

REPORT TO EXECUTIVE MAYOR: 17 AUGUST 2015

File No.:5/1/1/1[15/16]

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STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2015/16 BUDGET FOR THE PERIOD ENDING 31 JULY 2015

1. PURPOSE

The purpose of the report is for the Executive Mayor to consider and note the statement of financial performance and the implementation of the 2015/16 budget of the Buffalo City Metropolitan Municipality for the period ending 31 July 2015.

2. AUTHORITY

Executive Mayor

3. LEGAL / STATUTORY REQUIREMENTS

The Constitution of the Republic of South Africa, 1996

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 71

Municipal Budget and Reporting Regulations

4. BACKGROUND

In terms of Section 71 of the Municipal Finance Management Act No 56, 2003, *“the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality’s budget”*.

According to the Municipal Budget Reporting and Regulations (MBRR), 2009, *“the monthly budget statement of a municipality must be in a format specified in Schedule C and include all the required tables, charts and explanatory information taking into account any guidelines issued by the Minister in terms of of S168(1) of the Act” (MFMA)*.

This report follows the legislative requirements of the Municipal Budget and Reporting Regulations (Schedule C format).

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PART 1: IN-YEAR REPORT

5. RESOLUTIONS

It is recommended that:

- (i) The Executive Mayor considers and notes the report on the statement of financial performance and the implementation of the 2015/16 budget for the period ending 31 July 2015 including supporting documentation attached as Annexure A to E.
- (ii) The Executive Mayor notes the spending rate on capital and operating projects as well as reasons for such as indicated in section 14 and 15 respectively of this report.
- (iii) The Executive Mayor notes the year to date collection rate for the period ending 31 July 2015 of 70% and the twelve (12) months average of 92%.

CITY MANAGER

DATE

6. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY FOR THE PERIOD ENDING 31 JULY 2015

6.1. Dashboard / Performance Summary

Table 1: Performance Summary

| OVERALL OPERATING RESULTS | | CASH MANAGEMENT | |
|--|--|--|--|
| Income | R 641,588,477 | Bank Balance | R 188,121,425 |
| Expenditure | R 390,740,377 | Call investment deposits (excl. int.) | R 2,538,527,567 |
| Operating Surplus | R 250,848,100 | Cash and cash equivalents | R 2,726,648,992 |
| | | <i>Account Payables</i> | <i>(R 591,357,333)</i> |
| | | <i>Unspent conditional grants</i> | <i>(R 412,140786)</i> |
| | | <i>Committed to Capital budget-own funds</i> | <i>(R 425,001,630)</i> |
| | | Therefore uncommitted cash and cash equivalents | R 1,298,149,243 |
| | | Total Long term loans | R 548,858,328 |
| DEBTORS | | SURPLUS PER SERVICE | |
| Total debtors book | R 1,477,681,360 | Water | R 47,664,709 |
| Total debtors - Government | R 32,472,935 | Electricity | R 3,867,769 |
| Total debtors - Business | R 315,976,308 | Refuse | R 35,952,156 |
| Total debtors - Households | R 935,566,849 | Sewerage | R 54,148,769 |
| Total debtors - Other | R 193,665,269 | | |
| Total debt written off | R 766,594 | | |
| CAPITAL EXPENDITURE | | OPERATING PROJECTS EXPENDITURE | |
| <u>2014/2015: Capital Expenditure as a % of Approved Budget of R942.01 million:</u> | <u>2015/2016: Capital Expenditure as a % of Approved Budget of R1,27 billion:</u> | <u>2014/2015: Operating Expenditure as a % of Approved Budget of R210.97 million:</u> | <u>2015/2016: Operating Expenditure as a % of Approved Budget of R671.32 million:</u> |
| Exp.(excl. vat) = R4.28 mil % expenditure (excl. vat): 0.45% | Exp. (excl. vat) = R148 272 % exp (Excl. vat) :0.01% | Exp.(excl. vat) = R4.16 mil % expenditure (excl. vat): 2% | Exp.(excl. vat)=R3.09 mil % exp.(excl. vat): 0.46% |
| Exp.(incl. vat) = R4.58 mil % expenditure (incl. vat): 0.49% | Exp. (incl. vat) = R167 350 % exp (incl. vat): 0.01% | Exp.(incl. vat) = R4.17 mil % exp. (incl. vat): 2% | Exp.(incl. vat) = R3.09 mil % exp.(incl. vat): 0.46% |
| FINANCIAL | | HUMAN RESOURCES | |
| Operating Surplus for the period | R 250,848,100 | Total staff complement | 4 530 |
| 12 months average collection ratio | 92% | Staff Appointments | 678 |
| YTD Grants and subsidies | R 272,976,000 | Staff Terminations | 316 |
| Debtors to Revenue | 18.33% | Number of funded vacant posts | 803 |
| Percentage of Creditors paid within terms | 100% | Total overtime paid (YTD) | R 7,486,430 |
| Current ratio | 3.20:1 | Allowances and benefits - Councillors | R 4,210,244 |
| Total debt to Total assets | 3.67% | Salary bill - Officials | R 104,597,438 |
| Capital Charges to Operating Expenditure | 1.14% | Workforce costs as a % of income | 16.3% |
| Cost coverage ratio | 5.33 months | | |

6.2. Liquidity position

Buffalo City Metropolitan Municipality's liquidity is considered relatively sound as the Current Ratio is 3.20:1 which indicates the ability of Municipality's current assets to cover its current liabilities. Debtors constitute 27% of the current assets, inventory constitutes 1% and cash & cash equivalents comprise 69% of the current assets.

6.3. Collection Rate and Outstanding Debtors

The debtor's collection rate for the average twelve months ending 31 July 2015 is 92% (2014/15: 91%) and the year to date collection rate for the one (1) month is 70% (2014/15: 107%).

Total debtors book as at 31 July 2015 amounts to R1,48 billion (2015: R1.23 billion). Households: R935.57 million, Business: R315.98 million, Government: R32.47 million, Other: R193.66 million. The ratio of debtors to revenue is 18.33%. The debtors' age analysis report is reflected on Annexure B – SC3.

6.4. Capital Expenditure

BCMM has spent R167 350 inclusive of reclaimed vat (2014/15: R4.58 million) which is 0.01% (2014/15: 0.49%) of its 2015/16 approved capital budget of R1.27 billion (2014/15: R942.01 million) as at 31 July 2015. This reflects a regression when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken. (Refer to Section 14 for further details)

A detailed schedule of the capital projects expenditure is outlined in Annexure E.

6.5. Operating projects

The Metro has spent 0.46% (R3.09 million, inclusive of reclaimed vat) of its 2015/16 approved budget of R671.32 million as at 31 July 2015. This reflects a regression when compared to the same period in the previous financial year where 2% (R4.17 million) of the approved operating projects budget of R210.97 million was spent. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken. (Refer to Section 15 for further details)

A detailed schedule of the operating projects expenditure is outlined in Annexure D.

6.6. Expenditure on DoRA Current Allocation

The Metro has spent R1.93 million inclusive of reclaimed vat (2014/15: R4.45 million) which is 0.24% (2014/15: 1%) of its 2015/2016 DoRA allocation of R801.94 million (2014/15: R714.18 million) as at 31 July 2015. This reflects a regression when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken. (Refer to Section 11 for further details)

6.6.1. Urban Settlement Development Grant (USDG) funded projects

BCMM has spent R1.85 million inclusive of reclaimed vat (2014/15: R3.92 million) which is 0.26% (2014/15: 1%) of its 2015/16 USDG budget of R713.13 million (2014/15: R673.29 million) as at 31 July 2015. This reflects an improvement when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken. (Refer to Section 11 for further details)

6.7. Cash and Cash Equivalents

The cash and cash equivalents of the City as at 31 July 2015 are R2.73 billion made up of cash and bank amounting to R188.12 million and call investment deposits of R2.54 billion. This funding is invested with various financial institutions in compliance with the MFMA. Refer to Section 7.7 and Annexure A – C7 for the cash flow statement as well as Section 10 and Annexure B – SC5 for the investment portfolio breakdown. The cost coverage ratio of the city is 5.33 months.

6.8. Outstanding Creditors

The Metro is paying its creditors within 30 days as stipulated by the MFMA. Refer to Section 9 for details.

6.9. Long-Term Debt Profile

The total long term borrowings of the municipality as at 31 July 2015 amounts to R548.86 million (Refer to Annexure C for the schedule of borrowings).

The ratio of total debt to total assets is 3.67% and the total debt to revenue ratio is 12.22% as at 31 July 2015.

7. IN-YEAR BUDGET STATEMENT MAIN TABLES

7.1. Monthly Budget Statement Summary

The table below provides a high-level summation of the Metro's financial performance, capital expenditure, financial position, cash flow, debtors and creditors analysis.

Table 2:C1: Monthly Budget Statement Summary

BUF Buffalo City - Table C1 Monthly Budget Statement Summary - M01 July

| Description | 2014/15 | Budget Year 2015/16 | | | | | | | |
|--|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
| | 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 | - | 903 413 | - | 86 294 | 86 294 | 75 237 | 11 057 | 15% | 903 413 |
| Service charges | - | 2 686 741 | - | 249 602 | 249 602 | 233 332 | 16 270 | 7% | 2 686 741 |
| Investment revenue | - | 133 620 | - | 9 260 | 9 260 | 11 135 | (1 875) | -17% | 133 620 |
| Transfers recognised - operational | - | 1 249 333 | - | 272 976 | 272 976 | 260 327 | 12 649 | 5% | 1 249 333 |
| Other own revenue | - | 746 500 | - | 23 456 | 23 456 | 22 182 | 1 275 | 6% | 746 500 |
| Total Revenue (excluding capital transfers and contributions) | - | 5 719 607 | - | 641 588 | 641 588 | 602 213 | 39 376 | 7% | 5 719 607 |
| Employee costs | - | 1 387 619 | - | 104 597 | 104 597 | 115 635 | (11 037) | -10% | 1 387 619 |
| Remuneration of Councillors | - | 52 910 | - | 4 210 | 4 210 | 4 409 | (199) | -5% | 52 910 |
| Depreciation & asset impairment | - | 712 213 | - | 59 351 | 59 351 | 59 351 | 0 | 0% | 712 213 |
| Finance charges | - | 54 313 | - | 4 526 | 4 526 | 4 937 | (411) | -8% | 54 313 |
| Materials and bulk purchases | - | 1 377 012 | - | 163 937 | 163 937 | 164 014 | (77) | -0% | 1 377 012 |
| Transfers and grants | - | 258 568 | - | 15 811 | 15 811 | 21 547 | (5 736) | -27% | 258 568 |
| Other expenditure | - | 1 876 050 | - | 38 307 | 38 307 | 55 424 | (17 117) | -31% | 1 876 050 |
| Total Expenditure | - | 5 718 685 | - | 390 740 | 390 740 | 425 318 | (34 577) | -8% | 5 718 685 |
| Surplus/(Deficit) | - | 922 | - | 250 848 | 250 848 | 176 895 | 73 953 | 42% | 922 |
| Transfers recognised - capital | - | 850 353 | - | 148 | 148 | 70 863 | (70 714) | -100% | 850 353 |
| Contributions & Contributed assets | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | - | 851 275 | - | 250 996 | 250 996 | 247 758 | 3 238 | 1% | 851 275 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | - | 851 275 | - | 250 996 | 250 996 | 247 758 | 3 238 | 1% | 851 275 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | - | 1 275 354 | - | 148 | 148 | 2 538 | (2 389) | -94% | 1 275 354 |
| Capital transfers recognised | - | 850 353 | - | 148 | 148 | 1 692 | (1 544) | -91% | 850 353 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - |
| Borrowing | - | - | - | - | - | - | - | - | - |
| Internally generated funds | - | 425 002 | - | - | - | 846 | (846) | -100% | 425 002 |
| Total sources of capital funds | - | 1 275 354 | - | 148 | 148 | 2 538 | (2 389) | -94% | 1 275 354 |
| Financial position | | | | | | | | | |
| Total current assets | - | 3 250 381 | - | - | 3 929 092 | - | - | - | 3 250 381 |
| Total non current assets | - | 11 706 711 | - | - | 10 967 517 | - | - | - | 11 706 711 |
| Total current liabilities | - | 1 026 227 | - | - | 1 229 433 | - | - | - | 1 026 227 |
| Total non current liabilities | - | 1 099 508 | - | - | 930 182 | - | - | - | 1 099 508 |
| Community wealth/Equity | - | 12 831 357 | - | - | 12 736 994 | - | - | - | 12 831 357 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | - | 1 350 929 | - | 528 000 | 528 000 | 112 577 | (415 423) | -369% | 1 350 929 |
| Net cash from (used) investing | - | (1 275 354) | - | (148) | (148) | (106 280) | (106 131) | 100% | (1 275 354) |
| Net cash from (used) financing | - | (46 097) | - | - | - | (3 841) | (3 841) | 100% | (46 097) |
| Cash/cash equivalents at the month/year end | - | 2 383 434 | - | - | 2 726 649 | 2 356 413 | (370 236) | -16% | 2 228 275 |
| Debtors & creditors analysis | | | | | | | | | |
| | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total |
| Debtors Age Analysis | | | | | | | | | |
| Total By Income Source | 291 855 | 76 034 | 61 181 | 45 985 | 38 837 | 34 387 | 210 133 | 719 269 | 1 477 681 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 574 532 | 16 825 | - | - | - | - | - | - | 591 357 |

7.2. Monthly Budget Statement – Financial Performance (standard classification)

The table below is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.

Table 3: C2: Monthly Budget Statement – Financial Performance (standard classification)

BUF Buffalo City - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M01 July

| Description | Ref | 2014/15 | Budget Year 2015/16 | | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Revenue - Standard | | | | | | | | | | |
| <i>Governance and administration</i> | | – | 1 974 740 | – | 259 738 | 259 738 | 260 940 | (1 202) | 0% | 1 974 740 |
| Executive and council | | – | 37 902 | – | – | – | – | – | – | 37 902 |
| Budget and treasury office | | – | 1 922 818 | – | 259 693 | 259 693 | 260 821 | (1 128) | 0% | 1 922 818 |
| Corporate services | | – | 14 019 | – | 45 | 45 | 119 | (74) | -62% | 14 019 |
| <i>Community and public safety</i> | | – | 651 123 | – | 12 726 | 12 726 | 12 720 | 6 | 0% | 651 123 |
| Community and social services | | – | 17 738 | – | 806 | 806 | 756 | 51 | 7% | 17 738 |
| Sport and recreation | | – | 5 601 | – | 82 | 82 | 80 | 2 | 3% | 5 601 |
| Public safety | | – | 90 035 | – | 11 836 | 11 836 | 11 484 | 352 | 3% | 90 035 |
| Housing | | – | 535 206 | – | – | – | 5 | (5) | -100% | 535 206 |
| Health | | – | 2 542 | – | 1 | 1 | 394 | (393) | -100% | 2 542 |
| <i>Economic and environmental services</i> | | – | 97 752 | – | 6 135 | 6 135 | 9 095 | (2 960) | -33% | 97 752 |
| Planning and development | | – | 21 272 | – | 1 193 | 1 193 | 1 183 | 10 | 1% | 21 272 |
| Road transport | | – | 76 096 | – | 4 927 | 4 927 | 7 901 | (2 974) | -38% | 76 096 |
| Environmental protection | | – | 385 | – | 15 | 15 | 11 | 4 | 40% | 385 |
| <i>Trading services</i> | | – | 2 972 019 | – | 362 989 | 362 989 | 319 458 | 43 531 | 14% | 2 972 019 |
| Electricity | | – | 1 726 439 | – | 171 062 | 171 062 | 157 421 | 13 641 | 9% | 1 726 439 |
| Water | | – | 492 088 | – | 72 998 | 72 998 | 67 330 | 5 668 | 8% | 492 088 |
| Waste water management | | – | 392 460 | – | 65 584 | 65 584 | 44 228 | 21 355 | 48% | 392 460 |
| Waste management | | – | 361 032 | – | 53 346 | 53 346 | 50 479 | 2 867 | 6% | 361 032 |
| <i>Other</i> | 4 | – | 874 327 | – | 148 | 148 | 70 863 | (70 714) | -100% | 874 327 |
| Total Revenue - Standard | 2 | – | 6 569 960 | – | 641 737 | 641 737 | 673 076 | (31 339) | -5% | 6 569 960 |
| Expenditure - Standard | | | | | | | | | | |
| <i>Governance and administration</i> | | – | 1 087 762 | – | 56 100 | 56 100 | 73 143 | (17 043) | -23% | 1 087 762 |
| Executive and council | | – | 194 037 | – | 9 171 | 9 171 | 23 831 | (14 659) | -62% | 194 037 |
| Budget and treasury office | | – | 466 958 | – | 26 867 | 26 867 | 28 481 | (1 614) | -6% | 466 958 |
| Corporate services | | – | 426 767 | – | 20 062 | 20 062 | 20 831 | (769) | -4% | 426 767 |
| <i>Community and public safety</i> | | – | 989 070 | – | 33 924 | 33 924 | 34 746 | (823) | -2% | 989 070 |
| Community and social services | | – | 93 320 | – | 5 988 | 5 988 | 6 636 | (648) | -10% | 93 320 |
| Sport and recreation | | – | 74 147 | – | 4 200 | 4 200 | 4 882 | (682) | -14% | 74 147 |
| Public safety | | – | 219 275 | – | 18 972 | 18 972 | 18 726 | 247 | 1% | 219 275 |
| Housing | | – | 571 731 | – | 2 750 | 2 750 | 2 452 | 298 | 12% | 571 731 |
| Health | | – | 30 598 | – | 2 013 | 2 013 | 2 051 | (38) | -2% | 30 598 |
| <i>Economic and environmental services</i> | | – | 843 333 | – | 26 127 | 26 127 | 29 530 | (3 403) | -12% | 843 333 |
| Planning and development | | – | 213 708 | – | 14 207 | 14 207 | 15 570 | (1 363) | -9% | 213 708 |
| Road transport | | – | 527 886 | – | 5 270 | 5 270 | 7 783 | (2 513) | -32% | 527 886 |
| Environmental protection | | – | 101 739 | – | 6 650 | 6 650 | 6 177 | 472 | 8% | 101 739 |
| <i>Trading services</i> | | – | 2 781 669 | – | 273 908 | 273 908 | 287 066 | (13 158) | -5% | 2 781 669 |
| Electricity | | – | 1 625 904 | – | 200 400 | 200 400 | 197 346 | 3 054 | 2% | 1 625 904 |
| Water | | – | 503 337 | – | 35 484 | 35 484 | 37 551 | (2 067) | -6% | 503 337 |
| Waste water management | | – | 362 232 | – | 19 748 | 19 748 | 24 872 | (5 124) | -21% | 362 232 |
| Waste management | | – | 290 196 | – | 18 276 | 18 276 | 27 297 | (9 021) | -33% | 290 196 |
| <i>Other</i> | | – | 17 005 | – | 682 | 682 | 832 | (150) | -18% | 17 005 |
| Total Expenditure - Standard | 3 | – | 5 718 839 | – | 390 740 | 390 740 | 425 318 | (34 577) | -8% | 5 718 839 |
| Surplus/ (Deficit) for the year | | – | 851 121 | – | 250 996 | 250 996 | 247 758 | 3 238 | 1% | 851 121 |

7.3. Monthly Budget Statement – Financial Performance (Revenue and expenditure by municipal vote)

The table below shows budgeted financial performance in relation to the revenue and expenditure by vote as well as the operating surplus or deficit for the City.

