



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 30 June 2019

TABLE 1	Budget for the three months	Actual for the three months
Revenue	507 261 538	284 954 914
Intergovernmental Transfer	156 164 500	-
Total Income	663 426 038	284 954 914
Expenditure	603 859 074	468 530 515
Salaries	190 866 021	188 784 119
Water	119 743 369	-2 448 004
Electricity	110 063 332	-20 320 070
Other/Stationery, Telephone	183 186 352	302 514 470
Net Surplus/(Deficit) before Capital payments	59 566 964	(183 575 601)
MIG Payments		43 709 530
INEG Payments		8 176 704
WSIG Payments		6 534 296
Capital Assets procured - Equitable Share		-
Fleet & Equipment		-
Office Convention / Furniture		-
Net Surplus/(Deficit) after Capital payments		-241 996 131

(1)

(2)

Table 1 indicates that the actual amount received is below the amount paid for the quarter by R -241 996 131. The Municipality incurred more expenditure than amount received for three months period ending June 2019.

1. Out of the total budget of R603 364 592 only R 468 530 515 was spent for the three months period
 2. There was an over-spending of MIG payments of R 13 405 530 for the quarter

TABLE 2	Actual for the three months
Total Billings	464 405
Less: Indigent Billing	9 717
	541
Actual Collectable Billing	454 688
	222
Actual Revenue Received	281 549
	576
Consumer Revenue	218 805
	248
Other	62 744
	328
Grants & Subsidies	-
Pay rate for Fourth Quarter (Billing)	62%
Total income percentage - Fourth Quarter	63%

(1)

(2)

(3)

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.

62% 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.

MT Tsie

Compiled By

Date

Lindsey Williams

Reviewed By

Date

Thabo Panyani
Approved By

Date



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Fleet & Equipment	-
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Net Surplus/(Deficit) after Capital payments	-241 996 131
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The Municipality incurred more expenditure than amount received for three months period ending June 2019.

1. Out of the total budget of R603 364 592 only R 468 530 515 was spent for the three months period
2. There was an over-spending of MIG payments of R 13 405 630 for the quarter

TABLE 2	Actual for the three months
Total Billings	464 405 763
Less: Indigent Billing	9 717 541
Actual Collectable Billing	454 688 222
Actual Revenue Received	281 549 576
Consumer Revenue	218 805 248
Other	62 744 328
Grants & Subsidies	-
Pay rate for Fourth Quarter (Billing)	62%
Total income percentage - Fourth Quarter	63%

(1)

(2)

(3)

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. 54% 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.

MT Tsie
Compiled By

12/07/19
Date

Lindsey Williams
Reviewed By

12/07/19
Date

Thabo Panyaa
Approved By

12/07/19
Date

MATJHABENG MUNICIPALITY**THREE MONTHS (April - June 2019) 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	156 164 500	-	1
Operational Grants - Equitable Share/FMG	115 313 000	-	
Capital Grants - MIG/WSIG/INEG	40 851 500	-	
Consumer Revenue & Assessments Rates	393 199 240	218 805 248	2
Other Revenue & Interest	114 062 298	66 149 666	3
	663 426 038	284 954 914	

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 174 393 992 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 47 912 632 against the budget.

TABLE 4**EXPENDITURE RESULTS AGAINST BUDGET**

Description	Budget for the three months	Actual for the three months	Notes
Salaries	190 866 021	188 784 119	1
Water	119 743 369	-2 448 004	2
Electricity	110 063 332	-20 320 070	3
Other Expenditure	183 186 352	302 514 470	4
Total	603 859 074	468 530 515	
MIG Payments	30 304 000	43 709 530	5

Notes

1. The actual amount paid for salaries is less than the budget amount for the three months with a variance of R 2 081 902
2. The variance of water against the budgeted amount is R 122 191 373

3. The variance in electricity against the budgeted amount is R 130 383 402 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 119 328 118. This expenditure is based on the cash flow.
5. MIG payments at end of June 2019 for a three month period amount to R 43 709 530

TABLE 5A – [S71(1)(a), S71(2)(a), S71(3)]	Budget for the Year	Budget for the three months	Actual for the three months
ACTUAL REVENUE PER REVENUE SOURCE [S71(1)(a)]			

Table 5 B contains the Actual Expenditure by vote.

