

REPORT TO EXECUTIVE MAYOR: 10 JUNE 2015

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**STATEMENT OF FINANCIAL PERFORMANCE AND THE
IMPLEMENTATION OF THE 2014/15 BUDGET FOR THE PERIOD ENDING
31 MAY 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 2014/15 budget of the Buffalo City Metropolitan Municipality for the period ending 31 May 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 2014/15 budget for the period ending 31 May 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 May 2015 of 90.86% and the twelve (12) months average of 91%.

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 MAY 2015

6.1. Dashboard / Performance Summary

Table 1: Performance Summary

OVERALL OPERATING RESULTS		CASH MANAGEMENT	
Income	R 4,612,560,518	Bank Balance	R 81,647,205
Expenditure	R 4,237,503,171	Call investment deposits (excl. int.)	R 2,507,439,489
Operating Surplus	R 375,057,347	Cash and cash equivalents	R 2,589,086,694
		<i>Account Payables</i>	<i>(R 343,379,959)</i>
		<i>Unspent conditional grants</i>	<i>(R 306,196,116)</i>
		<i>Committed to Capital budget-own funds</i>	<i>(R 250,401,467)</i>
		Therefore uncommitted cash and cash equivalents	R 1,689,109,152
		Total Long term loans	R 560,473,067
DEBTORS		SURPLUS PER SERVICE	
Total debtors book	R 1,451,570,385	Water	R 75,162,082
Total debtors - Government	R 17,665,062	Electricity	R 217,039,989
Total debtors - Business	R 299,283,056	Refuse	R 33,856,344
Total debtors - Households	R 968,363,473	Sewerage	R 1,373,370
Total debtors - Other	R 166,258,794		
Total debt written off	R 11,759,288		
CAPITAL EXPENDITURE		OPERATING PROJECTS EXPENDITURE	
<u>2013/2014: Capital Expenditure as a % of Adjusted Budget of R1 billion:</u>	<u>2014/2015: Capital Expenditure as a % of Mid-Year Adjusted Budget of R1,17 billion:</u>	<u>2013/2014: Operating Expenditure as a % of Mid-Year Adjusted Budget of R317.06 million:</u>	<u>2014/2015: Operating Expenditure as a % of Mid-Year Adjusted Budget of R341.92 million:</u>
Exp.(excl. vat)=R585.59 mil % expenditure (excl. vat): 58%	Exp. (excl. vat)=R702.31 mil % exp (Excl. vat) :60%	Exp.(excl. vat)=R191.11 mil % expenditure (excl. vat): 60%	Exp.(excl. vat)=R225.81 mil % exp.(excl. vat): 66%
Exp.(incl. vat)=R641.86 mil % expenditure (incl. vat): 64%	Exp. (incl. vat)=R764.26 mil % exp (incl. vat): 65%	Exp.(incl. vat)=R191.29 mil % exp. (incl. vat): 60%	Exp.(incl. vat)=R226.49 mil % exp.(incl. vat): 66%
FINANCIAL		HUMAN RESOURCES	
Operating Surplus for the period	R 375,057,347	Total staff complement	4 541
12 months average collection ratio	91%	Staff Appointments	597
YTD Grants and subsidies	R 828,675,951	Staff Terminations	268
Debtors to Revenue	17.28%	Number of funded vacant posts	791
Percentage of Creditors paid within terms	100%	Total overtime paid (YTD)	R 97,187,041
Current ratio	3.99:1	Allowances and benefits - Councillors	R 43,893,015
Total debt to Total assets	3.92%	Salary bill - Officials	R 1,094,640,778
Capital Charges to Operating Expenditure	16.64%	Workforce costs as a % of income	23.7%
Cost coverage ratio	9.38 months		

6.2. Liquidity position

Buffalo City Metropolitan Municipality's liquidity is considered relatively sound as the Current Ratio is 3.99:1 which indicates the ability of Municipality's current assets to cover its current liabilities. Debtors constitute 24% of the current assets, inventory constitutes 2% and cash & cash equivalents comprise 74% of the current assets.

6.3. Collection Rate and Outstanding Debtors

The Executive Mayor notes the year to date collection rate for the period ending 31 May 2015 of 90.86% and the twelve (12) months average of 91%.

The debtor's collection rate for the average twelve months ending 31 May 2015 is 91% (2013/14: 90.67%) and the year to date collection rate for the eleven (11) months is 90.86% (2013/14: 90.84%).

Total debtors book as at 31 May 2015 amounts to R1,5 billion (2014: R1.15 billion). Households: R968.36 million, Business: R299.28 million, Government: R17.67 million, Other: R166.26 million. The ratio of debtors to revenue is 17.28%. The debtors' age analysis report is reflected on Annexure B – SC3.

6.4. Capital Expenditure

BCMM has spent 65% (R764.26 million, inclusive of reclaimed vat) of its 2014/15 mid-year adjusted capital budget of R1.17 billion as at 31 May 2015. This reflects an improvement when compared to the same period in the previous financial year where 64% (R641.86 million) of the adjusted capital budget of R1 billion was spent. (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 66% (R226.49 million, inclusive of reclaimed vat) of its 2014/15 mid-year adjusted budget of R341.92 million as at 31 May 2015. This reflects an improvement when compared to the same period in the previous financial year where 60% (R191.29 million) of the adjusted operating projects budget of R317.06 was spent. (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 78% (R552.7 million, inclusive of reclaimed vat) of its 2014/2015 DoRA allocation of R707.77 million. This reflects an improvement when compared to the same period in the previous financial year where 68% (R566.59 million) of the adjusted budget of R831.40 million was spent. (Refer to Section 11 for further details)

6.6.1. Urban Settlement Development Grant (USDG) funded projects

BCMM has spent 77% (R516.4 million, inclusive of reclaimed vat) of its 2014/15 USDG budget of R673.29 million as at 31 May 2015. This reflects an improvement when compared to the same period in the previous financial year where 68% (R536.16 million) of the adjusted budget of R790.18 million. (Refer to Section 11 for further details)

6.7. Cash and Cash Equivalents

The cash and cash equivalents of the City as at 31 May 2015 are R2.59 billion made up of cash and bank amounting to R81.65 million and call investment deposits of R2.51 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 8.9 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 May 2015 amounts to R560.47 million (Refer to Annexure C for the schedule of borrowings).

The ratio of total debt to total assets is 3.92% and the total debt to revenue ratio is 14.22% as at 31 May 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

Description	2013/14		Budget Year 2014/15						
	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	672 957	797 180	813 811	69 266	735 013	786 225	(51 212)	-7%	813 811
Service charges	2 201 410	2 420 088	2 411 705	228 676	2 310 070	2 153 877	156 193	7%	2 411 705
Investment revenue	96 432	77 491	77 491	11 602	110 085	68 921	41 163	60%	106 874
Transfers recognised - operational	812 167	825 736	929 301	22 181	828 676	844 574	(15 898)	-2%	929 301
Other own revenue	689 906	638 051	639 450	22 774	628 717	584 844	43 874	8%	639 450
Total Revenue (excluding capital transfers and contributions)	4 472 871	4 758 546	4 871 758	354 500	4 612 561	4 438 441	174 120	4%	4 901 141
Employee costs	1 159 498	1 237 215	1 241 125	96 775	1 094 641	1 095 733	(1 092)	-0%	1 241 125
Remuneration of Councillors	45 088	52 254	52 254	3 977	43 893	46 124	(2 231)	-5%	52 254
Depreciation & asset impairment	661 027	710 000	710 000	59 192	650 877	650 833	43	0%	710 000
Finance charges	65 775	59 248	59 248	5 067	54 428	54 311	117	0%	59 248
Materials and bulk purchases	1 110 464	1 201 856	1 214 784	88 336	1 078 227	1 088 431	(10 204)	-1%	1 214 784
Transfers and grants	145 865	204 013	195 638	20 646	191 729	179 335	12 394		195 638
Other expenditure	1 341 393	1 282 319	1 417 379	94 515	1 123 709	1 249 092	(125 383)	-10%	1 417 379
Total Expenditure	4 529 110	4 746 906	4 890 429	368 507	4 237 503	4 363 859	(126 356)	-3%	4 890 429
Surplus/(Deficit)	(56 239)	11 640	(18 672)	(14 008)	375 057	74 582	300 475	403%	10 712
Transfers recognised - capital	734 503	700 782	720 400	59 239	504 823	576 690	(71 867)	-12%	720 400
Contributions & Contributed assets	-	-	459	-	-	-	-		459
Surplus/(Deficit) after capital transfers & contributions	678 264	712 422	702 187	45 232	879 880	651 272	228 608	35%	731 570
Share of surplus/ (deficit) of associate	54 223	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	732 487	712 422	702 187	45 232	879 880	651 272	228 608	35%	731 570
Capital expenditure & funds sources									
Capital expenditure	834 638	942 007	1 168 745	96 922	702 308	458 621	243 687	53%	1 168 745
Capital transfers recognised	734 503	700 782	720 400	59 239	504 823	282 688	222 135	79%	720 400
Public contributions & donations	-	-	459	-	-	180	(180)	-100%	459
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	100 136	241 226	447 886	37 683	197 485	175 753	21 732	12%	447 886
Total sources of capital funds	834 638	942 007	1 168 745	96 922	702 308	458 621	243 687	53%	1 168 745
Financial position									
Total current assets	2 909 597	2 651 937	2 398 235		3 511 629				2 398 235
Total non current assets	10 710 989	12 429 377	12 429 377		10 772 263				12 429 377
Total current liabilities	1 073 577	985 433	985 433		880 882				985 433
Total non current liabilities	1 002 804	1 091 135	1 091 135		959 862				1 091 135
Community wealth/Equity	11 544 205	13 004 746	12 751 045		12 443 148				12 751 045
Cash flows									
Net cash from (used) operating	1 456 969	1 439 866	1 412 901	(26 199)	1 169 904	1 319 877	(149 973)	-11%	1 412 901
Net cash from (used) investing	(842 058)	(942 007)	(1 168 745)	(96 922)	(702 308)	(863 507)	161 199	-19%	(1 168 745)
Net cash from (used) financing	(293 793)	(54 633)	(54 633)	-	(42 942)	(50 080)	7 138	-14%	(54 633)
Cash/cash equivalents at the month/year end	2 164 433	1 313 269	1 059 567	-	2 589 087	1 276 334	1 312 753	103%	2 353 956
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	270 667	77 050	44 889	37 323	34 179	32 779	219 790	734 892	1 451 570
Creditors Age Analysis									
Total Creditors	334 503	6 005	-	-	-	-	-	-	340 507

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)

