

# BUFFALO CITY MUNICIPALITY



**OFFICE OF THE MUNICIPAL MANAGER**

## MEMORANDUM

**TO** : THE EXECUTIVE MAYOR  
**FROM** : MUNICIPAL MANAGER  
**DATE** : 15 January 2008

---

### 2007/05 MID-YEAR BUDGETS AND PERFORMANCE ASSESSMENT REPORT FOR THE PERIOD ENDED 31 DECEMBER 2007

#### 1. INTRODUCTION

In terms of Section 72(1), (2) and (3) of the Municipal Finance Management Act No. 56, 2003, Chapter 8, the mid-year budget and performance assessment report for the period ended 31 December 2007 is submitted for your consideration.

In terms of the Section 54 (1), (2) and (3) of the Municipal Finance Management Act No. 56, 2003 Chapter 7, the following applies: -

*“(1) On receipt of a statement or report submitted by the accounting officer of the Municipality*

*In terms of section 72, the mayor must –*

- (a) consider the statement or report;*
- (b) check whether the municipality’s approved budget is implemented in accordance with the service delivery and budget implementation plan;*
- (d) issue any appropriate instructions to the accounting offices to ensure –*
  - (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and*
  - (ii) that spending of funds and revenue collection proceed in accordance with the budget;*
- (f) Submit the report to the Council by 31 January of each year.”*

The current report approaches the Review in the following order: -

- 2. Overview of Financial Performance
- 3. Statement of Financial Performance
- 4. Capital Expenditure
- 5. Recommendation

## 2. OVERVIEW OF FINANCIAL PERFORMANCE

The period being assessed is for the six months ending 31 December 2007.

**Table 1: Performance Summary**

<b><u>Financial</u></b>		<b><u>Cash Management</u></b>	
Operating surplus for the period	R 140,275,779	Cash Flow	R 383,864,917
Debtors collection ratio % (06/07 - 93.5%)	93.63%	Total value of investments	R 745,042,730
YTD all grants and subsidies	R 260,649,828	Total ceded investments	R 10,400,564
Creditors days	30.00	Total investments - own funds	R 311,701,321
Current ratio	2.7	Total conditional grants	R 422,940,845
		Loan repayments as a % of opex	0.74%
		Average interest rate on loans	11.72%
<b><u>Overall Operating results</u></b>		<b><u>Surplus per Service</u></b>	
Income	R 905,893,081	Water	R10,552,411
Expenditure	R 762,093,094	Electricity	R51,916,890
Transfer to & from Reserves	(R 3,524,208)	Refuse	R4,914,536
Surplus	R 140,275,779	Sewerage	R28,836,587
<b><u>Debtors</u></b>		<b><u>Operating Projects Expenditure</u></b>	
Total debtors book	R 348,544,942	Operating Expenditure as a total of approved adjusted budget	14.2%
Total debt written off	R 1,431,220	Operating Expenditure as a % of total year to date allocated budget	28.3%
Year to date collection	R 586,078,476		
<b><u>Capital Expenditure 07/08</u></b>		<b><u>Capital Expenditure 06/07</u></b>	
Capital Expenditure as a % of total allocated budget	57%	Capital Expenditure as a % of total allocated budget	36%
Capital Expenditure as a % of total approved adjusted budget	15%	Capital Expenditure as a % of total approved adjusted budget	23%
<b><u>Human Resources</u></b>		<b><u>Human Resources</u></b>	
Staff appointments	305	Cost of temps	R 3,601,050
Staff terminations	192	Number of funded vacant posts	614
Total staff complement	4,811	Salary bill - Councillors	R 8,554,339
Total overtime paid	R 13,184,242	Salary bill - Officials	R 276,505,065
Number of temps	809	Workforce costs as a % of income	28.3%

## Comments on the Overall Performance

- The overall operating results as at 31 December 2007 indicate an estimated surplus of R140.28million. The adequate surplus of R1.36 million as per the approved budget is still anticipated.
- The debtors collection ratio for the period ending 31 December 2007 is 93.63% (06/07 93.5%). The target for the mid-year performance in accordance with the SDBIP was set at 92%
- Actual personnel costs expressed, as a percentage of actual operating income for the period is 28.32%. The total staff complement is 4 811. There were 305 new appointments made and 192 terminations.
- Creditor's payment days stands at 30 days. The current ratio is 2.68:1.
- As at 31 December 2007 the cash flow of the City reflects a favourable bank balance of R 52.37 million and own investments of R 311.70 million. (**Refer annexure E**).
- Total debtors outstanding as at 31 December 2007 amounts to R 348.54 million. Debt written-off during the period amounted to R4.43 million. This is debt older than 3 years that is irrecoverable.
- The total accumulative amount borrowed by Council as at 31 December 2007 amounts to R523,7 million (**refer Annexure F**).

**3. STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED  
31 DECEMBER 2007**

The Statement of Financial Performance is presented on the **accrual basis**, which identifies budgeted expenditure to actual expenditure and the corresponding surplus/deficit for the period.

**Table 2: Statement of Financial Performance for the period ended 31 December 2007**

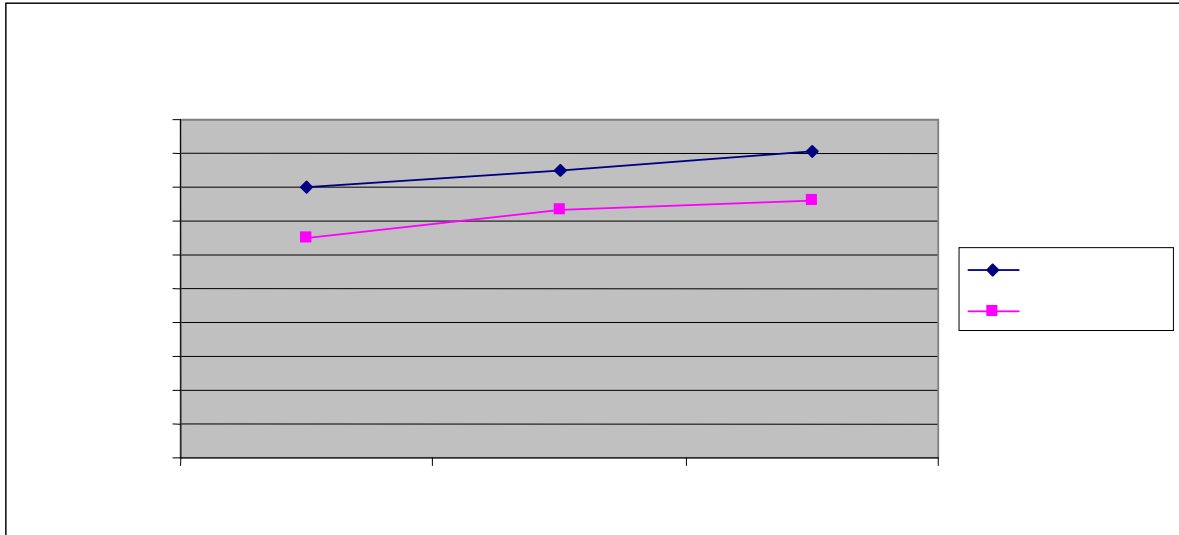
	Note	2007/2008	2007/2008	2007/2008	YTD
Annual Budget		YTD Budget	YTD Accrual Inc/Exp	Variance %	
<b>Income</b>		<b>R</b>	<b>R</b>	<b>R</b>	<b>%</b>
Government Grants	1	280,588,464	140,294,232	149,255,603	6.39
Assessment Rates	2	320,829,172	198,513,273	196,686,951	(0.92)
Electricity	3	443,086,932	227,061,881	234,345,681	3.21
Water	4	153,188,787	76,017,299	83,763,334	10.19
Refuse	5	102,235,457	51,441,506	54,562,856	6.07
Sewerage	6	114,466,194	66,312,577	68,361,636	3.09
Other Income	7	189,856,713	94,928,357	118,917,020	25.27
<b>Direct Operating Income</b>		<b>1,604,251,719</b>	<b>854,569,125</b>	<b>905,893,081</b>	<b>6.01</b>
<b>Total Operating Income</b>		<b>1,604,251,719</b>	<b>854,569,125</b>	<b>905,893,081</b>	
<b>Expenditure</b>					
Salaries, Wages & Allowances	8	578,172,012	296,138,006	276,505,065	(6.63)
General Expenses	9	416,045,747	224,122,874	185,771,400	(17.11)
Electricity Bulk Purchases		265,578,820	139,256,216	142,439,287	2.29
Water Bulk Purchases		72,358,943	35,895,090	40,585,456	13.07
Repairs & Maintenance	10	92,219,731	47,109,866	33,702,795	(28.46)
Capital Charges		166,178,181	83,089,091	83,089,091	0.00
<b>Direct Operating Expenditure</b>		<b>1,590,553,434</b>	<b>825,611,143</b>	<b>762,093,094</b>	<b>(7.69)</b>
<b>Total Operating Expenditure</b>		<b>1,590,553,434</b>	<b>825,611,143</b>	<b>762,093,094</b>	
<b>Transfer to and from Reserves</b>		<b>(12,337,492)</b>	<b>(2,056,249)</b>	<b>(3,524,208)</b>	
<b>Operating Surplus</b>		<b>1,360,793</b>	<b>26,901,733</b>	<b>140,275,779</b>	