A

Intergovernmental Transfers	624 658 000	156 164 500	-
Operational Grants - Equitable Share/FMG	461 252 000	115 313 000	-
Capital Grants - MIG/WSIG/INEG	163 406 000	40 851 500	-
Consumer Revenue and Assessment rates	1 572 796 958	393 199 240	218 805 248
Assessment Rates	294 052 535	73 513 134	51 883 717
Electricity	673 476 058	168 369 015	113 567 593
Water	361 259 659	90 314 915	29 199 376
Sewerage	155 578 326	38 894 582	15 678 573
Refuse Removal	88 430 380	22 107 595	8 475 989
Other Revenue & Interest	456 249 192	114 062 298	66 149 666
Fines	21 135 482	5 283 871	575 792
Market	-	-	2 561 390
Rentals	21 060 000	5 265 000	1 380 673
Dividends Received & Gains on Disposal of Assets	50 020 304	12 505 076	-
Other Revenue	224 710 179	56 177 545	59 240 481
Interest - Investments	3 639 279	909 820	268 156
Interest - Debtors	135 683 948	33 920 987	2 123 174
TOTAL	2 653 704 150	663 426 038	284 954 914

B

TABLE 5B [S71(1)(c), S71(2)(a), S71(3)]			
	Budget for the Year	Budget for the three months	Actual for the three months
ACTUAL EXPENDITURE PER VOTE [S71(1)(c)]			
Council General	72 873 136	18 218 284	16 227 787
Office of the Executive Mayor	25 871 413	6 467 853	8 209 096
Office of the Speaker	8 051 494	2 012 874	2 086 519
Council Whip	26 140 046	6 535 012	7 206 411
Municipal Manager	97 082 258	24 270 565	16 639 322
Corporate Service	69 311 186	17 327 797	15 512 091
Financial Services	378 944 090	94 736 023	63 053 043
62% was collected on Consumer Revenue out of the Actual Collectable Billing	18 432 271	4 608 068	3 412 883
Community Services	258 092 317	64 523 079	75 885 354
Protection Services	168 233 176	42 058 294	40 747 921
Economic Development	20 964 000	5 241 000	4 766 215
Engineering Services	1 249 014 058	312 253 515	208 512 319
Housing Services	22 426 849	5 606 712	6 271 554
TOTAL	2 415 436 294	603 859 074	461 324 104

SALARIES - April - June 2019				
SALARIES	Budget for the Year	Budgeted for 3 months	Actual for the three months	Projected Expenditure for rest of year
Council General	29 743 780	7 435 945	5 393 267	21 573 068
Office of the Executive Mayor	9 321 375	2 330 344	2 369 325	9 477 300
Office of the Speaker	1 708 756	427 189	416 394	1 665 576
Council Whip	26 140 046	6 535 012	7 144 059	28 576 236
Municipal Manager	53 187 111	13 296 778	10 067 878	40 271 512
Corporate Service	49 411 690	12 352 923	9 185 130	36 740 520
Financial Services	65 960 069	16 490 017	16 289 138	65 156 552
Human Resources	14 213 795	3 553 449	3 337 023	13 348 092
Community Services	164 017 753	41 004 438	45 154 115	180 616 460
Protection Services	117 905 108	29 476 277	29 877 427	119 509 708
Economic Development	14 404 956	3 601 239	3 189 840	12 759 360
Engineering Services	200 030 768	50 007 692	51 931 238	207 724 952
Housing Sevices	17 418 875	4 354 719	4 429 285	17 717 140
TOTAL	763 464 082	190 866 021	188 784 119	755 136 476

C

TOP TWENTY (20) OUTSTANDING DEBTORS

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.