Description	Ref	2013/14	Budget Year 2014/15							
		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>		1 779 343	1 769 219	1 789 680	89 996	1 775 006	1 687 954	87 052	5%	1 789 680
Executive and council		21 140	34 833	35 333	2 052	22 925	29 602	(6 678)	-23%	35 333
Budget and treasury office		1 748 881	1 719 752	1 735 875	86 966	1 741 387	1 643 116	98 271	6%	1 735 875
Corporate services		9 322	14 635	18 472	978	10 694	15 236	(4 541)	-30%	18 472
<i>Community and public safety</i>		328 680	215 350	312 523	25 027	220 793	267 735	(46 942)	-18%	312 523
Community and social services		64 143	19 285	19 593	767	11 943	16 651	(4 708)	-28%	19 593
Sport and recreation		4 976	5 179	5 179	135	3 057	4 387	(1 330)	-30%	5 179
Public safety		84 165	82 659	83 882	5 124	73 697	75 842	(2 145)	-3%	83 882
Housing		173 837	105 580	201 328	18 942	131 066	168 817	(37 750)	-22%	201 328
Health		1 559	2 648	2 541	59	1 029	2 038	(1 009)	-50%	2 541
<i>Economic and environmental services</i>		381 872	94 341	95 507	7 895	63 877	84 127	(20 250)	-24%	95 507
Planning and development		47 958	24 323	25 382	1 627	19 296	21 938	(2 641)	-12%	25 382
Road transport		332 638	69 658	69 658	6 250	44 374	61 799	(17 425)	-28%	69 658
Environmental protection		1 275	361	468	18	206	391	(184)	-47%	468
<i>Trading services</i>		2 752 896	2 660 510	2 652 127	230 090	2 537 892	2 379 891	158 000	7%	2 652 127
Electricity		1 509 239	1 574 260	1 541 060	142 777	1 443 955	1 382 636	61 318	4%	1 541 060
Water		454 907	442 171	442 171	38 601	464 649	395 284	69 365	18%	442 171
Waste water management		469 987	316 424	331 702	26 887	315 591	297 711	17 880	6%	331 702
Waste management		318 764	327 654	337 194	21 824	313 697	304 260	9 437	3%	337 194
<i>Other</i>	4	18 805	722 702	742 779	60 731	519 816	595 423	(75 607)	-13%	742 779
Total Revenue - Standard	2	5 261 597	5 462 122	5 592 616	413 739	5 117 383	5 015 130	102 253	2%	5 592 616
Expenditure - Standard										
<i>Governance and administration</i>		907 173	917 021	935 985	66 517	741 767	827 446	(85 679)	-10%	935 985
Executive and council		167 937	177 175	170 359	10 147	137 120	155 245	(18 125)	-12%	170 359
Budget and treasury office		465 564	381 616	388 248	28 039	321 006	345 648	(24 641)	-7%	388 248
Corporate services		273 672	358 231	377 377	28 330	283 640	326 553	(42 912)	-13%	377 377
<i>Community and public safety</i>		513 174	516 563	610 417	50 597	525 383	533 759	(8 376)	-2%	610 417
Community and social services		82 725	91 962	90 871	6 676	78 665	80 068	(1 403)	-2%	90 871
Sport and recreation		84 128	67 077	65 959	6 029	68 250	58 889	9 361	16%	65 959
Public safety		190 274	198 663	200 545	16 871	195 201	178 761	16 440	9%	200 545
Housing		128 134	128 988	223 207	18 816	158 130	189 668	(31 538)	-17%	223 207
Health		27 913	29 873	29 835	2 205	25 137	26 374	(1 237)	-5%	29 835
<i>Economic and environmental services</i>		723 547	822 108	846 889	61 548	737 743	720 974	16 769	2%	846 889
Planning and development		192 670	202 735	225 129	16 690	186 260	199 863	(13 603)	-7%	225 129
Road transport		435 262	529 388	528 829	37 838	463 966	437 706	26 260	6%	528 829
Environmental protection		95 615	89 985	92 931	7 021	87 517	83 405	4 112	5%	92 931
<i>Trading services</i>		2 371 377	2 478 114	2 481 189	188 678	2 220 569	2 267 608	(47 040)	-2%	2 481 189
Electricity		1 314 438	1 410 105	1 407 174	104 939	1 226 916	1 302 414	(75 499)	-6%	1 407 174
Water		461 736	444 307	444 941	33 665	399 595	405 673	(6 078)	-1%	444 941
Waste water management		317 803	333 144	337 741	28 740	314 218	298 259	15 958	5%	337 741
Waste management		277 399	290 558	291 333	21 334	279 841	261 261	18 579	7%	291 333
<i>Other</i>		13 840	15 895	15 949	1 167	12 042	14 071	(2 030)	-14%	15 949
Total Expenditure - Standard	3	4 529 110	4 749 700	4 890 429	368 507	4 237 503	4 363 859	(126 356)	-3%	4 890 429
Surplus/ (Deficit) for the year		732 487	712 422	702 187	45 232	879 880	651 272	228 608	35%	702 187

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)

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Directorate - Executive Support Services		251	979	1 336	137	762	1 098	(336)	-30.6%	1 336
Vote 2 - Directorate - Municipal Manager		21 135	34 833	35 333	2 052	22 925	29 602	(6 678)	-22.6%	35 333
Vote 3 - Directorate - Chief Operations Officer		174 742	109 776	206 619	19 113	133 458	173 140	(39 682)	-22.9%	206 619
Vote 4 - Directorate - Chief Financial Officer		1 694 658	1 719 752	1 735 875	86 966	1 741 387	1 643 116	98 271	6.0%	1 735 875
Vote 5 - Directorate - Corporate Services		7 270	8 309	8 309	572	7 016	6 895	121	1.8%	8 309
Vote 6 - Directorate - Engineering Services		2 718 289	2 335 908	2 317 985	208 300	2 224 578	2 054 115	170 464	8.3%	2 317 985
Vote 7 - Directorate - Development Planning		69 005	54 774	55 719	3 263	35 353	47 677	(12 325)	-25.9%	55 719
Vote 8 - Directorate - Health & Public Safety		132 865	144 532	145 755	11 352	118 179	131 107	(12 927)	-9.9%	145 755
Vote 9 - Directorate - Community Services		389 158	352 479	364 934	22 745	328 903	327 689	1 214	0.4%	364 934
Vote 10 - Directorate - Miscellaneous		54 223	700 782	720 859	59 239	504 823	600 692	(95 869)	-16.0%	720 859
Total Revenue by Vote	2	5 261 597	5 462 122	5 592 723	413 739	5 117 383	5 015 130	102 253	2.0%	5 592 723
Expenditure by Vote	1									
Vote 1 - Directorate - Executive Support Services		150 857	155 549	166 677	13 298	146 430	148 928	(2 499)	-1.7%	166 677
Vote 2 - Directorate - Municipal Manager		76 810	90 018	94 264	4 497	68 983	83 952	(14 970)	-17.8%	94 264
Vote 3 - Directorate - Chief Operations Officer		135 916	141 207	236 702	19 630	167 713	201 120	(33 407)	-16.6%	236 702
Vote 4 - Directorate - Chief Financial Officer		465 564	381 616	388 248	28 039	321 006	345 648	(24 641)	-7.1%	388 248
Vote 5 - Directorate - Corporate Services		106 354	161 132	164 015	12 714	126 564	141 647	(15 083)	-10.6%	164 015
Vote 6 - Directorate - Engineering Services		2 545 434	2 737 758	2 741 415	208 298	2 425 297	2 462 419	(37 122)	-1.5%	2 741 415
Vote 7 - Directorate - Development Planning		238 320	257 831	278 824	19 315	214 989	247 849	(32 861)	-13.3%	278 824
Vote 8 - Directorate - Health & Public Safety		243 319	260 864	261 778	20 982	245 148	232 566	12 581	5.4%	261 778
Vote 9 - Directorate - Community Services		566 536	563 726	558 507	41 735	521 374	499 729	21 645	4.3%	558 507
Vote 10 - Directorate - Miscellaneous		-	0	0	-	-	-	-		0
Total Expenditure by Vote	2	4 529 110	4 749 700	4 890 431	368 507	4 237 503	4 363 859	(126 356)	-2.9%	4 890 431
Surplus/ (Deficit) for the year	2	732 487	712 422	702 292	45 232	879 880	651 272	228 608	35.1%	702 292

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 May 2015.

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

Description	2013/14	Budget Year 2014/15							
	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	672 059	796 668	813 298	69 266	735 013	785 726	(50 713)	-6%	813 298
Property rates - penalties & collection charges	898	512	512	–	–	499	(499)	-100%	512
Service charges - electricity revenue	1 383 884	1 511 514	1 478 315	140 256	1 376 985	1 324 531	52 454	4%	1 478 315
Service charges - water revenue	325 360	370 613	370 613	38 305	397 527	329 707	67 820	21%	370 613
Service charges - sanitation revenue	230 786	271 995	287 272	26 839	273 402	253 369	20 032	8%	287 272
Service charges - refuse revenue	228 895	251 704	261 244	21 670	239 742	231 701	8 042	3%	261 244
Service charges - other	32 485	14 261	14 261	1 606	22 414	14 568	7 846	54%	14 261
Rental of facilities and equipment	15 018	17 013	17 013	1 122	12 430	14 612	(2 182)	-15%	17 013
Interest earned - external investments	96 432	77 491	77 491	11 602	110 085	68 921	41 163	60%	77 491
Interest earned - outstanding debtors	27 178	29 383	29 383	3 102	32 090	25 915	6 175	24%	29 383
Dividends received	–	–	–	–	–	–	–		–
Fines	5 910	9 400	9 400	294	4 326	8 087	(3 762)	-47%	9 400
Licences and permits	14 161	20 523	20 523	1 105	12 599	17 824	(5 225)	-29%	20 523
Agency services	–	–	–	–	–	–	–		–

Transfers recognised - operational	812 167	825 736	929 301	22 181	828 676	844 574	(15 898)	-2%	929 301
Other revenue	626 920	561 732	563 131	16 185	566 280	518 405	47 875	9%	563 131
Gains on disposal of PPE	720	–	–	966	993	–	993	0%	–
Total Revenue (excluding capital transfers and contributions)	4 472 871	4 758 546	4 871 758	354 500	4 612 561	4 438 441	174 120	4%	4 871 758
Expenditure By Type									
Employee related costs	1 159 498	1 237 215	1 241 125	96 775	1 094 641	1 095 733	(1 092)	0%	1 241 125
Remuneration of councillors	45 088	52 254	52 254	3 977	43 893	46 124	(2 231)	-5%	52 254
Debt impairment	241 011	203 074	187 074	15 590	171 485	171 485	0	0%	187 074
Depreciation & asset impairment	661 027	710 000	710 000	59 192	650 877	650 833	43	0%	710 000
Finance charges	65 775	59 248	59 248	5 067	54 428	54 311	117	0%	59 248
Bulk purchases	1 110 464	1 201 856	1 214 784	88 336	1 078 227	1 088 431	(10 204)	-1%	1 214 784
Other materials		–	–	–	–	–	–		–
Contracted services	9 743	19 909	14 944	449	13 861	13 196	665	5%	14 944
Transfers and grants	145 865	204 013	195 638	20 646	191 729	179 335	12 394	7%	195 638
Other expenditure	1 078 878	1 059 336	1 215 362	78 476	938 363	1 064 411	(126 048)	-12%	1 215 362
Loss on disposal of PPE	11 761	–	–	–	–	–	–		–
Total Expenditure	4 529 110	4 746 906	4 890 429	368 507	4 237 503	4 363 859	(126 356)	-3%	4 890 429
Surplus/(Deficit)	(56 239)	11 640	(18 672)	(14 008)	375 057	74 582	300 475	0	(18 672)
Transfers recognised - capital	734 503	700 782	720 400	59 239	504 823	576 690	(71 867)	(0)	720 400
Contributions recognised - capital			459	–	–	–	–		459
Contributed assets						–	–		

Surplus/(Deficit) after capital transfers & contributions	678 264	712 422	702 187	45 232	879 880	651 272			702 187
Taxation							-		
Surplus/(Deficit) after taxation	678 264	712 422	702 187	45 232	879 880	651 272			702 187
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	678 264	712 422	702 187	45 232	879 880	651 272			702 187
Share of surplus/ (deficit) of associate	54 223								
Surplus/ (Deficit) for the year	732 487	712 422	702 187	45 232	879 880	651 272			702 187

7.4.1. ANALYSIS OF STATEMENT OF FINANCIAL PERFORMANCE

7.4.1.1. Property rates – Penalties and collection charges

This relates to the flat rate charged on certain properties leased by the municipality. This revenue varies according to the number of such properties leased during the year.

7.4.1.2. Service charges – Water revenue

The over-recovery of 21% is a combination of the non-alignment of the period budget with the actual trend of consumption and the influences of seasonal consumption trends.

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
- Admission fees
- New connections – sewerage

The situation is monitored on a monthly basis.

7.4.1.4. 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.

7.4.1.5. Interest earned – External investments

The variance of 60% is due to high interest earned on investments than what was projected.

7.4.1.6. Interest earned – Outstanding debtors

The variance of 24% on the interest earned on outstanding debtors signifies that during the tenth month period July 2014 - May 2015, the amount owed by debtors has been more than what was expected. This is caused by the rise in

outstanding debtors.

7.4.1.7. Fines

The under-recovery on fines is mostly due to non-payment of traffic fines, withdrawing of drunken driving cases by the Prosecutors, cases struck of the roll by the magistrates and cases withdrawn by the courts. The city has however obtained the Licence plate recognition system to facilitate the collection of outstanding fines.

7.4.1.8. Licenses and Permits

The actual income earned from licences and permits is less than the year to date budget by 29% due to a decrease in driver's and learners licence applications; and roadworthy examinations.

7.4.1.9. Other expenditure

Other expenditure includes operating projects, general expenses as well as repairs and maintenance. Expenditure on repairs and maintenance is provided in table 6 below.

7.4.1.10. Repairs and Maintenance

Table 6 below reflects that as at 31 May 2015, the repairs and maintenance expenditure is 73% of the approved budget of R327.75 million (2013/14: 76%). Refer to Annexure B: SC13c (repairs and maintenance by asset class).

