

Prince Albert Municipality



Mid-Year Section 72 Report 2018/19

1. INTRODUCTION

1.1 PURPOSE OF REPORT

- To submit to the Executive Mayor an assessment report on the Municipality's Performance covering the period 1 July 2018 to 31 December 2018.

Section 72(1) (a) of the MFMA prescribes that the accounting officer of a municipality must by 25 January each year assess the performance of the municipality during the first half of the financial year taking into account:

- (a) The monthly statements referred to in section 71 of the MFMA for the first half of the financial year;
- (b) The municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
- (c) The past year's annual report and progress on resolving problems identified in the annual report; and
- (d) The performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 of the MFMA from any such entities.

In terms of section 72(1)(b) of the MFMA, the Accounting Officer must also by 25th January of each year submit a report on such assessment to the mayor of the municipality, National Treasury and Provincial Treasury. Once the Mayor has considered the report, it must be submitted to Council by 31 January in terms of Section 54 of the MFMA.

Section 72(3) of the MFMA further states accounting officer must, as part of the review:

- (a) Make recommendations as to whether an adjustment budget is necessary; and
- (b) Recommend revised projections for revenue and expenditure to the extent that this may be necessary.

The mid-year performance reports and supporting tables of Prince Albert Municipality is prepared in accordance with MFMA Circular 13 and the Municipal Budget and Reporting Regulations.

MAYORS REPORT

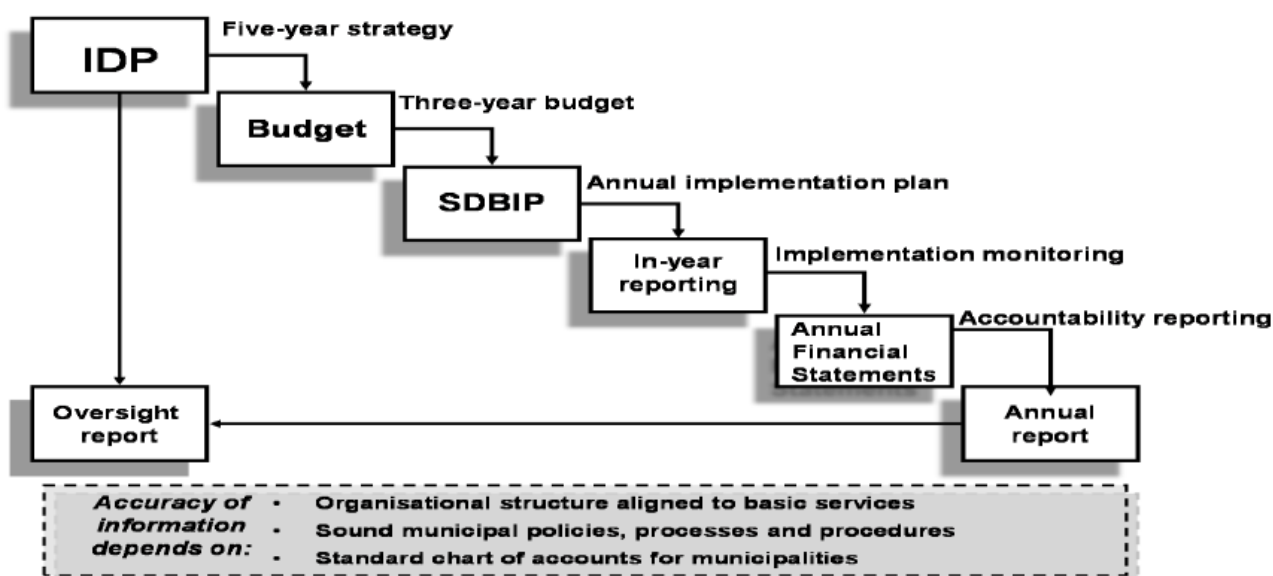
Budget Process:

Section 53(1)(a) of the MFMA stipulates that the Executive Mayor of the Municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

The flowchart on the budget process basically reflecting three different processes in the budget cycle at the same time, namely:

- Reporting on the previous year budget;
- Current year budget implementation; and
- Preparation of the new financial year's budget (including the budget estimates for the two outer financial years)

The municipal planning and budget cycle processes consist of the following:



For the period under review that is the month ending 31 December 2018 the following MFMA related activities was successfully complete as per legislative requirements:

December 2018

- Submit all monthly MFMA section 71 reporting.
- Submission of the information as required in terms of the new mSCOA Regulation to National and Provincial Treasury.
- New Service provider (Vesta) in process of implementing various software required for functioning of mSCOA regulations.
- Verification of audited information and reconciliation of information submitted via the different National and Provincial treasuries platforms.

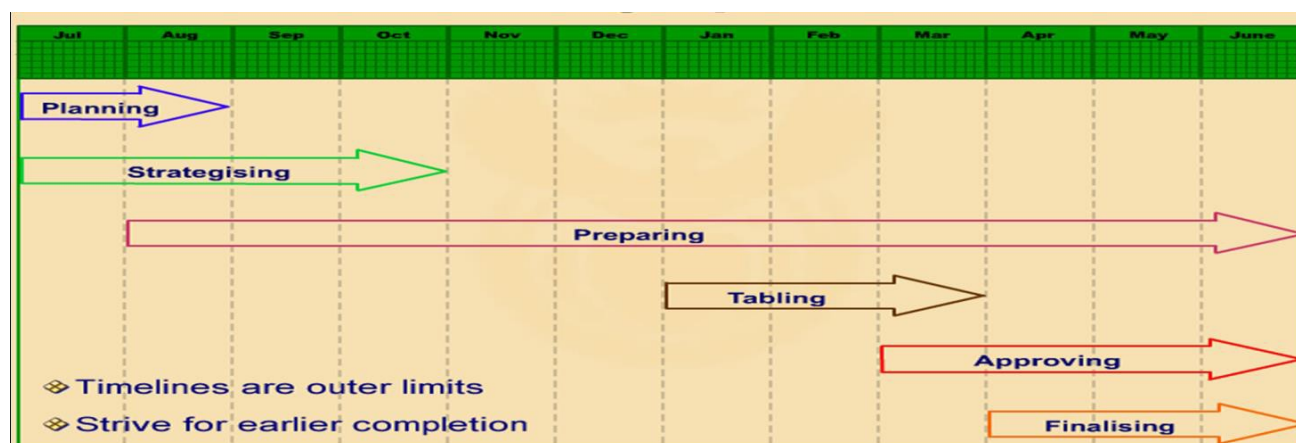
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Budget planning process 2019/2020

Administration is in the process of planning the budget process for the 2019/20 Draft and Annual Budget. This will be done as per the budget timetable approved by council during the August 2018 council meeting.

Following the Budget Process Timeline in respect of the budget year under review:



Monthly Reporting:

Monthly financial reporting as per DoRA and MFMA requirements to Council, National & Provincial Departments and other stakeholders have been adequately adhered to for the period 1 July 2018 – 31 December 2018.

Financial Statements for the Year-ended 30 June 2018

The municipality received an unqualified audit opinion with findings for the **2017/2018** financial year. We will correct what went wrong and will strive to obtain a “clean audit” for the current financial year.

Relevant information

Capital Expenditure:

Capital budget expenditures totals R9 549 294 for the period ending 31 December 2018. These represent a spending of 27% of budgeted amounts. The spending for capital projects is below projections and this impacting the municipal performance and service delivery objectives.

Municipal infrastructure grant (MIG) funding represents the bulk of municipal capital funding. The projected target spending for MIG funded projects was 50% for the end of December 2018, but we were unable to reach the target and could only spent R2 755 927 or 38%. It is also worth noting that the second MIG transfer was withheld because the municipality did not reach the necessary targets.