E

DEBTORS - JUNE 2019

		R	COMMENTS:
1	ANGLOGOLD ASHANTI LTD	25 780 620	Schedule 23 (a) on Anglo Gold Ashanti proposal for possible write back
2	LIGIA PAPER INDUSTRIES	18 216 196	Given to Legal Department for assistance
3	SEDIBENG WATERRAAD	15 184 150	Account handed over to Legal Department for assistance
4	SEDIBENG WATER	13 270 541	Account handed over to Legal Department for assistance
5	PUBLIC WORKS (HEALTH/HO	13 213 081	Paid R1 711 631.00, next payment to be made end of July
6	LIGIA PAPER INDUSTRIES	12 996 387	Given to Legal Department for assistance
7	PHINDANA PROPERTIES 169	12 070 833	Account with Vanga for payment arrangements
8	TOSA TECHNICAL COLLEGE	10 377 724	On the Mayors top 10 accounts for disconnections
9	REAHOLA HOUSING ASSOCIA	7 892 439	Waiting for report from Housing Department
10	PRESIDENT STEYN MYN	7 512 364	Harmony project busy with resolving the sewerage points at demolished properties
11	AZTOPROX PTY LTD	7 480 936	Paid R350 000.00, Payment arrangement of R25000 + current account
12	ERFDEEL MYN	7 335 846	Harmony project busy with resolving the sewerage points at demolished properties
13	HARMONY GOLD MINING CO	7 097 774	Harmony project busy with resolving the sewerage points at demolished properties
14	PRESIDENT STEYN GOLD MI	6 813 152	Harmony project busy with resolving the sewerage points at demolished properties
15	TIGER CONSUMER BRANDS L	6 413 799	Account 30 days in arrears , send account to Tiger milling for payment
16	ERF 2515 WELKOM (PTY)	5 426 265	On the Mayors top 10 accounts for disconnections
17	PUBLIC WORKS (HEALTH)	4 089 852	Paid R2 309 530.37 in June, to pay again end of July
18	RSA (GEVANGENIS VIRGINI	3 794 388	Paid , R 1 881 209.59, only current account outstanding

19	ST ANDREWS SCHOOL WELKO	3 708 127	Dispute Rates & Taxes, issued final demand notices for payment arrangements
20	EDEN CHRISTELIKE BEDIEN	3 668 497	Given to Neumann Van Rooyen special project, abandond property(CFO)
	TOTAL	R 192 342 968	

TOP TWENTY (20) OUTSTANDING CREDITORS

F

CREDITORS - JUNE 2019			
		R	COMMENTS:
1	SEDIBENG WATER	3 116 817 256	Sedibeng Water
2	ESKOM-BULK	619 2 503 786	Eskom Bulk
3	DOWN TOUCH INVESTMENT	827 13 708	Street Resealing
4	SALGA	473 7 493	Membership Levy
5	MM MANAGEMENT CONSULTING	240 7 188	Mter Reading
6	AUDITOR GENERAL	420 7 084	Auditor General
7	BAILE TRADING	770 4 967	Sewerline repairs
8	TRIFECTA CAPITAL	582 4 333	Debt Collectors
9	WW CIVILS	675 3 972	Street Light Repairs
10	ESKOM-FBE	346 3 889	Eskom FBE
11	MOLAUDI TRADING ENTERPRISE	083 3 763	Street Light Repairs and painting
12	MAMGI TRADING	850 3 587	Plant hire +Street Light maintenance
13	SEBENZA ENGINEERING	930 3 439	Refuse Removal Trucks
14	FOLLEX GROUP	451 3 255	Traffic Lights
15	LGA LITEGREEN	441 3 238	Smart meter Reading

16	LELE AND TSHIDI	556	3 124	Sewerline Repairs
17	MEGAWORKS ENTERPRISE	000	2 802	Cleaning of Cemeteries
18	BUSINESS CONNEXION	154	2 554	Solar
19	PAKAMPHO ELECTRICAL	083	2 537	Supply of Electrical material
20	T GAZZI CONSTRUCTION	946	1 902	Sewerline Repairs
	TOTAL	R 703	5 703 447	

G ACTUAL CAPITAL EXPENDITURE PER VOTE

TABLE 6 -- [S71(1)(d)]	Capex for three months	
Council General	R	-
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 271	18 097
Protection Services	R	-
Economic Development	R	-
Engineering Services	R 256	40 323
Mechanical Workshop	R	-
	R 527	58 420

H AMOUNT OF ANY ALLOCATIONS RECEIVED

TABLE 7 -- [S71(1)(e), S71(1)(f)]	Funds Received for three months	Funds Spent for three months
MIG/LDM/Sundry	R -	R 43 709 530
Equitable Share	R -	R -
MSIG	R -	R -
FMG	R -	R -
EPWP	R -	R -
EEDG	R -	R -
WSIG	R -	R 6 534 296
INEG	R -	R 8 176 704
Total	-	58 420 530