The method of estimating the Year-to-Date (YTD) Budgets is:

- Grants, rates and service charges – historical income trends
- Other Income – Half of the Annual Budget
- Electricity and Water bulk purchase – seasonal trends
- Expenditure (excluding Electricity and Water Bulk purchases) –half of the Annual Budget.

Figure 1 shows Operating Income and Expenditure pattern for the period ending 31 December 2007 compared to the same period in the previous financial year (2006/07).

**Figure 1**



**Notes to the Statement of Financial Performance 31 December 2007**

**Note 1: Grants**

Grant Income received for the period ending December 2007 includes equitable share grant allocation of R142.07 million.

**Note 2: Assessment Rates**

Assessmnt Rates	2006/2007	2006/2007	YTD	2007/2008	2007/2008	2007/2008	YTD
	YTD Budget R	YTD Accrual Inc/Exp R	% Variance	Annual Budget R	YTD Budget R	YTD Accrual Inc/Exp R	Variance %
					6		
<b>Billing Income</b>	182,257,441	177,956,185	(2.36)	320,829,172	198,513,273	196,686,951	(0.92)
<b>Equitable Share</b>	18,215,849	15,757,852	(13.49)	26,667,606	17,778,404	15,415,525	(13.29)
<b>Other Income</b>	70,363,563	68,349,396	(2.86)	58,747,246	29,373,623	29,004,008	(1.26)
<b>Total Revenue</b>	270,836,853	262,063,433	(3.24)	406,244,024	245,665,300	241,106,484	(1.86)

The year-to-date assessment rates accrual reflects a negative variance of 0.92% as compared to the year-to-date budget.

### Note 3: Electricity

Electricity Service	2006/2007	2006/2007	YTD	2007/2008	2007/2008	2007/2008	YTD
	YTD	YTD	%	Annual	YTD	YTD	Variance
	Budget	Accrual	Variance	Budget	Budget	Accrual	%
	R	R		R	R	R	
					6		
<b>Billing Income</b>	226,809,987	214,778,866	(5.30)	443,086,932	227,061,881	234,345,681	3.21
<b>Equitable Share</b>	10,190,455	8,815,383	(13.49)	17,354,420	11,569,613	10,031,928	(13.29)
<b>Other Income</b>	92,604,232	85,558,739	(7.61)	203,383,463	101,691,732	91,900,578	(9.63)
	329,604,674	309,152,988	(6.20)	663,824,815	340,323,226	336,278,187	(1.19)
<b>Expenditure</b>	267,018,972	250,542,152	6.17	616,708,861	308,354,431	284,361,297	(7.78)
<b>Surplus / (Deficit)</b>	62,585,702	58,610,836		47,115,954	31,968,795	51,916,890	

Electricity billing reflects a positive variance of 3.21% (R7.29 million) against budget. Overall the year-to-date performance reflects in a surplus of R51.9 million.

Other income includes availability charges, cable connections, new connections, and meter test fees, private jobbing, reconnections, sundry income & internal recoveries.

### Note 4: Water

Water Service	2006/2007	2006/2007	YTD	2007/2008	2007/2008	2007/2008	YTD
	YTD	YTD	%	Annual	YTD	YTD	Variance
	Budget	Accrual	Variance	Budget	Budget	Accrual	%
	R	R		R	R	R	
					6		
<b>Billing Income</b>	71,296,201	72,532,866	1.73	153,188,787	76,017,299	83,753,334	10.18
<b>Equitable Share</b>	20,137,076	17,419,834	(13.49)	29,397,071	19,598,047	16,993,325	(13.29)
<b>Other Income</b>	40,057,279	29,193,503	(27.12)	138,919,352	69,459,676	63,882,451	(8.03)
	131,490,556	119,146,203	(9.39)	321,505,210	165,075,022	164,629,110	(0.27)
<b>Expenditure</b>	118,960,159	96,272,814	19.07	328,764,077	164,382,039	154,076,698	(6.27)
<b>Surplus / (Deficit)</b>	12,530,397	22,873,389		(7,258,867)	692,984	10,552,411	

The Water Billing Income indicates that there is a positive variance of 10.18% (R7.75 million). The overall year-to-date performance reflects a surplus of R10.55 million. The positive variance is a result of an increase in new housing developments.

Other income includes availability charges, new water connections, meter test fees, PSW accounts profit, reconnection fees and sundry income.

## Note 5: Refuse

Refuse Service	2006/2007	2006/2007	YTD	2007/2008	2007/2008	2007/2008	YTD
	YTD	YTD	%	Annual	YTD	YTD	%
	Budget	Accrual	Variance	Budget	Budget	Accrual	Variance
	R	R		R	R	R	%
					6		
<b>Billing Income</b>	46,611,203	46,997,129	0.83	102,235,457	51,441,506	54,562,856	6.07
<b>Equitable Share</b>	22,167,083	19,175,918	(13.49)	38,318,520	25,545,680	22,150,473	(13.29)
<b>Other Income</b>	10,554,612	10,077,888	(4.52)	15,351,210	7,675,605	6,162,453	(19.71)
	79,332,898	76,250,935	(3.88)	155,905,187	84,662,791	82,875,782	(2.11)
<b>Expenditure</b>	77,710,076	77,790,900	0.10	173,171,767	86,585,884	77,961,246	(9.96)
<b>Surplus / (Deficit)</b>	1,622,822	(1,539,965)		(17,266,580)	(1,923,093)	4,914,536	

Refuse Billing indicates a positive variance of 6.07% (R3.22 million). Overall the year-to-date performance reflects a surplus of R4.9 million. The budgeted deficit for the year of R17.26 million is still anticipated.

Other income includes sundry income, Scrap, internal recoveries & littering fines.