Table 4: C3: Monthly Budget Statement – Financial Performance (Revenue and expenditure by municipal vote)

| BUF Buffalo City - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - | | | | | | | | | | |
|---|-----|---------|---------------------|----------|----------------|----------------|----------------|-----------------|--------------|------------------|
| Vote Description | Ref | 2014/15 | Budget Year 2015/16 | | | | | | | |
| | | Audited | Original | Adjusted | Monthly | YearTD | YearTD | YTD | YTD | Full Year |
| R thousands | | | | | | | | | % | |
| Revenue by Vote | 1 | | | | | | | | | |
| Vote 1 - Directorate - Executive Support Services | | - | - | - | - | - | - | - | - | - |
| Vote 2 - Directorate - Municipal Manager | | - | 37 902 | - | - | - | - | - | - | 37 902 |
| Vote 3 - Directorate - Chief Operations Officer | | - | 535 206 | - | 30 | 30 | 360 | (329) | -91.6% | 535 206 |
| Vote 4 - Directorate - Chief Financial Officer | | - | 1 922 818 | - | 259 693 | 259 693 | 295 987 | (36 294) | -12.3% | 1 922 818 |
| Vote 5 - Directorate - Corporate Services | | - | 11 851 | - | - | - | - | - | - | 11 851 |
| Vote 6 - Directorate - Engineering Services | | - | 2 614 132 | - | 309 687 | 309 687 | 217 883 | 91 804 | 42.1% | 2 614 132 |
| Vote 7 - Directorate - Development Planning | | - | 55 515 | - | 1 209 | 1 209 | 1 737 | (528) | -30.4% | 55 515 |
| Vote 8 - Directorate - Health & Public Safety | | - | 157 427 | - | 16 719 | 16 719 | 24 034 | (7 315) | -30.4% | 157 427 |
| Vote 9 - Directorate - Community Services | | - | 384 756 | - | 54 250 | 54 250 | 55 800 | (1 550) | -2.8% | 384 756 |
| Vote 10 - Directorate - Miscellaneous | | - | 850 353 | - | 148 | 148 | 77 275 | (77 127) | -99.8% | 850 353 |
| Total Revenue by Vote | 2 | - | 6 569 960 | - | 641 737 | 641 737 | 673 076 | (31 339) | -4.7% | 6 569 960 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 1 - Directorate - Executive Support Services | | - | 164 414 | - | 12 656 | 12 656 | 12 277 | 379 | 3.1% | 164 414 |
| Vote 2 - Directorate - Municipal Manager | | - | 102 124 | - | 3 589 | 3 589 | 16 837 | (13 247) | -78.7% | 102 124 |
| Vote 3 - Directorate - Chief Operations Officer | | - | 582 205 | - | 3 401 | 3 401 | 6 406 | (3 005) | -46.9% | 582 205 |
| Vote 4 - Directorate - Chief Financial Officer | | - | 466 958 | - | 26 867 | 26 867 | 32 512 | (5 645) | -17.4% | 466 958 |
| Vote 5 - Directorate - Corporate Services | | - | 214 533 | - | 7 660 | 7 660 | 13 132 | (5 472) | -41.7% | 214 533 |
| Vote 6 - Directorate - Engineering Services | | - | 3 046 354 | - | 263 695 | 263 695 | 255 713 | 7 982 | 3.1% | 3 046 354 |
| Vote 7 - Directorate - Development Planning | | - | 274 508 | - | 16 091 | 16 091 | 17 162 | (1 071) | -6.2% | 274 508 |
| Vote 8 - Directorate - Health & Public Safety | | - | 283 787 | - | 21 125 | 21 125 | 24 104 | (2 980) | -12.4% | 283 787 |
| Vote 9 - Directorate - Community Services | | - | 582 239 | - | 35 656 | 35 656 | 47 174 | (11 518) | -24.4% | 582 239 |
| Vote 10 - Directorate - Miscellaneous | | - | 1 565 | - | - | - | - | - | - | 1 565 |
| Total Expenditure by Vote | 2 | - | 5 718 685 | - | 390 740 | 390 740 | 425 318 | (34 577) | -8.1% | 5 718 685 |
| Surplus/ (Deficit) for the year | 2 | - | 851 275 | - | 250 996 | 250 996 | 247 758 | 3 238 | 1.3% | 851 275 |

7.4. Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)

The statement of financial performance presented in table below, compares the expenditure and revenue on accrual basis against budget for the period ending 31 July 2015.

Table 5: C4: Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)

| Description | 2014/15 | Budget Year 2015/16 | | | | | | | |
|---|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
| | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance | Full Year Forecast |
| R thousands | | | | | | | | % | |
| <u>Revenue By Source</u> | | | | | | | | | |
| Property rates | | 902 842 | | 86 294 | 86 294 | 75 237 | 11 057 | 15% | 902 842 |
| Property rates - penalties & collection charges | | 571 | | – | – | – | – | – | 571 |
| Service charges - electricity revenue | | 1 658 671 | | 146 418 | 146 418 | 138 223 | 8 196 | 6% | 1 658 671 |
| Service charges - water revenue | | 411 381 | | 41 523 | 41 523 | 39 967 | 1 556 | 4% | 411 381 |
| Service charges - sanitation revenue | | 314 571 | | 34 169 | 34 169 | 26 214 | 7 955 | 30% | 314 571 |
| Service charges - refuse revenue | | 286 063 | | 24 007 | 24 007 | 22 101 | 1 907 | 9% | 286 063 |
| Service charges - other | | 16 056 | | 3 484 | 3 484 | 6 827 | (3 343) | -49% | 16 056 |
| Rental of facilities and equipment | | 18 629 | | 626 | 626 | 757 | (131) | -17% | 18 629 |
| Interest earned - external investments | | 133 620 | | 9 260 | 9 260 | 11 135 | (1 875) | -17% | 133 620 |
| Interest earned - outstanding debtors | | 32 175 | | 2 340 | 2 340 | 2 485 | (144) | -6% | 32 175 |
| Dividends received | | – | | – | – | – | – | | – |
| Fines | | 10 293 | | 80 | 80 | 148 | (68) | -46% | 10 293 |
| Licences and permits | | 22 472 | | 368 | 368 | 861 | (492) | -57% | 22 472 |
| Agency services | | – | | – | – | – | – | | – |

| | | | | | | | | | |
|--|--|------------------|--|----------------|----------------|----------------|-----------------|------------|------------------|
| Transfers recognised - operational | | 1 249 333 | | 272 976 | 272 976 | 260 327 | 12 649 | 5% | 1 249 333 |
| Other revenue | | 662 931 | | 20 042 | 20 042 | 17 931 | 2 111 | 12% | 662 931 |
| Gains on disposal of PPE | | – | | – | – | – | – | | – |
| Total Revenue (excluding capital transfers and contributions) | | 5 719 607 | | 641 588 | 641 588 | 602 213 | 39 376 | 7% | 5 719 607 |
| | | | | | | | | | |
| Expenditure By Type | | | | | | | | | |
| Employee related costs | | 1 387 619 | | 104 597 | 104 597 | 115 635 | (11 037) | -10% | 1 387 619 |
| Remuneration of councillors | | 52 910 | | 4 210 | 4 210 | 4 409 | (199) | -5% | 52 910 |
| Debt impairment | | 245 009 | | 15 704 | 15 704 | 15 704 | (0) | 0% | 245 009 |
| Depreciation & asset impairment | | 712 213 | | 59 351 | 59 351 | 59 351 | 0 | 0% | 712 213 |
| Finance charges | | 54 313 | | 4 526 | 4 526 | 4 937 | (411) | -8% | 54 313 |
| Bulk purchases | | 1 377 012 | | 163 937 | 163 937 | 164 014 | (77) | 0% | 1 377 012 |
| Other materials | | – | | – | – | – | – | | – |
| Contracted services | | 21 622 | | 290 | 290 | 256 | 34 | 13% | 21 622 |
| Transfers and grants | | 258 568 | | 15 811 | 15 811 | 21 547 | (5 736) | -27% | 258 568 |
| Other expenditure | | 1 609 419 | | 22 314 | 22 314 | 39 464 | (17 151) | -43% | 1 609 419 |
| Loss on disposal of PPE | | – | | – | – | – | – | | – |
| Total Expenditure | | 5 718 685 | | 390 740 | 390 740 | 425 318 | (34 577) | -8% | 5 718 685 |
| | | | | | | | | | |
| Surplus/(Deficit) | | 922 | | 250 848 | 250 848 | 176 895 | 73 953 | 0 | 922 |
| Transfers recognised - capital | | 850 353 | | 148 | 148 | 70 863 | (70 714) | (0) | 850 353 |
| Contributions recognised - capital | | – | | – | – | – | – | | – |
| Contributed assets | | – | | – | – | – | – | | – |

| | | | | | | | | | |
|--|--|----------------|--|----------------|----------------|----------------|---|--|----------------|
| Surplus/(Deficit) after capital transfers & contributions | | 851 275 | | 250 996 | 250 996 | 247 758 | | | 851 275 |
| Taxation | | - | | - | - | - | - | | - |
| Surplus/(Deficit) after taxation | | 851 275 | | 250 996 | 250 996 | 247 758 | | | 851 275 |
| Attributable to minorities | | - | | - | - | - | | | - |
| Surplus/(Deficit) attributable to municipality | | 851 275 | | 250 996 | 250 996 | 247 758 | | | 851 275 |
| Share of surplus/ (deficit) of associate | | - | | - | - | - | | | - |
| Surplus/ (Deficit) for the year | | 851 275 | | 250 996 | 250 996 | 247 758 | | | 851 275 |

7.4.1. ANALYSIS OF STATEMENT OF FINANCIAL PERFORMANCE

7.4.1.1. Property rates

The over-recovery of 15% is a combination of the non-alignment of the period budget which is based on past trends with the actual trend.

7.4.1.2. Service charges – Sanitation revenue

The over-recovery of 30% is a combination of the non-alignment of the period budget which is based on past trends with the actual trend.

7.4.1.3. Service charges - Other

The demand for items mentioned below is not constant throughout the year. Income is earned when there is a demand by the clients. Therefore the trend in which income is earned is not constant.

The main contributors are:

- Availability charges
- Connections charges

The situation is monitored on a monthly basis.

7.4.1.3.1. Rental of facilities and equipment

Rental of facilities is demand driven and therefore difficult to predict accurately. The situation is monitored on a monthly basis.

7.4.1.4. Interest earned – External investments

The variance of 17% is due to high interest earned on investments than what was projected. The trend is expected to become linear as the year progresses.

7.4.1.5. Fines

The under recovery of fines is attributed to amongst others the court delays in payments, cases struck off the court roll, no service providers to serve summonses SEC 54, buyers of vehicles not registering their vehicles in their name thus details are not updated to new owners details; and tracing offenders is a challenge due to people not updating their particulars such as address when relocating. The city has

however obtained the Licence plate recognition system to facilitate the collection of outstanding fines.

7.4.1.6. Licenses and Permits

The following testing stations have recently opened, namely: Provincial Traffic Department, Komga and other smaller Eastern Cape municipalities which offer exactly the same services as East London & Gonubie testing stations. Applicants are not restricted to apply in their area of residence and will apply at more convenient locations. This results in reduction in income generated by BCMM on this service.

7.4.1.7. Other revenue

Other revenue is made up of numerous miscellaneous items (e.g. town planning fees, market income, road & transport registration fees, cemetery & burial fees, etc.). The actual income realised is above the projected income for the period under review due to varying seasonal trends.

7.4.1.8. Contracted services

Contracted services are utilised as and when required. As the year progresses the use of contracted services will stabilise.

7.4.1.9. Transfers and grants

These transfers and grants are paid at predetermined intervals according to the existing contractual agreements. These payments are therefore not made at a constant rate throughout the year.

7.4.1.10. Other expenditure

Other expenditure includes operating projects, operational costs as well as repairs and maintenance and these expenditure categories are under spent by 43% when compared to the year to date budget. This under- expenditure is mainly due to under expenditure on operating projects which is expected to improve as the year progresses once procurement processes have been undertaken. Expenditure on

repairs and maintenance is provided in table 6 below.

7.4.1.11. Repairs and Maintenance

Table 6 below reflects that as at 31 July 2015, the repairs and maintenance expenditure is 2% of the approved budget of R327.78 million (2014/15: 1%). This reflects a slight improvement when compared with the prior year.

Refer to Annexure B: SC13c (repairs and maintenance by asset class).

Table 6: Repairs and Maintenance per Directorate

| Directorate | <u>2015/2016</u> <u>Annual</u> <u>Budget</u> <u>R</u> | <u>2015/2016</u> <u>Annual</u> <u>Expenditure</u> <u>R</u> | <u>2015/2016</u> <u>Variance</u> <u>R</u> | <u>2015/2016</u> <u>% of</u> <u>Budget</u> <u>%</u> |
|---|--|---|--|--|
| Directorate of Executive Support | 2 901 917 | 0 | 2 901 917 | 0% |
| Directorate of The Municipal Manager | 120 609 | 0 | 120 609 | 0% |
| Directorate of Chief Operations Officer | 97 239 | 0 | 97 239 | 0% |
| Directorate of Finance | 2 935 990 | 15 145 | 2 920 845 | 1% |
| Directorate of Corporate Services | 5 865 813 | 0 | 5 865 813 | 0% |
| Directorate of Engineering Services | 293 911 912 | 6 756 180 | 287 155 732 | 2% |
| <i>Electricity</i> | 112 549 555 | 6 618 099 | 105 931 456 | 6% |
| <i>Water</i> | 42 435 218 | 24 587 | 42 410 631 | 0% |
| <i>Sanitation</i> | 29 620 452 | 113 493 | 29 506 959 | 0% |
| <i>Other</i> | 109 306 687 | 0 | 109 306 687 | 0% |
| Directorate of Development Planning | 26 491 226 | 372 773 | 26 118 453 | 1% |
| Directorate of Health and Public Safety | 5 956 496 | 30 698 | 5 925 798 | 1% |
| Directorate of Community Services | 33 728 503 | 23 098 | 33 705 405 | 0% |
| TOTAL | 372 009 705 | 7 197 894 | 364 811 811 | 2% |

7.5. Capital Expenditure excluding vat (municipal vote, standard classification and funding)

The table below reflects the Metro's capital programme in relation to capital expenditure by municipal vote, capital expenditure by standard classification and funding sources.