Table 6: Repairs and Maintenance per Directorate

Directorate	<u>2014/2015</u> <u>Annual</u> <u>Budget</u> <u>R</u>	<u>2014/2015</u> <u>Annual</u> <u>Expenditure</u> <u>R</u>	<u>2014/2015</u> <u>Variance</u> <u>R</u>	<u>2014/2015</u> <u>% of</u> <u>Budget</u> <u>%</u>
Directorate of Executive Support	2,645,438	596,749	2,048,689	23%
Directorate of The Municipal Manager	72,820	2,828	69,992	4%
Directorate of Chief Operations Officer	113,651	74,080	39,571	65%
Directorate of Finance	2,699,709	1,565,943	1,133,766	58%
Directorate of Corporate Services	5,462,300	4,272,100	1,190,200	78%
Directorate of Engineering Services	258,749,491	216,537,911	42,211,580	84%
<i>Electricity</i>	109,151,194	89,700,348	19,450,846	82%
<i>Water</i>	37,061,324	30,450,242	6,611,082	82%
<i>Sanitation</i>	25,286,865	20,315,680	4,971,185	80%
<i>Other</i>	87,250,108	76,071,640	11,178,468	87%
Directorate of Development Planning	24,650,498	9,704,165	14,946,333	39%
Directorate of Health and Public Safety	5,706,795	2,281,313	3,425,482	40%
Directorate of Community Services	27,678,109	22,779,149	4,898,960	82%
TOTAL	327,778,811	257,814,237	69,964,574	79%

7.5. Capital Expenditure (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)

Vote Description	Ref	Budget Year 2014/15								
		2013/14 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		558	500	6 729	44	1 103	50 164	(49 061)	-98%	6 729
Vote 2 - Directorate - Municipal Manager		944	7 000	6 500	523	5 409	153	5 257	3444%	6 500
Vote 3 - Directorate - Chief Operations Officer		58 744	90 136	156 185	18 035	126 009	24 702	101 307	410%	156 185
Vote 4 - Directorate - Chief Financial Officer		3 544	12 350	11 282	275	2 764	8 489	(5 725)	-67%	11 282
Vote 5 - Directorate - Corporate Services		31 262	15 100	23 086	(32)	3 958	2 875	1 083	38%	23 086
Vote 6 - Directorate - Engineering Services		636 990	665 696	768 226	69 716	479 320	295 776	183 544	62%	768 226
Vote 7 - Directorate - Development Planning		28 432	54 895	51 543	939	26 810	38 372	(11 562)	-30%	51 543
Vote 8 - Directorate - Health & Public Safety		6 744	9 800	14 871	361	2 757	28 698	(25 941)	-90%	14 871
Vote 9 - Directorate - Community Services		67 420	86 530	130 323	7 061	54 176	9 392	44 785	477%	130 323
Vote 10 - Directorate - Miscellaneous		–	–	–	–	–	–	–	–	–
Total Capital Multi-year expenditure	4,7	834 638	942 007	1 168 745	96 922	702 308	458 621	243 687	53%	1 168 745
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		–	–	–	–	–	–	–	–	–
Vote 10 - Directorate - Miscellaneous		–	–	–	–	–	–	–	–	–
Total Capital single-year expenditure	4	–	–	–	–	–	–	–	–	–
Total Capital Expenditure		834 638	942 007	1 168 745	96 922	702 308	458 621	243 687	53%	1 168 745
Capital Expenditure - Standard Classification										
Expenditure - Standard		33 780	34 950	47 597	610	13 016	18 677	(5 661)	-30%	47 597
Governance and administration		1 731	7 500	13 229	567	6 512	5 191	1 321	25%	13 229
Executive and council		1 369	12 350	11 282	74	2 545	4 427	(1 882)	-43%	11 282
Budget and treasury office		30 680	15 100	23 086	(32)	3 958	9 059	(5 101)	-56%	23 086
Corporate services		134 713	140 467	208 795	21 547	142 411	81 932	60 479	74%	208 795
Community and public safety		67 627	12 500	16 223	3 129	11 810	6 366	5 444	86%	16 223
Community and social services		–	28 030	21 516	22	1 835	8 443	(6 608)	-78%	21 516
Sport and recreation		8 386	9 800	14 871	361	2 757	5 835	(3 079)	-53%	14 871
Public safety		58 700	90 136	156 185	18 035	126 009	61 288	64 722	106%	156 185
Housing		–	–	–	–	–	–	–	–	–
Health		312 120	262 895	390 442	41 473	243 655	153 211	90 444	59%	390 442
Economic and environmental services		28 419	54 895	51 543	939	26 810	20 226	6 584	33%	51 543
Planning and development		283 701	198 000	327 199	38 832	210 846	128 394	82 452	64%	327 199
Road transport		–	10 000	11 700	1 701	5 999	4 591	1 408	31%	11 700
Environmental protection		348 551	503 196	521 410	33 221	302 949	204 604	98 345	48%	521 410
Trading services		104 373	152 999	144 756	10 098	113 872	56 803	57 070	100%	144 756
Electricity		71 663	97 689	96 898	10 043	59 337	38 023	21 314	56%	96 898
Water		172 515	216 508	198 873	10 671	94 987	78 039	16 949	22%	198 873
Waste water management		–	36 000	80 884	2 409	34 752	31 739	3 013	9%	80 884
Waste management		5 475	500	500	73	277	196	81	41%	500
Total Capital Expenditure - Standard Classification	3	834 638	942 007	1 168 745	96 922	702 308	458 621	243 687	53%	1 168 745
Funded by:										
National Government		722 854	671 925	667 655	59 081	455 935	261 991	193 944	74%	667 655
Provincial Government		11 649	28 857	52 745	158	48 888	20 697	28 190	136%	52 745
District Municipality		–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–
Transfers recognised - capital		734 503	700 782	720 400	59 239	504 823	282 688	222 135	79%	720 400
Public contributions & donations	5	–	–	459	–	–	180	(180)	-100%	459
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		100 136	241 226	447 886	37 683	197 485	175 753	21 732	12%	447 886
Total Capital Funding		834 638	942 007	1 168 745	96 922	702 308	458 621	243 687	53%	1 168 745

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 R12.44 billion.

Table 8: C6: Monthly Budget Statement – Financial Position

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		197 584	80 000	80 000	81 647	80 000
Call investment deposits		1 965 156	1 233 269	979 567	2 507 439	979 567
Consumer debtors		504 740	1 160 451	1 160 451	690 602	1 160 451
Other debtors		191 519	90 203	90 203	178 858	90 203
Current portion of long-term receivables		–	14	14	–	14
Inventory		50 598	88 000	88 000	53 083	88 000
Total current assets		2 909 597	2 651 937	2 398 235	3 511 629	2 398 235
Non current assets						
Long-term receivables		–	60	60	–	60
Investments		–	–	–	–	–
Investment property		333 278	374 000	374 000	333 278	374 000
Investments in Associate		59 549	0	0	59 549	0
Property, plant and equipment		10 287 665	11 966 257	11 966 257	10 350 383	11 966 257
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		30 497	20 730	20 730	29 053	20 730
Other non-current assets		–	68 330	68 330	–	68 330
Total non current assets		10 710 989	12 429 377	12 429 377	10 772 263	12 429 377
TOTAL ASSETS		13 620 586	15 081 314	14 827 612	14 283 892	14 827 612
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		57 416	54 633	54 633	57 416	54 633
Consumer deposits		44 838	49 140	49 140	47 504	49 140
Trade and other payables		844 937	737 100	737 100	649 576	737 100
Provisions		126 386	144 560	144 560	126 386	144 560
Total current liabilities		1 073 577	985 433	985 433	880 882	985 433
Non current liabilities						
Borrowing		545 999	546 515	546 515	503 057	546 515
Provisions		456 805	544 620	544 620	456 805	544 620
Total non current liabilities		1 002 804	1 091 135	1 091 135	959 862	1 091 135
TOTAL LIABILITIES		2 076 381	2 076 568	2 076 568	1 840 744	2 076 568
NET ASSETS	2	11 544 205	13 004 746	12 751 045	12 443 148	12 751 045
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		9 140 702	10 327 810	10 074 109	10 039 645	10 074 109
Reserves		2 403 503	2 676 936	2 676 936	2 403 503	2 676 936
TOTAL COMMUNITY WEALTH/EQUITY	2	11 544 205	13 004 746	12 751 045	12 443 148	12 751 045

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 R424.65 million resulting in cash and cash equivalents closing balance of R2.59 billion as at 31 May 2015.

Table 9: C7: Monthly Budget Statement – Cash Flow

Description	Ref	2013/14	Budget Year 2014/15							
		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										
Ratepayers and other		3 305 609	3 577 250	3 586 270	317 614	3 641 710	3 279 146	362 564	11%	3 586 270
Government - operating		812 167	825 736	929 301	22 181	828 676	756 925	71 751	9%	929 301
Government - capital		734 503	700 782	720 859	(800)	664 712	642 383	22 328	3%	720 859
Interest		123 654	106 874	106 874	14 705	142 175	97 968	44 207	45%	106 874
Dividends		-	-	-	-	0	-	0	#DIV/0!	-
Payments										
Suppliers and employees		(3 308 223)	(3 507 515)	(3 675 516)	(360 468)	(3 861 245)	(3 215 222)	646 023	-20%	(3 675 516)
Finance charges		(65 777)	(59 248)	(59 248)	(5 067)	(54 394)	(54 311)	83	0%	(59 248)
Transfers and Grants		(144 964)	(204 013)	(195 638)	(14 364)	(191 729)	(187 012)	4 717	-3%	(195 638)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 456 969	1 439 866	1 412 901	(26 199)	1 169 904	1 319 877	(149 973)	-11%	1 412 901
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		767	-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		14	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		892	-	-	-	-	-	-		-
Payments										
Capital assets		(843 732)	(942 007)	(1 168 745)	(96 922)	(702 308)	(863 507)	(161 199)	19%	(1 168 745)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(842 058)	(942 007)	(1 168 745)	(96 922)	(702 308)	(863 507)	(161 199)	19%	(1 168 745)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		(244 040)	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		(681)	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		(49 072)	(54 633)	(54 633)	-	(42 942)	(50 080)	(7 138)	14%	(54 633)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(293 793)	(54 633)	(54 633)	-	(42 942)	(50 080)	(7 138)	14%	(54 633)
NET INCREASE/ (DECREASE) IN CASH HELD		321 118	443 225	189 523	(123 122)	424 654	406 290			189 523
Cash/cash equivalents at beginning:		1 843 315	870 044	870 044		2 164 433	870 044			2 164 433
Cash/cash equivalents at month/year end:		2 164 433	1 313 269	1 059 567		2 589 087	1 276 334			2 353 956

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

Description	NT Code	Budget Year 2014/15										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	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	69 360	30 923	17 147	12 816	10 831	10 359	72 911	204 922	429 269	311 839		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	103 095	8 334	2 908	2 483	2 376	1 651	8 883	25 754	155 485	41 148		
Receivables from Non-exchange Transactions - Property Rates	1400	56 335	18 727	13 634	11 763	11 270	11 006	65 699	150 325	338 758	250 062		
Receivables from Exchange Transactions - Waste Water Management	1500	19 381	6 467	3 938	3 506	3 321	3 129	23 287	107 186	170 215	140 429		
Receivables from Exchange Transactions - Waste Management	1600	14 567	6 910	4 921	4 412	4 183	4 056	30 306	145 054	214 409	188 010		
Receivables from Exchange Transactions - Property Rental Debtors	1700	72	66	65	62	62	62	409	2 622	3 422	3 218		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	7 857	5 623	2 276	2 281	2 136	2 515	18 295	99 030	140 013	124 257		
Total By Income Source	2000	270 667	77 050	44 889	37 323	34 179	32 779	219 790	734 892	1 451 570	1 058 964	-	-
2013/14 - 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	10 192	1 587	1 882	71	56	61	1 590	2 226	17 665	4 004		
Commercial	2300	134 420	21 749	10 285	9 044	9 176	7 873	42 910	63 827	299 283	132 829		
Households	2400	117 513	49 242	28 794	24 467	21 446	20 849	151 371	554 682	968 363	772 815		
Other	2500	8 542	4 472	3 929	3 741	3 501	3 997	23 920	114 157	166 259	149 316		
Total By Customer Group	2600	270 667	77 050	44 889	37 323	34 179	32 779	219 790	734 892	1 451 570	1 058 964	-	-

8.1.1. Additional debtors information

The debtors that are older than 30 days, which includes all charges, amounted to R1,180,903,329 at 31 May 2015 (Refer to 8.2.1 and 8.2.2 below) which is an increase of R31,076,293 over the amount of R1,149,827,036 at 30 April 2015. The primary reason for the increase relates to debtors who fail to settle their current accounts by the due date. Furthermore, the instability of the network, especially in the inland and midland areas has had a negative impact on credit control actions which had to be limited due to the network problems. The IT department is working on ensuring reliable network availability to all BCMM sites.

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 May 2015. It also provides comparison with the prior year (31 May 2014) which indicates an increase from R955.49 million to 1.18 billion.