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MIG expenditure were below the prescribed targets on 31 December 2018 and National Treasury wanted to withhold the MIG transfers in terms of Section 18(1) of the DORA.

- i. Prince Albert Municipality's MIG reports were mostly submitted in time although we have had some difficulty in uploading our claims since the MIG MIS system requirements have changed and have been assisted by the Provincial Office with overcoming these challenges although some have yet to be resolved.
- ii. As indicated in meetings with the MIG officials the tender process for the appointment of the contractor as on 30 December 2018 were as follows for the:
 - MIS # 204052-Upgrading of Storm Water System in North End, Prince Albert: **R842 170.00**
 - MIS # 204035-Upgrading of Stormwater System in Bitterwater, Leeu Gamka: **R513 696.00**
 - MIS # 219827- Prince Albert New Access Road: **R1 760 000** closed on 4 December 2018.

The Bid Allocation Committee met on 14 December 2018 and awarded Tender No 172/2018 to Urhwebo e-Transand), subject to a 21 day appeal period which ended on 04 January 2019. The total funding committed by the Prince Albert Municipality to these 3 projects equates to **R3 115 866**.

The contractor is expected to be on-site by February 2019 to commence construction and has indicated a project duration of 16 weeks.

- iii. As for MIS # 204057- Leeu Gamka, Bitterwater: Upgrade of Sportsfield: **R500 000**, construction has commenced and the contractor is on-site with a total of **R415 525.28** (excl. VAT) of the total budget already committed only an amount of **R84 474.72** has not been committed to date.
- iv. MIS # 215762-Klaarstroom New Sidewalks: **R250 000.00** and MIS # 215756 Prince Albert New Sidewalks **R1 000 561.00** were uncommitted in the planning phase and will be implemented in-house commencing early February 2019.
- v. Uncommitted Funds of our MIG allocation is sitting at **R1 335 035.72** which is **17.8 %** of the total MIG allocation
- vi. Though it is understood that the Municipality did not reach the prescribed 60% spending on the first MIG transfer, the fact that we could not claim the indirect costs on some of the projects had a significant impact on the Municipality not being able to achieve the target expenditure at the end of October 2018.

Projected expenditure for the Prince Albert Municipality with claims received to date as at 31 December 2018 should be at 37% of the total MIG allocation.

Prince Albert Municipality have done our utmost to correct the shortcomings in our MIG process and is committed to spending our full allocation. We respectfully request that you consider not withholding our MIG expenditure further as we have made the necessary commitments and taken remedial steps where necessary. Withholding our MIG allocation further will seriously hamper our service delivery initiatives as we are a small rural municipality with limited resources and we do not have enough funds to act as bridging finance on projects. MIG has always successfully partnered with Prince Albert Municipality and the Departments have our full co-operation in addressing any shortcomings.

It should be noted that a direct engagement with National and Provincial Treasury as well the MIG officials took place on 24 January 2019 and they agreed not to withhold the MIG funding further.

Operational Expenditure

Operational Revenues

Revenue totals of R16 469 339 of the budgeted amounts recorded for December 2018. The municipality to date received most of the transfers and grants as per payment agreements, except the CDW's grant of R74 000 and the Thusong Services maintenances transfer of R110 000. Performance for revenue budget has a shortfall of 5.3% as projected for the period ending 31 December 2018. Traffic revenue is lower than projected and the municipality will have to launch an initiative to collect the outstanding fines. An adjustment of the projected income will be needed in the Adjustment budget.

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WC052 Prince Albert - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	66 432	35 148	7 615	24 273	5 021	19 252	383%	66 432
Executive and council		-	19 716	21 225	6 439	14 513	3 032	11 481	379%	19 716
Finance and administration		-	46 716	13 922	1 176	9 760	1 989	7 771	391%	46 716
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1 980	20 606	147	961	2 944	(1 983)	-67%	1 980
Community and social services		-	1 890	1 976	145	947	282	665	236%	1 890
Sport and recreation		-	40	40	2	14	6	8	141%	40
Public safety		-	50	-	-	(0)	-	(0)	#DIV/0!	50
Housing		-	-	18 590	-	-	2 656	(2 656)	-100%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	3 931	5 097	20	1 745	728	1 017	140%	3 931
Planning and development		-	-	74	-	-	11	(11)	-100%	-
Road transport		-	3 931	5 023	20	1 745	718	1 028	143%	3 931
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	23 341	38 338	1 850	11 484	5 477	6 007	110%	23 341
Energy sources		-	14 715	17 645	1 167	7 231	2 521	4 711	187%	14 715
Water management		-	3 854	15 822	275	1 762	2 260	(498)	-22%	3 854
Waste water management		-	2 906	3 119	271	1 650	446	1 205	270%	2 906
Waste management		-	1 867	1 753	137	841	250	590	236%	1 867
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	95 684	99 189	9 633	38 464	14 170	24 294	171%	95 684
Expenditure - Functional										
<i>Governance and administration</i>		-	42 039	26 671	2 177	11 817	3 810	8 007	210%	42 039
Executive and council		-	6 982	8 482	749	3 533	1 212	2 321	192%	6 982
Finance and administration		-	35 057	18 189	1 428	8 284	2 598	5 686	219%	35 057
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	3 609	22 073	267	1 738	3 153	(1 415)	-45%	3 609
Community and social services		-	1 963	2 422	133	922	346	576	166%	1 963
Sport and recreation		-	1 115	1 061	100	578	152	427	282%	1 115
Public safety		-	531	-	34	238	-	238	#DIV/0!	531
Housing		-	-	18 590	-	-	2 656	(2 656)	-100%	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	9 801	11 709	678	5 935	1 673	4 263	255%	9 801
Planning and development		-	-	719	-	-	103	(103)	-100%	-
Road transport		-	9 801	10 990	678	5 935	1 570	4 365	278%	9 801
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	24 173	23 951	1 658	10 887	3 422	7 466	218%	24 173
Energy sources		-	13 124	12 502	903	6 426	1 786	4 640	260%	13 124
Water management		-	4 990	4 883	327	1 948	698	1 250	179%	4 990
Waste water management		-	3 744	3 914	267	1 589	559	1 030	184%	3 744
Waste management		-	2 315	2 652	162	925	379	546	144%	2 315
<i>Other</i>		-	-	150	-	-	21	(21)	-100%	-
Total Expenditure - Functional	3	-	79 622	84 554	4 780	30 378	12 079	18 298	151%	79 622
Surplus/ (Deficit) for the year		-	16 062	14 635	4 853	8 086	2 091	5 996	287%	16 062

Mid –year Budget and Performance Report

2018/19

WC052 Prince Albert - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year Assessment

Vote Description	Ref	2017/18	Budget Year 2018/19							
		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 - EXECUTIVE AND COUNCIL		-	32 115	21 225	6 439	14 513	3 032	11 481	378.6%	32 115
Vote 2 - DIRECTOR FINANCE		-	48 362	13 178	1 119	9 566	1 883	7 683	408.1%	48 362
Vote 3 - DIRECTOR CORPORATE		-	819	819	57	194	117	77	66.2%	819
Vote 4 - DIRECTOR COMMUNITY		-	6 020	24 536	167	2 706	3 505	(799)	-22.8%	6 020
Vote 5 - DIRECTOR TECHNICAL SERVICES		-	24 434	39 431	1 850	11 485	5 633	5 852	103.9%	24 434
Total Revenue by Vote	2	-	111 749	99 189	9 633	38 464	14 170	24 294	171.5%	111 749
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	7 422	8 482	749	3 533	1 212	2 321	191.6%	7 422
Vote 2 - DIRECTOR FINANCE		-	28 519	11 670	943	5 062	1 667	3 395	203.7%	28 519
Vote 3 - DIRECTOR CORPORATE		-	6 942	7 238	485	3 222	1 034	2 188	211.6%	6 942
Vote 4 - DIRECTOR COMMUNITY		-	8 147	26 457	589	5 053	3 780	1 274	33.7%	8 147
Vote 5 - DIRECTOR TECHNICAL SERVICES		-	29 686	30 558	2 009	13 483	4 365	9 117	208.9%	29 686
Total Expenditure by Vote	2	-	80 716	84 404	4 775	30 353	12 058	18 295	151.7%	80 716
Surplus/ (Deficit) for the year	2	-	31 034	14 785	4 857	8 111	2 112	5 999	284.0%	31 034

Section 71(1)(g) of the MFMA requires that the Accounting Officer must, when necessary, provide explanation of

- Any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
- Any material variances from the service delivery and budget implementation plan; and
- Any remedial or corrective steps taken or to be taken to ensure that the projected revenue and expenditure remain within the municipality's approved budget.