Table 7: C5: Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding)

| BUF Buffalo City - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M01 July | | | | | | | | | | |
|--|-----|-----------------|------------------|-----------------|---------------------|---------------|---------------|----------------|----------------|--------------------|
| Vote Description | Ref | 2014/15 | | | Budget Year 2015/16 | | | | | |
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - Directorate - Executive Support Services | | – | 6 200 | – | – | – | – | – | | 6 200 |
| Vote 2 - Directorate - Municipal Manager | | – | 21 500 | – | – | – | – | – | | 21 500 |
| Vote 3 - Directorate - Chief Operations Officer | | – | 211 424 | – | 148 | 148 | – | 148 | #DIV/0! | 211 424 |
| Vote 4 - Directorate - Chief Financial Officer | | – | 10 000 | – | – | – | 5 | (5) | -100% | 10 000 |
| Vote 5 - Directorate - Corporate Services | | – | 21 600 | – | – | – | – | – | | 21 600 |
| Vote 6 - Directorate - Engineering Services | | – | 820 556 | – | – | – | 2 281 | (2 281) | -100% | 820 556 |
| Vote 7 - Directorate - Development Planning | | – | 68 221 | – | – | – | 100 | (100) | -100% | 68 221 |
| Vote 8 - Directorate - Health & Public Safety | | – | 21 650 | – | – | – | 93 | (93) | -100% | 21 650 |
| Vote 9 - Directorate - Community Services | | – | 94 204 | – | – | – | 59 | (59) | -100% | 94 204 |
| Total Capital Multi-year expenditure | 4,7 | – | 1 275 354 | – | 148 | 148 | 2 538 | (2 389) | -94% | 1 275 354 |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - Directorate - Executive Support Services | | – | – | – | – | – | – | – | | – |
| Vote 2 - Directorate - Municipal Manager | | – | – | – | – | – | – | – | | – |
| Vote 3 - Directorate - Chief Operations Officer | | – | – | – | – | – | – | – | | – |
| Vote 4 - Directorate - Chief Financial Officer | | – | – | – | – | – | – | – | | – |
| Vote 5 - Directorate - Corporate Services | | – | – | – | – | – | – | – | | – |
| Vote 6 - Directorate - Engineering Services | | – | – | – | – | – | – | – | | – |
| Vote 7 - Directorate - Development Planning | | – | – | – | – | – | – | – | | – |
| Vote 8 - Directorate - Health & Public Safety | | – | – | – | – | – | – | – | | – |
| Vote 9 - Directorate - Community Services | | – | – | – | – | – | – | – | | – |
| Total Capital single-year expenditure | 4 | – | – | – | – | – | – | – | | – |
| Total Capital Expenditure | | – | 1 275 354 | – | 148 | 148 | 2 538 | (2 389) | -94% | 1 275 354 |
| Capital Expenditure - Standard Classification | | | | | | | | | | |
| Governance and administration | | – | 59 300 | – | – | – | 118 | (118) | -100% | 59 300 |
| Executive and council | | – | 27 700 | – | – | – | 55 | (55) | -100% | 27 700 |
| Budget and treasury office | | – | 10 000 | – | – | – | 20 | (20) | -100% | 10 000 |
| Corporate services | | – | 21 600 | – | – | – | 43 | (43) | -100% | 21 600 |
| Community and public safety | | – | 305 568 | – | 148 | 148 | 608 | (460) | -76% | 305 568 |
| Community and social services | | – | 40 269 | – | – | – | 80 | (80) | -100% | 40 269 |
| Sport and recreation | | – | 32 225 | – | – | – | 64 | (64) | -100% | 32 225 |
| Public safety | | – | 21 650 | – | – | – | 43 | (43) | -100% | 21 650 |
| Housing | | – | 211 424 | – | 148 | 148 | 421 | (272) | -65% | 211 424 |
| Health | | – | – | – | – | – | – | – | | – |
| Economic and environmental services | | – | 333 221 | – | – | – | 663 | (663) | -100% | 333 221 |
| Planning and development | | – | 68 221 | – | – | – | 136 | (136) | -100% | 68 221 |
| Road transport | | – | 265 000 | – | – | – | 527 | (527) | -100% | 265 000 |
| Environmental protection | | – | – | – | – | – | – | – | | – |
| Trading services | | – | 529 266 | – | – | – | 1 053 | (1 053) | -100% | 529 266 |
| Electricity | | – | 158 500 | – | – | – | 315 | (315) | -100% | 158 500 |
| Water | | – | 91 000 | – | – | – | 181 | (181) | -100% | 91 000 |
| Waste water management | | – | 258 056 | – | – | – | 513 | (513) | -100% | 258 056 |
| Waste management | | – | 21 710 | – | – | – | 43 | (43) | -100% | 21 710 |
| Other | | – | 48 000 | – | – | – | 96 | (96) | -100% | 48 000 |
| Total Capital Expenditure - Standard Classification | 3 | – | 1 275 354 | – | 148 | 148 | 2 538 | (2 389) | -94% | 1 275 354 |
| Funded by: | | | | | | | | | | |
| National Government | | – | 742 884 | – | 148 | 148 | 1 478 | (1 330) | -90% | 742 884 |
| Provincial Government | | – | 107 469 | – | – | – | 214 | (214) | -100% | 107 469 |
| District Municipality | | – | – | – | – | – | – | – | | – |
| Other transfers and grants | | – | – | – | – | – | – | – | | – |
| Transfers recognised - capital | | – | 850 353 | – | 148 | 148 | 1 692 | (1 544) | -91% | 850 353 |
| Public contributions & donations | 5 | – | – | – | – | – | – | – | | – |
| Borrowing | 6 | – | – | – | – | – | – | – | | – |
| Internally generated funds | | – | 425 002 | – | – | – | 846 | (846) | -100% | 425 002 |
| Total Capital Funding | | – | 1 275 354 | – | 148 | 148 | 2 538 | (2 389) | -94% | 1 275 354 |

7.6. Monthly Budget Statement – Financial Position

The table below reflects the financial position of the Metro. It is good to note that the Metro is having high assets over liabilities resulting into the net worth of R12.74 billion.

Table 8: C6: Monthly Budget Statement – Financial Position

| Description | Ref | 2014/15 | Budget Year 2015/16 | | | | |
|--|-----|-----------------|---------------------|-------------------|---------------|--------------------|-------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast | |
| R thousands | 1 | | | | | | |
| ASSETS | | | | | | | |
| Current assets | | | | | | | |
| Cash | | | 80 000 | – | 188 121 | 80 000 | |
| Call investment deposits | | | 2 303 434 | – | 2 538 528 | 2 303 434 | |
| Consumer debtors | | | 671 945 | – | 900 365 | 671 945 | |
| Other debtors | | | 98 188 | – | 264 303 | 98 188 | |
| Current portion of long-term receivables | | | 14 | – | – | 14 | |
| Inventory | | | 96 800 | – | 37 775 | 96 800 | |
| Total current assets | | | – | 3 250 381 | – | 3 929 092 | 3 250 381 |
| Non current assets | | | | | | | |
| Long-term receivables | | | 60 | – | – | 60 | |
| Investments | | | – | – | – | – | |
| Investment property | | | 411 400 | – | 333 278 | 411 400 | |
| Investments in Associate | | | – | – | 59 549 | – | |
| Property, plant and equipment | | | 11 197 291 | – | 10 545 768 | 11 197 291 | |
| Agricultural | | | – | – | – | – | |
| Biological assets | | | – | – | – | – | |
| Intangible assets | | | 22 800 | – | 28 922 | 22 800 | |
| Other non-current assets | | | 75 160 | – | – | 75 160 | |
| Total non current assets | | | – | 11 706 711 | – | 10 967 517 | 11 706 711 |
| TOTAL ASSETS | | | – | 14 957 092 | – | 14 896 609 | 14 957 092 |
| LIABILITIES | | | | | | | |
| Current liabilities | | | | | | | |
| Bank overdraft | | | – | – | – | – | |
| Borrowing | | | 46 097 | – | 57 416 | 46 097 | |
| Consumer deposits | | | 54 050 | – | 50 636 | 54 050 | |
| Trade and other payables | | | 774 300 | – | 1 003 498 | 774 300 | |
| Provisions | | | 151 780 | – | 117 883 | 151 780 | |
| Total current liabilities | | | – | 1 026 227 | – | 1 229 433 | 1 026 227 |
| Non current liabilities | | | | | | | |
| Borrowing | | | 500 418 | – | 489 043 | 500 418 | |
| Provisions | | | 599 090 | – | 441 139 | 599 090 | |
| Total non current liabilities | | | – | 1 099 508 | – | 930 182 | 1 099 508 |
| TOTAL LIABILITIES | | | – | 2 125 735 | – | 2 159 615 | 2 125 735 |
| NET ASSETS | 2 | | – | 12 831 357 | – | 12 736 994 | 12 831 357 |
| COMMUNITY WEALTH/EQUITY | | | | | | | |
| Accumulated Surplus/(Deficit) | | | 10 020 574 | – | 10 333 491 | 10 020 574 | |
| Reserves | | | 2 810 783 | – | 2 403 503 | 2 810 783 | |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | | – | 12 831 357 | – | 12 736 994 | 12 831 357 |

7.7. Monthly Budget Statement – Cash Flow

The Metros' cash flow position and cash/cash equivalent outcome is shown in the table below. The Metro's cash position reflects a net increase of R527.85 million resulting in cash and cash equivalents closing balance of R2.73 billion as at 31 July 2015.

Table 9: C7: Monthly Budget Statement – Cash Flow

BUF Buffalo City - Table C7 Monthly Budget Statement - Cash Flow - M01 July

| Description | Ref | 2014/15 | Budget Year 2015/16 | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|-------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast | |
| R thousands | 1 | | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Property rates, penalties & collection charges | | | 831 140 | - | 86 294 | 86 294 | 69 262 | 17 033 | 25% | 831 140 | |
| Service charges | | | 2 471 802 | - | 246 118 | 246 118 | 205 983 | 40 134 | 19% | 2 471 802 | |
| Other revenue | | | 657 180 | - | 24 600 | 24 600 | 54 765 | (30 165) | -55% | 657 180 | |
| Government - operating | | | 1 149 387 | - | 272 976 | 272 976 | 95 782 | 177 194 | 185% | 1 149 387 | |
| Government - capital | | | 850 353 | - | 305 252 | 305 252 | 70 863 | 234 389 | 331% | 850 353 | |
| Interest | | | 152 531 | - | 11 600 | 11 600 | 12 711 | (1 110) | -9% | 152 531 | |
| Dividends | | | - | - | - | - | - | - | | - | |
| Payments | | | | | | | | | | | |
| Suppliers and employees | | | (4 448 581) | - | (398 503) | (398 503) | (370 715) | 27 788 | -7% | (4 448 581) | |
| Finance charges | | | (54 313) | - | (4 526) | (4 526) | (4 526) | (0) | 0% | (54 313) | |
| Transfers and Grants | | | (258 568) | - | (15 811) | (15 811) | (21 547) | (5 736) | 27% | (258 568) | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | | - | 1 350 929 | - | 528 000 | 528 000 | 112 577 | (415 423) | -369% | 1 350 929 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | | | - | - | - | - | - | - | | - | |
| Decrease (Increase) in non-current debtors | | | - | - | - | - | - | - | | - | |
| Decrease (increase) other non-current receivables | | | - | - | - | - | - | - | | - | |
| Decrease (increase) in non-current investments | | | - | - | - | - | - | - | | - | |
| Payments | | | | | | | | | | | |
| Capital assets | | | (1 275 354) | - | (148) | (148) | (106 280) | (106 131) | 100% | (1 275 354) | |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | | - | (1 275 354) | - | (148) | (148) | (106 280) | (106 131) | 100% | (1 275 354) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | | | - | - | - | - | - | - | | - | |
| Borrowing long term/refinancing | | | - | - | - | - | - | - | | - | |
| Increase (decrease) in consumer deposits | | | - | - | - | - | - | - | | - | |
| Payments | | | | | | | | | | | |
| Repayment of borrowing | | | (46 097) | - | - | - | (3 841) | (3 841) | 100% | (46 097) | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | | - | (46 097) | - | - | (3 841) | (3 841) | 100% | (46 097) | |
| NET INCREASE/ (DECREASE) IN CASH HELD | | | - | 29 477 | - | 527 852 | 527 852 | 2 456 | | 29 477 | |
| Cash/cash equivalents at beginning: | | | 2 353 956 | - | | 2 198 797 | 2 353 956 | | | 2 198 797 | |
| Cash/cash equivalents at month/year end: | | | - | 2 383 434 | - | | 2 726 649 | 2 356 413 | | 2 228 275 | |

PART 2: SUPPORTING **DOCUMENTATION**

8. IN-YEAR BUDGET STATEMENT SUPPORTING TABLES AND DOCUMENTATION

8.1. Debtors

The debtor analysis table below (table 10) provides an age analysis summary by revenue source and customer category for the total debtors.

Table 10: SC3 Monthly budget statement Aged Debtors

BUF Buffalo City - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

| Description | NT Code | Budget Year 2015/16 | | | | | | | | Total | Total over 90 days | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts i.t.o Council Policy |
|---|-------------|---------------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|------------------|--------------------|--|---|
| | | 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 Income Source | | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | 46 710 | 26 879 | 29 054 | 20 813 | 15 349 | 12 278 | 64 188 | 195 921 | 411 194 | 308 550 | | |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | 85 599 | 11 290 | 3 638 | 2 671 | 1 908 | 1 923 | 9 309 | 29 005 | 145 343 | 44 817 | | |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 86 412 | 19 208 | 14 240 | 11 414 | 11 361 | 10 400 | 72 300 | 139 033 | 364 368 | 244 508 | | |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | 33 066 | 7 502 | 5 371 | 3 901 | 3 513 | 3 369 | 20 777 | 103 314 | 180 813 | 134 875 | | |
| Receivables from Exchange Transactions - Waste Management | 1600 | 19 599 | 7 715 | 6 011 | 4 844 | 4 495 | 4 142 | 26 556 | 146 704 | 220 066 | 186 741 | | |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | 81 | 66 | 63 | 62 | 62 | 60 | 381 | 2 426 | 3 201 | 2 990 | | |
| Interest on Arrear Debtor Accounts | 1810 | | | | | | | | | - | - | | |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | | | | | | | | | - | - | | |
| Other | 1900 | 20 388 | 3 374 | 2 804 | 2 280 | 2 148 | 2 215 | 16 622 | 102 865 | 152 697 | 126 131 | | |
| Total By Income Source | 2000 | 291 855 | 76 034 | 61 181 | 45 985 | 38 837 | 34 387 | 210 133 | 719 269 | 1 477 681 | 1 048 612 | - | - |
| 2014/15 - totals only | | 188 707 | 51 323 | 36 295 | 32 134 | 37 322 | 42 005 | 146 747 | 566 722 | 1 101 256 | 824 930 | | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | |
| Organs of State | 2200 | 23 698 | 2 882 | 456 | 242 | 1 667 | 60 | 1 332 | 2 137 | 32 473 | 5 437 | | |
| Commercial | 2300 | 135 552 | 18 339 | 13 132 | 11 525 | 9 267 | 8 270 | 50 925 | 68 966 | 315 976 | 148 953 | | |
| Households | 2400 | 111 556 | 49 941 | 42 855 | 30 248 | 24 043 | 22 365 | 130 661 | 523 898 | 935 567 | 731 214 | | |
| Other | 2500 | 21 049 | 4 872 | 4 737 | 3 971 | 3 861 | 3 692 | 27 214 | 124 268 | 193 665 | 163 007 | | |
| Total By Customer Group | 2600 | 291 855 | 76 034 | 61 181 | 45 985 | 38 837 | 34 387 | 210 133 | 719 269 | 1 477 681 | 1 048 612 | - | - |

8.1.1. Additional debtors information

The debtors that are older than 30 days, which includes all charges, amounted to R1,185,826,630 at 31 July 2015 (Refer to 8.2.1 and 8.2.2 below) which is an increase of R128,408,036 over the amount of R1,057,418,594 at 30 June 2015.

8.2. Additional debtor's information.

8.2.1. Age Analysis per Category

Table 11 below details debtors age analysis that are older than 30 days by income source as at 31 July 2015. It also provides comparison with the previous month (30 June 2015) which indicates an increase from R1.06 billion to R1.19 billion.

Table 11: Debtor's Age Analysis by Income Source Comparison

| AGEING | RATES | SEWERAGE | ELECTRICITY | WATER | REFUSE | SUNDRY DEBTORS | TOTAL FOR JULY 2015 | TOTAL FOR JUNE 2015 |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|----------------------------|----------------------------|
| 30 DAYS | 19,207,908 | 7,501,625 | 11,289,893 | 26,879,495 | 7,715,122 | 3,439,917 | 76,033,960 | 69,936,683 |
| 60 DAYS | 14,240,379 | 5,370,601 | 3,637,711 | 29,054,320 | 6,010,558 | 2,867,363 | 61,180,932 | 46,181,634 |
| 90 DAYS | 11,413,760 | 3,901,472 | 2,671,034 | 20,813,348 | 4,843,678 | 2,341,862 | 45,985,154 | 37,353,073 |
| 120 DAYS TO 360 DAYS | 94,061,008 | 27,658,844 | 13,140,340 | 91,815,584 | 35,193,158 | 21,488,400 | 283,357,334 | 251,928,799 |
| YEAR 2 | 36,445,042 | 29,169,191 | 9,684,284 | 61,803,396 | 37,675,032 | 27,783,991 | 202,560,936 | 181,181,458 |
| YEAR 3 | 26,579,972 | 19,852,840 | 5,825,568 | 35,316,203 | 26,505,339 | 21,012,204 | 135,092,126 | 122,200,316 |
| YEAR 4 | 21,660,217 | 13,716,047 | 6,597,704 | 25,203,848 | 18,375,658 | 14,168,349 | 99,721,823 | 90,030,815 |
| YEAR 5 | 14,150,174 | 9,013,755 | 2,110,573 | 16,994,233 | 12,388,780 | 9,585,898 | 64,243,413 | 58,229,342 |
| YEAR 5+ | 40,197,408 | 31,562,437 | 4,787,167 | 56,603,766 | 51,759,620 | 32,740,552 | 217,650,951 | 200,376,474 |
| TOTAL | 277,955,868 | 147,746,811 | 59,744,275 | 364,484,192 | 200,466,946 | 135,428,537 | 1,185,826,630 | 1,057,418,594 |

8.2.2. Age Analysis per Category

Table 12 below details debtors age analysis per category type that are older than 30 days as at 31 July 2015. It also reflects the percentage split per category with domestic consumers having the highest share followed by indigent consumers.