## Note 6: Sewerage

Sewerage Service	2006/2007	2006/2007	YTD	2007/2008	2007/2008	2007/2008	YTD
	YTD	YTD	%	Annual	YTD	YTD	%
	Budget	Accrual	Variance	Budget	Budget	Accrual	Variance
	R	R		R	R	R	%
					6		
<b>Billing Income</b>	65,823,366	63,980,312	(2.80)	114,466,194	66,312,577	68,361,636	3.09
<b>Equitable Share</b>	22,730,600	19,663,395	(13.49)	31,139,720	20,759,813	18,000,684	(13.29)
<b>Other Income</b>	26,606,447	22,647,990	(14.88)	28,450,821	14,225,411	10,438,405	(26.62)
	115,160,413	106,291,697	(7.70)	174,056,735	101,297,801	96,800,725	(4.44)
<b>Expenditure</b>	68,917,138	57,099,710	(17.15)	152,337,845	76,168,923	67,964,137	(10.77)
<b>Surplus / (Deficit)</b>	46,243,275	49,191,987		21,718,890	25,128,878	28,836,587	

Sewerage Billing indicates a positive variance of 3.09% (R2.05 million). The overall year-to-date performance reflects a surplus of R 28.84 million. The positive variance is due to sewerage connections for the newly built homes that have been raised together with the implementation of a uniform tariff.

Other income includes sundry income, new connections, availability charges, and septic tank drainage, trade effluent and internal recoveries which indicates a negative variance of approximately R4 million to date.

## Note 7: Other Income

Other income for this period indicates an amount of R118.9 million. This is a consolidation of debtors paying in advance, vehicle registration fees, fines, licences and permits etc.

## Note 8: Salaries Wages and Allowances

Salaries, Wages and Allowances reflect under expenditure of R13.78million (5.62%) due to the budgeted staff structure has not yet been fully populated and is well within the norm.

### Staff Salaries and Benefits

<u>Staff Salaries and Benefits</u>	2007/2008 Annual Budget R	2007/2008 YTD Budget R	2007/2008 YTD Expenditure R	2007/2008 Variance R	2007/2008 Variance %
<b>Staff Salaries and Benefits</b>	<b>476,213,793</b>	<b>245,158,897</b>	<b>231,373,011</b>	<b>13,785,885</b>	<b>5.62</b>
<b>Company Contributions</b>	<b>101,958,219</b>	<b>50,979,110</b>	<b>45,132,054</b>	<b>5,847,056</b>	<b>11.47</b>
<b>Total</b>	<b>578,172,012</b>	<b>296,138,006</b>	<b>276,505,065</b>	<b>19,632,941</b>	<b>6.63</b>

### Councillor's Allowances and Benefits

<u>Councillors Allowances And Benefits</u>	2007/2008 Annual Budget R	2007/2008 YTD Budget R	2007/2008 YTD Expenditure R	2007/2008 Variance R	2007/2008 Variance %
<b>Total</b>	<b>18,154,471</b>	<b>9,077,236</b>	<b>8,554,339</b>	<b>522,897</b>	<b>5.76</b>

### Analysis of Overtime

<u>Overtime</u>	2007/2008 Annual Budget R	2007/2008 YTD Budget R	2007/2008 YTD Expenditure R	2007/2008 Variance R	2007/2008 Variance %
Directorate of Executive Support Services	103,430	101,715	233,917	(132,202)	(129.97)
Directorate of The Municipal Manager	14,178	9,089	8,883	206	2.27
Directorate of Finance	602,824	301,412	258,934	42,478	14.09
Directorate of Corporate Services	301,386	150,693	104,003	46,690	30.98
Directorate of Engineering Services	5,398,356	3,199,178	3,411,885	(212,707)	(6.65)
Directorate of Development Planning	503,210	251,605	242,902	8,703	3.46
Directorate of Community Services	10,402,520	6,701,260	6,809,316	(108,056)	(1.61)
Dir of Pub Safety, Health & Disaster Mangnt	4,188,450	2,094,225	2,114,402	(20,177)	(0.96)
<b>Total</b>	<b>21,514,354</b>	<b>12,809,177</b>	<b>13,184,242</b>	<b>(375,065)</b>	<b>(2.93)</b>

The negative variance is 2.93% for the mid-year, which is still within the norm.

### Note 9: General Expenses

General Expenses	2007/2008	2007/2008	2007/2008	2007/2008	2007/2008
	Annual Budget R	YTD Budget R	YTD Inc\Exp R	Variance R	% of the YTD budget
Directorate of Executivel Support Services	36,041,209	20,470,605	20,275,860	194,745	99.05
Directorate of The Municipal Manager	10,510,442	7,205,221	4,966,482	2,238,739	68.93
Directorate of Finance	69,340,611	36,620,306	28,154,857	8,465,448	76.88
Directorate of Corporate Services	21,008,731	12,454,366	7,565,795	4,888,571	60.75
Directorate of Engineering Services	132,484,820	68,192,410	61,579,807	6,612,603	90.30
Directorate of Development Planning	23,561,656	13,730,828	10,412,632	3,318,196	75.83
Directorate of Community Services	94,465,161	49,182,581	41,862,912	7,319,669	85.12
Dir of Pub Safety, Health & Disaster Mangnt	28,633,117	16,266,559	10,953,054	5,313,505	67.33
<b>TOTAL</b>	<b>416,045,747</b>	<b>224,122,874</b>	<b>185,771,400</b>	<b>38,351,474</b>	<b>82.89</b>

### Operational Projects

PROJECTS	2007/2008	2007/2008	2007/2008	2007/2008	2007/2008
	Annual Budget R	YTD Budget R	YTD Exp R	Variance R	% of the YTD budget
Directorate of Executive Support Services	43,472,361	21,736,181	956,314	20,779,867	4.40
Directorate of The Municipal Manager	12,861,483	6,430,742	1,038,997	5,391,745	16.16
Directorate of Finance	10,718,596	5,359,298	3,318,918	2,040,380	61.93
Directorate of Corporate Services	6,731,276	3,365,638	3,326,047	39,591	98.82
Directorate of Engineering Services	15,793,323	7,896,662	2,243,234	5,653,428	28.41
Directorate of Development Planning	29,182,324	14,591,162	2,964,064	11,627,098	20.31
Housing Projects	109,651,780	54,825,890	19,586,069	35,239,821	35.72
Directorate of Community Services	3,419,890	1,709,945	260,179	1,449,766	15.22
Dir of Pub Safety, Health & Disaster Mangnt	7,347,268	3,673,634	164,749	3,508,885	4.48
<b>TOTAL</b>	<b>239,178,301</b>	<b>119,589,151</b>	<b>33,858,571</b>	<b>85,730,580</b>	<b>28.31</b>

The operational projects budget amounts to R 239.18 million. To date an amount of R33.86million has been spent. The under-expenditure of the various directorates are attached as an annexure (**refer to Annexure G**). The performance of expenditure as compared to the approved budget is 14.2% (2006/07:17.4%)

### Note 10: Repairs and Maintenance

<b>Repairs &amp; Maintenance</b>	<b>2007/2008 Annual Budget R</b>	<b>2007/2008 YTD Budget R</b>	<b>2007/2008 YTD Expenditure R</b>	<b>2007/2008 Variance R</b>	<b>2007/2008 % of the YTD Budget</b>
Directorate of Executive Support	79,560	39,780	1,296	38,484	3.26
Directorate of The Municipal Manager	35,185	17,593	0	17,592	0.00
Directorate of Finance	1,002,375	501,188	293,080	208,108	58.48
Directorate of Corporate Services	3,288,251	2,644,126	2,610,697	33,429	98.74
Directorate of Engineering Services	68,814,131	34,407,066	25,536,244	8,870,822	74.22
Directorate of Development Planning	8,977,868	4,488,934	2,570,939	1,917,995	57.27
Directorate of Community Services	7,126,142	3,563,071	2,261,806	1,301,265	63.48
Dir of Pub Safety, Health & Disaster Mangnt	2,896,219	1,448,110	428,732	1,019,378	29.61
<b>TOTAL</b>	<b>92,219,731</b>	<b>47,109,866</b>	<b>33,702,795</b>	<b>13,407,071</b>	<b>71.54</b>

### **Comments from Directorates on over/under expenditure on Repairs and Maintenance**

#### **(a) Directorate of Financial Services**

**Extinguishers**-The under expenditure is due to the maintenance being carried out once in the financial year. This normally happens in the second half of the financial year

**Minor Improvements** – The under expenditure is due to alternations being planned in the second half of the financial year . It is anticipated that the budget will be spent by the end of the financial year.