Mid –year Budget and Performance Report

2018/19

WC052 Prince Albert - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
Revenue By Source											
Property rates			3 453	3 453	212	2 151	493	1 658	336%	3 453	
Service charges - electricity revenue			14 293	15 011	1 166	7 216	2 144	5 072	236%	14 293	
Service charges - water revenue			3 584	3 584	275	1 762	512	1 250	244%	3 584	
Service charges - sanitation revenue			2 906	2 906	271	1 650	415	1 235	297%	2 906	
Service charges - refuse revenue			1 622	1 623	137	841	232	609	263%	1 622	
Service charges - other			-	-	-	-	-	-	-	-	
Rental of facilities and equipment			502	300	34	209	43	166	388%	502	
Interest earned - external investments			2 280	2 453	239	1 450	350	1 100	314%	2 280	
Interest earned - outstanding debtors			698	698	70	381	100	281	282%	698	
Dividends received			-	-	-	-	-	-	-	-	
Fines, penalties and forfeits			3 713	3 743	1	1 656	535	1 121	210%	3 713	
Licences and permits			220	-	20	90	-	90	#DIV/0!	220	
Agency services			-	220	-	-	31	(31)	-100%	-	
Transfers and subsidies			46 641	48 082	6 822	17 294	6 869	10 425	152%	46 641	
Other revenue			8 594	2 649	48	319	378	(59)	-16%	8 594	
Gains on disposal of PPE			-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)			-	88 504	84 721	9 295	35 020	12 103	22 917	189%	88 504
Expenditure By Type											
Employee related costs			21 982	22 365	1 810	10 561	3 195	7 366	231%	21 982	
Remuneration of councillors			3 086	3 086	244	1 459	441	1 018	231%	3 086	
Debt impairment			5 930	5 930	494	4 287	847	3 440	406%	5 930	
Depreciation & asset impairment			2 978	3 318	248	1 489	474	1 015	214%	2 978	
Finance charges			-	55	-	-	8	(8)	-100%	-	
Bulk purchases			9 800	10 500	713	5 183	1 500	3 683	246%	9 800	
Other materials			-	600	-	-	86	(86)	-100%	-	
Contracted services			650	26 472	63	275	3 782	(3 507)	-93%	650	
Transfers and subsidies			-	1 280	-	-	183	(183)	-100%	-	
Other expenditure			35 196	10 948	1 208	7 124	1 564	5 560	356%	35 196	
Loss on disposal of PPE			-	-	-	-	-	-	-	-	
Total Expenditure			-	79 622	84 554	4 780	30 378	12 079	18 298	151%	79 622
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			-	8 882	167	4 516	4 642	24	4 619	0	8 882
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)			7 180	14 468	337	3 444	2 067	1 377	0	7 180	
Transfers and subsidies - capital (in-kind - all)			-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions			-	16 062	14 635	4 853	8 086	2 091		16 062	
Taxation			-	-	-	-	-	-	-	-	
Surplus/(Deficit) after taxation			-	16 062	14 635	4 853	8 086	2 091		16 062	
Attributable to minorities			-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality			-	16 062	14 635	4 853	8 086	2 091		16 062	
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year			-	16 062	14 635	4 853	8 086	2 091		16 062	

Explanation for any deviation in excess of 10% will be provided as part of an ongoing process to ensure that information is relevant and useful for council's decision making. (Table SC 1 have reference).

Variations is addressed in SC1 and more information in terms of variances in the rest of the report.

Mid –year Budget and Performance Report

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WC052 Prince Albert - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	2017/18	Budget Year 2018/19						YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget				
R thousands	1										
Multi-Year expenditure appropriation	2										
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-	
Single Year expenditure appropriation	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	40	-	-	6	(6)	-100%	-	
Vote 2 - DIRECTOR FINANCE		-	-	-	-	-	-	-	-	-	
Vote 3 - DIRECTOR CORPORATE		-	-	185	-	-	26	(26)	-100%	-	
Vote 4 - DIRECTOR COMMUNITY		-	-	500	-	-	71	(71)	-100%	-	
Vote 5 - DIRECTOR TECHNICAL SERVICES		-	15 680	17 978	732	4 277	2 568	1 708	67%	15 680	
Total Capital single-year expenditure	4	-	15 680	18 703	732	4 277	2 672	1 605	60%	15 680	
Total Capital Expenditure		-	15 680	18 703	732	4 277	2 672	1 605	60%	15 680	
Capital Expenditure - Functional Classification											
<i>Governance and administration</i>		-	-	225	-	-	32	(32)	-100%	-	
Executive and council		-	-	40	-	-	6	(6)	-100%	-	
Finance and administration		-	-	185	-	-	26	(26)	-100%	-	
Internal audit		-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		-	-	500	-	-	71	(71)	-100%	-	
Community and social services		-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	500	-	-	71	(71)	-100%	-	
Public safety		-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		-	8 550	3 461	463	3 350	494	2 856	578%	8 550	
Planning and development		-	-	-	-	-	-	-	-	-	
Road transport		-	8 550	3 461	463	3 350	494	2 856	578%	8 550	
Environmental protection		-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		-	7 130	14 517	269	927	2 074	(1 147)	-55%	7 130	
Energy sources		-	-	2 680	-	563	383	180	47%	-	
Water management		-	-	6 953	37	82	993	(911)	-92%	-	
Waste water management		-	7 130	2 196	232	281	314	(33)	-10%	7 130	
Waste management		-	-	2 688	-	-	384	(384)	-100%	-	
<i>Other</i>		-	-	-	-	-	-	-	-	-	
Total Capital Expenditure - Functional Classification	3	-	15 680	18 703	732	4 277	2 672	1 605	60%	15 680	
Funded by:											
National Government		-	15 680	14 508	307	3 050	2 073	977	47%	15 680	
Provincial Government		-	-	-	37	82	-	82	#DIV/0!	-	
District Municipality		-	-	-	-	-	-	-	-	-	
Other transfers and grants		-	-	-	-	-	-	-	-	-	
Transfers recognised - capital		-	15 680	14 508	344	3 132	2 073	1 059	51%	15 680	
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	
Borrowing	6	-	-	-	-	-	-	-	-	-	
Internally generated funds		-	-	4 195	388	1 145	599	545	91%	-	
Total Capital Funding		-	15 680	18 703	732	4 277	2 672	1 605	60%	15 680	

Explanation:

The capital budget perform below par for the period ending December 2018. Municipality reports to provincial treasury on the Top 10 capital projects on a monthly basis. For the period ending 31 December 2018 the top 10 projects that represents a value of R29 324 533 or 82.93% of all capital projects records a spending of R9549 294. This equates to 27% of spending. Just shifting the focus on implementing the top10 projects will significantly enhance performance of the capital budget.

Capital performance for the municipality reflects 27% of budgeted amounts.