Table 12: Age Analysis per Category Type

| CATEGORY TYPE | 30 DAYS | 60 DAYS | 90 DAYS | 120 DAYS+ | Total | % Share |
|------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------|
| Domestic | 30,963,758 | 25,714,631 | 17,185,999 | 484,455,118 | 558,319,507 | 47.08 |
| Indigent | 18,633,523 | 16,934,962 | 12,923,701 | 215,876,040 | 264,368,225 | 22.29 |
| Business | 18,338,911 | 13,132,310 | 11,524,842 | 137,428,550 | 180,424,612 | 15.22 |
| Government | 2,881,616 | 455,715 | 241,749 | 5,195,448 | 8,774,528 | 0.74 |
| Municipal Staff | 330,234 | 194,826 | 129,780 | 608,086 | 1,262,926 | 0.11 |
| Councillors | 13,712 | 11,052 | 8,027 | 27,549 | 60,340 | 0.01 |
| Other | 4,872,207 | 4,737,436 | 3,971,056 | 159,035,792 | 172,616,491 | 14.56 |
| Total | 76,033,960 | 61,180,932 | 45,985,154 | 1,002,626,584 | 1,185,826,630 | 100.00 |

Note*: A stop order deduction is implemented for all municipal staff and councillors in arrears. When new staff join the employ of the municipality in many instances there is services debt, and therefore the arrears will be liquidated over an acceptable period of time, in terms of the Credit Control Policy. The reason why the debt reflects in the 30/60/90 day columns relating to staff and councillors is due to the fact that when the stop orders are receipted the payment is allocated to the oldest ageing category, giving the impression that current is not being paid, which is not the case as an amount is being deducted for current accounts.

8.2.3. Billing, Receipts and Debtors Collection Rate

Table 13 below reflect the twelve monthly amounts billed, collected/received and collection rate for the current financial year and previous financial year.

Table 13: Cumulative Nett Billing, Receipts and Debtors Collection Ratio per month from 2014/15 to 2015/16 financial year

| Month | 2013/2014 | | | 2014/2015 | | | 2015/2016 | | |
|------------------|---------------|----------------|-----------------|---------------|----------------|-----------------|---------------|----------------|-----------------|
| | Billing | Receipts | Collection Rate | Billing | Receipts | Collection Rate | Billing | Receipts | Collection Rate |
| July | 2,325,509,002 | -2,153,249,916 | 92.59 | 2,602,264,135 | -2,371,903,619 | 91.00 | 2,786,019,633 | -2,557,423,910 | 91.79 |
| August | 2,360,722,274 | -2,184,105,932 | 92.52 | 2,568,699,884 | -2,383,877,074 | 93.00 | | | |
| September | 2,362,100,818 | -2,201,573,537 | 93.20 | 2,589,585,746 | -2,403,569,317 | 93.00 | | | |
| October | 2,390,760,330 | -2,214,093,193 | 92.61 | 2,625,227,643 | -2,450,270,791 | 93.00 | | | |
| November | 2,413,236,105 | -2,237,227,839 | 92.71 | 2,652,206,738 | -2,440,158,405 | 92.00 | | | |
| December | 2,451,423,493 | -2,277,540,737 | 92.91 | 2,662,628,366 | -2,446,012,486 | 92.00 | | | |
| January | 2,473,521,774 | -2,288,389,311 | 92.52 | 2,712,272,987 | -2,461,342,745 | 91.00 | | | |
| February | 2,489,423,294 | -2,286,023,845 | 91.83 | 2,712,530,485 | -2,497,487,079 | 92.00 | | | |
| March | 2,508,588,241 | -2,317,244,720 | 92.37 | 2,733,798,105 | -2,521,003,323 | 92.00 | | | |
| April | 2,533,810,040 | -2,313,671,267 | 91.31 | 2,760,426,654 | -2,550,439,243 | 92.39 | | | |
| May | 2,563,282,383 | -2,324,079,609 | 90.67 | 2,821,295,806 | -2,563,487,111 | 90.86 | | | |
| June | 2,565,798,810 | -2,350,536,518 | 91.61 | 2,738,540,795 | -2,562,718,785 | 93.58 | | | |

8.2.4. Debt Incentive Scheme

The City is currently undertaking a debt incentive scheme to encourage consumers to pay its long outstanding debts. Any debt that was 120 days or older as at November 2014 qualifies for a write off of 50% provided that the remaining 50% plus the debt in the current to 90 days ageing categories is paid. This debt can be paid once-off, or in monthly instalment arrangements; or as a rand-for-rand option, whereby the consumer has an opportunity to pay 50% of the debt older than 120 days off as and when they can, until the end of June 2016 and for every payment made towards this debt, an amount of equal value is written off.

As at 31 July 2015 a total of 2,445 consumers have registered for the scheme. The total registered debt value is R48,576,551.73 to date, debt payments received amount to R36,118,494.31 and debt write-offs total is R9,977,544.33.

8.2.5. Government Accounts

The total arrears owed by Government Departments to Buffalo City Metropolitan Municipality that are older than 30 days as at 31 July 2015 amounted to R8,774,528. This indicates an increase of R1,906,200 when compared to prior month amount of R6,868,328.

A total payment of R8,596,340.45 was received from Government Departments in July 2015. The breakdown of the arrears per department (excluding accounts in credit) is indicated in the table hereunder, as at 31 July 2015.

Table 14 below provides an analysis of government debtors as at 31 July 2015 and comparison with the previous month.

Table 14: Analysis of Government Debtors

| DEPARTMENT | PROPERTY RATES | SERVICES | ARREARS AS AT 31 JULY 2015 | ARREARS AS AT 30 JUNE 2015 | DIFFERENCE |
|---------------------------------------|----------------|------------------|----------------------------|----------------------------|------------------|
| National Department Of Public Works | 148,724 | 176,280 | 325,004 | 261,943 | 63,061 |
| Provincial Department Of Public Works | 533,702 | 278,812 | 812,514 | 810,874 | 1,640 |
| Department Of Education | | 1,181,133 | 1,181,133 | 1,035,621 | 145,512 |
| Department Of Health | | 2,389,155 | 2,389,155 | 993,744 | 1,395,410 |
| Department Of Social Development | | 295,145 | 295,145 | 360,674 | (65,529) |
| Department Of Transport | | 27,707 | 27,707 | 48,511 | (20,804) |
| Department Of Agriculture | | 1,363,519 | 1,363,519 | 1,169,285 | 194,234 |
| Department Of Nature Conservation | | - | - | - | - |
| Department of Community Development | | 1,969 | 1,969 | - | 1,969 |
| Sport, Recreation, Arts and Culture | | - | - | - | - |
| Unemployment Insurance | | - | - | - | - |
| Members Of Provincial Legislature | | 39,125 | 39,125 | 44,609 | (5,484) |
| Department of Water Affairs | | 8,344 | 8,344 | - | 8,344 |
| COGTA | | 1 | 1 | 6,410 | (6,409) |
| Provincial RDP Houses | | 2,330,914 | 2,330,914 | 2,136,657 | 194,256 |
| TOTAL | 682,426 | 8,092,102 | 8,774,528 | 6,868,328 | 1,906,200 |

9. CREDITORS' ANALYSIS

The creditors' analysis as depicted in table 15 below contains an aged analysis by customer type. It reflects that creditors are paid within 30 days, except when there are disputes on invoices received.

Table 15: SC4 Monthly Budget Statement Aged Creditors

BUF Buffalo City - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

| Description | NT Code | Budget Year 2015/16 | | | | | | | | | Total | Prior year totals for chart (same period) |
|--|-------------|---------------------|---------------|--------------|---------------|----------------|----------------|-------------------|-------------|----------|----------------|---|
| | | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | | | |
| Creditors Age Analysis By Customer Type | | | | | | | | | | | | |
| Bulk Electricity | 0100 | 174 128 | | | | | | | | | 174 128 | 148 623 |
| Bulk Water | 0200 | 18 416 | | | | | | | | | 18 416 | 15 835 |
| PAYE deductions | 0300 | 12 814 | | | | | | | | | 12 814 | 12 107 |
| VAT (output less input) | 0400 | - | | | | | | | | | - | - |
| Pensions / Retirement deductions | 0500 | 15 571 | | | | | | | | | 15 571 | 15 053 |
| Loan repayments | 0600 | - | | | | | | | | | - | - |
| Trade Creditors | 0700 | 199 019 | 16 825 | | | | | | | | 215 844 | 319 380 |
| Auditor General | 0800 | - | | | | | | | | | - | 522 |
| Other | 0900 | 154 584 | | | | | | | | | 154 584 | 465 081 |
| Total By Customer Type | 1000 | 574 532 | 16 825 | - | - | - | - | - | - | - | 591 357 | 976 600 |

The table below (table 16) depicts actual payments made by BCMM to its top twenty (20) creditors in July 2015.

Table 16: Payments made to the 20 highest paid creditors – July 2015

| <u>CREDITOR</u> | <u>90 DAYS</u> | <u>60 DAYS</u> | <u>30 DAYS</u> | <u>CURRENT</u> | <u>TOTAL</u> | <u>PAYMENT</u> |
|---|----------------|----------------|----------------------|---------------------|----------------------|----------------------|
| INTERWASTE (PTY) LTD | | | 7 670 476.08 | | 7 670 476.08 | 7 670 476.08 |
| MANTELLA TRADING 522 CC | | | 2 773 539.07 | | 2 773 539.07 | 2 773 539.07 |
| C & M FASTNERS CC | | | | 2 340 220.45 | 2 340 220.45 | 2 340 220.45 |
| SIYASEBENZA TARRING & CONSTRUCTION CC | | | | 2 122 485.20 | 2 122 485.20 | 2 122 485.20 |
| MTIMA PLUMBING SERVICES | | | 1 544 344.62 | | 1 544 344.62 | 1 544 344.62 |
| A F S GROUP (PTY) LTD | | | 1 431 476.55 | | 1 431 476.55 | 1 431 476.55 |
| EYA BANTU PROFFESIONAL SERVICES CC | | | | 1 375 212.21 | 1 375 212.21 | 1 375 212.21 |
| MVEZO PLANT & CIVILS CC | | | 578 631.07 | | 578 631.07 | 578 631.07 |
| MAKINWA MEDIA MANAGEMENT | | | 514 446.41 | | 514 446.41 | 514 446.41 |
| KEPU TRADING (PTY) LTD | | | 506 630.00 | | 506 630.00 | 506 630.00 |
| LIFETIME CONNECTION MANUFACTURING SUPPLY CC | | | 496 784.46 | | 496 784.46 | 496 784.46 |
| MAZIYA GENERAL SERVICES | | | 414 928.08 | | 414 928.08 | 414 928.08 |
| ARISTOPIX (PTY) LTD | | | 318 459.48 | | 318 459.48 | 318 459.48 |
| ALOMNA CONSTRUCTION & PLANT HIRE CC | | | 158 642.40 | 151 243.80 | 309 886.20 | 309 886.20 |
| LUQAQAMBO CIVILS CONSTRUCTION CC | | | 306 955.92 | | 306 955.92 | 306 955.92 |
| CZAR CONSTRUCTION | | | | 237 389.21 | 237 389.21 | 237 389.21 |
| POLAZ IT SERVICES | | | | 190 080.00 | 190 080.00 | 190 080.00 |
| T V R CONSTRUCTION | | | 109 687.42 | 58 631.68 | 168 319.10 | 168 319.10 |
| CREATRIX OMNIA GROUP (PTY) LTD | | | | 159 072.70 | 159 072.70 | 159 072.70 |
| ROYAL HASKONINGDHV (PTY) LTD | | | | 155 350.01 | 155 350.01 | 155 350.01 |
| TOTAL | - | - | 16 825 001.56 | 6 789 685.26 | 23 614 686.82 | 23 614 686.82 |

10. INVESTMENT PORTFOLIO ANALYSIS

The investment portfolio analysis detailed in table 17 below includes information of the institution where funds are invested, period of investment, type of investment and accrued interest for the month.

Table 17: SC5 Monthly budget Statement – investment portfolio

| BUF Buffalo City - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July | | | | | | | | | |
|--|-----|------------------------------------|--------------------|---------------------------|--------------------------------|---------------------------|--|------------------------|----------------------------------|
| Investments by maturity Name of institution & investment ID R thousands | Ref | Period of Investment Yrs/Months | 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 |
| Municipality | | | | | | | | | |
| Rand Merchant Bank X021901943 | | Call Account | Call Account | Call Account | 202 | 1.9% | 44 856 | 202 | 45 059 |
| Absa 91 2884 4539 | | Call Account | Call Account | Call Account | 2 | 0.0% | 349 | 2 | 351 |
| Standard 422 742 | | Call Account | Call Account | Call Account | 6 | 0.1% | 1 381 | 6 | 1 388 |
| Absa 91 4102 2241 | | Call Account | Call Account | Call Account | 39 | 0.4% | 9 073 | 39 | 9 112 |
| Absa 91 4163 6965 | | Call Account | Call Account | Call Account | 1 | 0.0% | 206 | 1 | 207 |
| Absa 91 5484 1280 | | Call Account | Call Account | Call Account | 0 | 0.0% | 7 | 0 | 8 |
| Rand Merchant Bank X021904910 | | Call Account | Call Account | Call Account | 39 | 0.4% | 8 750 | 39 | 8 790 |
| Standard 76586/442740 | | Call Account | Call Account | Call Account | 10 | 0.1% | 2 184 | 10 | 2 194 |
| Absa 92 0562 2137 | | Call Account | Call Account | Call Account | 3 | 0.0% | 766 | 3 | 770 |
| Rand Merchant Bank X021904913 | | Call Account | Call Account | Call Account | 64 | 0.6% | 14 110 | 64 | 14 173 |
| Rand Merchant Bank X021903300 | | Call Account | Call Account | Call Account | 11 | 0.1% | 2 417 | 11 | 2 428 |
| Stanlib 551 557 338 | | Call Account | Call Account | Call Account | 21 | 0.2% | 3 846 | 21 | 3 867 |
| Absa 92 4434 8061 | | Call Account | Call Account | Call Account | 0 | 0.0% | 31 | 0 | 31 |
| Nedbank 03/7881532939/000126 | | Call Account | Call Account | Call Account | 9 | 0.1% | 2 030 | 9 | 2 039 |
| Standard 76586/442739 | | Call Account | Call Account | Call Account | 26 | 0.2% | 5 663 | 26 | 5 688 |
| Stanlib 551 660 303 | | Call Account | Call Account | Call Account | 0 | 0.0% | 6 | 0 | 6 |
| Nedbank 03/7881532939/000041 | | Call Account | Call Account | Call Account | 30 | 0.3% | 6 666 | 30 | 6 696 |
| Nedbank 03/7881532939/000056 | | Call Account | Call Account | Call Account | 5 | 0.0% | 1 067 | 5 | 1 072 |
| Nedbank 03/7881532939/000058 | | Call Account | Call Account | Call Account | 27 | 0.3% | 5 898 | 27 | 5 925 |
| Nedbank 03/7881532939/000103 | | Call Account | Call Account | Call Account | 5 | 0.1% | 1 195 | 5 | 1 200 |
| Nedbank 03/7881532939/000064 | | Call Account | Call Account | Call Account | 36 | 0.3% | 7 923 | 36 | 7 959 |

BUF Buffalo City - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

| Investments by maturity Name of institution & investment ID | Ref | Period of Investment Yrs/Months | 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 |
|--|-----|------------------------------------|--------------------|---------------------------|--------------------------------|---------------------------|--|------------------------|----------------------------------|
| Municipality | | | | | | | | | |
| Absa 92 0559 0710 | | Call Account | Call Account | Call Account | 0 | 0.0% | 39 | 0 | 40 |
| Nedbank 03/7881532939/000117 | | Call Account | Call Account | Call Account | 36 | 0.3% | 8 046 | 36 | 8 082 |
| Nedbank 03/7881532939/000108 | | Call Account | Call Account | Call Account | 1 | 0.0% | 162 | 1 | 163 |
| Absa 92 2975 5568 | | Call Account | Call Account | Call Account | 0 | 0.0% | 15 | 0 | 15 |
| Absa 91 9360 7257 | | Call Account | Call Account | Call Account | 4 | 0.0% | 989 | 4 | 993 |
| Nedbank 03/7881532939/000112 | | Call Account | Call Account | Call Account | 0 | 0.0% | 1 | 0 | 1 |
| Standard 76586/442737 | | Call Account | Call Account | Call Account | 1 | 0.0% | 179 | 1 | 180 |
| Nedbank 03/7881532939/000110 | | Call Account | Call Account | Call Account | 1 | 0.0% | 196 | 1 | 197 |
| Nedbank 03/7881532939/000123 | | Call Account | Call Account | Call Account | 1 | 0.0% | 141 | 1 | 142 |
| Rand Merchant Bank RRB1629010 | | Call Account | Call Account | Call Account | 316 | 3.0% | 69 902 | 316 | 70 218 |
| Stanlib 551 989 180 | | Call Account | Call Account | Call Account | 187 | 1.8% | 34 922 | 187 | 35 109 |
| Absa 92 2590 9850 | | Call Account | Call Account | Call Account | 4 | 0.0% | 924 | 4 | 928 |
| Stanlib 551 539 764 | | Call Account | Call Account | Call Account | 8 | 0.1% | 1 460 | 8 | 1 468 |
| Rand Merchant Bank RRB0324003 | | Call Account | Call Account | Call Account | 0 | 0.0% | 38 | 0 | 39 |
| Stanlib 551 567 496 | | Call Account | Call Account | Call Account | 0 | 0.0% | 2 | 0 | 2 |
| Stanlib 551 576 733 | | Call Account | Call Account | Call Account | 0 | 0.0% | 81 | 0 | 81 |
| Rand Merchant Bank RRB0B25020 | | Call Account | Call Account | Call Account | 9 | 0.1% | 2 006 | 9 | 2 015 |
| Standard 76586/442743 | | Call Account | Call Account | Call Account | 0 | 0.0% | 84 | 0 | 84 |
| Rand Merchant Bank RRB1609012 | | Call Account | Call Account | Call Account | 1 | 0.0% | 277 | 1 | 279 |
| Stanlib 551 742 405 | | Call Account | Call Account | Call Account | 2 | 0.0% | 359 | 2 | 361 |
| Rand Merchant Bank KLN2308011 | | Call Account | Call Account | Call Account | 2 | 0.0% | 352 | 2 | 354 |
| Nedbank 03/7881532939/000128 | | Call Account | Call Account | Call Account | 216 | 2.1% | 21 917 | 66 216 | 88 133 |
| Rand Merchant Bank RRB1722008 | | Call Account | Call Account | Call Account | 314 | 3.0% | 45 407 | 61 314 | 106 720 |
| Standard 76586/442745 | | Call Account | Call Account | Call Account | 167 | 1.6% | 13 224 | 60 419 | 73 643 |