**Road maintenance** – The services of a contractor to be engaged to maintain access roads to satellite offices.

#### **(b) Directorate of Corporate Services**

##### **Computer Equipment**

The expenditure is utilised for the maintenance, repairs, cabling and networking of personal computers. It is anticipated that the vote will not be over spent by the end of the financial year.

##### **EQUIPMENT**

No need has arisen thus far to carry out any repairs to equipment. This has resulted in the under expenditure of the vote.

##### **MINOR IMPROVEMENTS AND ALTERATIONS**

Quotations have been requested for the purchasing of blinds and air-conditioning units.

#### **(c) DIRECTORATE OF DEVELOPMENT PLANNING**

## **BUS REFURBISHMENT; ELECTRICAL; PLANT AND EQUIPMENT; LIFT MAINTENANCE**

The apparent over-expenditure on Year-to-date budget is due to the Repairs and Maintenance Expenditure not being proportional throughout the year.

The over-expenditure in the lift maintenance was due to the yearly and quarterly maintenance fees of the Market Sales System that were to be paid in advance.

## **BUILDINGS; CLEANING; EQUIPMENT; FURNITURE; HOUSING SCHEME MAINTENANCE; MAINTENANCE CONTRACTS; MINOR IMPROVEMENTS & ALTERATIONS; OFFICE MACHINES & EQUIPMENT; RADIO EQUIPMENT ETC**

Expenditure is on track. The apparent under-expenditure is due to the fact that firstly, repairs are only undertaken when breakages occur, and secondly scheduled maintenance takes place at set times during the course of the year. Furthermore, some invoices have yet to be processed by Stores.

Over-expenditure in the plant and equipment is due to the (Market) budget only being adjusted during December 07 after some invoices had already been processed.

### **(d) DIRECTORATE OF ENGINEERING SERVICES**

#### **ELECTRICAL OPERATIONS**

##### **Buildings**

Expenditure incurred as and when required.

##### **Consumer Services**

Installations, Services and Meter Testing – Orders placed as required for repair to meters, kiosks, ground maintenance, cable testing, load control, etc. Rate of expenditure will escalate.

##### **Electrical Equipment**

Damage to electrical equipment – Expenditure is unpredictable

##### **Electrical Repairs**

Temporary supply of banners, moving of electrical equipment on request of consumer, This is driven by consumer demand and is unpredictable.

##### **Equipment & Small Plant**

Orders have been placed and budgets is committed.

##### **Network**

## **Storm Damage**

Work is only carried when an emergency arises as a result the expenditure is unpredictable.

## **Overhead Mains**

### **Street Lighting**

### **Substations**

### **Underground Mains**

Maintenance of Overhead Mains, Street Lighting, Substations and Underground Mains is continuous. Orders have been committed.

## **SANITATION DIVISION**

### **BUILDINGS**

Building maintenance section is currently completing projects. All funds will be utilised.

### **DEFERRED MAINTENANCE**

Projects are undertaken by various annual contractor and is currently waiting for invoices. Various projects are on going. The replacement of pitch fibre sewers in Mdantsane is ongoing. Expenditure will be incurred as projects are completed.

### **CLEAR SEWER TRACKS**

The clearing of sewer tracks is on going and expenditure will meet the pro-rated budget.

### **ELECTRICAL REPAIRS**

Expenditure is determined by operational requirements i.e. emergency repairs to pumps and electrical panels. The current expenditure is ahead of pro-rated budget.

### **MAJOR EQUIPMENT**

Expenditure is determined by operational requirements.

### **MANHOLE REPLACEMENT**

The work has been completed and is currently waiting for invoices.

### **SEWER NETWORK**

Projects are undertaken by annual contractor. Repairs to various sewers are currently in progress.

### **SLUDGE DAMS**

A Contractor's has been appointed and expenditure ahead of pro-rated budget.

### **TELEMETRY MAINTENANCE**

The projects are currently underway with repairs to out stations on an ongoing basis.

### **TREATMENT WORKS**

Projects ongoing and the expenditure will be incurred to meet operational requirements.

### **WATERWORKS**

#### **Deferred Maintenance**

Budget will be fully utilised

#### **Mains and Leadings**

The maintenance of the water infrastructure is ongoing. Should expenditure continue at the present rate this vote will be over spent by R3 million.

#### **Water Network**

This budget is going to have to be increased to R5 Million in order to service the Water Management Information System and the Telemetry Network.

#### **Water Meters**

This is dependent on number of new buildings being built.

Should the current expenditure trend continue this vote will be over spent by the end of the financial year.

#### **Buildings**

Maintenance of buildings as and when required.

#### **Plant Repairs**

Repairs are utilised as and when required.

#### **Road Maintenance: General**

The repairs are undertaken to access roads to dams and pump stations as and when required.

#### **Electrical Equipment**

Routine maintenance and repairs to plant.

#### **Sludge Dams**

The expenditure incurred is due to clearing of sludge dams to comply with National Regulations.

#### **Booster Pumps**

General maintenance is undertaken as and when required.

### **New Leadings**

The new leadings to developments is demand driven.

### **Radio Equipment**

The expenditure is incurred to maintain the vehicle radios in the fleet as and when required.

### **Reinstate Trenches**

Expenditure is incurred to reinstate trenches after repairs to pipes, etc.

### **Service Reservoirs**

This vote is for Maintenance of reservoirs, grass cutting and grounds.

### **Surface Boxes**

Maintenance of installations for valves, hydrants, meters, etc.

## **CONSTRUCTION, ROADS & PROJECTS DEPARTMENT:**

### **Bridges**

This budget is used to subsidise the maintenance of the Buffalo River Bridge, a contract led annually by Portnet.

### **Deferred Maintenance**

Road overlays will be done to address the backlog in road maintenance. Contract commenced December 2007.

### **Footpaths Improved**

Work has commenced.

### **Gutter bridges and Storm water Connections**

The under expenditure is due to the Roads Branch having no control as to when gutter bridges are required, or when storm water connections are to be made.

### **Roads Maintenance – General**

Work has commenced and will accelerate through the year.

### **Roads Maintenance – Rural**

Work has commenced and will accelerate through the year. Due to the heavy seasonal rains over expenditure is anticipated to occur.

### **Sidings**

Funding exhausted on emergency repairs.

### **Storm water Control**

Work has commenced on the maintenance of the City's storm water systems, with increased work planned for the coming months.

### **Street Name Signs**

Missing street names signs are being identified and are in the process of being replaced.

## **(d) DIRECTORATE OF COMMUNITY SERVICES**

**Art and Cultural Services** – The increase in expenditure as compared to the prior year has resulted in the expenditure exceeding the year-to-date budget, but remains within the annual budget.

### **Amenities:**

**Sewer**-Over expenditure was incurred due to blockages experienced during the rainy conditions

**Swimming Pools**-Over expenditure is due to cleaning equipment and material being purchased during the opening of the pool season.

### **Solid Waste Management Services**

The under expenditure is due to invoices not yet processed by Stores which resulted in the expenditure not being reflected.

### **Environmental Services**

The over expenditure is due to the relocation of their offices. Electrical expenses is incurred when the need arises.

## **(e) PUBLIC SAFETY, HEALTH AND DISASTER MANAGEMENT**

**Health Services** - The under expenditure is due to repairs and maintenance being carried out as and when required. Major repair work to be carried out on the buildings has gone out on tender. The under expenditure on Environmental Pollution Control is due to the monitoring station being still new.

**Public Safety** –The under expenditure on buildings, equipment and parking meters is a result of expenditure being incurred as and when required.