Mid –year Budget and Performance Report

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WC052 Prince Albert - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
R thousands	1						
ASSETS							
Current assets							
Cash			3 147	477	38 113	3 147	
Call investment deposits			28 000	22 075	–	28 000	
Consumer debtors			3 597	2 093	891	3 597	
Other debtors			4 030	7 867	4 629	4 030	
Current portion of long-term receivables			–	–	–	–	
Inventory			570	758	715	570	
Total current assets			–	39 345	33 270	44 348	39 345
Non current assets							
Long-term receivables			–	–	–	–	
Investments			–	–	–	–	
Investment property			13 288	13 625	14 207	13 288	
Investments in Associate			–	–	–	–	
Property, plant and equipment			128 002	143 013	129 817	128 002	
Agricultural			–	–	–	–	
Biological			–	–	–	–	
Intangible			95	103	120	95	
Other non-current assets			–	–	–	–	
Total non current assets			–	141 386	156 742	144 145	141 386
TOTAL ASSETS			–	180 731	190 012	188 493	180 731
LIABILITIES							
Current liabilities							
Bank overdraft			–	–	–	–	
Borrowing			57	5	27	57	
Consumer deposits			472	475	476	472	
Trade and other payables			8 110	3 131	9 562	8 110	
Provisions			328	2 466	2 144	328	
Total current liabilities			–	8 967	6 076	12 209	8 967
Non current liabilities							
Borrowing			12	–	–	12	
Provisions			26 826	26 382	25 217	26 826	
Total non current liabilities			–	26 838	26 382	25 217	26 838
TOTAL LIABILITIES			–	35 805	32 458	37 426	35 805
NET ASSETS	2		–	144 926	157 554	151 067	144 926
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			135 426	144 393	137 906	135 426	
Reserves			9 500	13 161	13 161	9 500	
TOTAL COMMUNITY WEALTH/EQUITY	2		–	144 926	157 554	151 067	144 926

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WC052 Prince Albert - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			2 935	2 935	220	1 841	419	1 422	339%	2 935	
Service charges			19 076	19 655	1 229	8 153	2 808	5 346	190%	19 076	
Other revenue			6 627	3 898	83	2 241	557	1 684	302%	6 627	
Government - operating			43 823	48 082	6 439	18 346	6 869	11 477	167%	43 823	
Government - capital			12 400	14 468	-	10 318	2 067	8 251	399%	12 400	
Interest			2 873	3 046	239	1 450	435	1 015	233%	2 873	
Dividends			-	-	-	-	-	-	-	-	
Payments											
Suppliers and employees			(71 363)	(72 556)	(2 981)	(25 345)	(10 365)	14 980	-145%	(71 363)	
Finance charges			(55)	(55)	-	-	(8)	(8)	100%	(55)	
Transfers and Grants			-	(1 280)	-	-	(183)	(183)	100%	-	
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	16 317	18 193	5 229	17 005	2 599	(14 406)	-554%	16 317
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			-	-	-	-	-	-	-	-	
Decrease (Increase) in non-current debtors			-	-	-	-	-	-	-	-	
Decrease (increase) other non-current receivables			-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments			-	-	-	-	-	-	-	-	
Payments											
Capital assets			(15 584)	(21 021)	(732)	(4 277)	(3 003)	1 274	-42%	(15 584)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(15 584)	(21 021)	(732)	(4 277)	(3 003)	1 274	-42%	(15 584)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-	-	-	-	-	-	-	-	
Borrowing long term/refinancing			-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits			39	27	5	28	4	24	636%	39	
Payments											
Repayment of borrowing			(24)	(61)	(5)	(39)	(9)	30	-344%	(24)	
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	15	(34)	0	(11)	(5)	6	-116%	15
NET INCREASE/ (DECREASE) IN CASH HELD			-	747	(2 862)	4 497	12 718	(409)			747
Cash/cash equivalents at beginning:			25 414	30 400	25 414	25 414	25 414				25 414
Cash/cash equivalents at month/year end:			25 414	31 147	22 552	38 132	25 005				26 161

Year to date Cash flow information reports a positive balance of R25 005m for the period ended December 2018.

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Supporting Documents

WC052 Prince Albert - Supporting Table SC1 Material variance explanations - Mid-Year Assessment

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Property rates	1 658	Not Material	None
	Service charges - electricity revenue	5 072	Not Material	None
	Service charges - water revenue	1 250	Not Material	None
	Service charges - sanitation revenue	1 235	Not Material	None
	Service charges - refuse revenue	609	Not Material	None
	Service charges - other	-		
	Rental of facilities and equipment	166	Not Material	None
	Interest earned - external investments	1 100	Not Material	None
	Interest earned - outstanding debtors	281	Not Material	None
	Dividends received	-		None
	Fines, penalties and forfeits	1 121	Fines calc still to be performed	None
	Licences and permits	90	Not Material	None
	Agency services	(31)		
	Transfers and subsidies	10 242	Housing grant written back per AG report	None
	Other revenue	(59)	Other revenue not realised	None
2	Expenditure By Type			
	Employee related costs	7 366	Less employee related costs than budgeted for	None
	Remuneration of councillors	1 018	Not Material	None
	Debt impairment	3 440	Year end calc still to be performed	None
	Depreciation & asset impairment	1 015	Year end calc still to be performed	None
	Finance charges	(8)		None
	Bulk purchases	3 683	Not Material	None
	Other materials	(86)		
	Contracted services	(3 507)	Year end calc still to be performed	None
	Transfers and grants	-		
	Other expenditure	5 560	Housing grant written back per AG report	None
	Loss on disposal of PPE	-		
3	Capital Expenditure			
	Finance and administration	(26)	No capital purchases	None
	Sport and recreation	(71)	No capital purchases	None
	Housing	-		None
	Road transport	2 856	Capital to be correctly allocated	None
	Energy sources	180	Capital to be correctly allocated	None
	Water management	(911)	Capital to be correctly allocated	
	Waste water management	(33)		

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WC052 Prince Albert - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-Year Assessment

Description of financial indicator	Basis of calculation	Ref	2017/18	Budget Year 2018/19			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	3.7%	4.0%	0.0%	3.9%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0.0%	5.6%	2.0%	6.3%	5.6%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.1%	0.0%	0.0%	0.1%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	0.0%	438.8%	547.5%	363.2%	438.8%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	347.4%	371.1%	312.2%	347.4%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0.0%	8.6%	11.8%	15.8%	8.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		0.0%	24.8%	26.4%	30.2%	24.8%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		0.0%	3.4%	4.0%	0.0%	3.5%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

The above ratios indicate that the municipality is financially stable and adequately funded to continue with its operations.

The level of employee's actual costs for the year to date is 30.2% which is more than the budgeted percentage of 24.8%. It is therefore important for council to monitor and managed the employee related cost effectively within the set norm between 35% and 40%.

WC052 Prince Albert - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2018/19											Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo 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	359	324	176	149	170	2 827	-	224	4 230	3 371	1	5 284	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	625	243	140	81	53	695	-	96	1 934	926	-	810	
Receivables from Non-exchange Transactions - Property Rates	1400	85	44	28	21	18	414	-	842	1 452	1 295	-	354	
Receivables from Exchange Transactions - Waste Water Management	1500	138	198	146	134	120	1 458	-	140	2 333	1 852	-	2 656	
Receivables from Exchange Transactions - Waste Management	1600	154	116	98	91	87	1 179	-	118	1 843	1 475	-	2 452	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	1 413	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	0	-	-	-	0	-	-	-	0	0	-	-	
Other	1900	(34)	21	12	11	11	398	-	53	472	473	-	200	
Total By Income Source	2000	1 328	946	600	487	459	6 972	-	1 475	12 265	9 392	1	13 170	
2017/18 - totals only										-	-			
Debtors Age Analysis By Customer Group														
Organs of State	2200	179	102	64	35	18	259	-	186	842	497	-	-	
Commercial	2300	202	94	48	28	24	665	-	359	1 421	1 076	-	-	
Households	2400	947	750	487	423	417	6 048	-	930	10 002	7 819	1	13 170	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	1 328	946	600	487	459	6 972	-	1 475	12 265	9 392	1	13 170	

WC052 Prince Albert - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description	NT Code	Budget Year 2018/19								
		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	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	820	-	-	-	-	-	-	-	820
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	269	-	-	-	-	-	-	-	269
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	1 089	-	-	-	-	-	-	-	1 089

Council purchases and payments to creditors are under adequate control and paid within the prescribed period of 30 days. No significant problems experienced in respect of creditor payments during the quarter under review.