Table 6

ACTUAL BILLING BY SOURCE AGAINST ACTUAL RECEIPTS FOR THE THREE MONTHS PERIOD AS AT JUNE 2019									
SOURCE	Apr-19 proj.	Actual	% Collected	May-19 proj.	Actual	% Collected	June-19 proj.	Actual	% Collected
Assessment rates	25 366 459	15 998 683	63,07%	25 511 935	20 811 532	81,58%	25 426 250	15 073 502	59,28%
Electricity	42 797 251	37 533 771	87,70%	45 918 811	40 031 947	87,18%	48 030 769	36 001 875	74,96%
Water	22 222 396	10 840 961	48,78%	49 476 324	10 251 761	20,72%	44 953 623	8 106 654	18,03%
Sanitation	16 000 097	4 667 552	29,17%	15 996 478	5 029 545	31,44%	16 004 166	5 981 476	37,37%
Refuse removal	10 027 566	2 715 521	27,08%	10 030 142	2 869 981	28,61%	10 027 735	2 890 487	28,82%
Interest on Debtors	17 789 799	532 349	2,99%	18 377 704	922 027	5,02%	16 965 930	668 798	3,94%
Rentals	758 466	393 432	51,87%	1 319 099	505 482	38,32%	1 444 287	481 759	33,36%
Other Revenue	1 039 543	29 141 142	-2803,26%	6 208 558	17 346 377	-279,39%	744 978	12 752 962	1711,86%
TOTAL REVENUE	133 922 491	101 823 411	76,03%	160 421 935	97 768 652	60,94%	163 597 738	81 957 513	50,10%

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. The above table indicates the quarterly projections of revenue and expenditure per standard classification (GFS classification) for the quarter ending 30 June 2019. 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 Mayoral, councillor, committee and municipal manager expenses. The income include Equitable Share and interest income.

62% was collected on Consumer Revenue out of the Actual Collectable Billing

PAYMENT RATIO PER WARD - April - June 2019					
Councillor	Ward	Registered Indigents	Billings	Income	% Payment to Billing
M Sebotsa	1	827	9 277 255,06	5 885 135,00	63%
S E Tshabangu	2	327	3 203 849,52	526 312,00	16%
M P Kopela	3	195	20 422 321,38	12 979 340,00	64%
S J Liphoko	4	395	7 797 263,42	973 954,00	12%
P M I Molelekoa	5	364	12 687 739,69	4 739 411,00	37%
B H Mahlumba	6	319	4 578 955,14	1 436 953,00	31%
N E Monjovo	7	335	7 045 153,30	1 198 115,00	17%
M D Masienyane	8	447	18 599 933,16	9 919 204,00	53%
H S Badenhorst	9	187	36 258 011,27	26 516 809,00	73%
S Ramalefane	10	811	7 875 663,34	1 403 520,00	18%
V R Morris	11	135	7 979 098,65	1 542 083,00	19%
Z S Moshoeu	12	517	6 112 827,40	483 840,00	8%
T J Thelingoane	13	243	4 641 731,11	718 046,00	15%
M Chaka	14	1027	7 110 474,26	152 219,00	2%
B Ntuli	15	367	8 646 402,39	1 259 511,00	15%
TS Meli	16	564	10 157 671,46	94 490,00	1%
T D Khalipha	17	6	6 298 286,96	49 250,00	1%
N Moloja	18	313	5 173 741,04	799 769,00	15%
P Ramatisa	19	818	6 500 905,65	2 291 686,00	35%
B Nkonka	20	261	7 087 980,09	874 392,00	12%
S Pholo	21	637	9 275 831,84	657 884,00	7%
I Poo	22	603	4 881 467,30	626 471,00	13%
K R Tlake	23	112	1 070 483,95	8 041,00	1%
M A Mphikeleli	24	0	1 158 406,15	12 407,00	1%
T D Nthako	25	426	19 091 642,84	13 418 300,00	70%
S J Tsatsa	26	917	4 517 150,38	1 947 705,00	43%
M S Van Rooyen	27	229	23 603 552,95	18 662 918,00	79%
T Mosia	28	451	4 322 415,70	2 525 029,00	58%
D M Mafa	29	492	4 109 407,47	96 865,00	2%
M Molefi	30	294	5 863 694,39	630 764,00	11%
H A Mokhomo	31	371	3 944 493,45	1 259 431,00	32%
H T C Van Schalkwyk	32	421	107 437 755,13	108 846 244,00	101%
C Malherbe	33	258	15 940 437,49	13 067 716,00	82%
A Daly	34	399	25 246 687,62	20 223 675,00	80%
N R Manzana	35	408	14 490 549,98	9 777 507,00	67%
M J Khothule	36	727	21 044 351,90	15 599 682,00	74%

only approved indigents are captured on the system

1,64E+08 3253942 62% was collected on Consumer Revenue out of the Actual Collectable Bil