The over expenditure on Electrical, Tools and Equipment is due to the frequent breakdown of equipment.

#### 4. CAPITAL EXPENDITURE

Total Capital Expenditure as at 31 December 2007 amounts to R68 million which is 57% of the Allocated Capital Budget and 63% of the expenditure including commitments for the 2007/08 Financial year. **The total Capital Expenditure to date is 15% of the Adjusted Budget.**

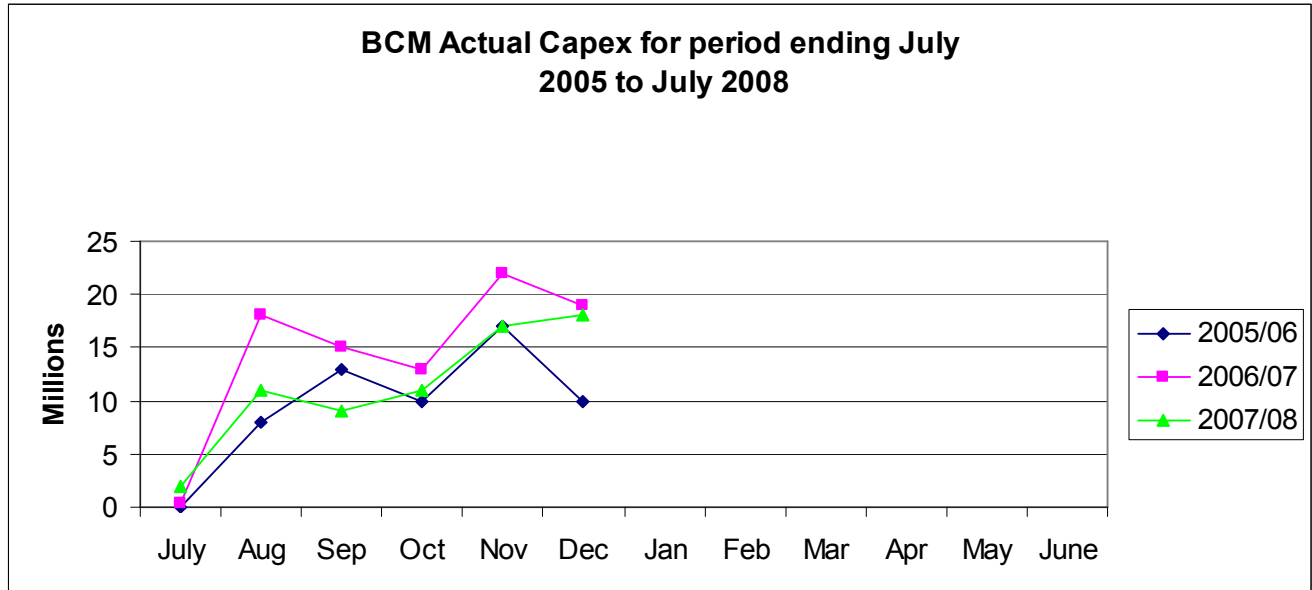
The year to date expenditure per funding source is reflected in table 3 below.

**Table 3 : Capital Expenditure per Funding Source**

Funding Source	2007/2008 1st Adjusted Budget	2007/2008 Allocated Budget	2007/2008 YTD Actual Expend.	2007/2008 Expend incl Commitments	YTD Exp / Alloc Budgt %	YTD Exp / Exp incl Commt %
	R	R	R	R		
Accumulated Surplus	27,437,077	2,050,000	78,731	2,042,683	4%	100%
Capital Replacement Reserve	40,295,895	10,787,630	4,363,550	5,683,225	40%	53%
External Financing Fund	138,456,973	43,175,025	28,793,079	30,604,063	67%	71%
Amatole District Municipality	60,655	0	0	0	0%	0%
Buffalo City Metropolitan Transport Board	7,127,175	2,435,000	345,757	823,113	14%	34%
Creditors	246,104	98,670	0	0	0%	28%
Development Bank of SA	219,892	68,377	0	0	0%	0%
Department of Environmental Affairs and Tourism	448,215	250,000	86,381	86,381	35%	35%
Dept of Science & Technology	4,530,920	2,131,373	147,732	147,732	7%	7%
Dept of Local Govt. & Housing	24,719,964	466,498	382,983	382,983	82%	82%
Disaster Management Fund	2,007,953	250,000	4,410	32,076	2%	13%
Department of Transport	533,703	0	0	0	0%	0%
Dept of Water Affairs & Forestry	1,600,043	510,302	197,285	197,285	39%	39%
Eastern Cape Development Co-Operation	600,000	260,000	255,728	255,728	98%	98%
Equitable Share	158,425	149,088	13,990	13,990	9%	9%
European Commission	24,100,000	4,384,996	504,444	645,399	12%	15%
National Electricity Provider	22,659,841	9,742,000	8,444,985	8,466,915	87%	87%
Leiden Platform	640,000	319,998	0	0	0%	0%
Municipal Infrastructure Grants	130,714,575	35,818,825	21,388,552	21,938,343	60%	61%
Municipal Systems Improvement Grant	267,137	267,137	0	0	0%	0%
Other	490,103	0	0	0	0%	0%
Public	5,300,206	499,996	175,394	196,266	35%	39%
Restructuring Grant	32,167,704	4,063,541	1,049,578	2,316,751	26%	57%
Swedish Internal. Develop agency	2,057,213	2,057,213	1,859,512	1,859,512	89%	89%
<b>TOTAL</b>	<b>466,839,773</b>	<b>119,860,583</b>	<b>68,092,091</b>	<b>75,719,635</b>	<b>57%</b>	<b>63%</b>

Figure 2 below compares the Actual Capital Expenditure for the current period ending 31 December 2007 against the same period in 2005/2006 and 2006/2007 financial years.

**Figure 2**



The actual capital expenditure for the period ending December 2007 has decreased when compared to the same period in the previous financial year. The under-expenditure of the various directorates are attached as an annexure (**refer to Annexure H**).

Table 4 identifies the actual Capital Expenditure per Directorate against budget.

**Table 4: Actual Expenditure per Directorate against Budget**

Directorate	2007/2008 1st Adjusted Budget	2007/2008 Allocated Budget	2007/2008 YTD Actual Expend.	2007/2008 Expend incl Commitments	YTD Exp / Alloc Budgt %	YTD Exp / Exp incl Commt %
	R	R	R	R		
Directorate of Executive Support	13,439,354	4,719,586	2,401,594	3,141,181	51%	67%
Directorate of the Municipal Manager	7,150,000	1,684,996	5,747	5,747	0%	0%
Chief Operations Officer	25,636,957	379,338	326,944	326,944	86%	86%
Directorate of Finance	65,623,875	4,334,593	2,017,761	4,150,738	47%	96%
Directorate of Corporate Services	3,487,765	1,318,948	32,130	425,474	2%	32%
Directorate of Engineering	239,692,302	68,469,898	45,752,556	46,798,003	67%	68%
Directorate of Development Planning	52,601,034	10,081,480	2,911,993	4,702,493	29%	47%
Directorate of Community Services	34,892,872	19,898,593	13,586,537	14,758,553	68%	74%
Directorate of Public Safety and Health	24,315,614	8,973,151	1,056,829	1,410,505	12%	16%
<b>TOTAL</b>	<b>466,839,773</b>	<b>119,860,583</b>	<b>68,092,091</b>	<b>75,719,636</b>	<b>57%</b>	<b>63%</b>

Table 5 below gives a breakdown of the spending per Service.