BUF Buffalo City - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

| Investments by maturity Name of institution & investment ID R thousands | Ref | Period of Investment Yrs/Months | 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 |
|---|----------|------------------------------------|-----------------------|---------------------------|--------------------------------|---------------------------|--|------------------------|----------------------------------|
| Municipality | | | | | | | | | |
| Absa 92 6406 3148 | | Call Account | Call Account | Call Account | 540 | 5.1% | 75 898 | 98 540 | 174 438 |
| Rand Merchant Bank KLN2720020 | | Call Account | Call Account | Call Account | 2 | 0.0% | 542 | 2 | 545 |
| Stanlib 551 868 235 | | Call Account | Call Account | Call Account | 1 | 0.0% | 127 | 1 | 127 |
| Absa 92 0559 0891 | | Call Account | Call Account | Call Account | 3 | 0.0% | 586 | 3 | 588 |
| Rand Merchant Bank VVW2B13011 | | Call Account | Call Account | Call Account | 1 | 0.0% | 288 | 1 | 290 |
| Nedbank Refer to Confirmation | | Refer to Confirmation | Refer to Confirmation | Refer to Confirmation | – | | – | – | – |
| Stanlib 753 72 270 | | Call Account | Call Account | Call Account | 130 | 1.2% | 24 238 | 130 | 24 368 |
| Stanlib 551 353 708 | | Call Account | Call Account | Call Account | 5 | 0.0% | 966 | 5 | 971 |
| Standard 76586/442736 | | Call Account | Call Account | Call Account | 260 | 2.5% | 57 630 | 260 | 57 890 |
| Stanlib 753 72 271 | | Call Account | Call Account | Call Account | 570 | 5.4% | 106 487 | 570 | 107 057 |
| Rand Merchant Bank X021904579 | | Call Account | Call Account | Call Account | 112 | 1.1% | 24 834 | 112 | 24 946 |
| Nedbank 03/7881532939/000101 | | Call Account | Call Account | Call Account | 164 | 1.6% | 36 250 | 164 | 36 414 |
| Absa 92 1120 9757 | | Call Account | Call Account | Call Account | 1 038 | 9.9% | 210 789 | 59 038 | 269 827 |
| Absa 92 2110 3430 | | Call Account | Call Account | Call Account | 594 | 5.7% | 137 263 | 594 | 137 858 |
| Standard 76586/442741 | | Call Account | Call Account | Call Account | 42 | 0.4% | 9 350 | 42 | 9 392 |
| Standard 76586/442744 | | Call Account | Call Account | Call Account | 120 | 1.1% | 26 685 | 120 | 26 805 |
| Rand Merchant Bank RRB0C07002 | | Call Account | Call Account | Call Account | 42 | 0.4% | 9 206 | 42 | 9 247 |
| Nedbank 03/7881532939/000129 | | Call Account | Call Account | Call Account | 93 | 0.9% | 20 578 | 93 | 20 671 |
| Nedbank 03/7881532939/000125 | | Call Account | Call Account | Call Account | 2 | 0.0% | 471 | 2 | 473 |
| Stanlib 551 748 914 | | Call Account | Call Account | Call Account | 141 | 1.3% | 26 429 | 141 | 26 571 |
| Absa 92 6406 3407 | | Call Account | Call Account | Call Account | 7 | 0.1% | 1 731 | 7 | 1 738 |
| Nedbank 03/7881532939/000132 | | Call Account | Call Account | Call Account | 2 067 | 19.7% | 449 737 | 23 067 | 472 805 |
| Rand Merchant Bank KLN3815041 | | Call Account | Call Account | Call Account | 1 595 | 15.2% | 346 129 | 19 946 | 366 075 |
| Standard 76586/470801 | | Call Account | Call Account | Call Account | 1 156 | 11.0% | 248 296 | 21 156 | 269 452 |
| Standard 76586/442738 | | Call Account | Call Account | Call Account | 10 | 0.1% | 2 267 | 10 | 2 277 |
| Municipality sub-total | | | | | 10 503 | | 2 135 924 | 413 106 | 2 549 031 |
| Entities | | | | | | | | | |
| | | | | | | | | | |
| Entities sub-total | | | | | – | | – | – | – |
| TOTAL INVESTMENTS AND INTEREST | 2 | | | | 10 503 | | 2 135 924 | 413 106 | 2 549 031 |

11. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Transfers and grants expenditure (excluding vat) per allocation or grant is provided in the table below. Further details on grants expenditure performance is detailed in section 11.1 below.

Table 18: SC7 Monthly budget Statement – transfers and grants expenditure

BUF Buffalo City - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

| Description | Ref | 2014/15 | Budget Year 2015/16 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | 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: | | - | 714 196 | - | 1 763 | 1 763 | 59 516 | (57 753) | -97.0% | 714 196 |
| Local Government Equitable Share | | | 655 141 | | - | - | 54 595 | (54 595) | -100.0% | 655 141 |
| Urban Settlement Development Grant | | | 33 348 | | 1 687 | 1 687 | 2 779 | (1 092) | -39.3% | 33 348 |
| Finance Management | | | 1 300 | | 22 | 22 | 108 | (86) | | 1 300 |
| EPWP Incentive | | | 1 149 | | - | - | 96 | (96) | | 1 149 |
| Infrastructure Skills Development Grant | | | 8 400 | | 54 | 54 | 700 | (646) | | 8 400 |
| Integrated City Development Grant | | | 5 605 | | - | - | 467 | (467) | | 5 605 |
| Municipal Human Settlement Capacity Grant | | | 9 253 | | - | - | 771 | (771) | -100.0% | 9 253 |
| Provincial Government: | | - | 531 687 | - | 1 310 | 1 310 | 44 307 | (42 997) | -97.0% | 531 687 |
| Roads Subsidy - Provincial Roads | | | 1 871 | | - | - | 156 | (156) | -100.0% | 1 871 |
| Local Government & Traditional Affairs | | | 2 000 | | 193 | 193 | 167 | 26 | 15.7% | 2 000 |
| Health Subsidy - ATIC | | | 2 522 | | - | - | 210 | (210) | -100.0% | 2 522 |
| Library Subsidy | | | 3 638 | | - | - | 303 | (303) | -100.0% | 3 638 |
| Human Settlement Development Grant | | | 521 656 | | 1 117 | 1 117 | 43 471 | (42 354) | -97.4% | 521 656 |
| District Municipality: | | - | - | - | - | - | - | - | | - |
| Health Subsidy - Environmental Health | | | - | | - | - | - | - | | - |
| Other grant providers: | | - | 3 329 | - | - | - | 277 | (277) | -100.0% | 3 329 |
| SETA - Skills Development | | | 2 989 | | - | - | 249 | (249) | -100.0% | 2 989 |
| Donor Funding - European Commission | | | 340 | | - | - | 28 | (28) | -100.0% | 340 |
| Total operating expenditure of Transfers and Grants: | | - | 1 249 211 | - | 3 073 | 3 073 | 104 101 | (101 028) | -97.0% | 1 249 211 |
| Capital expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | - | 742 884 | - | 148 | 148 | 61 907 | (61 759) | -99.8% | 742 884 |
| Urban Settlement Development Grant | | | 679 784 | | 148 | 148 | 56 649 | (56 500) | -99.7% | 679 784 |
| Infrastructure Skills Development Grant | | | 100 | | - | - | 8 | (8) | -100.0% | 100 |
| Energy Efficiency and Demand Management | | | 13 000 | | - | - | 1 083 | (1 083) | -100.0% | 13 000 |
| Neighbourhood Development Partnership | | | 20 000 | | - | - | 1 667 | (1 667) | -100.0% | 20 000 |
| Integrated National Electrification Programme | | | 30 000 | | - | - | 2 500 | (2 500) | -100.0% | 30 000 |
| Provincial Government: | | - | 107 469 | - | - | - | - | - | | 107 469 |
| Human Settlement Development Grant | | | 94 400 | | - | - | - | - | | 94 400 |
| Human Settlement Development Grant - MPCC | | | 13 069 | | - | - | - | - | | 13 069 |
| District Municipality: | | - | - | - | - | - | - | - | | - |
| Health Subsidy - Environmental Health | | | - | | - | - | - | - | | - |
| Other grant providers: | | - | - | - | - | - | - | - | | - |
| BCMET Funding | | | - | | - | - | - | - | | - |
| Public Funding | | | - | | - | - | - | - | | - |
| Total capital expenditure of Transfers and Grants | | - | 850 353 | - | 148 | 148 | 61 907 | (61 759) | -99.8% | 850 353 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | | - | 2 099 564 | - | 3 221 | 3 221 | 166 008 | (162 787) | -98.1% | 2 099 564 |

11.1. Expenditure On Conditional Grant Allocations

The Metro has spent R1.93 million inclusive of reclaimed vat (2014/15: R4.45 million) which is 0.24% (2014/15: 1%) of its 2015/2016 DoRA allocation of R801.94 million (2014/15: 714.18 million) as at 31 July 2015. This reflects a regression when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken.

Table 19 below reflects the year to date expenditure on 2015/16 total conditional grants.

Table 19: Spending per Conditional Grant Funding Allocation

| Funding/Grant | 2015/2016 Approved Budget | YTD Expenditure (incl. vat) | Variance | % Exp vs. Budget |
|---|--|--|--------------------|---------------------------------|
| Integrated National Electrification Programme Grant | 30 000 000 | 0 | 30 000 000 | 0% |
| Energy Efficiency & Demand Side Management Grant | 13 000 000 | 0 | 13 000 000 | 0% |
| Finance Management Grant | 1 300 000 | 21 835 | 1 278 165 | 2% |
| Infrastructure Skills Development Grant | 8 500 000 | 57 840 | 8 442 160 | 1% |
| Neighbourhood Development Partnership Grant | 20 000 000 | 0 | 20 000 000 | 0% |
| Urban Settlement Development Grant | 713 132 000 | 1 854 080 | 711 277 920 | 0% |
| Integrated City Development Grant | 5 605 000 | 0 | 5 605 000 | 0% |
| Municipal Human Settlement Capacity Grant | 9 253 000 | 0 | 9 253 000 | 0% |
| Expanded Public Works Programme Grant | 1 149 000 | 0 | 1 149 000 | 0% |
| TOTAL | 801 939 000 | 1 933 755 | 800 005 245 | 0.24% |

Comments on performance of programmes that are implemented by the above funding are detailed below.

11.1.1. INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)

Contracts are currently in advertising stage, expenditure to commence at appointment stage. The grant funding is going to be used to service connections to RDP houses detailed below:

| AREA | CONNECTIONS | STATUS |
|-----------------------------|--------------------|-----------------------------------|
| Mdantsane – Mount Ruth | 168 | Bid Specification Committee |
| Mdantsane Buffer Strip | 563 | Bid Specification Committee |
| Potsdam Unit P(Extension 2) | 400 | On Tender (Closing date 21/08/15) |
| Quenera (Mzamomhle PH 1) | 311 | Bid Specification Committee |
| Reeston Phase 3 (Stage1) | 400 | Bid Specification Committee |

11.1.2. ENERGY EFFICIENCY & DEMAND SIDE MANAGEMENT GRANT (EEDSM)

The funding will be used for the installation and retrofit of 1000 watt high mast fittings to LED fittings; expected result of a minimum of 50% decrease in electricity consumption.

11.1.3. FINANCE MANAGEMENT GRANT (FMG)

The contracts of the prior intake of interns came to an end at 30 June 2015. The employment of new interns is in progress, Human Resources Department is undertaking its recruitment.

11.1.4. INFRASTRUCTURE SKILLS DEVELOPMENT GRANT (ISDG)

Nine interns attended Electrical Trade Test Training at Nelson Mandela Bay Municipality, training costs amounting to R250 000 could not be processed in time and will reflect in next months reporting (August 2015).

11.1.5. NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)

Awaiting approval from National Treasury for the Mdantsane Precinct Plan.

11.1.6. URBAN SETTLEMENT DEVELOPMENT GRANT (USDG) **HUMAN SETTLEMENTS**

Technical timeframe delays in appointment of service providers and finalisation of contractual documents for projects on procurement stage contributed in the under expenditure. The department has finalised the contractual documents and obligations with the newly appointed service providers, the service providers are busy with project implementation. The department has further planned to advance project monitoring in order to ensure that the service providers deliver as per

required milestones. Subsequent to the efforts, the process of procurement of annual contractors and consultant has been followed seeking to improve procurement turnaround.

ENGINEERING SERVICES

Reasons for the Low Expenditure

Water and Sanitation Capital Projects

Some of the Treatment Works projects have been delayed due to litigations. The litigation process to be fast-tracked for the waste water treatment works projects. Funds have been spent on materials to be installed and purchasing of electronic components for the Wastewater Treatment Works projects. Some of the rural sanitation projects have reached final completion and some have reached practical completion. Annual contractors have been appointed to fast track the implementation of the outstanding projects within the Rural Sanitation Backlog Eradication Programme.

SPATIAL PLANNING & DEVELOPMENT

Reasons for the Low Expenditure

KwaTshatshu Pedestrian Bridge

Consultants were appointed in July 2014. The detail design and environmental process are nearing completion. The land requirements are currently being dealt with and thereafter the project will move to tender stage.

Needs Camp / Potsdam Bridge

Consultants were appointed in December 2013. The detail designs and draft tender document phase has been completed. The land requirements are currently being dealt with and thereafter the project will move to tender stage.

Sidewalks

Sidewalks have been identified in Scenery Park and Sweetwaters.

Traffic calming measures

The following areas have been identified for the construction of speed humps:

Braelyn, Duncan Village, Sweetwaters, Beacon Bay, Zwelitsha, Mdantsane and Sunnyridge and the works instructions have been done.

Guardrails

Sites for Guardrails have been identified in Mdantsane, Alphenale and Ginsberg.

Traffic Signals

Sites for traffic signals have been identified on NEX, Potters Pass, Caxton, Terminus and Gullsway. Construction of the NEX/Thornburn Terrace intersection signals is currently underway.

Guidance Signage

Sites for guidance signs have been identified and designed for the rural areas, they have been manufactured by the BCMM signage contractor.

Taxi/ Bus stops, Scenery Park and Gonubie taxi loading area and Bonza Bay taxi loading area ablution facility

Taxi/ Bus stops have been identified for Dimbaza and Mdantsane areas. Feasibility study and Design Bid Document for Scenery Park and Gonubie taxi loading area is being developed and awaiting wayleave approval from service departments. Construction of Ablution Facility at the Bonza Bay Taxi Loading area has started on 11 August 2015.

King Williams Town Taxi and Bus Facilities

King Williams Town Taxi/Bus Facility Bid document is with Project Implementation Unit and has been submitted to Bid Specifications Committee for approval.

ECONOMIC DEVELOPMENT

The funding will be used for Phase 3 of the Market Upgrade Project. There is no procurement process to be undertaken, an annual contract of Building and Maintenance will be used. The project is scheduled to start in the second quarter and finish in the fourth quarter. Technical Specifications have already been developed through EPMO. Payments will be effected upon completion of each project milestone in line with project plan.

HEALTH AND PUBLIC SAFETY

Bill of quantities and specifications for building contractor has been finalized and to be submitted to Supply Chain Management & Bid Specifications Committee.

COMMUNITY SERVICES

Specifications are being finalised for some of the projects and Enterprise Project Management Office (EPMO) is assisting the directorate with project implementation in order to speed up the processes.

11.1.7. EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

The municipality has an allocation of R1 149 000 for the 2015/16 financial year from the National Department of Public Works as per approved payment schedule by National treasury. A business plan has been approved for the following projects: Operations and Maintenance of public ablution facilities (R574 500); Maintenance of Eco Parks (R287 250) & Maintenance of roads within BCMM clusters (R287 250). These Projects are ongoing, therefore funding will be utilized

12. COUNCILLOR AND EMPLOYEE BENEFITS

12.1. Councillor and Employees Benefits Summary

Table 20 below provides summary of employees and Councilors remuneration.