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

AGEING	RATES	SEWERAGE	ELECTRICITY	WATER	REFUSE	SUNDRY DEBTORS	TOTAL FOR MAY 2015	TOTAL FOR MAY 2014
30 DAYS	18,727,379	6,466,917	8,333,774	30,922,841	6,910,437	5,689,142	77,050,490	59,761,711
60 DAYS	13,633,709	3,938,088	2,908,052	17,147,004	4,921,118	2,341,062	44,889,033	41,942,022
90 DAYS	11,762,585	3,505,826	2,483,359	12,816,446	4,411,840	2,343,270	37,323,326	41,158,547
120 DAYS TO 360 DAYS	87,974,901	29,737,062	12,910,304	94,100,912	38,544,960	23,480,327	286,748,467	254,395,928
YEAR 2	47,161,080	38,680,016	8,716,287	80,068,439	44,737,162	29,365,453	248,728,436	166,456,605
YEAR 3	28,292,002	19,355,155	5,502,590	36,566,824	25,734,701	19,783,810	135,235,082	105,400,049
YEAR 4	21,795,957	12,487,021	5,360,663	21,927,215	16,560,256	12,898,811	91,029,922	64,398,415
YEAR 5	13,754,870	7,945,057	1,776,287	15,418,084	11,294,936	8,746,613	58,935,847	67,718,211
YEAR 5+	39,320,599	28,719,026	4,398,126	50,941,333	46,726,583	30,857,058	200,962,725	154,254,955
TOTAL	282,423,081	150,834,169	52,389,442	359,909,100	199,841,992	135,505,545	1,180,903,329	955,486,444

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 May 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	31,304,532	17,709,831	14,083,926	442,470,692	505,568,980	42.81
Indigent	17,605,454	10,950,548	10,283,606	305,251,938	344,091,546	29.14
Business	21,749,492	10,284,897	9,043,871	123,784,975	164,863,235	13.96
Government	1,586,952	1,881,951	71,201	3,932,491	7,472,595	0.63
Municipal Staff	309,067	123,726	88,293	602,335	1,123,421	0.10
Councillors	23,018	9,506	11,011	23,028	66,562	0.01
Other	4,471,975	3,928,574	3,741,419	145,575,022	157,716,990	13.36
Total	77,050,490	44,889,033	37,323,326	1,021,640,480	1,180,903,329	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 2013/14 to 2014/15 financial year

Month	2012/2013			2013/2014			2014/2015		
	Billing	Receipts	Collection Rate	Billing	Receipts	Collection Rate	Billing	Receipts	Collection Rate
July	238,333,589	-155,444,098	90.42	2,325,509,002	-2,153,249,916	92.59	2,602,264,135	-2,371,903,619	91
August	456,862,028	-318,827,484	68.55	2,360,722,274	-2,184,105,932	92.52	2,568,699,884	-2,383,877,074	93
September	637,913,507	-509,870,368	77.58	2,362,100,818	-2,201,573,537	93.20	2,589,585,746	-2,403,569,317	93
October	814,187,990	-711,819,642	87.22	2,390,760,330	-2,214,093,193	92.61	2,625,227,643	-2,450,270,791	93
November	1,003,917,047	-884,987,889	89.60	2,413,236,105	-2,237,227,839	92.71	2,652,206,738	-2,440,158,405	92
December	1,187,612,559	-1,046,276,767	89.74	2,451,423,493	-2,277,540,737	92.91	2,662,628,366	-2,446,012,486	92
January	1,376,713,577	-1,219,332,883	89.58	2,473,521,774	-2,288,389,311	92.52	2,712,272,987	-2,461,342,745	91
February	1,571,214,609	-1,399,676,516	90.38	2,489,423,294	-2,286,023,845	91.83	2,712,530,485	-2,497,487,079	92
March	1,756,245,816	-1,575,792,522	90.40	2,508,588,241	-2,317,244,720	92.37	2,733,798,105	-2,521,003,323	92
April	1,928,740,621	-1,770,276,496	91.95	2,533,810,040	-2,313,671,267	91.31	2,760,426,654	-2,550,439,243	92.39
May	2,136,072,369	-1,952,779,796	93.19	2,563,282,383	-2,324,079,609	90.67	2,821,295,806	-2,563,487,111	90.86
June	2,325,509,002	-2,134,450,531	92.65	2,565,798,810	-2,350,536,518	91.61			

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 will qualify 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 will be written off.

As at 31 May 2015 a total of 2,021 consumers have registered for the scheme. The total registered debt value is R40,751,501.96 to-date, debt payments received amount to R23,767,288.31 and debt write-offs total to R11,759,288.73.

8.2.5. Government Accounts

The total arrears owed by Government Departments to Buffalo City Metropolitan Municipality as at 31 May 2015 amounted to R7,472,594.78. This indicates a decrease of R3,944,813 when compared to prior month amount of R11,417,408.

A total payment of R13,901,078.71 was received from Government Departments in May 2015. The breakdown of the arrears per department (excluding accounts in credit) is indicated in the table hereunder, as at 31 May 2015.

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

Table 14: Analysis of Government Debtors

DEPARTMENT	PROPERTY RATES	SERVICES	ARREARS AS AT 31 MAY 2015	ARREARS AS AT 30 APRIL 2015	DIFFERENCE
National Department Of Public Works	633,447	119,678	753,125	753,917	(793)
Provincial Department Of Public Works	777,370	367,519	1,144,889	6,084,863	(4,939,974)
Department Of Education		1,802,471	1,802,471	2,110,280	(307,809)
Department Of Health		133,422	133,422	1,107,928	(974,506)
Department Of Social Development		167,113	167,113	81,365	85,748
Department Of Transport		22,743	22,743	26,133	-
Department Of Agriculture		1,290,494	1,290,494	1,156,642	133,852
Department Of Nature Conservation		-	-	-	-
Department of Community Development		-	-	-	-
Sport, Recreation, Arts and Culture		-	-	26,152	-
Unemployment Insurance		-	-	7,254	(7,254)
Members Of Provincial Legislature		23,514	23,514	48,527	(25,013)
Department of Water Affairs		-	-	14,347	-
COGTA		-	-	-	-
Provincial RDP Houses		2,134,824	2,134,824	-	-
TOTAL	1,410,816	6,061,779	7,472,595	11,417,408	(3,944,813)

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 the are disputes on invoices received.

Table 15: SC4 Monthly budget Statement Aged Creditors

Description	NT Code	Budget Year 2014/15								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	84 169								84 169	68 115
Bulk Water	0200	16 072								16 072	12 222
PAYE deductions	0300	12 135								12 135	9 520
VAT (output less input)	0400	-								-	-
Pensions / Retirement deductions	0500	15 490								15 490	14 186
Loan repayments	0600	-								-	-
Trade Creditors	0700	96 955	3 421							100 376	81 198
Auditor General	0800	435								435	880
Other	0900	114 702								114 702	299 390
Total By Customer Type	1000	339 959	3 421	-	-	-	-	-	-	343 380	485 512

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

Table 16: Payments made to the 20 highest Paid Creditors – May 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>
ESKOM				84 168 860	84 168 860	84 168 860
AMATOLA WATER				16 072 113	16 072 113	16 072 113
LUQAQAMBO CIVILS CONSTRUCTION CC				7 619 117	7 619 117	7 619 117
SHONE'S ELECTRICAL				6 991 456	6 991 456	6 991 456
MAZIYA GENERAL SERVICES				6 605 589	6 605 589	6 605 589
MANTELLA TRADING 522 CC				5 687 734	5 687 734	5 687 734
EYA BANTU PROFFESIONAL SERVICES CC				4 867 841	4 867 841	4 867 841
ACTOM MV SWITCHGEAR				3 602 535	3 602 535	3 602 535
AMANZ ABANTU SERVICES (PTY) LTD			3 421 198	0	3 421 198	3 421 198
MVEZO JV ELITYENI				3 177 268	3 177 268	3 177 268
SIYASEBENZA TARRING & CONSTRUCTION CC				2 866 500	2 866 500	2 866 500
TSHUVANE SERVICES				2 864 532	2 864 532	2 864 532
CZAR CONSTRUCTION				2 787 282	2 787 282	2 787 282
ELECTRICAL MOULDED COMPONENTS				2 366 868	2 366 868	2 366 868
MAKINWA MEDIA MANAGEMENT				2 225 811	2 225 811	2 225 811
LIFETIMECONNECTION MANUFACTURING SUPPLY CC				2 152 670	2 152 670	2 152 670
C & M FASTENERS CC				2 144 644	2 144 644	2 144 644
MTIMA PLUMBING SERVICES				2 115 367	2 115 367	2 115 367
ADALWA TRADING CC				1 746 494	1 746 494	1 746 494
RENNIES TRAVEL (PTY) LTD				1 611 137	1 611 137	1 611 137
TOTAL	-	-	3 421 198	161 673 818	165 095 016	165 095 016

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

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	198	1.7%	44 465	198	44 664
Absa 91 2884 4539		Call Account	Call Account	Call Account	3	0.0%	638	3	641
Standard 422 742		Call Account	Call Account	Call Account	5	0.0%	980	395	1 375
Absa 91 4102 2241		Call Account	Call Account	Call Account	38	0.3%	8 998	38	9 036
Absa 91 4163 6965		Call Account	Call Account	Call Account	1	0.0%	204	1	205
Absa 91 5484 1280		Call Account	Call Account	Call Account	2	0.0%	1 308	(1 300)	7
Rand Merchant Bank X021904910		Call Account	Call Account	Call Account	39	0.3%	8 824	(34)	8 789
Standard 76586/442740		Call Account	Call Account	Call Account	10	0.1%	2 165	10	2 175
Absa 92 0562 2137		Call Account	Call Account	Call Account	3	0.0%	760	3	763
Rand Merchant Bank X021904913		Call Account	Call Account	Call Account	62	0.5%	13 987	62	14 049
Rand Merchant Bank X021903300		Call Account	Call Account	Call Account	11	0.1%	2 396	11	2 407
Stanlib 551 557 338		Call Account	Call Account	Call Account	21	0.2%	3 886	21	3 907
Absa 92 4434 8061		Call Account	Call Account	Call Account	0	0.0%	30	0	30
Nedbank 03/7881532939/000126		Call Account	Call Account	Call Account	9	0.1%	2 012	9	2 021
Standard 76586/442739		Call Account	Call Account	Call Account	25	0.2%	5 686	(48)	5 639
Stanlib 551 660 303		Call Account	Call Account	Call Account	5	0.0%	1 961	(1 520)	441
Nedbank 03/7881532939/000041		Call Account	Call Account	Call Account	30	0.3%	6 717	(29)	6 689
Nedbank 03/7881532939/000056		Call Account	Call Account	Call Account	5	0.0%	1 058	5	1 063
Nedbank 03/7881532939/000058		Call Account	Call Account	Call Account	26	0.2%	5 899	26	5 925
Nedbank 03/7881532939/000103		Call Account	Call Account	Call Account	5	0.0%	1 184	5	1 189
Nedbank 03/7881532939/000064		Call Account	Call Account	Call Account	40	0.4%	10 822	(2 846)	7 976
Absa 92 0559 0710		Call Account	Call Account	Call Account	0	0.0%	39	0	39
Nedbank 03/7881532939/000117		Call Account	Call Account	Call Account	36	0.3%	8 077	36	8 113
Nedbank 03/7881532939/000108		Call Account	Call Account	Call Account	1	0.0%	161	1	161

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
Municipality									
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%	980	4	985
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	15	0.1%	3 415	15	3 430
Nedbank 03/7881532939/000110		Call Account	Call Account	Call Account	1	0.0%	363	(168)	195
Nedbank 03/7881532939/000123		Call Account	Call Account	Call Account	1	0.0%	140	1	140
Rand Merchant Bank RRB1629010		Call Account	Call Account	Call Account	309	2.7%	69 293	309	69 602
Stanlib 551 989 180		Call Account	Call Account	Call Account	185	1.6%	34 552	190	34 743
Absa 92 2590 9850		Call Account	Call Account	Call Account	4	0.0%	916	4	920
Stanlib 551 539 764		Call Account	Call Account	Call Account	7	0.1%	1 262	191	1 453
Rand Merchant Bank RRB0324003		Call Account	Call Account	Call Account	3	0.0%	733	(177)	556
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%	80	0	80
Rand Merchant Bank RRB0B25020		Call Account	Call Account	Call Account	9	0.1%	2 041	(44)	1 997
Standard 76586/442743		Call Account	Call Account	Call Account	0	0.0%	83	0	84
Rand Merchant Bank RRB1609012		Call Account	Call Account	Call Account	1	0.0%	275	1	276
Stanlib 551 742 405		Call Account	Call Account	Call Account	2	0.0%	355	2	357
Rand Merchant Bank KLN2308011		Call Account	Call Account	Call Account	2	0.0%	349	2	351
Nedbank 03/7881532939/000128		Call Account	Call Account	Call Account	248	2.2%	68 533	(20 752)	47 782
Rand Merchant Bank RRB1722008		Call Account	Call Account	Call Account	381	3.3%	106 299	(33 619)	72 680
Standard 76586/442745		Call Account	Call Account	Call Account	257	2.3%	68 381	(17 340)	51 042
Absa 92 6406 3148		Call Account	Call Account	Call Account	518	4.5%	134 913	(18 482)	116 431
Rand Merchant Bank KLN2720020		Call Account	Call Account	Call Account	6	0.1%	1 460	(264)	1 195
Stanlib 551 868 235		Call Account	Call Account	Call Account	1	0.0%	125	1	126