WC052 Prince Albert - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

Investments by maturity Name of institution & investment ID	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									
Investec Investment: DB9798902		6mde	Money Market	31-12-2018	135	7.9%	20 656		20 791
Investec Investment: DB9808180		6mde	Money Market	31-12-2018	66	7.5%	10 382		10 447
Municipality sub-total					200		31 038	-	31 238
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				200		31 038	-	31 238

Cash & Investment Management:

Surplus cash is invested at approved banking institutions in accordance with prescribed legislation and / or cash & investment policy guidelines.

The municipality's bank account per bank statement reflecting a positive balance as at the end of December 2018.

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Transfers and Grants

WC052 Prince Albert - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:	1,2	-	22 684	22 434	6 439	16 918	3 205	13 713	427.9%	22 684
Local Government Equitable Share			19 317	19 317	6 439	14 488	2 760	11 728	425.0%	19 317
Finance Management			1 700	1 700	-	1 700	243	1 457		1 700
EPWP Incentive			1 042	1 042	-	730	149	581		1 042
Municipal Infrastructure Grant (MIG)			-	-	-	-	-	-		-
Integrated National Electrification Programme			250	-	-	-	-	-		-
PMU	3		375	375	-	-	54	(54)	-100.0%	250
			-	-	-	-	-	-		375
			-	-	-	-	-	-		-
			-	-	-	-	-	-		-
Other transfers and grants [insert description]			-	-	-	-	-	-		-
Provincial Government:			21 116	22 725	-	1 428	3 246	(1 818)	-56.0%	21 116
Financial Management Support Grant			330	330	-	-	47	(47)	-100.0%	330
CDW			74	74	-	-	11	(11)		74
LIBRARY SUBSIDY			1 602	1 602	-	1 068	229	839		1 602
THUSONG CENTRE			110	110	-	-	16	(16)		110
Housing			18 590	18 590	-	-	2 656	(2 656)		18 590
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTION OF TRANSP			-	-	-	-	-	-		-
Public Transport and Systems			50	50	-	-	7	(7)		50
Capacity Building			360	360	-	360	51	309		360
Wes kaap provinsie Toedeling			-	1 510	-	-	216	(216)		-
WK Suijing van tenk subsidie			-	99	-	-	14	(14)		-
Financial Capacity - Capacity building (Rollover)			-	-	-	-	-	-		-
Financial Capacity - Internal Audit			-	-	-	-	-	-		-
Financial Capacity - Internship (Rollover)			-	-	-	-	-	-		-
Financial Capacity - MSCOA			-	-	-	-	-	-		-
Financial Capacity - SOBIP			-	-	-	-	-	-		-
Other transfers and grants [insert description]	4		-	-	-	-	-	-		-
District Municipality:			-	-	-	-	-	-		-
Financial Capacity - MSCOA training			-	-	-	-	-	-		-
Other grant providers:			23	2 923	-	-	418	(418)	-100.0%	23
Skills Development Fund Levy			23	23	-	-	3	(3)	-100.0%	23
NT Audit fee			-	2 900	-	-	414			-
Total Operating Transfers and Grants	5		43 823	48 082	6 439	18 346	6 869	11 477	167.1%	43 823
Capital Transfers and Grants										
National Government:			12 400	12 630	-	10 318	1 804	8 514	471.9%	12 400
Municipal Infrastructure Grant (MIG)			7 150	7 130	-	4 818	1 019	3 799	373.0%	7 150
Accelerated Community Infrastructure Programme (ACIP)			-	-	-	-	-	-		-
Public Work Pedestrian Pathways			-	-	-	-	-	-		-
Finance Management			-	-	-	-	-	-		-
Integrated National Electrification Programme			2 250	2 500	-	2 500	357	2 143		2 250
Water Service Infrastructure Grant			3 000	3 000	-	3 000	429	2 571	600.0%	3 000
Provincial Government:			-	1 838	-	-	263	(263)	-100.0%	-
Provincial Draught relief			-	1 838	-	-	263	(263)	-100.0%	-
Total Capital Transfers and Grants	5		12 400	14 468	-	10 318	2 067	8 251	399.2%	12 400
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5		56 223	62 550	6 439	28 664	8 936	19 728	220.8%	56 223

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WC052 Prince Albert - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
		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:		-	22 684	22 684	60	16 167	3 241	12 926	398.9%	22 684
Local Government Equitable Share			19 317	19 317	-	14 488	2 760	11 728	425.0%	19 317
Finance Management			1 700	1 700	60	1 124	243	882	363.0%	1 700
EPWP Incentive			1 042	1 042	-	555	149	406	272.6%	1 042
Municipal Infrastructure Grant (MIG)			-	-	-	-	-	-	-	-
Integrated National Electrification Programme			250	250	-	-	36	(36)	-100.0%	250
PMU			375	375	-	-	54	(54)	-100.0%	375
Other transfers and grants [insert description]			-	-	-	-	-	-	-	-
Provincial Government:		-	21 116	21 116	367	11 486	3 017	8 810	292.1%	21 116
Financial Management Support Grant			330	330	-	-	47	(47)	-100.0%	330
CDW			74	74	-	91	11	80	-	74
LIBRARY SUBSIDY			1 602	1 602	7	2 317	229	2 088	-	1 602
THUSONG CENTRE			110	110	-	-	16	(16)	-	110
Housing			18 590	18 590	-	9 418	2 656	6 763	-	18 590
FINANCIAL ASSISTANCE TO MUNICIPALITIES FOR MAINTENANCE AND CONSTRUCTI			-	-	-	-	-	-	-	-
Public Transport and Systems			50	50	-	-	7	(7)	-	50
Capacity Building			360	360	-	-	51	(51)	-	360
Wes kaap provinsie Toedeling			-	-	-	-	-	-	-	-
WK Suiging van tenk subsidie			-	-	-	-	-	-	-	-
Financial Capacity - Capacity building (Rollover)			-	-	-	-	-	-	-	-
Financial Capacity - Internal Audit			-	-	-	-	-	-	-	-
Financial Capacity - Internship (Rollover)			-	-	-	-	-	-	-	-
Financial Capacity - MSCOA			-	-	360	(360)	-	-	-	-
Financial Capacity - SDBIP			-	-	-	19	-	-	-	-
Other transfers and grants [insert description]			-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Financial Capacity - MSCOA training			-	-	-	-	-	-	-	-
Other grant providers:		-	23	23	-	-	3	(3)	-100.0%	23
Skills Development Fund Levy			23	23	-	-	3	(3)	-100.0%	23
Total operating expenditure of Transfers and Grants:		-	43 823	43 823	427	27 653	6 260	21 734	347.2%	43 823
Capital expenditure of Transfers and Grants										
National Government:		-	12 400	12 400	426	3 537	1 771	1 765	99.6%	12 400
Municipal Infrastructure Grant (MIG)			7 150	7 150	323	2 932	1 021	1 910	187.0%	7 150
Accelerated Community Infrastructure Programme (ACIP)			-	-	-	-	-	-	-	-
Public Work Pedestrian Pathways			-	-	-	-	-	-	-	-
Finance Management			-	-	-	-	-	-	-	-
Integrated National Electrification Programme			2 250	2 250	-	605	321	283	-	2 250
Water Service Infrastructure Grant			3 000	3 000	103	-	429	(429)	-100.0%	3 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	12 400	12 400	426	3 537	1 771	1 765	99.6%	12 400
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	56 223	56 223	853	31 189	8 031	23 499	292.6%	56 223