Table 20: SC8 Monthly Budget Statement – Councilor and Staff Benefits

| BUF Buffalo City - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July | | | | | | | | | | |
|---|-----|-----------------|-----------------|-----------------|---------------------|---------------|---------------|--------------|----------------|--------------------|
| Summary of Employee and Councillor remuneration | Ref | 2014/15 | | | Budget Year 2015/16 | | | | | |
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | A | B | C | | | | | | D |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | | | 31 903 | - | 4 210 | 4 210 | 2 637 | 1 573 | 60% | 31 903 |
| Pension and UIF Contributions | | | 3 328 | - | - | - | 278 | (278) | -100% | 3 328 |
| Medical Aid Contributions | | | 1 856 | - | - | - | 90 | (90) | -100% | 1 856 |
| Motor Vehicle Allowance | | | 12 944 | - | - | - | 1 099 | (1 099) | -100% | 12 944 |
| Cellphone Allowance | | | - | - | - | - | - | - | - | - |
| Housing Allowances | | | 2 879 | - | - | - | 306 | (306) | -100% | 2 879 |
| Other benefits and allowances | | | - | - | - | - | - | - | - | - |
| Sub Total - Councillors | | | 52 910 | - | 4 210 | 4 210 | 4 409 | (199) | -5% | 52 910 |
| % increase | 4 | | #DIV/0! | - | - | - | - | - | - | #DIV/0! |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | | | 15 026 | - | 222 | 222 | 1 233 | (1 011) | -82% | 15 026 |
| Pension and UIF Contributions | | | 2 734 | - | 33 | 33 | 234 | (201) | -86% | 2 734 |
| Medical Aid Contributions | | | 266 | - | 3 | 3 | 40 | (36) | -92% | 266 |
| Overtime | | | - | - | - | - | - | - | - | - |
| Performance Bonus | | | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | | 2 738 | - | 39 | 39 | 264 | (225) | -85% | 2 738 |
| Cellphone Allowance | | | - | - | 9 | 9 | 9 | 9 | #DIV/0! | - |
| Housing Allowances | | | 83 | - | - | - | 28 | (28) | -100% | 83 |
| Other benefits and allowances | | | 2 273 | - | 35 | 35 | 219 | (185) | -84% | 2 273 |
| Payments in lieu of leave | | | - | - | - | - | - | - | - | - |
| Long service awards | | | 36 | - | - | - | - | - | - | 36 |
| Post-retirement benefit obligations | | | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | | | 23 157 | - | 341 | 341 | 2 018 | (1 677) | -83% | 23 157 |
| % increase | 4 | | #DIV/0! | - | - | - | - | - | - | #DIV/0! |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | | 851 398 | - | 66 017 | 66 017 | 72 968 | (6 951) | -10% | 851 398 |
| Pension and UIF Contributions | | | 155 271 | - | 10 435 | 10 435 | 13 564 | (3 129) | -23% | 155 271 |
| Medical Aid Contributions | | | 96 719 | - | 4 640 | 4 640 | 5 067 | (427) | -8% | 96 719 |
| Overtime | | | 60 348 | - | 7 486 | 7 486 | 5 637 | 1 850 | 33% | 60 348 |
| Performance Bonus | | | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | | 26 800 | - | 1 725 | 1 725 | 2 329 | (603) | -26% | 26 800 |
| Cellphone Allowance | | | - | - | - | - | - | - | - | - |
| Housing Allowances | | | 10 185 | - | 308 | 308 | 686 | (379) | -55% | 10 185 |
| Other benefits and allowances | | | 139 402 | - | - | - | 10 403 | (10 403) | -100% | 139 402 |
| Payments in lieu of leave | | | 7 307 | - | 12 261 | 12 261 | 1 522 | 10 740 | 706% | 7 307 |
| Long service awards | | | 17 033 | - | 1 384 | 1 384 | 1 442 | (58) | -4% | 17 033 |
| Post-retirement benefit obligations | | | - | - | 0 | 0 | 0 | 0 | #DIV/0! | - |
| Sub Total - Other Municipal Staff | | | 1 364 462 | - | 104 256 | 104 256 | 113 617 | (9 360) | -8% | 1 364 462 |
| % increase | 4 | | #DIV/0! | - | - | - | - | - | - | #DIV/0! |
| Total Parent Municipality | | | 1 440 529 | - | 108 808 | 108 808 | 120 044 | (11 236) | -9% | 1 440 529 |
| Unpaid salary, allowances & benefits in arrears: | | | - | - | - | - | - | - | - | - |
| Board Members of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | | 96 | - | - | - | - | - | - | 96 |
| Pension and UIF Contributions | | | - | - | - | - | - | - | - | - |
| Medical Aid Contributions | | | - | - | - | - | - | - | - | - |
| Overtime | | | - | - | - | - | - | - | - | - |
| Performance Bonus | | | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | | - | - | - | - | - | - | - | - |
| Cellphone Allowance | | | - | - | - | - | - | - | - | - |
| Housing Allowances | | | - | - | - | - | - | - | - | - |
| Other benefits and allowances | | | - | - | - | - | - | - | - | - |
| Board Fees | | | - | - | - | - | - | - | - | - |
| Payments in lieu of leave | | | - | - | - | - | - | - | - | - |
| Long service awards | | | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | | - | - | - | - | - | - | - | - |
| Sub Total - Board Members of Entities | | | 96 | - | - | - | - | - | - | 96 |
| % increase | 4 | | #DIV/0! | - | - | - | - | - | - | #DIV/0! |
| Senior Managers of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | | 1 004 | - | - | - | - | - | - | 1 004 |
| Pension and UIF Contributions | | | 184 | - | - | - | - | - | - | 184 |
| Medical Aid Contributions | | | 91 | - | - | - | - | - | - | 91 |
| Overtime | | | - | - | - | - | - | - | - | - |
| Performance Bonus | | | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | | 310 | - | - | - | - | - | - | 310 |
| Cellphone Allowance | | | - | - | - | - | - | - | - | - |
| Housing Allowances | | | 25 | - | - | - | - | - | - | 25 |
| Other benefits and allowances | | | 104 | - | - | - | - | - | - | 104 |
| Payments in lieu of leave | | | - | - | - | - | - | - | - | - |
| Long service awards | | | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Entities | | | 1 718 | - | - | - | - | - | - | 1 718 |
| % increase | 4 | | #DIV/0! | - | - | - | - | - | - | #DIV/0! |
| Other Staff of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | | 180 | - | - | - | - | - | - | 180 |
| Pension and UIF Contributions | | | 34 | - | - | - | - | - | - | 34 |
| Medical Aid Contributions | | | 91 | - | - | - | - | - | - | 91 |
| Overtime | | | - | - | - | - | - | - | - | - |
| Performance Bonus | | | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | | - | - | - | - | - | - | - | - |
| Cellphone Allowance | | | - | - | - | - | - | - | - | - |
| Housing Allowances | | | 16 | - | - | - | - | - | - | 16 |
| Other benefits and allowances | | | 19 | - | - | - | - | - | - | 19 |
| Payments in lieu of leave | | | - | - | - | - | - | - | - | - |
| Long service awards | | | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | | - | - | - | - | - | - | - | - |
| Sub Total - Other Staff of Entities | | | 341 | - | - | - | - | - | - | 341 |
| % increase | 4 | | #DIV/0! | - | - | - | - | - | - | #DIV/0! |
| Total Municipal Entities | | | 2 155 | - | - | - | - | - | - | 2 155 |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | | 1 442 684 | - | 108 808 | 108 808 | 120 044 | (11 236) | -9% | 1 442 684 |
| % increase | 4 | | #DIV/0! | - | - | - | - | - | - | #DIV/0! |
| TOTAL MANAGERS AND STAFF | | | 1 389 678 | - | 104 597 | 104 597 | 115 635 | (11 037) | -10% | 1 389 678 |

12.2. Overtime Analysis

Table 21 below provides comparison of overtime expenditure against budget per directorate for the period ended 31 July 2015. Table 22 below details overtime expenditure incurred per cost centre for the past three months ended 31 July 2015.

Table 21: Overtime per Directorate

| Directorate | 2015/2016 Annual Budget R | 2015/2016 YTD Budget R | 2015/2016 YTD Expenditure R | 2015/2016 Variance R | 2015/2016 % of YTD Budget % |
|---|------------------------------------|---------------------------------|--------------------------------------|----------------------------|--------------------------------------|
| Directorate of Executive Support Services | 1 476 325 | 123 027 | 259 953 | -136 926 | 211% |
| Directorate of The Municipal Manager | 280 035 | 23 336 | 40 553 | -17 216 | 174% |
| Directorate of Chief Operations Officer | 96 161 | 8 013 | 2 538 | 5 476 | 32% |
| Directorate of Financial Service | 1 235 667 | 102 972 | 228 921 | -125 949 | 222% |
| Directorate of Corporate Services | 552 836 | 46 070 | 48 589 | -2 519 | 105% |
| Directorate of Engineering Services | 15 159 129 | 1 263 261 | 2 340 165 | -1 076 904 | 185% |
| <i>Electricity</i> | 7 120 580 | 593 382 | 695 561 | -102 179 | 117% |
| <i>Water</i> | 2 764 285 | 230 357 | 857 523 | -627 166 | 372% |
| <i>Sanitation</i> | 4 257 654 | 354 805 | 609 471 | -254 666 | 172% |
| <i>Other</i> | 1 016 610 | 84 718 | 177 611 | -92 893 | 210% |
| Directorate of Development Planning | 951 675 | 79 306 | 73 259 | 6 048 | 92% |
| Directorate of Health and Public Safety | 23 003 966 | 1 916 997 | 1 028 350 | 888 648 | 54% |
| Directorate of Community Services | 17 592 591 | 1 466 049 | 3 464 104 | -1 998 054 | 236% |
| Total | 60 348 385 | 5 029 032 | 7 486 430 | -2 457 398 | 149% |

Table 22: Overtime Per Cost Centre: May 2015 – July 2015

| | | May 2015 Amount | June 2015 Amount | July 2015 Amount |
|--|---|--------------------|---------------------|---------------------|
| Directorate -Executive Support Services | | | | |
| 105 005 | Office of The Director of Executive Support | 264 886.78 | 298 036.48 | 250 234.92 |
| 105 020 | Public Participation & Ward Committees | 43 846.35 | 5 582.97 | 3 754.82 |
| 105 025 | Strategic Support | 5 206.91 | - | 1 683.04 |
| 105 030 | Special Programmes | 13 829.49 | 5 270.05 | 5 663.90 |
| 110 005 | IDP | 58 336.30 | 5 924.59 | - |
| 120 010 | Public Relations & International Events | 81 291.46 | 72 284.96 | 50 824.95 |
| | | 467 397.29 | 387 099.05 | 312 161.63 |
| Directorate - Municipal Manager | | | | |
| 205 005 | Office of The Municipal Manager & Support Services | 58 809.63 | 47 279.02 | 33 073.62 |
| 215 005 | Internal Audit | - | - | 9 623.18 |
| 225 010 | Municipal Public Accounts Committee | - | 2 096.58 | - |
| | | 58 809.63 | 49 375.60 | 42 696.80 |
| Directorate - Chief Operations Officer | | | | |
| 250 005 | Office of the Chief Operations Officer | 6 519.38 | - | - |
| 255 005 | Housing Department | 476.88 | 4 956.54 | 5 175.38 |
| | | 6 996.26 | 4 956.54 | 5 175.38 |
| Directorate - Chief Financial Officer | | | | |
| 315 005 | Budget Office | 462.78 | - | - |
| 320 010 | Supply Chain Management | 3 837.69 | 52 216.16 | 76 946.09 |
| 320 015 | Expenditure Office | 3 200.31 | 34 342.94 | 27 301.38 |
| 330 005 | Rates & Valuations Office | 1 258.08 | - | 2 386.92 |
| 330 010 | Consolidated Billing & Miscellaneous Revenue Office | - | 428 485.18 | 116 069.03 |
| 330 015 | Debtors Management Office | 11 876.23 | 14 236.04 | 18 069.51 |
| 330 020 | Customer Care Office | - | 2 000.70 | 562.92 |
| | | 20 635.09 | 531 281.02 | 241 335.85 |
| Directorate - Corporate Services | | | | |
| 415 005 | Administrative & Council Support | - | 41 886.70 | 3 914.39 |
| 415 010 | Auxilliary & Telecommunication Services | - | 66 110.28 | 24 646.16 |
| 415 025 | Management Information Services | 30 219.26 | 9 327.05 | 10 104.77 |
| 420 005 | H.R. Administration | 8 806.84 | - | - |
| 420 010 | Occupational Risk Management | - | 12 404.00 | 9 923.20 |
| 420 020 | Organisational Development | - | - | 41.22 |
| 425 005 | Research Policy & Knowledge Management Unit | - | - | 1 738.20 |
| | | 39 026.10 | 129 728.03 | 50 367.94 |

| | | May 2015 Amount | June 2015 Amount | July 2015 Amount |
|---|--|---------------------|---------------------|---------------------|
| Directorate - Engineering Services | | | | |
| 505 005 | Office of The Director of Engineering Services - Admin | - | - | 4 108.56 |
| 505 010 | City Engineering Building | 1 569.36 | 1 471.28 | 1 765.53 |
| 510 005 | Scientific Services | 20 275.12 | 22 356.08 | 9 081.47 |
| 515 006 | Night Soil Removal - Coastal | 137 361.64 | 81 509.53 | 40 675.54 |
| 515 007 | Night Soil Removal - Central | 2 883.54 | 2 883.54 | - |
| 515 026 | Sewerage Treatment - Coastal | 56 969.70 | 51 073.19 | 71 225.77 |
| 515 027 | Sewerage Treatment - Central | 65 356.81 | 34 921.70 | 36 984.89 |
| 515 028 | Sewerage Treatment - Inland | 102 194.90 | 79 730.23 | 90 849.07 |
| 515 031 | Sewerage Reticulation - Coastal | 235 651.18 | 224 170.73 | 208 226.64 |
| 515 032 | Sewerage Reticulation - Central | 111 367.46 | 109 689.45 | 100 414.92 |
| 515 033 | Sewerage Reticulation - Inland | 83 916.03 | 104 439.03 | 98 610.93 |
| 520 005 | Water Administration | 10 827.09 | 11 037.57 | 15 977.74 |
| 520 011 | Maden Dam | 13 849.26 | 15 219.56 | 15 021.70 |
| 520 012 | Bridle Drift Dam | 3 298.32 | 3 481.56 | 2 931.84 |
| 520 015 | Bulk Pumping Stations | 11 607.24 | 17 464.20 | 19 675.02 |
| 520 021 | Umzonyana Water Treatment Works | 101 344.24 | 92 886.00 | 62 137.00 |
| 520 023 | KWT Water Treatment Works | 116 808.76 | 104 030.30 | 96 952.82 |
| 520 024 | Mdantsane Bulk Pumping | 29 035.76 | 30 446.35 | 20 457.18 |
| 520 025 | Water Ops & Maint. - Inland | 185 259.72 | 171 721.79 | 182 738.98 |
| 520 026 | Water Ops & Maint. - Midland | 214 592.25 | 252 165.80 | 221 383.80 |
| 520 030 | Water Ops & Maint. - Coastal | 278 240.10 | 262 460.59 | 230 150.20 |
| 525 005 | Construction Distribution | - | - | 1 978.09 |
| 525 010 | Roads Administration | 8 668.01 | 1 998.65 | - |
| 525 025 | Roads & Stormwater Drainage | 10 813.79 | 9 629.50 | 5 717.53 |
| 525 040 | Project Management Unit | 806.93 | - | - |
| 530 010 | Fleet Management - Westbank | - | - | 1 763.03 |
| 530 015 | Mechanical Workshop - Braelyn | 28 185.36 | 28 615.18 | 33 778.94 |
| 530 020 | Fleet Management - Braelyn | 3 336.69 | 4 150.90 | 4 534.06 |
| 535 005 | Electricity Administration | 8 507.21 | 17 331.42 | 2 574.36 |
| 535 010 | Electricity Distribution Supervisory Staff | 696 051.68 | 770 125.39 | 699 252.80 |
| 535 025 | Electricity Planning & Design | 1 256.10 | 458.75 | 753.66 |
| 535 040 | Revenue Protection | 91 778.23 | 79 613.44 | 76 139.18 |
| | | 2 631 812.48 | 2 585 081.71 | 2 355 861.25 |
| Directorate - Development Planning | | | | |
| 615 095 | Building Maintenance - Coastal / Central | - | - | 2,206.88 |
| 620 015 | Traffic Signal Maintenance | 9 761.02 | 12 062.43 | 11 484.91 |
| 625 005 | Buffalo City Bus Services | 10 071.52 | 12 835.08 | 10 401.82 |
| 635 005 | Local Economic Development | 2 820.72 | 6 069.89 | 6 377.29 |
| 635 010 | Market | 29 219.34 | 28 360.16 | 42 787.61 |
| | | 51 872.60 | 59 327.56 | 73 258.51 |

| | | May 2015 Amount | June 2015 Amount | July 2015 Amount |
|---|---|---------------------|----------------------|---------------------|
| Directorate - Health & Public Safety | | | | |
| 725 010 | Fire & Rescue Services | 566 606.35 | 467 554.92 | 297 802.60 |
| 725 015 | Law Enforcement Services | 1 477 942.29 | 1 225 636.45 | 1 032 047.32 |
| 725 020 | Traffic Administration | 77 084.89 | 90 355.00 | 71 350.75 |
| 725 025 | Traffic Control | 254 633.38 | 288 214.93 | 284 251.34 |
| 725 035 | Vehicle Test Station / Examination | 6 167.34 | 5 972.30 | 7 479.03 |
| 725 040 | Drivers License Testing | - | - | 2 124.05 |
| 725 045 | Traffic Technical Services | - | 1 485.02 | 5 744.21 |
| 725 050 | Parking Areas / Meters | 45 259.37 | 44 515.85 | 54 414.19 |
| 725 055 | Disaster Management | 2 737.38 | 1 320.14 | 2 113.37 |
| | | 2 430 431.00 | 2 125 054.61 | 1 757 326.86 |
| Directorate - Community Services | | | | |
| 750 005 | Office of The Director of Community Services | 4 949.24 | 3 651.08 | 5 949.90 |
| 750 010 | Cleansing Administration Support | 4 866.10 | 6 018.16 | 5 065.84 |
| 755 010 | Environmental Services | 311 464.58 | 576 333.69 | 492 247.38 |
| 755 015 | Environmental Conservation | 107 432.53 | 179 042.92 | 165 475.67 |
| 755 025 | Interments | 243 053.88 | 323 671.44 | 285 170.84 |
| 760 005 | Arts & Cultural Services Admin | 53 593.69 | 45 314.93 | 51 122.56 |
| 760 010 | Libraries | 4 478.28 | 7 276.30 | 7 036.48 |
| 760 025 | Halls | 162 445.28 | 186 716.54 | 148 534.68 |
| 765 005 | Amenities Administration Support | 44 947.28 | 43 005.04 | 49 475.14 |
| 765 010 | Sportsfields | 126 799.26 | 164 537.45 | 141 574.33 |
| 765 015 | Swimming Pools | 184 950.00 | 198 508.22 | 165 342.42 |
| 765 020 | Aquarium | 58 741.69 | 55 811.36 | 52 197.83 |
| 765 025 | Zoo | 67 819.94 | 70 886.05 | 58 048.44 |
| 765 030 | Beaches | 124 108.28 | 273 240.47 | 166 828.92 |
| 765 035 | Resorts | 86 960.27 | 99 810.24 | 72 050.77 |
| 770 005 | Cleansing Administration Support | 8 816.98 | 8 505.84 | 10 790.86 |
| 770 010 | Refuse Removal | 810 883.64 | 1 182 674.37 | 979 224.18 |
| 770 015 | Waste Disposal Sites | 30 144.97 | 35 295.01 | 20 407.34 |
| 770 020 | Street Sweeping | 624 436.45 | 788 794.83 | 635 909.73 |
| 770 025 | Public Conveniences | 143 782.69 | 157 279.54 | 122 834.89 |
| 770 030 | E.L Regional Waste Disposal Site & Transfer Station | 58 045.11 | 63 834.92 | 46 180.41 |
| | | 3 262 720.14 | 4 470 208.40 | 3 681 468.61 |
| | TOTAL OVERTIME | 8 969 700.59 | 10 342 112.52 | 8 519 652.83 |