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 0559 0891		Call Account	Call Account	Call Account	3	0.0%	738	3	741
Rand Merchant Bank VVW2B13011		Call Account	Call Account	Call Account	1	0.0%	286	1	287
Nedbank Refer to Confirmation		Refer to Confirmation	Refer to Confirmation	Refer to Confirmation	–		–	–	–
Stanlib 753 72 270		Call Account	Call Account	Call Account	129	1.1%	23 985	129	24 114
Stanlib 551 353 708		Call Account	Call Account	Call Account	5	0.0%	955	5	961
Standard 76586/442736		Call Account	Call Account	Call Account	463	4.1%	103 793	463	104 255
Stanlib 753 72 271		Call Account	Call Account	Call Account	621	5.4%	124 319	(18 379)	105 939
Rand Merchant Bank X021904579		Call Account	Call Account	Call Account	356	3.1%	86 261	(13 644)	72 617
Nedbank 03/7881532939/000101		Call Account	Call Account	Call Account	445	3.9%	107 496	(16 555)	90 941
Absa 92 1120 9757		Call Account	Call Account	Call Account	1 317	11.6%	313 207	1 317	314 523
Absa 92 2110 3430		Call Account	Call Account	Call Account	572	5.0%	136 135	572	136 707
Standard 76586/442741		Call Account	Call Account	Call Account	41	0.4%	9 268	41	9 310
Standard 76586/442744		Call Account	Call Account	Call Account	118	1.0%	26 452	118	26 570
Rand Merchant Bank RRB0C07002		Call Account	Call Account	Call Account	41	0.4%	9 125	41	9 166
Nedbank 03/7881532939/000129		Call Account	Call Account	Call Account	91	0.8%	20 398	91	20 489
Nedbank 03/7881532939/000125		Call Account	Call Account	Call Account	2	0.0%	467	2	469
Stanlib 551 748 914		Call Account	Call Account	Call Account	140	1.2%	26 153	140	26 293
Absa 92 6406 3407		Call Account	Call Account	Call Account	7	0.1%	1 717	7	1 724
Nedbank 03/7881532939/000132		Call Account	Call Account	Call Account	1 941	17.0%	420 864	26 941	447 805
Rand Merchant Bank KLN3815041		Call Account	Call Account	Call Account	1 495	13.1%	324 147	20 495	344 642
Standard 76586/470801		Call Account	Call Account	Call Account	1 069	9.4%	230 993	16 236	247 229
Standard 76586/442738		Call Account	Call Account	Call Account	10	0.1%	2 247	10	2 257
Municipality sub-total					11 398		2 595 830	(77 045)	2 518 785
Entities									
Entities sub-total					–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2				11 398		2 595 830	(77 045)	2 518 785

11.ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Transfers and grants expenditure 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

Description	Ref	2013/14	Budget Year 2014/15							
		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:		29 373	698 929	699 729	2 061	34 139	641 418	(607 278)	-94.7%	699 729
Urban Settlement Development Grant		20 855	33 465	34 265	2 055	25 814	31 409	(5 595)	-17.8%	34 265
Financial Management Grant		1 294	1 500	1 500	–	1 007	1 375	(368)	-26.7%	1 500
Expanded Public works Programme Incentive Grant		3 278	1 890	1 890	7	1 596	1 733	(137)	-7.9%	1 890
Department of Water Affairs		–	–	–	–	–	–	–	–	–
Equitable Share		–	656 674	656 674	–	–	601 951	(601 951)	-100.0%	656 674
Infrastructure Skills Development Grant		3 946	5 400	5 400	(1)	5 722	4 950	772	15.6%	5 400
Provincial Government:		117 320	122 746	221 486	18 228	153 665	203 029	(10 190)	-5.0%	221 486
Roads Subsidy - Provincial Roads		–	1 871	1 871	–	–	1 715	(1 715)	-100.0%	1 871
Dept of Environmental Affairs and Tourism		–	3 745	3 546	191	3 194	3 251	(57)	-1.7%	3 546
Dept of Environmental Affairs and Tourism (Greening Award)		–	–	2 500	–	–	2 292	–	–	2 500
Department of Water Affairs		2 313	–	–	–	–	–	–	–	–
Local Government & Transitional Affairs		1 472	9 101	8 369	235	5 054	7 671	(2 618)	-34.1%	8 369
Health Subsidy - ATIC		–	2 522	2 522	–	–	2 312	(2 312)	-100.0%	2 522
Cooperative Governance and Traditional Affairs		–	1 049	–	–	–	–	–	–	–
Library Subsidy		–	3 638	3 638	–	–	3 335	(3 335)	-100.0%	3 638
Reclaim Land Claims Commission(RLCC)		228	–	72	–	63	66	(3)	-4.3%	72
Dept Sport, Recreation, Arts and Culture (DSRAC)		–	37	37	–	–	34	(34)	-100.0%	37
Dept of Land Affairs		90	777	81	–	19	74	(55)	-74.9%	81
Human Settlement Development Grant		113 216	99 938	198 783	17 802	145 336	182 218	–	–	198 783
Office of the Premier		–	67	67	–	–	62	(62)	-100.0%	67
District Municipality:		–	–	–	–	–	–	–	–	–
Health Subsidy - Environmental Health		–	–	–	–	–	–	–	–	–
Other grant providers:		209	6 856	8 006	(68)	1 927	7 339	(5 412)	-73.7%	8 006
SETA - Skills Development		–	2 795	2 795	–	1 243	2 562	(1 319)	-51.5%	2 795
Donor Funding - Leiden & Galve		209	136	136	5	14	125	(111)	-88.7%	136
Salaida		–	–	–	–	–	–	–	–	–
Trust Funds		–	2 715	2 782	55	212	2 550	–	–	2 782
Umsobomvu Youth Fund		–	710	745	(128)	458	683	–	–	745
Donor Funding - European Commission		–	500	500	–	–	458	–	–	500
Vuna Award		–	–	1 049	–	1	961	–	–	1 049
Total operating expenditure of Transfers and Grants:		146 901	828 531	929 221	20 220	189 732	851 786	(622 881)	-73.1%	929 221
Capital expenditure of Transfers and Grants										
National Government:		722 854	671 925	664 712	59 081	455 935	609 319	(153 384)	-25.2%	664 712
Urban Settlement Development Grant		693 162	639 825	639 025	58 458	431 625	585 772	(154 147)	-26.3%	639 025
Infrastructure Skills Development Grant		23	100	100	–	–	92	(92)	-100.0%	100
Electricity Demand Side Management		4 578	–	–	–	–	–	–	–	–
Neighbourhood Development Partnership Grant		–	5 000	5 000	523	4 885	4 583	301	6.6%	5 000
Integrated National Electrification Programme		24 997	27 000	20 587	100	19 425	18 871	554	2.9%	20 587
Provincial Government:		10 506	28 857	55 432	–	48 730	50 630	(1 900)	-3.8%	55 432
Human Settlement Development Grant		9 298	18 600	51 657	–	46 509	47 353	(843)	-1.8%	51 657
Human Settlement Development Grant - MPCC		–	10 069	700	–	665	642	–	–	700
Dept Sport, Recreation, Arts and Culture (DSRAC)		1 046	–	2 686	–	1 377	2 462	(1 086)	-44.1%	2 686
Local Government, Transitional Affairs & Housing		162	189	189	–	179	173	6	3.2%	189
Dept of Environmental Affairs and Tourism		–	–	199	–	–	–	–	–	199
District Municipality:		–	–	–	–	–	–	–	–	–
Amatola District Municipality		–	–	–	–	–	–	–	–	–
Other grant providers:		1 143	–	716	158	158	656	(498)	-75.9%	716
BCMET Funding		1 143	–	257	158	158	235	(77)	-32.9%	257
Lieden		–	–	459	–	–	421	(421)	-100.0%	459
Total capital expenditure of Transfers and Grants		734 503	700 782	720 859	59 239	504 823	660 605	(155 782)	-23.6%	720 859
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		881 404	1 529 313	1 650 079	79 459	694 554	1 512 390	(778 662)	-51.5%	1 650 079

11.1. Expenditure On Conditional Grant Allocations

The total expenditure inclusive of reclaimed vat on conditional grants DoRA allocation as at 31 May 2015 amounts to R552.7 million which is 78% of the mid-year adjusted budget of R707.77 million.

Table 19 below reflects the year to date expenditure on 2014/15 total conditional grants.

Table 19: Spending per Conditional Grant Funding Allocation

<u>Funding/Grant</u>	<u>2014/2015 Adjusted Budget</u>	<u>YTD Expenditure (incl. vat)</u>	<u>Variance</u>	<u>% Exp vs. Budget</u>
DoE(Integrated National Electrification Programme)	20 587 000	22 132 893	-1 545 893	108%
Finance Management Grant	1 500 000	1 010 755	489 245	67%
Infrastructure Skills Development Grant	5 500 000	5 994 070	-494 070	109%
Urban Settlement Development Grant	673 289 000	516 395 160	156 893 840	77%
Neighbourhood Development Partnership	5 000 000	5 568 489	-568 489	111%
Expanded Public Works Programme	1 890 000	1 595 500	294 500	84%
TOTAL	707 766 000	552 696 866	155 069 134	78%

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

11.1.1. INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)

Project Description

Bulk construction Zoo 40Mva substation is complete (Multiyear project).

Electrification in the following RDP areas:

- Airport Township Ext - 81 Connections(complete),
- Second Creek - 265 Connections(complete),
- Ilitha North - 180 Connections(complete) ,
- Temporary Relocation Area (TRA) Berlin - 179 Connections(complete),
- Infills - 300 Connections(285 complete),
- Potsdam Unit P Extension - 500 connections, Contract on site and expected completion date has been extended from end of May 2015 to mid-June 2015 due to rain,

- Temporary Relocation Area (TRA) Duncan Village - 58 Connections, cancelled due to no TRAs complete.

All projects are being implemented in terms of the Construction Program and are delivered on time.

11.1.2. FINANCE MANAGEMENT GRANT (FMG)

The year to date results indicate expenditure of 67% of the budgeted operating expenditure of R1.5 million. The funding will be fully spent before year end on implementation of Standard Chart of Accounts (SCOA), training of municipal officials in financial management and remuneration of interns.

11.1.3. URBAN SETTLEMENT DEVELOPMENT GRANT (USDG) HOUSING

Reasons for the Low Expenditure

Technical timeframe delays in appointment of service providers and finalisation of contractual documents for projects on procurement stage contributed in the minimal expenditure. Furthermore the inclement weather conditions and challenges with supply of specified material affected positive progress in projects that are under implementation. With regards to planning projects, designs should be finalised within the fourth quarter of the financial year (Amalinda Co - Op, Ilitha North and DVRI Pilot - Competition Site).

Corrective Measures to improve expenditure

The department has finalised the contractual documents and obligations with the newly appointed service providers, the service providers have commenced 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 overcome procurement turnaround.

Overall expenditure has improved and should continuously increase as all service

providers are busy with execution of work. Additional allocation of budget is required for some projects in order to proceed with work and achieve the intended targets of service delivery in the financial year. The department has planned to advance project monitoring in order to ensure that the service providers deliver as per required milestones.

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. The rural sanitation projects have reached practically completion.

DEVELOPMENT PLANNING & ECONOMIC DEVELOPMENT

Reasons for the Low Expenditure

1. 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.

It is anticipated that the detail designs and environmental processes will be completed before the financial year end. The adjusted budget for this project will be completed.

2. Needs Camp / Potsdam Bridge

Consultants were appointed in December 2013. The detail design and environmental process are nearing completion. The land requirements are currently being dealt with.

It is anticipated that the detail designs and environmental processes will be

completed before the financial year end. The adjusted budget for this project will be completed.

3. Ndevana Stream Crossing

Project complete.

4. Sidewalks

Sidewalks have been completed in Phakamisa, Potsdam, Mdantsane N.U.2, Phakamisa Phase 2, N.U. 2 Part 2 and Mdantsane N.U. 1.

Sidewalks in Scenery Park are still under construction but they are behind schedule.

5. Traffic Calming

Traffic calming measures have been completed in Beacon Bay, Cambridge, Braelyn Duncan Village, Sweetwaters, Willow Park, KWT CBD, Amalinda, Mzamomhle, Mdantsane Ward 22, Zwelitsha, Sunnyridge, Mdantsane N.U. 8 – Gcobani SP & Isibane JP Schools, Sunnyridge Phase 2&3 and Sunnyside Road.

