18%
Z S Moshoeu	12	415	5 514 270,72	499 851,12	9%
T J Thelingoane	13	286	3 271 592,34	419 673,88	13%
M Chaka	14	902	5 469 726,28	111 587,29	2%
B Ntuli	15	527	6 785 344,23	940 524,08	14%
TS Meli	16	873	6 917 591,93	119 909,07	2%
T D Khalipha	17	331	4 403 900,99	55 381,70	1%
N Moloja	18	432	4 158 397,40	420 229,04	10%
P Ramatisa	19	767	5 706 314,02	700 143,44	12%
B Nkonka	20	670	5 500 825,46	633 263,25	12%
S Pholo	21	552	7 236 606,27	411 548,24	6%
I Poo	22	769	4 509 788,19	463 664,12	10%
K R Tlake	23	209	861 465,59	7 460,00	1%
M A Mphikeleli	24	0	1 018 722,68	12 460,00	1%
T D Nthako	25	207	17 927 549,81	11 122 274,41	62%
S J Tsatsa	26	827	4 229 173,89	835 421,10	20%
M S Van Rooyen	27	180	20 879 210,52	16 466 776,57	79%
T Mosia	28	613	4 824 121,48	1 594 796,10	33%
D M Mafa	29	588	3 708 871,49	151 635,99	4%
M Molefi	30	348	6 097 799,69	348 839,40	6%
H A Mokhomoto	31	148	3 395 249,64	667 986,72	20%
H T C Van Schalkwyk	32	370	104 851 158,70	98 067 353,87	94%
C Malherbe	33	209	14 122 484,52	12 345 274,02	87%
A Daly	34	307	21 853 739,71	18 393 361,49	84%
N R Manzana	35	305	14 170 004,16	10 523 621,95	74%
M J Khothule	36	709	20 063 810,41	15 544 206,12	77%

\*\*only approved indigents are captured on the system\*\*