12.2.1. Comments On Overtime

a) Directorate of Executive Support Services

The planned and emergency nature of tasks within the Executive Mayor and the Speakers Office contribute to excessive hours of work. Overtime incurred is also due to ward committee meetings, Inter-departmental and Inter-Governmental Relation programmes.

b) Municipal Managers Office

The over expenditure on overtime is due to unplanned and emergency overtime. Monitoring of overtime is continuously undertaken.

c) Directorate of Finance

The collection agents contract expired which required internal staff to perform these functions in addition to their normal daily duties.

d) Directorate of Corporate Services

The over expenditure on overtime is as a result of increase in unscheduled council meetings which necessitates the drivers to deliver council agendas and also due to payroll amendments.

e) Directorate of Engineering Services

Electricity – Overtime is incurred while carrying out emergency work in all areas of East London and King Williams Town/Bisho due to standby emergencies, vandalism, theft, revenue protection raids for illegals and load shedding,etc.

Water – Overtime is incurred while carrying out emergency work due to the high number of pipe bursts.

Sanitation – Overtime is incurred while carrying out emergency work (burst rising mains etc.) and attending to alarms received via the telemetry system or faults at pump stations i.e. tripped pumps etc.

f) Directorate of Community Services

Overtime is mostly due to halls usage, high volume of burials especially over

weekends and the emergency overtime for grass cutting and vegetation control.

The Amenities functions are of such a nature that certain staff must be available seven days a week including public holidays. Services provided include emergency work, swimming pools (inland/ costal), sportsfields (inland/ coastal), resorts, aquarium, beaches, coastal conservation, nature reserves and the zoo.

The Department of Solid Waste Management is trying its level best to manage overtime but challenges amongst others like refuse removal truck shortages and high rate of absenteeism force overtime to be worked.

12.3. Standby and Shift Allowance Analysis

Table 23 below reflects standby and shift allowance expenditure incurred per directorate for the past three months ended 31 July 2015. There was a decrease in the total payment between May 2015 and June 2015 of R15 569 and a decrease in the total payment between June 2015 and July 2015 of R23 517.

Table 23: Standby & Shift Allowance per Directorate

| | MAY 2015 | JUNE 2015 | JULY 2015 |
|--|---------------------|----------------------|----------------------|
| Directorate – Executive Support Services | 12 712 | 13 164 | 11 178 |
| Directorate – Municipal Manager | 881 | 978 | 857 |
| Directorate – Chief Financial Officer | 7 466 | 6 363 | 8 030 |
| Directorate – Corporate Services | 13 113 | 13 604 | 20 668 |
| Directorate – Engineering Services | 520 041 | 487 946 | 468 663 |
| Directorate – Development Planning | 12 674 | 10 800 | 12 097 |
| Directorate – Health & Public Safety | 201 584 | 210 173 | 199 498 |
| Directorate – Community Services | 240 705 | 250 577 | 249 097 |
| TOTAL | 1 009 174 | 993 605 | 970 088 |

12.4. Cost of Temporary Staff

The total payment of Temporary Staff for the past three (3) months ended 31 July 2015 is reflected below. There was a decrease in the total payment between May 2015 and June 2015 of R13 297 and a decrease in the total payment between June 2015 and July 2015 of R357 911.

Table 24: Temporary Staff Per Directorate

| | MAY 2015 | JUNE 2015 | JULY 2015 |
|--|---------------------|----------------------|----------------------|
| Directorate – Executive Support Services | 978 819 | 960 776 | 974 516 |
| Directorate – Municipal Manager | 271 811 | 373 402 | 296 731 |
| Directorate – Chief Operations Officer | 213 976 | 257 360 | 221 432 |
| Directorate – Chief Financial Officer | 499 042 | 671 170 | 565 116 |
| Directorate – Corporate Services | 917 413 | 851 662 | 849 555 |
| Directorate – Engineering Services | 144 572 | 134 929 | 137 677 |
| Directorate – Development Planning | 43 589 | 46 842 | 43 153 |
| Directorate – Health & Public Safety | 4 810 759 | 4 799 721 | 4 552 944 |
| Directorate – Community Services | 1 368 243 | 1 139 065 | 1 235 891 |
| TOTAL | 9 248 224 | 9 234 927 | 8 877 016 |

12.5. Councillors Costs

The table below shows the budget and expenditure to date for councillors costs.

Table 25: Councillors Costs

| | JULY 2015 | YTD EXPEN | YTD BUDGET | VARIANCE | ANNUAL BUDGET |
|-----------------------------|----------------------|----------------------|-----------------------|-----------------|--------------------------|
| Mayoral Allowance | 63 644 | 63 644 | 64 204 | 560 | 770 445 |
| Deputy Mayoral Allowance | 51 810 | 51 810 | 51 363 | -447 | 616 356 |
| Mayoral Committee Allowance | 485 583 | 485 583 | 481 528 | -4 055 | 5 778 333 |
| Speakers Allowance | 51 705 | 51 705 | 51 363 | -342 | 616 356 |
| Councillors Allowance | 2 005 211 | 2 005 211 | 2 010 104 | 4 892 | 24 121 244 |
| Cllr Housing Subsidy | 210 176 | 210 176 | 239 951 | 29 775 | 2 879 407 |
| Cllr Medical Aid | 134 565 | 134 565 | 154 635 | 20 070 | 1 855 623 |
| Cllr Pension Scheme | 249 328 | 249 328 | 277 360 | 28 032 | 3 328 325 |
| Cllr Travel Allowance | 958 223 | 958 223 | 1 078 675 | 120 453 | 12 944 103 |
| TOTAL | 4 210 244 | 4 210 244 | 4 409 183 | 198 938 | 52 910 192 |

13. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The parent municipality Buffalo City Metropolitan Municipality has constituted the board members for Buffalo City Development Agency (BCDA). The board is currently recruiting staff for the running of the agency. Interviews for the CEO position have already been conducted, a Project Manager has been appointed and commenced work on 01 August 2015; and shortlisting for the position of an Administrator has been done.

The Buffalo City Development Agency has a budget of R5,86 million within the Executive Support Services Directorate of BCMM and no expenditure has been incurred as at 31 July 2015.

14. CAPITAL PROGRAMME PERFORMANCE

BCMM has spent R167 350 inclusive of reclaimed vat (2014/15: R4.58 million) which is 0.01% (2014/15: 0.49%) of its 2015/16 approved capital budget of R1.27 billion (2014/15: R942.01 million) as at 31 July 2015. This reflects a regression when compared to the same period in the previous financial year. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken.

Refer to Annexure A – C5 for the breakdown per municipal vote, standard classification & funding; Annexure B – SC12 for monthly expenditure trends; SC13a for breakdown of asset classification for new assets and SC13b for breakdown on asset classification on renewal of existing asset). A detailed schedule of the capital projects expenditure is outlined in Annexure E.

Table 26 below reflects capital expenditure performance per source of funding.

Table 26: Capital Expenditure per Funding Source against Budget

| <u>Funding</u> | <u>2015/2016 Approved Budget</u> | <u>YTD Expenditur e (VAT incl)</u> | <u>Variance (VAT incl)</u> | <u>% Expe</u> |
|--|--|--|--------------------------------|-------------------|
| Total Own Funding | 425 001 630 | 0 | 425 001 630 | 0% |
| DoE(Integrated National Electrification Programme) | 30 000 000 | 0 | 30 000 000 | 0% |
| Electricity Demand Side Management Grant | 13 000 000 | 0 | 13 000 000 | 0% |
| Infrastructure Skills Development Grant | 100 000 | 0 | 100 000 | 0% |
| Neighbourhood Development Partnership Grant | 20 000 000 | 0 | 20 000 000 | 0% |
| Urban Settlement Development Grant | 679 784 100 | 167 350 | 679 616 750 | 0% |
| Human Settlement Development Grant | 94 400 000 | 0 | 94 400 000 | 0% |
| Human Settlement Development Grant-MPCC | 13 068 500 | 0 | 13 068 500 | 0% |
| Total Grants | 850 352 600 | 167 350 | 850 185 250 | 0% |
| TOTAL PER FUNDING | 1 275 354 230 | 167 350 | 1 275 186 880 | 0.01% |

Table 27 below reflects capital expenditure performance per service.

Table 27: Actual Expenditure per Service against Budget

| <u>Services</u> | <u>2015/2016 Approved Budget</u> | <u>YTD Expenditure (VAT incl)</u> | <u>Variance (VAT incl)</u> | <u>% Expenditure (VAT incl)</u> |
|---------------------------|--|---|--------------------------------|---|
| Water | 91 000 000 | 0 | 91 000 000 | 0% |
| Waste Water | 257 505 969 | 0 | 257 505 969 | 0% |
| Electricity | 158 500 000 | 0 | 158 500 000 | 0% |
| Roads and Stormwater | 265 000 000 | 0 | 265 000 000 | 0% |
| Housing | 211 424 000 | 167 350 | 211 256 650 | 0% |
| Transport Planning | 68 220 661 | 0 | 68 220 661 | 0% |
| Waste Management / Refuse | 21 710 100 | 0 | 21 710 100 | 0% |
| Amenities | 72 493 500 | 0 | 72 493 500 | 0% |
| Public Safety | 21 650 000 | 0 | 21 650 000 | 0% |
| Support Services | 59 850 000 | 0 | 59 850 000 | 0% |
| Other - BCM Fleet | 48 000 000 | 0 | 48 000 000 | 0% |
| | 1 275 354 230 | 167 350 | 1 275 186 880 | 0.01% |

Table 28 below reflects capital expenditure performance per directorate.

Table 28: Actual Expenditure per Directorate against Budget

| Directorate | 2015/2016 Approved Budget | YTD Expenditure (VAT incl) | Variance (VAT incl) | % Exp. |
|---------------------------------------|--|---|--------------------------------|---------------|
| Executive Support Services | 6 200 000 | 0 | 6 200 000 | 0% |
| Municipal Manager's Office | 21 500 000 | 0 | 21 500 000 | 0% |
| Human Settlements | 211 424 000 | 167 350 | 211 256 650 | 0% |
| Directorate of Financial Services | 10 000 000 | 0 | 10 000 000 | 0% |
| Directorate of Corporate Services | 21 600 000 | 0 | 21 600 000 | 0% |
| Directorate of Engineering Services | 820 555 969 | 0 | 820 555 969 | 0% |
| Directorate of Development Planning | 48 220 661 | 0 | 48 220 661 | 0% |
| Directorate of Economic Development | 20 000 000 | 0 | 20 000 000 | 0% |
| Directorate of Health & Public Safety | 21 650 000 | 0 | 21 650 000 | 0% |
| Directorate of Community Services | 94 203 600 | 0 | 94 203 600 | 0% |
| TOTAL DIRECTORATES | 1 275 354 230 | 167 350 | 1 275 186 880 | 0.01% |

The capital programme performance by month is tabulated in table 29 below (Exclusive of Vat).

Table 29: SC12 Monthly budget Statement – capital expenditure trend

BUF Buffalo City - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M01 July

| Month | 2014/15 | Budget Year 2015/16 | | | | | | | |
|--|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|----------------------------|
| | 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 | - | 2 538 | - | 148 | 148 | 2 538 | 2 389 | 94.2% | 0% |
| August | - | 30 122 | - | - | - | 32 659 | - | - | - |
| September | - | 24 852 | - | - | - | 57 511 | - | - | - |
| October | - | 45 563 | - | - | - | 103 074 | - | - | - |
| November | - | 43 333 | - | - | - | 146 407 | - | - | - |
| December | - | 50 976 | - | - | - | 197 383 | - | - | - |
| January | - | 29 612 | - | - | - | 226 995 | - | - | - |
| February | - | 32 833 | - | - | - | 259 828 | - | - | - |
| March | - | 51 060 | - | - | - | 310 888 | - | - | - |
| April | - | 69 017 | - | - | - | 379 905 | - | - | - |
| May | - | 65 150 | - | - | - | 445 054 | - | - | - |
| June | - | 830 300 | - | - | - | 1 275 354 | - | - | - |
| Total Capital expenditure | - | 1 275 354 | - | 148 | | | | | |

The capital programme performance table 30 below provide summary of capital

expenditure by asset class/sub-class for new assets (Exclusive of VAT).

Table 30: SC13a Monthly budget Statement – capital expenditure on new assets by asset class

BUF Buffalo City - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M01 July

| Description | Ref | 2014/15 | Budget Year 2015/16 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Capital expenditure on new assets by Asset Class/Sub-class | | | | | | | | | | |
| Infrastructure | | – | 158 210 | – | – | – | 315 | 315 | 100.0% | 158 210 |
| Infrastructure - Road transport | | – | 20 000 | – | – | – | 40 | 40 | 100.0% | 20 000 |
| Roads, Pavements & Bridges | | – | 20 000 | – | – | – | 40 | 40 | 100.0% | 20 000 |
| Storm water | | – | – | – | – | – | – | – | – | – |
| Infrastructure - Electricity | | – | 66 500 | – | – | – | 132 | 132 | 100.0% | 66 500 |
| Generation | | – | – | – | – | – | – | – | – | – |
| Transmission & Reticulation | | – | 66 500 | – | – | – | 132 | 132 | 100.0% | 66 500 |
| Street Lighting | | – | – | – | – | – | – | – | – | – |
| Infrastructure - Water | | – | – | – | – | – | – | – | – | – |
| Dams & Reservoirs | | – | – | – | – | – | – | – | – | – |
| Water purification | | – | – | – | – | – | – | – | – | – |
| Reticulation | | – | – | – | – | – | – | – | – | – |
| Infrastructure - Sanitation | | – | – | – | – | – | – | – | – | – |
| Reticulation | | – | – | – | – | – | – | – | – | – |
| Sewerage purification | | – | – | – | – | – | – | – | – | – |
| Infrastructure - Other | | – | 71 710 | – | – | – | 143 | 143 | 100.0% | 71 710 |
| Waste Management | | – | 21 710 | – | – | – | 43 | 43 | 100.0% | 21 710 |
| Transportation | | – | 30 000 | – | – | – | 60 | 60 | 100.0% | 30 000 |
| Gas | | – | – | – | – | – | – | – | – | – |
| Other | | – | 20 000 | – | – | – | 40 | 40 | 100.0% | 20 000 |
| Community | | – | 35 069 | – | – | – | 70 | 70 | 100.0% | 35 069 |
| Parks & gardens | | – | – | – | – | – | – | – | – | – |
| Sportsfields & stadia | | – | – | – | – | – | – | – | – | – |
| Swimming pools | | – | – | – | – | – | – | – | – | – |
| Community halls | | – | 27 069 | – | – | – | 54 | 54 | 100.0% | 27 069 |
| Libraries | | – | – | – | – | – | – | – | – | – |
| Recreational facilities | | – | – | – | – | – | – | – | – | – |
| Fire, safety & emergency | | – | – | – | – | – | – | – | – | – |
| Security and policing | | – | – | – | – | – | – | – | – | – |
| Buses | | – | – | – | – | – | – | – | – | – |
| Clinics | | – | – | – | – | – | – | – | – | – |
| Museums & Art Galleries | | – | – | – | – | – | – | – | – | – |
| Cemeteries | | – | – | – | – | – | – | – | – | – |
| Social rental housing | | – | – | – | – | – | – | – | – | – |
| Other | | – | 8 000 | – | – | – | 16 | 16 | 100.0% | 8 000 |
| Heritage assets | | – | – | – | – | – | – | – | – | – |
| Buildings | | – | – | – | – | – | – | – | – | – |
| Other | | – | – | – | – | – | – | – | – | – |
| Investment properties | | – | 211 274 | – | 148 | 148 | 420 | 272 | 64.7% | 211 274 |
| Housing development | | – | 211 274 | – | 148 | 148 | 420 | 272 | 64.7% | 211 274 |
| Other | | – | – | – | – | – | – | – | – | – |
| Other assets | | – | 125 375 | – | – | – | 249 | 249 | 100.0% | 125 375 |
| General vehicles | | – | 48 450 | – | – | – | 96 | 96 | 100.0% | 48 450 |
| Specialised vehicles | | – | 7 600 | – | – | – | 15 | 15 | 100.0% | 7 600 |
| Plant & equipment | | – | 8 675 | – | – | – | 17 | 17 | 100.0% | 8 675 |
| Computers - hardware/equipment | | – | 40 650 | – | – | – | 81 | 81 | 100.0% | 40 650 |
| Furniture and other office equipment | | – | – | – | – | – | – | – | – | – |
| Abattoirs | | – | – | – | – | – | – | – | – | – |
| Markets | | – | – | – | – | – | – | – | – | – |
| Civic Land and Buildings | | – | – | – | – | – | – | – | – | – |
| Other Buildings | | – | – | – | – | – | – | – | – | – |
| Other Land | | – | – | – | – | – | – | – | – | – |
| Surplus Assets - (Investment or Inventory) | | – | – | – | – | – | – | – | – | – |
| Other | | – | 20 000 | – | – | – | 40 | 40 | 100.0% | 20 000 |
| Agricultural assets | | – | – | – | – | – | – | – | – | – |
| List sub-class | | – | – | – | – | – | – | – | – | – |
| Biological assets | | – | – | – | – | – | – | – | – | – |
| List sub-class | | – | – | – | – | – | – | – | – | – |
| Intangibles | | – | – | – | – | – | – | – | – | – |
| Computers - software & programming | | – | – | – | – | – | – | – | – | – |
| Other | | – | – | – | – | – | – | – | – | – |
| Total Capital Expenditure on new assets | 1 | – | 529 928 | – | 148 | 148 | 1 054 | 906 | 85.9% | 529 928 |
| Specialised vehicles | | – | 7 600 | – | – | – | 15 | 15 | 0 | 7 600 |
| Refuse | | – | – | – | – | – | – | – | – | – |
| Fire | | – | 7 600 | – | – | – | 15 | 15 | 0 | 7 600 |
| Conservancy | | – | – | – | – | – | – | – | – | – |
| Ambulances | | – | – | – | – | – | – | – | – | – |

The capital programme performance table 31 below provide summary of capital expenditure by asset class/sub-class for renewal of existing assets (Exclusive of VAT).