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Councillors and Staff benefits

WC052 Prince Albert - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councillor remuneration	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		-	2 775	2 775	216	1 085	347	738	213%	2 775
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	311	311	26	130	39	91	233%	311
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors			3 086	3 086	242	1 215	386	829	215%	3 086
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of the Municipality	3									
Basic Salaries and Wages			2 477	2 549	381	1 117	319	798	251%	2 477
Pension and UIF Contributions			86	86	21	101	11	90	838%	86
Medical Aid Contributions			48	48	5	27	6	21	354%	48
Overtime			-	-	-	-	-	-	-	-
Performance Bonus			-	8	-	-	1	(1)	-100%	-
Motor Vehicle Allowance			301	301	25	126	38	88	233%	301
Cellphone Allowance			60	60	21	53	8	46	607%	60
Housing Allowances			18	18	2	8	2	5	233%	18
Other benefits and allowances			36	36	-	-	5	(5)	-100%	36
Payments in lieu of leave			-	-	-	-	-	-	-	-
Long service awards			-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2		-	190	-	-	24	(24)	-100%	-
Sub Total - Senior Managers of Municipality			3 026	3 296	455	1 431	412	1 019	247%	3 026
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Other Municipal Staff										
Basic Salaries and Wages			14 298	14 071	1 815	5 953	1 759	4 194	238%	14 298
Pension and UIF Contributions			1 775	1 775	121	590	222	368	166%	1 775
Medical Aid Contributions			952	952	38	194	119	75	63%	952
Overtime			668	618	61	287	77	210	272%	668
Performance Bonus			-	-	-	-	-	-	-	-
Motor Vehicle Allowance			146	146	4	21	18	3	14%	146
Cellphone Allowance			97	97	(6)	17	12	5	40%	97
Housing Allowances			100	100	8	40	13	28	222%	100
Other benefits and allowances			630	585	-	-	73	(73)	-100%	630
Payments in lieu of leave			12	411	136	189	51	137	267%	12
Long service awards			162	198	-	29	25	4	18%	162
Post-retirement benefit obligations	2		116	116	-	-	14	(14)	-100%	116
Sub Total - Other Municipal Staff			18 956	19 068	2 178	7 320	2 384	4 937	207%	18 956
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Total Parent Municipality			25 068	25 451	2 875	9 966	3 181	6 785	213%	25 068
Unpaid salary, allowances & benefits in arrears:										
Sub Total - Other Staff of Entities			-	-	-	-	-	-	-	-
% increase	4									
Total Municipal Entities			-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS			25 068	25 451	2 875	9 966	3 181	6 785	213%	25 068
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
TOTAL MANAGERS AND STAFF			21 982	22 365	2 633	8 751	2 796	5 956	213%	21 982

WC052 Prince Albert - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Mid-Year Assessment

Description	Ref	Budget Year 2018/19											2018/19 Medium Term Revenue & Expenditure Framework			
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		176	364	503	297	282	220	-	-	-	-	-	1 093	2 935	3 128	3 352
Service charges - electricity revenue		1 340	1 158	1 001	1 143	1 265	1 075	-	-	-	-	-	5 200	12 181	12 952	13 921
Service charges - water revenue		125	97	102	123	182	139	-	-	-	-	-	2 277	3 046	3 253	3 474
Service charges - sanitation revenue		(22)	(13)	52	(6)	(19)	(38)	-	-	-	-	-	2 516	2 470	2 622	2 835
Service charges - refuse		92	68	97	69	83	50	-	-	-	-	-	920	1 379	1 389	1 479
Service charges - other		1	(4)	(0)	3	(13)	3	-	-	-	-	-	10	-	-	-
Rental of facilities and equipment		18	49	26	15	56	14	-	-	-	-	-	213	392	392	392
Interest earned - external investments		240	265	248	240	218	239	-	-	-	-	-	830	2 280	2 280	2 280
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	593	593	644	697
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		(217)	(140)	(123)	(217)	(54)	(217)	-	-	-	-	-	1 710	743	743	743
Licences and permits		6	5	5	0	2	4	-	-	-	-	-	(22)	-	-	-
Agency services		-	20	17	-	14	16	-	-	-	-	-	152	220	220	220
Transfer receipts - operating		8 578	1 950	11	521	1 188	6 439	-	-	-	-	-	25 136	43 823	39 314	56 547
Other revenue		32	23	153	36	24	49	-	-	-	-	-	4 956	5 273	5 374	5 675
Cash Receipts by Source		10 389	3 843	2 092	2 225	3 227	7 993	-	-	-	-	-	45 584	75 335	72 311	91 615
Other Cash Flows by Source																
Transfer receipts - capital		10 318	-	-	-	-	(103)	-	-	-	-	-	2 185	12 400	12 333	10 530
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits		8	2	3	8	3	5	-	-	-	-	-	11	39	42	46
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		20 696	3 846	2 095	2 233	3 230	7 895	-	-	-	-	-	47 780	87 774	84 686	102 191
Cash Payments by Type																
Employee related costs		1 723	1 891	1 748	1 815	2 898	2 075	-	-	-	-	-	9 157	21 307	21 234	22 847
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	3 086	3 086	3 271	3 467
Interest paid		-	-	-	-	-	-	-	-	-	-	-	55	55	55	55
Bulk purchases - Electricity		1 211	1 301	1 068	134	756	713	-	-	-	-	-	4 545	9 728	10 407	11 118
Bulk purchases - Water & Sewer		15	36	68	2	39	15	-	-	-	-	-	(176)	-	-	-
Other materials		-	-	-	-	-	-	-	-	-	-	-	634	634	926	924
Contracted services		4 268	(4 187)	-	52	79	63	-	-	-	-	-	6 483	6 759	6 808	6 250
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses		(7 694)	9 037	488	2 401	1 169	(102)	-	-	-	-	-	23 981	29 280	24 381	41 261
Cash Payments by Type		(477)	8 078	3 372	4 405	4 940	2 764	-	-	-	-	-	47 765	70 848	67 082	85 922
Other Cash Flows/Payments by Type																
Capital assets		1 200	429	563	1 027	325	732	-	-	-	-	-	11 308	15 584	12 224	10 453
Repayment of borrowing		7	7	7	7	5	5	-	-	-	-	-	(15)	24	18	-
Other Cash Flows/Payments		-	-	-	-	-	(103)	-	-	-	-	-	673	570	(120)	(150)
Total Cash Payments by Type		731	8 514	3 943	5 439	5 270	3 398	-	-	-	-	-	59 732	87 027	79 205	96 225
NET INCREASE/(DECREASE) IN CASH HELD		19 965	(4 669)	(1 848)	(3 206)	(2 040)	4 497	-	-	-	-	-	(11 952)	747	5 482	5 966
Cash/cash equivalents at the month/year beginning:		25 414	45 379	40 710	38 862	35 656	33 616	38 113	38 113	38 113	38 113	38 113	38 113	25 414	26 161	31 643
Cash/cash equivalents at the month/year end:		45 379	40 710	38 862	35 656	33 616	38 113	38 113	38 113	38 113	38 113	38 113	26 161	26 161	31 643	37 609

WC052 Prince Albert - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Mid-Year Assessment