**Table 5 : Spending per Service**

Service	2007/2008 1st Adjusted Budget	2007/2008 Allocated Budget	2007/2008 YTD Actual Expend.	2007/2008 Expend incl Commitments	YTD Exp / Alloc Budgt %	YTD Exp / Exp incl Commt %
	R	R	R	R		
Amenities	16,572,511	9,689,733	6,178,160	7,212,497	64%	74%
Cleansing	15,421,565	7,888,326	7,080,975	7,205,105	90%	91%
Electricity	49,913,441	17,809,576	11,534,743	12,497,780	65%	70%
Environ Services	2,267,876	964,161	185,417	198,966	19%	21%
Health	2,700,000	1,406,498	2,298	160,012	0%	11%
Housing	26,523,016	549,422	467,255	467,255	85%	85%
Roads & Storm water	40,364,439	7,588,573	4,839,311	4,839,311	64%	64%
Sewerage	36,352,655	12,312,799	8,370,037	8,370,037	68%	68%
Transport Planning	45,597,457	8,088,324	2,002,851	2,939,486	25%	36%
Water	64,868,890	11,060,338	6,043,879	6,043,879	55%	55%
Public Safety	21,615,614	7,566,653	1,054,531	1,250,492	14%	17%
Support Services	86,967,597	13,254,502	5,327,337	8,239,836	40%	62%
Other	57,674,712	21,681,678	15,005,297	16,294,980	69%	75%
<b>TOTAL</b>	<b>466,839,773</b>	<b>119,860,583</b>	<b>68,092,091</b>	<b>75,719,636</b>	<b>57%</b>	<b>63%</b>

## **5. RECOMMENDATION**

It is recommended:

1. That the 2007/2008 mid-year budget and performance statement report be adopted in terms of the MFMA.
2. That the 2007/2008 budget be adjusted to take into consideration the following amendments: -
  - a) Transfer of projects of an operating nature from the capital budget to the operating budget.
  - b) Expenditure levels be adjusted on those services where the actual billings are below the revenue amounts.
  - c) Ad-hoc budget transfers between votes / functions as requested by the Directorates
  - d) Additional savings on staff costs to address additional operating budget requests received from Directorate.
  - e) That the provision made on the Capital Budget for the Waste Transfer Station be increased as a result of the closure of the Second Creek Waste Site.

## **FOR CONSIDERATION**

**G.G. SHARPLEY**  
**ACCOUNTING OFFICER**

- Annexure A – Statement of Financial Performance**
- Annexure B – Financial Ratios and Benchmarks**
- Annexure C.1 – Revenue Projection by Source**
- Annexure C.2 – Quarterly Summary of Projections of Revenue and Expenditure by Function**
- Annexure D – Cash flow Statement**
- Annexure E – Investment Summary Schedule**
- Annexure F – Schedule of borrowings**
- Annexure G – Schedule of Operating Expenditure**
- Annexure H – Schedule of Capital Projects**

**STATEMENT OF FINANCIAL POSITION AS AT 31 December 2007**

BUFFALO CITY MUNICIPALITY		
ESTIMATED STATEMENT OF FINANCIAL POSITION		
	DECEMBER 2007	NOVEMBER 2007
<b><u>NET ASSETS AND LIABILITIES</u></b>		
	<b>Note</b>	
<b>NET ASSETS</b>	1,642,827,074	1,613,698,691
COID Fund	8,203,230	8,072,898
Capital Replacement Reserve	38,029,759	38,029,759
Self-Insurance Reserve	24,243,037	23,930,335
Revaluation Reserve	189,258,468	189,258,468
Accumulated Surplus	1 1,383,092,580	1,354,407,231
<b>NON-CURRENT LIABILITIES</b>	625,575,211	632,728,659
Long-Term Liabilities	506,157,743	513,311,191
Provisions	119,417,468	119,417,468
<b>CURRENT LIABILITIES</b>	414,000,711	481,770,544
Consumer Deposits	24,014,542	23,911,736
Provisions	1,489,480	1,489,480
Creditors	2 107,174,374	153,726,631
Unspent Conditional Grants and Receipts	263,781,691	285,102,073
Current Portion of Long-Term Liabilities	17,540,624	17,540,624
<b>Total Net Assets and Liabilities</b>	<b>2,682,402,996</b>	<b>2,728,197,895</b>
<b><u>ASSETS</u></b>		
<b>NON-CURRENT ASSETS</b>	1,572,008,420	1,554,269,179
Property, Plant and Equipment	1,546,382,240	1,528,610,811
Intangible Assets	6,302,573	6,302,573
Agricultural Assets	974,150	974,150
Investments	18,324,536	18,324,536
Long-Term Receivables	24,921	57,109
<b>CURRENT ASSETS</b>	1,110,394,575	1,173,928,715
Inventory	29,033,568	28,578,700
Consumer Debtors	3 263,149,934	260,174,701
Other Debtors	4 85,395,008	90,299,951
Current Portion of Long-Term Receivables	584,004	584,004
Call Investment Deposits	677,308,093	678,953,765
Vat	2,299,920	3,322,772
Cash	252,889	252,889
Bank	52,371,159	111,761,933
<b>Total Assets</b>	<b>2,682,402,996</b>	<b>2,728,197,895</b>

**NOTE TO ESTIMATED STATEMENT OF FINANCIAL POSITION - DECEMBER 2007**

NOTE	DECEMBER 2007	NOVEMBER 2007
<b>1 Accumulated Surplus</b>	<b>(1,348,176,533)</b>	<b>(1,354,407,231)</b>
Accumulated Surplus per gs660	(1,548,336,412)	(1,599,862,479)
Less: Interest Accrual	13,458,053	23,517,861
Less: Interest Paid	27,794,328	
Less: Electrical Purchases December 2007	18,000,000	18,953,834
Less: Water Purchases December 2007	8,000,000	8,391,567
Less: Provision For Bad Debts	16,051,285	13,376,070
Less: Poor Relief Allocations	7,295,619	7,061,462
Less: Annual Apportionment of Rates & Sewerage Fees	170,852,438	201,188,128
Less: Salaries not expensed in December 2007	2,403,301	2,403,301
Add: Operating Projects Income ex Conditional Grants	(7,114,406)	(8,747,777)
Add: Market Income Arrears	(1,282,705)	(1,105,546)
Less: Vehicle Registration Commission	2,255,499	2,815,629
Add: Income i.r.o.electricity & water to be accrued	(38,919,846)	(38,919,846)
Less/Add: Other Income	(18,633,687)	16,520,565
<b>2 Creditors</b>	<b>(107,174,374)</b>	<b>(153,726,631)</b>
Creditors per gs660	(87,788,399)	(87,654,425)
Add: Interest paid	(13,458,053)	(23,517,861)
Add: Electrical Purchases December 2007	(18,000,000)	(18,953,834)
Add: Water Purchases December 2007	(8,000,000)	(8,391,567)
Less: Market Income Arrears	1,282,705	1,105,546
Add: Vehicle Registration Commission	(2,255,499)	(2,815,629)
Less: Grants & Subsidies	7,114,406	8,747,777
Add:Vat	(2,299,920)	(3,322,772)
Add: Salaries not expensed in December 2007	(2,403,301)	(2,403,301)
Add/Less: Other Income	18,633,687	(16,520,565)
<b>3 Consumer Debtors</b>	<b>263,149,934</b>	<b>260,174,701</b>
Consumer Debtors per gs660	411,133,811	435,819,053
Less: Provision For Bad Debts	(16,051,285)	(13,376,070)
Less: Annual Apportionment of Rates & Sewerage Fees	(170,852,438)	(201,188,128)
Add: Income i.r.o.electricity & water to be accrued	38,919,846	38,919,846
<b>4 Other Debtors</b>	<b>85,395,008</b>	<b>90,299,951</b>
Other Debtors per gs660	120,484,955	97,361,413
Less: Interest Paid	(27,794,328)	
Less: Poor Relief Allocations	(7,295,619)	(7,061,462)

**FINANCIAL RATIOS AND BENCHMARKS**

The Table below gives details of commonly used financial ratios and benchmarks. The information in the table is the actual position as at June 2007 and for the period ending December 2007.