Table 31: SC13b Monthly budget Statement – capital expenditure on renewal of existing assets by asset class

| BUF Buffalo City - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M01 July | | | | | | | | | | |
|--|-----|-----------------|-----------------|---------------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| Description | Ref | 2014/15 | | Budget Year 2015/16 | | | | | | |
| | | 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 | | - | 686 056 | - | - | - | 1 365 | 1 365 | 100.0% | 686 056 |
| Infrastructure - Road transport | | - | 245 000 | - | - | - | 488 | 488 | 100.0% | 245 000 |
| Roads, Pavements & Bridges | | - | 245 000 | - | - | - | 488 | 488 | 100.0% | 245 000 |
| Storm water | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Electricity | | - | 92 000 | - | - | - | 183 | 183 | 100.0% | 92 000 |
| Generation | | - | - | - | - | - | - | - | - | - |
| Transmission & Reticulation | | - | 92 000 | - | - | - | 183 | 183 | 100.0% | 92 000 |
| Street Lighting | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Water | | - | 91 000 | - | - | - | 181 | 181 | 100.0% | 91 000 |
| Dams & Reservoirs | | - | - | - | - | - | - | - | - | - |
| Water purification | | - | - | - | - | - | - | - | - | - |
| Reticulation | | - | 91 000 | - | - | - | 181 | 181 | 100.0% | 91 000 |
| Infrastructure - Sanitation | | - | - | - | - | - | - | - | - | - |
| Reticulation | | - | - | - | - | - | - | - | - | - |
| Sewerage purification | | - | - | - | - | - | - | - | - | - |
| Infrastructure - Other | | - | 258 056 | - | - | - | 513 | 513 | 100.0% | 258 056 |
| Waste Management | | - | 258 056 | - | - | - | 513 | 513 | 100.0% | 258 056 |
| Transportation | | - | - | - | - | - | - | - | - | - |
| Gas | | - | - | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - |
| Community | | - | 30 700 | - | - | - | 61 | 61 | 100.0% | 30 700 |
| Parks & gardens | | - | - | - | - | - | - | - | - | - |
| Sportsfields & stadia | | - | 22 700 | - | - | - | 45 | 45 | 100.0% | 22 700 |
| Swimming pools | | - | - | - | - | - | - | - | - | - |
| Community halls | | - | - | - | - | - | - | - | - | - |
| Libraries | | - | - | - | - | - | - | - | - | - |
| Recreational facilities | | - | 8 000 | - | - | - | 16 | 16 | 100.0% | 8 000 |
| Fire, safety & emergency | | - | - | - | - | - | - | - | - | - |
| Security and policing | | - | - | - | - | - | - | - | - | - |
| Buses | | - | - | - | - | - | - | - | - | - |
| Clinics | | - | - | - | - | - | - | - | - | - |
| Museums & Art Galleries | | - | - | - | - | - | - | - | - | - |
| Cemeteries | | - | - | - | - | - | - | - | - | - |
| Social rental housing | | - | - | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - |
| Heritage assets | | - | - | - | - | - | - | - | - | - |
| Buildings | | - | - | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Housing development | | - | - | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - |
| Other assets | | - | 28 671 | - | - | - | 57 | 57 | 100.0% | 28 671 |
| General vehicles | | - | - | - | - | - | - | - | - | - |
| Specialised vehicles | | - | - | - | - | - | - | - | - | - |
| Plant & equipment | | - | - | - | - | - | - | - | - | - |
| Computers - hardware/equipment | | - | - | - | - | - | - | - | - | - |
| Furniture and other office equipment | | - | - | - | - | - | - | - | - | - |
| Abattoirs | | - | - | - | - | - | - | - | - | - |
| Markets | | - | - | - | - | - | - | - | - | - |
| Civic Land and Buildings | | - | 24 221 | - | - | - | 48 | 48 | 100.0% | 24 221 |
| Other Buildings | | - | - | - | - | - | - | - | - | - |
| Other Land | | - | - | - | - | - | - | - | - | - |
| Surplus Assets - (Investment or Inventory) | | - | - | - | - | - | - | - | - | - |
| Other | | - | 4 450 | - | - | - | 9 | 9 | 100.0% | 4 450 |
| Agricultural assets | | - | - | - | - | - | - | - | - | - |
| List sub-class | | - | - | - | - | - | - | - | - | - |
| Biological assets | | - | - | - | - | - | - | - | - | - |
| List sub-class | | - | - | - | - | - | - | - | - | - |
| Intangibles | | - | - | - | - | - | - | - | - | - |
| Computers - software & programming | | - | - | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure on renewal of existing ass | 1 | - | 745 427 | - | - | - | 1 483 | 1 483 | 100.0% | 745 427 |
| Specialised vehicles | | - | - | - | - | - | - | - | - | - |
| Refuse | | - | - | - | - | - | - | - | - | - |
| Fire | | - | - | - | - | - | - | - | - | - |
| Conservancy | | - | - | - | - | - | - | - | - | - |
| Ambulances | | - | - | - | - | - | - | - | - | - |

15. OTHER SUPPORTING DOCUMENTS

15.1. Operating Projects Expenditure

The Metro has spent 0.46% (R3.09 million) inclusive of reclaimed vat of its 2015/16 approved budget of R671.32 million as at 31 July 2015. This reflects a regression when compared to the same period in the previous financial year where 2% (R4.17 million) of the approved operating projects budget of R210.97 million was spent. It is anticipated that the expenditure will improve as the year progresses and once the procurement processes have been undertaken.

A detailed schedule of the operating projects expenditure is outlined in Annexure D. Tables 32 and 33 below summarise Annexure D.

Table 32: Operating Projects per Directorate

| OPERATING PROJECTS PER DIRECTORATE | <u>2015/2016 Approved Budget</u> | <u>YTD Expenditure (VAT incl)</u> | <u>Variance (VAT incl)</u> | <u>% Exp</u> |
|---|---|--|---------------------------------------|---------------------|
| Executive Support Services | 810 000 | 0 | 810 000 | 0% |
| Municipal Manager's Office | 46 401 900 | 1 686 730 | 44 715 170 | 4% |
| Chief Operations Officer | 543 458 947 | 1 325 851 | 542 133 096 | 0% |
| Directorate of Financial Services | 39 550 000 | 21 835 | 39 528 165 | 0% |
| Directorate of Corporate Services | 21 900 000 | 57 840 | 21 842 160 | 0% |
| Directorate of Engineering Services | 3 500 000 | 0 | 3 500 000 | 0% |
| Directorate of Economic Development | 3 000 000 | 0 | 3 000 000 | 0% |
| Directorate of Health & Public Safety | 200 000 | 0 | 200 000 | 0% |
| Directorate of Community Services | 12 500 000 | 0 | 12 500 000 | 0% |
| TOTAL PER DIRECTORATE | 671 320 847 | 3 092 256 | 668 228 591 | 0.46% |

Table 33: Operating Projects per Funding Source

| OPERATING PROJECTS PER FUNDING SOURCE | <u>2015/2016</u> <u>Approved</u> <u>Budget</u> | <u>YTD</u> <u>Expenditure</u> <u>(VAT incl)</u> | <u>Variance</u> <u>(VAT incl)</u> | <u>%</u> <u>Expendit</u> <u>ure</u> |
|--|---|--|--|--|
| Total Own Funding | 88 610 000 | 16 038 | 88 593 962 | 0% |
| Department of Local Government & Traditional Affairs | 2 000 000 | 192 780 | 1 807 220 | 10% |
| Expanded Public Works Programme Incentives Grant | 1 149 000 | 0 | 1 149 000 | 0% |
| Finance Management Grant | 1 300 000 | 21 835 | 1 278 165 | 2% |
| Human Settlement Development Grant | 521 655 947 | 1 117 033 | 520 538 914 | 0% |
| Infrastructure Skills Development Grant | 8 400 000 | 57 840 | 8 342 160 | 1% |
| Integrated City Development Grant | 5 605 000 | 0 | 5 605 000 | 0% |
| Municipal Human Settlement Capacity Grant | 9 253 000 | 0 | 9 253 000 | 0% |
| Urban Settlement Development Grant | 33 347 900 | 1 686 730 | 31 661 170 | 5% |
| Total Grants | 582 710 847 | 3 076 218 | 579 634 629 | 1% |
| | | | | |
| TOTAL PER FUNDING | 671 320 847 | 3 092 256 | 668 228 591 | 0.46% |

**16. INCOME AND EXPENDITURE REPORTS FOR DIRECTORATE OF HEALTH
AND PUBLIC SAFETY & MUNICIPAL (COMMUNITY) SERVICES**

16.1. Health & Public Safety

Below is the table indicating the breakdown of the Cost Analysis indicating income and expenditure.

Table 34: Health & Public Safety – Cost Analysis

| Health & Public Safety | Total Revenue | Employee Costs | Other Operating Expenditure | Repairs & Maintenance | Total Expenditure Excluding Capital |
|--|----------------------|-----------------------|------------------------------------|----------------------------------|--|
| OFFICE OF THE DIRECTOR OF HEALTH / PUBLIC SAFETY & EMERGENCY SERVICES | 0 | 139 800 | -545 | 0 | 139 255 |
| GM - EMERGENCY SERVICES | -11 760 259 | 4 467 361 | 165 132 | 943 | 4 633 435 |
| EMERGENCY SERVICES | 0 | 160 252 | 31 | 0 | 160 283 |
| DISASTER MANAGEMENT | 0 | 210 274 | 14 675 | 943 | 225 891 |
| FIRE & RESCUE | -11 760 259 | 4 096 835 | 150 426 | 0 | 4 247 261 |
| GM - MUNICIPAL HEALTH SERVICES | -1 030 | 1 973 525 | 29 073 | 10 505 | 2 013 103 |
| MUNICIPAL HEALTH SERVICES | -1 030 | 1 973 525 | 29 073 | 10 505 | 2 013 103 |
| MUNICIPAL HEALTH SERVICES: COASTAL REGION | 0 | 0 | 0 | 0 | 0 |
| MUNICIPAL HEALTH SERVICES: INLAND REGION | 0 | 0 | 0 | 0 | 0 |
| MUNICIPAL HEALTH SERVICES: MIDLAND REGION | 0 | 0 | 0 | 0 | 0 |
| GM - PUBLIC SAFETY & PROTECTION SERVICES | -4 957 680 | 11 619 370 | 798 565 | 19 250 | 12 437 185 |
| PUBLIC SAFETY & PROTECTION SERVICES | 0 | 1 463 659 | 735 673 | 4 476 | 2 203 807 |
| LAW ENFORCEMENT SERVICES | -1 570 | 6 221 348 | 22 997 | 14 774 | 6 259 120 |
| TRAFFIC SERVICES | -4 956 110 | 3 934 363 | 39 895 | 0 | 3 974 258 |
| Total | -16 718 969 | 18 200 056 | 992 225 | 30 698 | 19 222 979 |

16.2. Municipal (Community) Services

Below is the table indicating the breakdown of the Cost Analysis indicating income and expenditure.

Table 35: Municipal (Community) Services – Cost Analysis

| Municipal Services | Total Revenue | Employee Costs | Other Operating Expenditure | Repairs & Maintenance | Total Expenditure Excluding Capital |
|--|----------------------|-----------------------|------------------------------------|----------------------------------|--|
| OFFICE OF THE DIRECTOR OF MUNICIPAL SERVICES | 0 | 454 450 | 404 | 0 | 454 854 |
| GM - COMMUNITY AMENITIES | -145 348 | 7 178 806 | 134 036 | 0 | 7 312 842 |
| COMMUNITY AMENITIES | 0 | 823 638 | 0 | 0 | 823 638 |
| LIBRARIES & HALLS | 0 | 0 | 0 | 0 | 0 |
| LIBRARIES | -13 890 | 1 309 995 | 1 998 | 0 | 1 311 993 |
| HALLS | -98 592 | 935 308 | 41 804 | 0 | 977 112 |
| RECREATION | -28 651 | 2 360 906 | 8 775 | 0 | 2 369 680 |
| SPORTS FACILITIES | -4 216 | 1 748 959 | 81 459 | 0 | 1 830 418 |
| GM - PARKS / CEMETRIES & CONSERVATION | -709 100 | 9 454 681 | 53 243 | 17 190 | 9 525 114 |
| PARKS / CEMETRIES & CONSERVATION | 0 | 142 977 | 0 | 0 | 142 977 |
| CEMETRIES & CREMATORIA | -616 165 | 1 619 068 | 43 729 | 0 | 1 662 797 |
| CONSERVATION | -77 765 | 1 205 246 | 7 259 | 0 | 1 212 505 |
| PARKS: COASTAL | -15 170 | 6 487 390 | 2 255 | 17 190 | 6 506 835 |
| PARKS: INLAND | 0 | 0 | 0 | 0 | 0 |
| PARKS: MIDLAND | 0 | 0 | 0 | 0 | 0 |
| VEGETATION CONTROL | 0 | 0 | 0 | 0 | 0 |
| GM - SOLID WASTE MANAGEMENT | -53 345 955 | 9 255 131 | 1 992 249 | 5 908 | 11 253 288 |
| SOLID WASTE MANAGEMENT | 0 | 637 181 | 241 161 | 5 908 | 884 250 |
| CLEANSING & REFUSE REMOVAL: COASTAL | -53 033 432 | 7 874 043 | 164 787 | 0 | 8 038 830 |
| CLEANSING & REFUSE REMOVAL: INLAND | 0 | 0 | 0 | 0 | 0 |
| CLEANSING & REFUSE REMOVAL: MIDLAND | 0 | 0 | 0 | 0 | 0 |
| LANDFILLS & TRANSFER STATIONS | -312 523 | 743 908 | 1 586 301 | 0 | 2 330 209 |
| Total | -54 200 403 | 26 343 069 | 2 179 931 | 23 098 | 28 546 099 |

17. MUNICIPAL MANAGER'S QUALITY CERTIFICATION

| |
|----------------------------|
| QUALITY CERTIFICATE |
|----------------------------|

I, Andile Fani, the City Manager of Buffalo City Metropolitan Municipality do hereby certify that –

The monthly budget statement (Section 71 Report)

for the period ending **July 2015** has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print name:

City Manager of Buffalo City Metropolitan Municipality, BUF

Signature:

Date:

ANNEXURES:

Annexure A

- C1 Monthly Budget Statement - Summary
- C2 Monthly Budget Statement - Financial Performance (Std Classification)
- C3 Monthly Budget Statement - Financial Performance (By Municipal Vote)
- C4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure)
- C5 Monthly Budget Statement - Capital Expenditure (Municipal Vote, Std Classification and Funding)
- C6 Monthly Budget Statement - Financial Position
- C7 Monthly Budget Statement - Cash Flow

Annexure B

- SC1 Material Variance Explanation
- SC2 Performance Indicators
- SC3 Aged Debtors
- SC4 Aged Creditors
- SC5 Investment Portfolio
- SC6 Transfers and Grants Receipts
- SC7 (1) Transfers and Grants Expenditure
- SC7 (2) Expenditure against approved rollovers
- SC8 Councillor and Staff Benefits
- SC9 Actuals and Revised Targets for Cash Receipts
- SC12 Capital Expenditure trend
- SC13a Capital Expenditure on New Assets by Class
- SC13b Capital Expenditure on Renewal of Existing Assets by Class
- SC13c Expenditure on Repairs and Maintenance by Asset Class
- SC13d Depreciation by Asset Class

Annexure C

Schedule of Borrowings

Annexure D

Operating expenditure report

Annexure E

Capital expenditure report