6. Guardrails

Guardrails have been installed in Mdantsane, Cambridge, Scenery Park, Braelyn, Zwelitsha and Sweetwaters.

7. Traffic Signals

Traffic signals have been identified on NEX, Robbie de Lange, Potters Pass and Gullsway, due to the unavailability of cable only Robbie de Lange has been completed and commissioned into service on 13 May 2015, as for the other intersections, the installation will be carried out in the next financial year.

8. Guidance Signage

Guidance signs have been identified and designed for the rural areas and have been manufactured by the BCMM signage contractor. The installation of the signs will commence in the next financial year.

9. King William's Town Public Transport Facilities

The Tender documents for the upgrades are currently being reviewed so that the work can go to Tender. Work to start in the new financial year after all tender processes are complete.

10. Public Transport Facilities

Construction of Taxi Embayment's in Ginsberg is in progress while the construction of the taxi rank in Bonza Bay Road is also in progress. The project was delayed by the service provider who was required to remove the palm trees.

HEALTH AND PUBLIC SAFETY

Reasons for the Low Expenditure

Project has progressed well and architect has completed the final plans for the project. Bill of quantities and specifications for building contractor to be completed soon for tender to be advertised.

COMMUNITY SERVICES

Development of Community Parks (Inland, Midland and Coastal) - The tender was awarded on 31 March 2015 for the installation of playground equipment. Orders have been processed for installation of palisade fencing amounting to R1 637 242.

Construction of Nompumelelo Hall – A service provider has been appointed and the project in progress.

Enterprise Project Management Office (EPMO) is assisting the amenities department with project implementation in order to speed up the processes. Annual contracts are also being used where possible.

11.1.4. NEIGHBOURHOOD DEVELOPMENT PARTNERSHIP GRANT (NDPG)

Expenditure is at 98% and all works is completed on the project (Sandile Road upgrade). The remainder will thus be declared as savings.

11.1.5. EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

BCMM has spent 84% of its allocation for the Expanded Public Works Programme. The programme is progressing well.

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

Summary of Employee and Councillor remuneration	Ref	2013/14	Budget Year 2014/15							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		27 566	31 286	31 286	2 386	27 047	27 583	(536)	-2%	31 286
Pension and UIF Contributions		2 833	3 303	3 303	260	2 798	2 911	(113)	-4%	3 303
Medical Aid Contributions		1 368	1 524	1 524	139	1 398	939	459	49%	1 524
Motor Vehicle Allowance		10 796	12 907	12 907	981	10 326	11 493	(1 167)	-10%	12 907
Cellphone Allowance		–	–	–	–	–	–	–	–	–
Housing Allowances		2 525	3 234	3 234	211	2 325	3 199	(873)	-27%	3 234
Other benefits and allowances		–	–	–	–	–	–	–	–	–
Sub Total - Councillors		45 088	52 254	52 254	3 977	43 893	46 124	(2 231)	-5%	52 254
% increase	4		15.9%	15.9%						15.9%
Senior Managers of the Municipality										
Basic Salaries and Wages		3 537	8 717	8 717	487	4 926	11 687	(6 762)	-58%	8 717
Pension and UIF Contributions		667	1 580	1 580	95	878	2 219	(1 341)	-60%	1 580
Medical Aid Contributions		103	205	205	11	109	375	(266)	-71%	205
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		808	2 277	2 277	118	963	2 497	(1 534)	-61%	2 277
Cellphone Allowance		–	–	–	–	–	–	–	–	–
Housing Allowances		–	77	77	1	5	268	(262)	-98%	77
Other benefits and allowances		959	1 621	1 621	152	1 876	2 079	(203)	-10%	1 621
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	33	33	–	24	–	24	#DIV/0!	33
Post-retirement benefit obligations	2	–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		6 074	14 510	14 510	863	8 780	19 125	(10 346)	-54%	14 510
% increase	4		138.9%	138.9%						138.9%
Other Municipal Staff										
Basic Salaries and Wages		654 048	775 458	778 785	58 210	647 210	691 434	(44 224)	-6%	778 785
Pension and UIF Contributions		126 960	144 765	145 867	11 127	123 425	128 527	(5 102)	-4%	145 867
Medical Aid Contributions		46 769	57 614	58 141	4 620	48 172	48 011	161	0%	58 141
Overtime		80 707	57 128	57 148	9 038	97 187	53 413	43 774	82%	57 148
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		17 823	25 328	24 793	1 636	17 836	22 065	(4 228)	-19%	24 793
Cellphone Allowance		–	–	–	–	–	–	–	–	–
Housing Allowances		3 219	7 313	7 300	303	3 183	6 505	(3 322)	-51%	7 300
Other benefits and allowances		178 806	125 372	125 001	9 619	133 978	98 573	35 405	36%	125 001
Payments in lieu of leave		–	13 000	13 000	–	–	14 419	(14 419)	-100%	13 000
Long service awards		14 840	16 727	16 580	1 358	14 869	13 661	1 208	9%	16 580
Post-retirement benefit obligations	2	–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		1 123 172	1 222 705	1 226 615	95 912	1 085 861	1 076 608	9 253	1%	1 226 615
% increase	4		8.9%	9.2%						9.2%
Total Parent Municipality		1 174 333	1 289 469	1 293 379	100 752	1 138 533	1 141 857	(3 323)	0%	1 293 379
			9.8%	10.1%						10.1%
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Sub Total - Board Members of Entities	2	–	–	–	–	–	–	–	–	–
% increase	4									
Senior Managers of Entities										
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–	–	–
% increase	4									
Other Staff of Entities										
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–	–	–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–	–	–
TOTAL SALARY, ALLOWANCES & BENEFITS		1 174 333	1 289 469	1 293 379	100 752	1 138 533	1 141 857	(3 323)	0%	1 293 379
% increase	4		9.8%	10.1%						10.1%
TOTAL MANAGERS AND STAFF		1 129 246	1 237 215	1 241 125	96 775	1 094 640	1 095 733	(1 093)	0%	1 241 125

12.2. Overtime Analysis

Table 21 below provides comparison of overtime expenditure against budget per directorate for the period ended 31 May 2015. Table 22 below details overtime expenditure incurred per cost centre for the past three months ended 31 May 2015. The municipality has overspent its overtime budget as at 31 May 2015, reasons for over expenditure are stated in section 12.2.1 below.

Table 21: Overtime per Directorate

Directorate	2014/2015 Annual Budget R	2014/2015 YTD Budget R	2014/2015 YTD Expenditure R	2014/2015 Variance R	2014/2015 % of YTD Budget %
Directorate of Executive Support Services	1 398 035	1 281 532	4 233 848	-2 952 316	330%
Directorate of The Municipal Manager	265 184	243 085	513 242	-270 157	211%
Directorate of Chief Operations Officer	91 062	83 474	96 972	-13 498	116%
Directorate of Financial Service	1 170 142	1 072 630	819 966	252 664	76%
Directorate of Corporate Services	523 517	479 891	430 816	49 075	90%
Directorate of Engineering Services	14 355 233	13 158 964	25 194 385	-12 035 421	191%
<i>Electricity</i>	6 742 973	6 181 059	7 333 349	-1 152 290	119%
<i>Water</i>	2 617 693	2 399 552	9 489 393	-7 089 842	395%
<i>Sanitation</i>	4 031 868	3 695 879	7 585 462	-3 889 583	205%
<i>Other</i>	962 699	882 474	786 181	96 293	89%
Directorate of Development Planning	901 209	826 108	766 382	59 726	93%
Directorate of Health and Public Safety	21 784 059	19 968 721	24 002 307	-4 033 586	120%
Directorate of Community Services	16 659 651	15 271 347	41 129 124	-25 857 777	269%
Total	57 148 092	52 385 751	97 187 041	-44 801 290	186%

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

		March 2015 Amount	April 2015 Amount	May 2015 Amount
Directorate -Executive Support Services				
105 005	Office of The Director of Executive Support	260 541.98	270 508.98	264 886.78
105 020	Public Participation & Ward Committees	2 517.93	2 887.05	43 846.35
105 025	Strategic Support	631.14	-	5 206.91
105 030	Special Programmes	1 155.33	-	13 829.49
110 005	IDP	2 003.58	6 186.81	58 336.30
120 010	Public Relations & International Events	35 230.63	53 430.53	81 291.46
		302 080.59	333 013.37	467 397.29
Directorate - Municipal Manager				
205 005	Office of The Municipal Manager & Support Services	47 275.17	29 164.62	58 809.63
215 005	Internal Audit	2 463.58	-	-
225 005	Municipal Public Accounts Committee	2 951.40	2 238.15	-
225 010	Municipal Public Accounts Committee	4 622.58	7 401.18	-
		57 312.73	38 803.95	58 809.63
Directorate - Chief Operations Officer				
250 005	Office of the Chief Operations Officer	-	-	6 519.38
255 005	Housing Department	-	3 284.13	476.88
		-	3 284.13	6 996.26
Directorate - Chief Financial Officer				
305 005	Office of The Director of Finance	-	1 322.16	-
315 005	Budget Office	-	-	462.78
320 010	Supply Chain Management	-	4 081.67	3 837.69
320 015	Expenditure Office	-	5 483.12	3 200.31
330 005	Rates & Valuations Office	2 206.98	-3.28	1 258.08
330 010	Consolidated Billing & Miscellaneous Revenue Office	13 221.34	7 308.40	-
330 015	Debtors Management Office	11 138.13	6 853.29	11 876.23
330 020	Customer Care Office	1 223.32	712.90	-
		27 789.77	25 758.26	20 635.09
Directorate - Corporate Services				
415 005	Administrative & Council Support	1 623.22	5 333.28	-
415 010	Auxilliary & Telecommunication Services	21 993.60	31 671.30	-
415 025	Management Information Services	11 911.77	2 102.52	30 219.26
420 005	H.R. Administration	-	-	8 806.84
420 010	Occupational Risk Management	1 674.08	8 682.80	-
		37 202.67	47 789.90	39 026.10

		March 2015 Amount	April 2015 Amount	May 2015 Amount
Directorate - Engineering Services				
505 010	City Engineering Building	1 471.28	1 569.36	1 569.36
510 005	Scientific Services	19 573.70	8 129.38	20 275.12
515 006	Night Soil Removal - Coastal	66 185.10	3 855.12	137 361.64
515 007	Night Soil Removal - Central	2 479.42	-	2 883.54
515 010	Sewerage Admin	3 929.24	-	-
515 026	Sewerage Treatment - Coastal	53 915.54	54 034.58	56 969.70
515 027	Sewerage Treatment - Central	35 515.09	29 162.10	65 356.81
515 028	Sewerage Treatment - Inland	80 863.46	99 240.86	102 194.90
515 031	Sewerage Reticulation - Coastal	201 217.19	237 995.03	235 651.18
515 032	Sewerage Reticulation - Central	107 812.63	81 608.22	111 367.46
515 033	Sewerage Reticulation - Inland	76 336.41	70 020.29	83 916.03
520 005	Water Administration	3 784.07	13 041.54	10 827.09
520 011	Maden Dam	11 377.62	18 231.48	13 849.26
520 012	Bridle Drift Dam	2 565.36	2 748.60	3 298.32
520 015	Bulk Pumping Stations	17 093.94	21 954.42	11 607.24
520 021	Umzonyana Water Treatment Works	54 085.04	77 983.11	101 344.24
520 023	KWT Water Treatment Works	81 272.44	111 987.85	116 808.76
520 024	Mdantsane Bulk Pumping	18 609.60	24 327.05	29 035.76
520 025	Water Ops & Maint. - Inland	145 895.39	149 455.51	185 259.72
520 026	Water Ops & Maint. - Midland	177 448.36	244 013.32	214 592.25
520 030	Water Ops & Maint. - Coastal	232 943.04	269 728.10	278 240.10
525 005	Construction Distribution	1 355.31	2 433.48	-
525 010	Roads Administration	-	-	8 668.01
525 025	Roads & Stormwater Drainage	11 836.70	29 608.74	10 813.79
525 040	Project Management Unit	-	-	806.93
530 015	Mechanical Workshop - Braelyn	26 335.23	30 293.36	28 185.36
530 020	Fleet Management - Braelyn	-	-	3 336.69
535 005	Electricity Administration	2 064.36	12 384.54	8 507.21
535 010	Electricity Distribution Supervisory Staff	638 301.43	614 972.24	696 051.68
535 025	Electricity Planning & Design	589.82	2 490.33	1 256.10
535 040	Revenue Protection	73 117.17	84 000.08	91 778.23
		2 147 973.94	2 295 268.69	2 631 812.48
Directorate - Development Planning				
615 095	Building Maintenance - Coastal / Central	2 258.69	-	-
620 015	Traffic Signal Maintenance	8 395.43	10 889.73	9 761.02
625 005	Buffalo City Bus Services	14 593.84	12 185.66	10 071.52
635 005	Local Economic Development	12 122.55	18 883.29	2 820.72
635 010	Market	44 367.05	33 400.20	29 219.34
		81 737.56	75 358.88	51 872.60