Financial Benchmarks	Basis of Calculation	December 2007	June 2007
<b>Borrowing Management</b>			
Debt to Asset ratio	Total debt / Total assets	19.5%	22.5%
Debt to revenue	Total debt / Annual income	33.5%	30.9%
Interest bearing debt to revenue	Int bearing debt / Annual income	33.5%	30.9%
Ave interest paid on debt	Based on loan amortisation schedule	11.7%	11.9%
Capital charges to operating expenditure	Capital Charges / Operating expenditure	11.0%	9.3%
Interest as a % of operating expenditure	Interest paid / Operating expenditure	3.0%	3.4%

The debt to asset position has improved remarkably over the past two years. The interest bearing debt is currently less than National Treasury target (35%), the most recent R250 million loan from DBSA is expected to increase the rate and utilize the whole capacity for taking loans. BCM credit rating has now improved from AA- to A1, after Moody's re-rated the City. This is significant in terms of maintaining financial stability and long term viability.

<b>Safety of Capital</b>			
Debt to equity	Total debt / funds and reserves	31.9%	38.5%
Gearing	Funds and reserves / long term debt	3.14	2.60

The debt to equity ceiling is 50% and BCM is approaching this. It will be prudent to maintain or attempt to increase reserves to create a margin of safety.

<b>Liquidity</b>			
Current ratio	Current assets / current liabilities	2.68	2.26
Liquid ratio	Cash assets / current liabilities	1.76	1.50

This is the regular test of liquidity and shows a low level in the net liquidity of the City, although the hard cash resources elevated significantly.

Hard cash resources to cover these liabilities have increased from 1.50 to 1.76, which demonstrate the drive to fully cover all short term liabilities with cash resources, at a minimum. The current ratio position is viewed in a positive light as far as credit rating go. In terms of liquidity, Buffalo City has a strong capacity to repay short term liabilities.

<b>Revenue management</b>			
Debtors collection rate [payment level]	Year to date receipts / Year to date billing	93.6%	93.5%
Outstanding debtors to revenue	Outstanding debtors [net] / total income [annual]	18.9%	18.5%
Days debtors outstanding	Outstanding debtors [net] / total income [annual] x 365	69.0	68.0

The debtors collection rate has improved, but still needs to reach higher levels such as 97%. A covenant exists with National Treasury to reach 97%, as part of the Restructuring Grant conditions. The evidence of good credit policy and debt management can be seen. Finance is exploring avenues to increase the collections in the City via data cleansing and data integrity checks

<b>Efficiency</b>			
Personnel costs to operating income	Personnel costs / operating income	28.3%	32.1%

Personnel costs as a portion of the operating income have decreased. This continues to be an area of focus of the City to achieve the targets set out by National Treasury. This is steadily improving and is a pleasing trend to see.

<b>Creditors management</b>			
Creditors system efficiency	% of creditors paid within terms	100%	100%

A strong financial trait of the City is its commitment and the ability to pay its creditors within terms, and in full (top 10 creditors). The constant 100% payment level to creditors highlights this.

<b>Other indicators</b>			
Electricity distribution losses - % value	[Total units purchased less total sold] / total units purchased	15.0%	13.0%
Water distribution losses - % value	[Total units purchased less total sold] / total units purchased	40.9%	41.0%
Asset maintenance rate	Repairs expenditure / total value of fixed assets	2.2%	6.2%

The asset maintenance rate has increased over the past few years and will continue to do so. This is due to the fact that the electricity deferred maintenance budget has tripled from R 4.8 million in 2006/07 to R14.5 million in the current year. This rate will increase dramatically as new machine parts will arrive in the New Year as procured earlier in the current year.

The water department has installed a water management system that includes Telemetry to identify where systems losses occur, which is meant to decrease net losses.

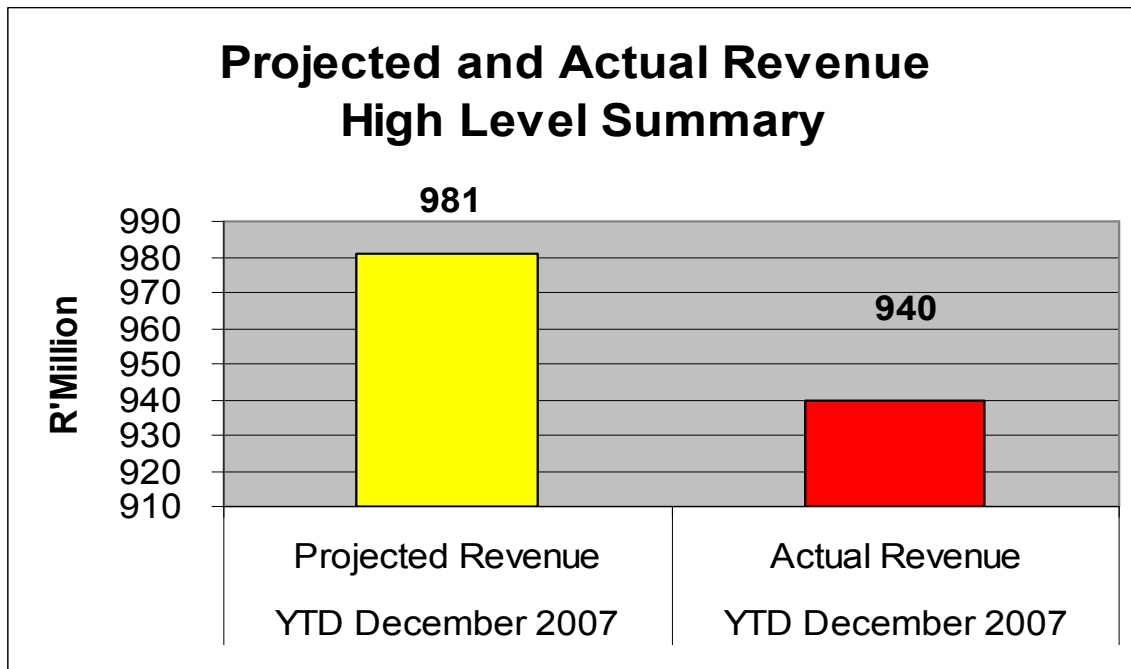
C.1

**REVENUE PROJECTIONS BY SOURCE**

**Table 3**

Source	YTD December 2007 Projected Revenue R'million	YTD December 2007 Actual Revenue R'million
Assessment rates	201	197
Electricity	234	234
Sanitation	67	68
Water	76	84
Refuse removal	51	55
Grants & subsidies	260	183
Fines	3	4
Other	89	115
<b>Total Revenue</b>	<b>981</b>	<b>940</b>