Description	Ref	Budget Year 2018/19								
		2017/18 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		-	9 616	4 823	732	4 277	689	(3 588)	-520.7%	9 616
Roads Infrastructure		-	3 011	160	422	3 260	23	(3 237)	-14163.0%	3 011
Roads		-	-	130	422	3 260	19	(3 242)	-17454.5%	-
Road Structures			3 011	30	-	-	4		100.0%	3 011
Road Furniture			-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-
Storm water Infrastructure		-	1 356	-	-	-	-	-	-	1 356
Drainage Collection			-	-	-	-	-	-	-	-
Storm water Conveyance			1 356	-	-	-	-	-	-	1 356
Attenuation			-	-	-	-	-	-	-	-
Electrical Infrastructure		-	2 250	2 680	-	563	383	(180)	-47.1%	2 250
Power Plants			-	-	-	-	-	-	-	-
HV Substations			-	-	-	563	-	(563)	#DIV/0!	-
HV Switching Station			-	-	-	-	-	-	-	-
HV Transmission Conductors			-	-	-	-	-	-	-	-
MV Substations			-	-	-	-	-	-	-	-
MV Switching Stations			-	-	-	-	-	-	-	-
MV Networks			-	-	-	-	-	-	-	-
LV Networks			2 250	2 680	-	-	383	383	100.0%	2 250
Capital Spares			-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	3 000	1 983	41	90	283	193	68.3%	3 000
Dams and Weirs			-	-	-	-	-	-	-	-
Boreholes			-	1 838	-	-	263	263	100.0%	-
Reservoirs			-	-	41	90	-	(90)	#DIV/0!	-
Pump Stations			-	45	-	-	6	6	100.0%	-
Water Treatment Works			-	-	-	-	-	-	-	-
Bulk Mains			-	-	-	-	-	-	-	-
Distribution			-	-	-	-	-	-	-	-
Distribution Points			3 000	100	-	-	14	14	100.0%	3 000
PRV Stations			-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	269	363	-	(363)	#DIV/0!	-
Pump Station			-	-	-	-	-	-	-	-
Reticulation			-	-	-	-	-	-	-	-
Waste Water Treatment Works			-	-	269	363	-	(363)	#DIV/0!	-
Outfall Sewers			-	-	-	-	-	-	-	-
Toilet Facilities			-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Community Assets			500	500	-	-	71	71	100.0%	500
Community Facilities			-	-	-	-	-	-	-	-
Sport and Recreation Facilities			500	500	-	-	71	71	100.0%	500
Indoor Facilities			-	-	-	-	-	-	-	-
Outdoor Facilities			500	500	-	-	71	71	100.0%	500
Capital Spares			-	-	-	-	-	-	-	-
Computer Equipment			-	40	-	-	6	6	100.0%	-
Computer Equipment			-	40	-	-	6	6	100.0%	-
Furniture and Office Equipment			-	10	-	-	1	1	100.0%	-
Furniture and Office Equipment			-	10	-	-	1	1	100.0%	-
Machinery and Equipment			-	3 485	-	-	498	498	100.0%	-
Machinery and Equipment			-	3 485	-	-	498	498	100.0%	-
Transport Assets			3 300	175	-	-	25	25	100.0%	3 300
Transport Assets			3 300	175	-	-	25	25	100.0%	3 300
Land			-	-	-	-	-	-	-	-
Land			-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals			-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1		13 416	9 033	732	4 277	1 290	(2 986)	-231.4%	13 416

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WC052 Prince Albert - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - Mid-Year

Description	Ref	2017/18	Budget Year 2018/19								
		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		-	2 263	3 775	-	-	539	539	100.0%	2 263	
Roads Infrastructure		-	-	1 760	-	-	251	251	100.0%	-	
Roads		-	-	1 760	-	-	251	251	100.0%	-	
Road Structures		-	-	-	-	-	-	-	-	-	
Road Furniture		-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	
Drainage Collection		-	-	-	-	-	-	-	-	-	
Storm water Conveyance		-	-	-	-	-	-	-	-	-	
Attenuation		-	-	-	-	-	-	-	-	-	
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	
Power Plants		-	-	-	-	-	-	-	-	-	
HV Substations		-	-	-	-	-	-	-	-	-	
HV Switching Station		-	-	-	-	-	-	-	-	-	
HV Transmission Conductors		-	-	-	-	-	-	-	-	-	
MV Substations		-	-	-	-	-	-	-	-	-	
MV Switching Stations		-	-	-	-	-	-	-	-	-	
MV Networks		-	-	-	-	-	-	-	-	-	
LV Networks		-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	
Water Supply Infrastructure		-	1 975	2 015	-	-	288	288	100.0%	1 975	
Dams and Weirs		-	-	-	-	-	-	-	-	-	
Boreholes		-	-	-	-	-	-	-	-	-	
Reservoirs		-	1 975	1 975	-	-	282	282	100.0%	1 975	
Pump Stations		-	-	-	-	-	-	-	-	-	
Water Treatment Works		-	-	-	-	-	-	-	-	-	
Bulk Mains		-	-	-	-	-	-	-	-	-	
Distribution		-	-	40	-	-	6	6	100.0%	-	
Distribution Points		-	-	-	-	-	-	-	-	-	
PRV Stations		-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	
Pump Station		-	-	-	-	-	-	-	-	-	
Reticulation		-	-	-	-	-	-	-	-	-	
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-	
Outfall Sewers		-	-	-	-	-	-	-	-	-	
Toilet Facilities		-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	
Solid Waste Infrastructure		-	288	-	-	-	-	-	-	288	
Landfill Sites		-	288	-	-	-	-	-	-	288	
Waste Transfer Stations		-	-	-	-	-	-	-	-	-	
Waste Processing Facilities		-	-	-	-	-	-	-	-	-	
Waste Drop-off Points		-	-	-	-	-	-	-	-	-	
Waste Separation Facilities		-	-	-	-	-	-	-	-	-	
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	
Rail Infrastructure		-	-	-	-	-	-	-	-	-	
Rail Lines		-	-	-	-	-	-	-	-	-	
Rail Structures		-	-	-	-	-	-	-	-	-	
Rail Furniture		-	-	-	-	-	-	-	-	-	
Drainage Collection		-	-	-	-	-	-	-	-	-	
Storm water Conveyance		-	-	-	-	-	-	-	-	-	
Attenuation		-	-	-	-	-	-	-	-	-	
MV Substations		-	-	-	-	-	-	-	-	-	
LV Networks		-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	
Sand Pumps		-	-	-	-	-	-	-	-	-	
Piers		-	-	-	-	-	-	-	-	-	
Revetments		-	-	-	-	-	-	-	-	-	
Promenades		-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	
Data Centres		-	-	-	-	-	-	-	-	-	
Core Layers		-	-	-	-	-	-	-	-	-	
Distribution Layers		-	-	-	-	-	-	-	-	-	
Capital Spares		-	-	-	-	-	-	-	-	-	
Community Assets		-	-	-	-	-	-	-	-	-	

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Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	-	2 263	3 775	-	-	539	539	100.0%	2 263

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WC052 Prince Albert - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Mid-Year Assessment