		March 2015 Amount	April 2015 Amount	May 2015 Amount
Directorate - Health & Public Safety				
725 010	Fire & Rescue Services	205 607.49	274 177.03	566 606.35
725 015	Law Enforcement Services	893 081.85	965 852.59	1 477 942.29
725 020	Traffic Administration	73 455.84	94 426.53	77 084.89
725 025	Traffic Control	199 352.85	324 011.47	254 633.38
725 035	Vehicle Test Station / Examination	7 409.04	18 720.55	6 167.34
725 045	Traffic Technical Services	11 947.18	12 984.64	-
725 050	Parking Areas / Meters	36 498.46	50 374.17	45 259.37
725 055	Disaster Management	3 078.22	4 067.86	2 737.38
		1 430 430.93	1 744 614.84	2 430 431.00
Directorate - Community Services				
750 005	Office of The Director of Community Services	13 617.97	4 267.53	4 949.24
750 010	Cleansing Administration Support	4 793.02	4 346.17	4 866.10
755 010	Environmental Services	503 165.87	456 041.38	311 464.58
755 015	Environmental Conservation	172 594.08	164 367.45	107 432.53
755 020	Environmental Workshop	1 430.64	-	-
755 025	Interments	262 710.76	267 903.62	243 053.88
760 005	Arts & Cultural Services Admin	22 363.59	30 110.87	53 593.69
760 010	Libraries	7 909.52	5 151.72	4 478.28
760 025	Halls	118 685.94	146 980.77	162 445.28
765 005	Amenities Administration Support	40 957.39	38 843.36	44 947.28
765 010	Sportsfields	195 579.94	196 709.03	126 799.26
765 015	Swimming Pools	98 658.32	270 450.91	184 950.00
765 020	Aquarium	32 290.19	53 911.00	58 741.69
765 025	Zoo	52 373.60	63 767.91	67 819.94
765 030	Beaches	220 938.68	197 407.35	124 108.28
765 035	Resorts	76 765.62	79 466.65	86 960.27
770 005	Cleansing Administration Support	33 962.37	75 332.31	8 816.98
770 010	Refuse Removal	899 781.18	1 042 500.95	810 883.64
770 015	Waste Disposal Sites	27 105.86	36 649.16	30 144.97
770 020	Street Sweeping	624 857.33	713 688.64	624 436.45
770 025	Public Conveniences	135 057.92	153 674.24	143 782.69
770 030	E.L Regional Waste Disposal Site & Transfer Station	39 329.65	62 001.44	58 045.11
		3 584 929.44	4 063 572.46	3 262 720.14
	TOTAL OVERTIME	7 669 457.63	8 627 464.48	8 969 700.59

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. Alternatives are being discussed to reduce the claim of overtime.

b) Municipal Managers Office

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

c) Chief Operations Officer

Overtime is spent when there is a need by the personnel working in Beneficiary Administration, Relocation and Education who have to work odd hours because of non availability of beneficiaries on normal working hours. Expenditure is incurred as per demand for such services.

d) 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 sheddin,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 of faults at pump stations i.e. tripped pumps etc.

e) Directorate of Health and Public Safety

Overexpenditure on the overtime can be attributed to a number of events on public roads, summer carnival, christmas festival & New Years day festivities as well as extra security duties to Council members.

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 over the holiday seasons, swimming pools (inland/ coastal), sportsfields (inland/ coastal), resorts, aquarium, beaches, coastal conservation, nature reserves and the zoo.

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 May 2015. There was an increase in the total payment between March 2015 and April 2015 of R67 111 and an increase in the total payment between April 2015 and May 2015 of R62 212.

Table 23: Standby & Shift Allowance per Directorate

	MARCH 2015	APRIL 2015	MAY 2015
Directorate – Executive Support Services	12 624	13 228	12 712
Directorate – Municipal Manager	584	690	881
Directorate – Chief Financial Officer	5 319	5763	7 466
Directorate – Corporate Services	10 792	10 463	13 113
Directorate – Engineering Services	436 010	438 139	520 041
Directorate – Development Planning	8 755	10 211	12 674
Directorate – Health & Public Safety	172 990	201 655	201 584
Directorate – Community Services	232 776	266 813	240 705
TOTAL	879 851	946 962	1 009 174

12.4. Cost of Temporary Staff

The total payment of Temporary Staff for the months of February 2015, March 2015 and April 2015 is reflected below. There was a decrease in the total payment between March 2015 and April 2015 of R1 063 641 and a decrease in the total payment between April 2015 and May 2015 of R915 350.

Table 24: Temporary Staff Per Directorate

	MARCH 2015	APRIL 2015	MAY 2015
Directorate – Executive Support Services	793 539	1 049 194	978 819
Directorate – Municipal Manager	261 667	264 074	271 811
Directorate – Chief Operations Officer	226 112	251 208	213 976
Directorate – Chief Financial Officer	580 837	557 450	499 042
Directorate – Corporate Services	1 948 582	1 457 296	917 413
Directorate – Engineering Services	196 598	132 366	144 572
Directorate – Development Planning	39 683	68 314	43 589
Directorate – Health & Public Safety	5 828 920	4 545 220	4 810 759
Directorate – Community Services	1 351 277	1 838 451	1 368 243
TOTAL	11 227 215	10 163 574	9 248 224

12.5. Councillors Costs

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

Table 25: Councillors Costs

	MAY 2015	YTD EXPEN	YTD BUDGET	VARIANCE	ANNUAL BUDGET
Mayoral Allowance	58 882	622 466	682 365	59 898	744 398
Deputy Mayoral Allowance	47 554	498 870	545 892	47 021	595 518
Mayoral Committee Allowance	356 656	4 142 170	5 117 734	975 565	5 582 983
Speakers Allowance	47 554	498 870	543 645	44 774	593 067
Councillors Allowance	1 875 413	21 284 414	21 789 117	504 704	23 769 946
Cllr Housing Subsidy	210 933	2 325 255	2 964 434	639 179	3 233 928
Cllr Medical Aid	138 796	1 397 539	1 396 887	-652	1 523 877
Cllr Pension Scheme	259 913	2 797 860	2 864 394	66 533	3 124 793
Cllr Travel Allowance	981 064	10 325 571	11 831 711	1 506 140	12 907 321
Cllr U.I.F	-	-	163 592	163 592	178 464
TOTAL	3 976 766	43 893 015	47 899 770	4 006 756	52 254 295

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 in the process of recruiting staff for the running of the agency.

As at 31 May 2015, the Buffalo City Development Agency has a budget of R5,39 million within the Executive Support Services Directorate of BCMM, and has spent R1.97 million. The expenditure incurred relates mainly to audit fees, accounting fees and board members fees and expenses.

14. CAPITAL PROGRAMME PERFORMANCE

BCMM has spent 65% (R764.26 million, inclusive of reclaimed vat) of its 2014/15 mid-year adjusted capital budget of R1.17 billion as at 31 May 2015. This reflects an improvement when compared to the same period in the previous financial year where 64% (R641.86 million) of the adjusted capital budget of R1 billion was spent.

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

Funding	<u>2014/2015</u> <u>Mid-year</u> <u>Adjustment</u> <u>Budget</u>	<u>YTD</u> <u>Expenditure</u> <u>(VAT incl)</u>	<u>Variance</u> <u>(VAT incl)</u>	<u>%</u> <u>Expe</u>
Total Own Funding	447 886 290	197 484 823	250 401 467	44%
DoE(Intergrated National Electrification Programme)	20 587 000	22 132 893	-1 545 893	108%
Department of Sports, Recreation, Arts and Culture	2 686 285	1 376 872	1 309 413	51%
Department of Economic Affairs and Tourism	199 168	0	199 168	0%
Local Government, Traditional Affairs and Housing	188 726	178 585	10 141	95%
Infrastructure Skills Development Grant	100 000	0	100 000	0%
BCMET	256 818	157 925	98 893	61%
Leiden	458 860	0	458 860	0%
Neighbourhood Development Partnership Grant	5 000 000	5 568 489	-568 489	111%
Urban Settlement Development Grant	639 024 500	490 183 255	148 841 245	77%
Human Settlement Development Grant	52 357 357	47 174 471	5 182 886	90%
Total Grants	720 858 714	566 772 490	154 086 224	79%
TOTAL PER FUNDING	1 168 745 004	764 257 313	404 487 691	65%

Table 27 below reflects capital expenditure performance per service.

Table 27: Actual Expenditure per Service against Budget

Services	2014/2015 Mid-year Adjustment Budget	YTD Expenditure (VAT incl)	Variance (VAT incl)	% Expenditure (VAT incl)
Water	94 114 971	64 254 884	29 860 087	68%
Waste Water	201 677 160	108 069 783	93 607 377	54%
Electricity	122 629 851	96 184 620	26 445 231	78%
Roads and Stormwater	317 244 000	234 038 849	83 205 151	74%
Housing	156 156 090	136 566 942	19 589 148	87%
Transport Planning	51 577 627	29 750 540	21 827 087	58%
Waste Management / Refuse	81 183 621	34 801 005	46 382 616	43%
Amenities	41 468 909	16 262 137	25 206 772	39%
Environmental Services	10 000 000	6 830 405	3 169 595	68%
Public Safety	16 320 715	2 920 742	13 399 973	18%
Support Services	44 074 392	12 352 647	31 721 745	28%
Other - BCM Fleet	32 297 668	22 224 760	10 072 908	69%
	1 168 745 004	764 257 313	404 487 691	65%

Table 28 below reflects capital expenditure performance per directorate.

Table 28: Actual Expenditure per Directorate against Budget

Directorate	2014/2015 Mid-year Adjustment Budget	YTD Expenditure (VAT incl)	Variance (VAT incl)	% Exp.
Executive Support Services	6 851 376	1 195 896	5 655 480	17%
Municipal Manager's Office	6 508 500	6 122 419	386 081	94%
Human Settlements	156 208 056	136 713 046	19 495 010	88%
Directorate of Financial Services	1 335 567	473 026	862 541	35%
Directorate of Corporate Services	23 277 340	3 969 096	19 308 244	17%
Directorate of Engineering Services	768 463 650	525 049 912	243 413 738	68%
Directorate of Development Planning	51 577 627	29 750 540	21 827 087	58%
Directorate of Health & Public Safety	16 320 715	2 920 742	13 399 973	18%
Directorate of Community Services	132 915 530	58 062 636	74 852 894	44%
TOTAL DIRECTORATES	1 163 458 361	764 257 313	399 201 048	66%
Asset Replacement	5 286 643		5 286 643	0%
GRAND - TOTAL	1 168 745 004	764 257 313	404 487 691	65%

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

Table 29: SC12 Monthly budget Statement – capital expenditure trend

Month	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	1 665	1 874	2 326	4 279	4 279	2 326	(1 954)	-84.0%	0%
August	11 311	23 357	28 978	36 998	41 278	31 304	(9 974)	-31.9%	4%
September	53 306	19 095	23 691	63 771	105 049	54 995	(50 054)	-91.0%	11%
October	46 876	42 074	52 201	82 385	187 434	107 196	(80 238)	-74.9%	20%
November	64 278	34 592	42 918	52 978	240 413	150 114	(90 299)	-60.2%	26%
December	84 284	47 624	59 087	123 417	363 829	209 201	(154 629)	-73.9%	39%
January	17 662	16 702	20 722	30 397	394 226	229 922	(164 304)	-71.5%	42%
February	43 138	28 314	35 129	47 087	441 314	265 051	(176 263)	-66.5%	47%
March	123 009	37 714	46 792	104 078	545 392	311 843	(233 549)	-74.9%	58%
April	33 107	53 193	65 997	64 575	609 968	377 839	(232 128)	-61.4%	0
May	106 958	65 110	80 781	96 922	706 890	458 621	(248 270)	-54.1%	0
June	249 046	572 360	710 124			1 168 745	-		
Total Capital expenditure	834 638	942 007	1 168 745	706 890					