**Figure 2**



**ANNEXURE C.2**

**QUARTELY SUMMARY OF PROJECTIONS OF REVENUE AND EXPENDITURE BY FUNCTION**

Vote / Function	YTD 'Sept - 07 Projected			YTD 'Sept - 07 Actuals			YTD 'Dec - 07 Projected			YTD 'Dec - 07 Actuals			Jan 08 - June '08		
	Opex R'000	Capex R'000	Rev R'000	Opex R'000	Capex R'000	Rev R'000	Opex R'000	Capex R'000	Rev R'000	Opex R'000	Capex R'000	Rev R'000	Opex R'000	Capex R'000	Rev R'000
<b>Executive Mayor</b>															
Vote : Executive & Council	6,549	2,262		8,215			13,098	4,525		18,452	2,402		13,098	4,325	
Vote : Finance & Admin - IT	247	12		168			494	25		467			494	25	
Vote : Finance & Admin - Other	12,951	9,132	9,132	3,496	1,254	51	25,903	17,363	17,363	7,170		521	25,903		14,589
Vote : Planning & Development	1,510	1,156	566	1,120		22	3,020	2,312	1,075	2,836		100	3,020	2,312	904
<b>TOTAL</b>	<b>21,257</b>	<b>3,431</b>	<b>9,697</b>	<b>12,998</b>	<b>1,254</b>	<b>73</b>	<b>42,514</b>	<b>6,862</b>	<b>18,428</b>	<b>28,944</b>	<b>2,402</b>	<b>621</b>	<b>42,514</b>	<b>6,862</b>	<b>15,492</b>
<b>Municipal Manager</b>															
Vote : Finance & Admin - Internal Audit	824	18		575			1,648	34		1,014			1,648		28
Vote : Finance & Admin ( Other )	3,651	1,601	1,601	2,216		502	7,302	3,042	3,042	7,517		1,647	7,302	2,557	2,557
Vote : Planning & Development	1,932	11,720	2,066	547			3,865	23,440	3,925	1,305	333		3,865	23,440	3,299
<b>TOTAL</b>	<b>6,407</b>	<b>11,720</b>	<b>3,684</b>	<b>3,338</b>		<b>502</b>	<b>12,815</b>	<b>23,440</b>	<b>7,000</b>	<b>9,836</b>	<b>333</b>	<b>1,647</b>	<b>12,815</b>	<b>23,440</b>	<b>5,884</b>
<b>Chief Operations Officer</b>															
Vote : Finance & Admin ( Other )	201						402						402		
<b>TOTAL</b>	<b>201</b>						<b>402</b>						<b>402</b>		
<b>Financial Services</b>															
Vote : Finance & Admin ( finance )	23,532	14,986	141,244	28,585	80	183,202	47,063	30,622	268,279	60,419	2,018	330,139	47,063	29,372	225,433
<b>TOTAL</b>	<b>23,532</b>	<b>14,986</b>	<b>141,244</b>	<b>28,585</b>	<b>80</b>	<b>183,202</b>	<b>47,063</b>	<b>30,622</b>	<b>268,279</b>	<b>60,419</b>	<b>2,018</b>	<b>330,139</b>	<b>47,063</b>	<b>29,372</b>	<b>225,433</b>
<b>Corporate Services</b>															
Vote : Finance & Admin ( HR )	8,088	206	2,434	4,737		57	16,177	206	4,625	12,441		514	16,177	844	3,888
Vote : Finance & Admin ( IT )	4,175	490	417	4,555		258	8,360	912	792	8,933		842	8,360	844	666
Vote : Finance & Admin ( Other )	5,691	175	95	4,361		308	11,383	350	181	8,193	32	536	11,383	350	152
<b>TOTAL</b>	<b>17,954</b>	<b>871</b>	<b>2,946</b>	<b>13,653</b>		<b>623</b>	<b>35,909</b>	<b>1,468</b>	<b>5,698</b>	<b>29,567</b>	<b>32</b>	<b>1,894</b>	<b>35,909</b>	<b>1,194</b>	<b>4,705</b>
<b>Engineering Services</b>															
Vote : Finance & Admin ( Other )	6,149		847	6,288	3,163	653	12,297		1,608	12,072	14,204	2,341	12,297		1,351
Vote : Waste Water Management	32,350	13,785	44,384	31,246	4,124	52,650	64,700	26,570	84,329	50,076	8,370	96,601	64,700	50,570	70,884
Vote : Road Transport	24,801	4,610	851	24,290	2,125	3,297	49,602	8,165	1,617	35,464	4,839	6,117	49,602	3,950	1,359
Vote : Water	42,785	7,729	55,545	43,070	2,998	44,282	85,937	15,614	105,502	85,457	6,804	98,518	89,124	13,894	88,672
Vote : Electricity	149,393	15,416	142,134	117,913	1,297	119,231	245,870	30,362	270,009	228,167	11,535	236,061	219,528	13,215	226,838
<b>TOTAL</b>	<b>255,477</b>	<b>41,541</b>	<b>243,760</b>	<b>222,787</b>	<b>13,707</b>	<b>220,113</b>	<b>458,406</b>	<b>80,712</b>	<b>463,065</b>	<b>411,236</b>	<b>45,752</b>	<b>439,638</b>	<b>435,260</b>	<b>81,629</b>	<b>389,104</b>
<b>Planning &amp; Development</b>															
Vote : Finance & Admin ( Other )	4,497		221	3,488		193	8,994		419	7,397		357	8,994		352
Vote : Planning & Development	17,761	18,867	7,947	14,520	560	6,517	35,522	27,022	15,097	24,120	2,912	7,446	35,522	16,636	12,665
Vote : Housing	16,713	5,023	17,216	15,261	8	12,423	33,426	9,898	32,709	24,156		19,358	33,426	11,706	27,504
Vote : Other ( Bus & BCMET )	3,695	568	4,252	1,170	5	883	7,391	887	8,080	6,763		7,224	7,391	1,327	6,791
<b>TOTAL</b>	<b>42,666</b>	<b>24,459</b>	<b>29,636</b>	<b>34,419</b>	<b>593</b>	<b>20,016</b>	<b>85,332</b>	<b>37,807</b>	<b>56,305</b>	<b>62,436</b>	<b>2,912</b>	<b>34,385</b>	<b>85,332</b>	<b>29,668</b>	<b>47,313</b>
<b>Public Safety and Health</b>															
Vote : Finance & Admin ( Other )	833			716			1,666			1,471			1,666		
Vote : Health	11,069	244	8,716	8,646	2	3,969	22,139	641	16,556	17,735	2	10,968	22,139	2,059	13,889
Vote : Public Safety	25,372	8,986	18,181	25,919	836	19,818	50,744	11,027	34,543	42,119	1,055	36,338	50,744	8,811	29,026
Vote : Other ( Dog Tax )	177			66			354		255	156		583	354		214
<b>TOTAL</b>	<b>37,451</b>	<b>9,230</b>	<b>27,031</b>	<b>35,347</b>	<b>838</b>	<b>23,787</b>	<b>74,902</b>	<b>11,668</b>	<b>51,354</b>	<b>61,481</b>	<b>1,057</b>	<b>47,889</b>	<b>74,902</b>	<b>10,870</b>	<b>43,129</b>
<b>Community Services</b>															
Vote : Finance & Admin ( Other )	569			546		2	1,139		5,236	1,310		3	1,139		4,403
Vote : Community Services	13,041	489	2,756	12,352	2,213	1,930	26,062	978	5,236	26,029	3,098	3,929	26,062	978	4,403
Vote : Sports & Recreation	8,998	3,320	932	8,572	1,932	485	17,996	4,620	1,771	17,568	3,223	1,437	17,996	2,600	1,491
Vote : Environmental Protection	12,659	1,360	271	10,555		247	25,319	1,500	515	22,619	185	438	25,319	469	433
Vote : Waste Management	31,123	2,600	40,967	29,304	1,731	40,860	62,246	5,425	77,900	57,596	7,081	77,731	62,246	6,775	65,611
<b>TOTAL</b>	<b>66,390</b>	<b>7,759</b>	<b>44,946</b>	<b>61,329</b>	<b>5,876</b>	<b>43,524</b>	<b>132,780</b>	<b>12,523</b>	<b>85,422</b>	<b>126,338</b>	<b>13,587</b>	<b>83,536</b>	<b>132,780</b>	<b>10,822</b>	<b>71,938</b>
<b>Total by Function</b>	<b>471,336</b>	<b>113,997</b>	<b>502,945</b>	<b>412,456</b>	<b>22,348</b>	<b>491,840</b>	<b>890,121</b>	<b>205,102</b>	<b>955,451</b>	<b>790,257</b>	<b>68,093</b>	<b>939,751</b>	<b>866,966</b>	<b>193,657</b>	<b>803,000</b>