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

Description	Ref	Budget Year 2014/15								
		2013/14 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		592 952	225 500	271 349	19 523	178 757	106 086	(72 670)	-68.5%	271 349
Infrastructure - Road transport		282 801	110 000	113 740	13 391	91 831	44 240	(47 591)	-107.6%	113 740
Roads, Pavements & Bridges		282 801	110 000	113 740	13 391	91 831	44 240	(47 591)	-107.6%	113 740
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		103 228	45 500	39 087	1 551	31 926	15 338	(16 588)	-108.2%	39 087
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		103 228	45 500	39 087	1 551	31 926	15 338	(16 588)	-108.2%	39 087
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		177 056	-	-	-	-	-	-	-	-
Reticulation		177 056	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		29 867	70 000	118 522	4 581	54 999	46 509	(8 490)	-18.3%	118 522
Waste Management		2 037	36 000	79 815	2 409	34 590	31 320	(3 270)	-10.4%	79 815
Transportation		22 513	24 000	28 707	2 075	18 526	11 265	(7 261)	-64.5%	28 707
Gas		-	-	-	-	-	-	-	-	-
Other		5 317	10 000	10 000	97	1 883	3 924	2 041	52.0%	10 000
Community		48 041	22 000	24 960	4 548	12 754	9 794	(2 960)	-30.2%	24 960
Parks & gardens		1 078	2 000	3 685	1 560	1 744	1 446	(298)	-20.6%	3 685
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		4 729	10 000	11 275	1 287	5 012	4 424	(587)	-13.3%	11 275
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	10 000	10 000	1 701	5 999	3 924	(2 075)	-52.9%	10 000
Social rental housing		-	-	-	-	-	-	-	-	-
Other		42 234	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		58 680	89 536	156 385	18 008	126 539	61 366	(65 173)	-106.2%	156 385
Housing development		58 680	89 536	156 385	18 008	126 539	61 366	(65 173)	-106.2%	156 385
Other		-	-	-	-	-	-	-	-	-
Other assets		51 706	65 150	94 078	(337)	42 405	36 917	(5 488)	-14.9%	94 078
General vehicles		6 211	18 600	28 160	50	25 011	11 050	(13 960)	-126.3%	28 160
Specialised vehicles		2 875	4 000	3 600	-	-	1 413	1 413	100.0%	3 600
Plant & equipment		2 230	3 500	5 595	-	31	2 148	2 117	98.6%	5 595
Computers - hardware/equipment		-	-	3 633	-	1 475	1 473	(2)	-0.1%	3 633
Furniture and other office equipment		21 568	28 550	40 779	404	8 614	16 002	7 387	46.2%	40 779
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		452	-	-	-	-	-	-	-	-
Civic Land and Buildings		10 412	5 500	5 700	(1 313)	1 415	2 158	743	34.4%	5 700
Other Buildings		-	-	1 612	-	974	711	(263)	-37.0%	1 612
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		7 959	5 000	5 000	523	4 885	1 962	(2 923)	-149.0%	5 000
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	751 379	402 186	546 773	41 743	360 455	214 163	(146 291)	-68.3%	546 773
Specialised vehicles		2 875	4 000	3 600	-	-	1 413	1 413	0	3 600
Refuse		2 875	-	-	-	-	-	-	-	-
Fire		-	4 000	3 600	-	-	1 413	1 413	0	3 600
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

Description	Ref	Budget Year 2014/15								
		2013/14 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 renewal of existing assets by Asset Class/Sub-class										
Infrastructure		80 525	491 396	589 230	54 702	330 516	231 609	(98 907)	-42.7%	589 230
Infrastructure - Road transport		-	88 000	213 459	25 441	119 015	84 155	(34 860)	-41.4%	213 459
<i>Roads, Pavements & Bridges</i>			88 000	213 459	25 441	119 015	84 155	(34 860)	-41.4%	213 459
<i>Storm water</i>										
Infrastructure - Electricity		-	89 199	80 000	8 547	57 176	31 392	(25 784)	-82.1%	80 000
<i>Generation</i>										
<i>Transmission & Reticulation</i>			89 199	80 000	8 547	57 176	31 392	(25 784)	-82.1%	80 000
<i>Street Lighting</i>										
Infrastructure - Water		68 763	97 689	96 898	10 043	59 337	36 931	(22 406)	-60.7%	96 898
<i>Dams & Reservoirs</i>										
<i>Water purification</i>										
<i>Reticulation</i>		68 763	97 689	96 898	10 043	59 337	36 931	(22 406)	-60.7%	96 898
Infrastructure - Sanitation		-	216 508	198 873	10 671	94 987	79 131	(15 857)	-20.0%	198 873
<i>Reticulation</i>			216 508	198 873	10 671	94 987	79 131	(15 857)	-20.0%	198 873
<i>Sewerage purification</i>										
Infrastructure - Other		11 762	-	-	-	-	-	-	-	-
<i>Waste Management</i>		11 762								
<i>Transportation</i>										
<i>Gas</i>										
<i>Other</i>										
Community		2 345	28 030	21 516	84	5 787	8 443	2 656	31.5%	21 516
Parks & gardens										
Sportsfields & stadia		2 343	24 792	18 678	84	5 582	7 329	1 747	23.8%	18 678
Swimming pools										
Community halls	1									
Libraries										
Recreational facilities			3 239	2 839	-	205	1 114	909	81.6%	2 839
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		390	20 395	11 226	395	5 550	4 405	(1 144)	-26.0%	11 226
General vehicles										
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings		390	20 395	11 226	395	5 550	4 405	(1 144)	-26.0%	11 226
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		-								
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other										
Total Capital Expenditure on renewal of existing ass	1	83 260	539 821	621 972	55 180	341 853	244 457	(97 395)	-39.8%	621 972
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

15. OTHER SUPPORTING DOCUMENTS

15.1. Operating Projects Expenditure

The Metro has spent 66% (R226.49 million) inclusive of reclaimed vat of its 2014/15 mid-year adjusted budget of R341.92 million as at 31 May 2015. This reflects an improvement when compared to the same period in the previous financial year where 60% (R191.29 million) of the adjusted operating projects budget of R317.06 million was spent.

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>2014/2015 Opex Mid-year Adjusted Budget</u>	<u>YTD Expenditure (VAT incl)</u>	<u>Variance (VAT incl)</u>	<u>% Exp</u>
Executive Support Services	5 032 564	832 930	4 199 634	17%
Municipal Manager's Office	41 005 902	28 197 733	12 808 169	69%
Chief Operations Officer	206 909 443	150 255 555	56 653 888	73%
Directorate of Financial Services	29 804 265	14 090 667	15 713 598	47%
Directorate of Corporate Services	14 673 060	7 026 749	7 646 311	48%
Directorate of Engineering Services	6 600 000	3 944 062	2 655 938	60%
Directorate of Development Planning	24 882 544	18 799 619	6 082 925	76%
Directorate of Health & Public Safety	101 522	29 930	71 592	29%
Directorate of Community Services	12 911 703	3 307 626	9 604 077	26%
TOTAL PER DIRECTORATE	341 921 003	226 484 871	115 436 133	66%

Table 33: Operating Projects per Funding Source

OPERATING PROJECTS PER FUNDING SOURCE	<u>2014/2015</u> <u>Opex Mid-</u> <u>year</u> <u>Adjusted</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	80 199 727	37 323 163	42 876 564	45%
Department of Land Affairs	152 436	81 506	70 930	53%
Department of Local Government & Traditional Affairs	4 790 672	2 396 424	2 394 248	50%
Department of Sport, Recreation and Arts and Culture	37 438	0	37 438	0%
Department of Economic Development, Environmental Affairs and Tourism(DEDEAT)	3 546 243	3 194 079	352 164	90%
European Commission	500 000	0	500 000	0%
Expanded Public Works Programme Incentives Grant	1 890 000	1 595 500	294 500	84%
Finance Management Grant	1 500 000	1 010 755	489 245	67%
Human Settlement Development Grant	198 783 128	145 336 125	53 447 003	73%
Infrastructure Skills Development Grant	5 400 000	5 994 070	-594 070	111%
Leiden	136 315	14 133	122 182	10%
Local Government and Traditional Affairs	3 578 127	2 657 112	921 015	74%
Premiers Fund	67 421	0	67 421	0%
Trust Funds	2 781 653	211 562	2 570 091	8%
Umsobomvu Youth Fund	744 585	458 003	286 582	62%
Urban Settlement Development Grant	34 264 500	26 211 905	8 052 595	76%
Department of Environmental Affairs (Greening Award)	2 500 000	0	2 500 000	0%
Vuna Awards	1 048 758	532	1 048 226	0%
Total Grants	261 721 276	189 161 707	72 559 569	72%
TOTAL PER FUNDING	341 921 003	226 484 871	115 436 133	66%

**16. INCOME AND EXPENDITURE REPORTS FOR DIRECTORATE OF HEALTH
AND PUBLIC SAFETY & 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 Dir P/Safety, Health, DM	0	113 981	297 825	0	411 806
Support Services Office	-27	1 514 831	89 406	0	1 604 237
Health Administration	0	2 867 445	969 385	1 990	3 838 820
Health Support	0	0	0	0	0
Pharmacy	0	0	0	0	0
Clinics	0	0	719 976	0	719 976
Aids Training Information Centre	0	0	6 506	0	6 506
Environmental Health	-1 004 417	14 164 842	2 601 844	60 070	16 826 756
Pest Control	-24 551	1 160 913	249 667	0	1 410 580
Pollution Control	0	772 045	548 668	117 134	1 437 848
Educare Centres	0	758 858	137 419	0	896 277
Public Safety Administration	0	1 958 367	432 184	1 140	2 391 691
Fire and Rescue Services	-68 535 037	47 580 577	17 899 813	696 843	66 177 234
Security Services	-17 109	68 830 406	2 049 401	351 473	71 231 280
Traffic Administration	-120 109	16 407 857	11 772 420	837 963	29 018 239
Traffic Control	0	19 576 424	733 290	5 479	20 315 193
Criminal Process	-4 318 836	2 761 190	106 863	0	2 868 054
Vehicle Test Station / Examination	-273 808	3 461 334	218 596	850	3 680 780
Vehicle Registration	-30 955 278	3 971 201	362 429	0	4 333 629
Drivers License Testing	-12 222 148	5 540 919	476 394	0	6 017 313
Traffic Technical Services	0	3 714 893	192 395	169 915	4 077 203
Parking Areas / Meters	-1 841	4 591 031	94 038	0	4 685 069
Disaster Management	0	1 718 667	765 336	29 634	2 513 637
Dog Tax Office	-706 245	623 118	53 535	8 824	685 477
Total	-118 179 405	202 088 900	40 777 390	2 281 313	245 147 603

16.2. Community Services

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

Table 35: Community Services – Cost Analysis

Community Services	Total Revenue	Employee Costs	Other Operating Expenditure	Repairs & Maintenance	Total Expenditure Excluding Capital
Office of Dir. Community Serv.	0	4 755 591	909 754	3 653	5 668 997
Community Services Administration	0	2 041 537	219 091	0	2 260 628
Environmental Administration Support	0	1 642 177	151 436	0	1 793 613
Environmental Services	-206 367	55 890 719	7 733 615	1 103 931	64 728 265
Environmental Conservation	0	10 990 960	5 504 353	71 400	16 566 713
Environmental Workshop	0	2 733 246	118 855	1 576 681	4 428 782
Interments	-6 609 617	18 452 639	6 063 563	245 065	24 761 268
Gompo Admin Building	0	0	0	0	0
Integrated Environmental Management	0	1 005 520	425 722	414	1 431 656
Arts & Cultural Serv:Admin	0	8 218 010	561 447	39 548	8 819 005
Libraries	-242 759	15 507 630	1 653 047	80 222	17 240 899
Art Gallery	-1 239	480 185	58 741	6 320	545 246
Art Centres	0	0	13 710	4 040	17 750
Halls	-3 989 589	10 660 654	7 414 263	459 067	18 533 984
Amenities Administration Support	0	4 674 283	1 554 884	343 459	6 572 626
Sportsfields	-172 286	14 265 069	3 979 317	378 074	18 622 460
Swimming Pools	-709 928	9 274 322	2 063 426	216 468	11 554 216
Aquarium	-125 503	6 936 923	1 128 502	134 766	8 200 191
Zoo	-1 099 529	4 584 109	1 546 770	355 752	6 486 631
Beaches	-596 985	12 824 601	3 250 960	512 298	16 587 860
Resorts	-1 452 390	4 952 085	1 060 689	699 540	6 712 314
Cleansing Administration Support	0	7 890 482	12 685 518	4 737 093	25 313 093
Refuse Removal	-310 844 276	41 760 278	126 260 392	11 781 019	179 801 689
Waste Disposal Sites	-2 806 805	1 919 797	4 704 921	0	6 624 717
Street Sweeping	-44 992	40 481 484	1 195 970	0	41 677 455
Public Conveniences	-620	6 020 146	1 848 234	0	7 868 380
EL Regional Waste Disposal Site & Transfer Station	-211	6 101 140	12 423 747	30 338	18 555 225
Total	-328 903 096	294 063 587	204 530 925	22 779 149	521 373 662

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 **May 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:

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- C3 Monthly Budget Statement - Financial Performance (By Municipal Vote)
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Annexure B

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Annexure C

Schedule of Borrowings

Annexure D

Operating expenditure report

Annexure E

Capital expenditure report