Description	Ref	Budget Year 2018/19								
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	9 269	12 166	30	168	1 738	1 570	90.3%	9 269
Roads Infrastructure		-	4 645	4 764	0	99	681	581	85.4%	4 645
Roads			4 645	-	0	99	-	(99)	#DIV/0!	4 645
Road Structures			-	4 764	-	-	681	681	100.0%	-
Road Furniture			-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection			-	-	-	-	-	-	-	-
Storm water Conveyance			-	-	-	-	-	-	-	-
Attenuation			-	-	-	-	-	-	-	-
Electrical Infrastructure		-	500	1 637	-	22	234	212	90.5%	500
Power Plants			-	-	-	22	-	(22)	#DIV/0!	-
HV Substations			-	-	-	-	-	-	-	-
HV Switching Station			-	-	-	-	-	-	-	-
HV Transmission Conductors			-	-	-	-	-	-	-	-
MV Substations			-	-	-	-	-	-	-	-
MV Switching Stations			-	-	-	-	-	-	-	-
MV Networks			435	60	-	-	9	9	100.0%	435
LV Networks			5	1 577	-	-	225	225	100.0%	5
Capital Spares			60	-	-	-	-	-	-	60
Water Supply Infrastructure		-	2 003	2 718	30	42	388	347	89.3%	2 003
Dams and Weirs			-	-	30	37	-	(37)	#DIV/0!	-
Boreholes			90	90	-	-	13	13	100.0%	90
Reservoirs			-	-	-	-	-	-	-	-
Pump Stations			-	-	-	-	-	-	-	-
Water Treatment Works			-	-	-	5	-	(5)	#DIV/0!	-
Bulk Mains			-	-	-	-	-	-	-	-
Distribution			1 913	2 628	-	-	375	375	100.0%	1 913
Distribution Points			-	-	-	-	-	-	-	-
PRV Stations			-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	1 128	1 509	-	5	216	210	97.6%	1 128
Pump Station			-	-	-	-	-	-	-	-
Reticulation			110	1 425	-	-	204	204	100.0%	110
Waste Water Treatment Works			1 018	84	-	5	12	7	56.7%	1 018
Outfall Sewers			-	-	-	-	-	-	-	-
Toilet Facilities			-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	994	1 537	-	-	220	220	100.0%	994
Landfill Sites			994	-	-	-	-	-	-	994
Waste Transfer Stations			-	-	-	-	-	-	-	-
Waste Processing Facilities			-	1 537	-	-	220	220	100.0%	-
Waste Drop-off Points			-	-	-	-	-	-	-	-
Waste Separation Facilities			-	-	-	-	-	-	-	-
Electricity Generation Facilities			-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines			-	-	-	-	-	-	-	-
Rail Structures			-	-	-	-	-	-	-	-
Rail Furniture			-	-	-	-	-	-	-	-
Drainage Collection			-	-	-	-	-	-	-	-
Storm water Conveyance			-	-	-	-	-	-	-	-
Attenuation			-	-	-	-	-	-	-	-
MV Substations			-	-	-	-	-	-	-	-
LV Networks			-	-	-	-	-	-	-	-
Capital Spares			-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-

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Sand Pumps		-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-
Community Assets		40	20	-	-	3	3	100.0%	40
Community Facilities		40	20	-	-	3	3	100.0%	40
Halls		-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-
Cemeteries/Crematoria		40	20	-	-	3	3	100.0%	40
Police		-	-	-	-	-	-	-	-
Purts		-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-
Other assets		337	344	24	69	49	(20)	-40.9%	337
Operational Buildings		337	344	24	69	49	(20)	-40.9%	337
Municipal Offices		337	344	24	69	49	(20)	-40.9%	337
Pay/Enquiry Points		-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	0	3	-	(3)	#DIV/0!	-
Furniture and Office Equipment		-	-	0	3	-	(3)	#DIV/0!	-
Machinery and Equipment		283	65	2	17	9	(8)	-83.9%	283
Machinery and Equipment		283	65	2	17	9	(8)	-83.9%	283
Transport Assets		497	505	28	404	72	(332)	-459.6%	497
Transport Assets		497	505	28	404	72	(332)	-459.6%	497
Land		-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	10 426	13 100	84	661	1 871	1 210	64.7%	10 426

Mid –year Budget and Performance Report

2018/19

WC052 Prince Albert - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Mid-Year Assessment

Description	Ref	Budget Year 2018/19								
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		-	2 480	2 820	207	1 240	403	(837)	-207.8%	2 480
Roads Infrastructure		-	475	475	40	238	68	(170)	-250.0%	475
Roads		-	-	475	-	-	68	68	100.0%	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	475	-	40	238	-	(238)	#DIV/0!	475
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	70	70	6	35	10	(25)	-250.0%	70
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	70	-	6	35	-	(35)	#DIV/0!	70
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	70	-	-	10	10	100.0%	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	580	580	48	290	83	(207)	-250.0%	580
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		-	580	580	48	290	83	(207)	-250.0%	580
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	1 300	1 300	108	650	186	(464)	-250.0%	1 300
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	1 300	1 300	108	650	186	(464)	-250.0%	1 300
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	55	395	5	27	56	29	51.3%	55
Landfill Sites		-	55	340	5	27	49	21	43.4%	55
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	55	-	-	8	8	100.0%	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		-	110	-	9	55	-	(55)	#DIV/0!	110
Community Facilities		-	110	-	9	55	-	(55)	#DIV/0!	110
Halls		-	110	-	9	55	-	(55)	#DIV/0!	110
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Other assets		-	-	170	-	-	24	24	100.0%	-
Operational Buildings		-	-	170	-	-	24	24	100.0%	-
Municipal Offices		-	-	170	-	-	24	24	100.0%	-
Computer Equipment		-	-	173	-	-	25	25	100.0%	-
Computer Equipment		-	-	173	-	-	25	25	100.0%	-
Furniture and Office Equipment		-	388	105	32	194	15	(179)	-1193.3%	388
Furniture and Office Equipment		-	388	105	32	194	15	(179)	-1193.3%	388
Machinery and Equipment		-	-	50	-	-	7	7	100.0%	-
Machinery and Equipment		-	-	50	-	-	7	7	100.0%	-

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<u>Transport Assets</u>		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
<u>Land</u>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Depreciation	1	-	2 978	3 318	248	1 489	474	(1 015)	-214.1%	2 978

MUNICIPAL PERFORMANCE

The Prince Albert Municipality is proud to report that Annual Financial Statements for 2017/18 was drafted in-house and was sent to three different consultants for review purposes. An unqualified audit opinion with matters has been expressed. The Auditor General indicated that the financial statements of the Municipality were fairly represented in all material aspects as it reflects the financial position of the Prince Albert Municipality as at 30 June 2018 and its financial performance and cash flows for the year then ended.

The position of the electrician has been filled and the successful candidate duties commenced on 7 January 2019.

Council will continuously strive to fill the critical positions identified on the organogram to ensure continuous, equitable and sustainable service delivery.

HIGHLIGHTS AND CHALLENGES

The municipality reached the prescribed milestones in respect of the preparation of mSCOA on 1 July 2018. Financial and human resource capacity remains one of the biggest challenges in this aspect. Continued engagements with Phoenix on the implementation of the new accounting IT system takes place and Province is updated to ensure that the Municipality's progress is sufficient to comply with all necessary requirements.

The Municipality is on schedule with the compilation of the 2019/20 review Integrated Development Plan, the drafting of the budget and the review of the Spatial Development Framework.

The Municipality also strengthened their public participation engagement with the community and continue to host four hourly slots every week on Radio Gamakaland, thus enabling them to communicate with the farming areas and the marginalized who cannot afford to buy a newspaper. It also allows for immediate communication with the community and supports citizenry education on governance matters. This, combined with the bulk SMS messaging system has improved the interaction with our community significantly.

The effectiveness of the communication mechanisms will be monitored via surveys such as the ward profile survey that are currently underway.

2. PERFORMANCE ANALYSIS

2.1 OPERATIONAL EXPENDITURE AND REVENUE PERFORMANCE

Approximately 37% of the original budgeted operating expenditure of **R84 554 million** was spent as at the end of December 2018 and 41% of the original projected revenue of **R84 721 million** was raised.

Indications are that an adjustments budget will be required as there are numerous variances in expenditure and revenue items that need to be addressed in the final adjustments that must be approved by Council by 28 February 2018.

Items of revenue and expenditure with major deviations from the budget are as follows:

REVENUE

INCREASE IN REVENUE

Revenue source and reason for such decrease	Total original budget for 2018/19	Actual as at 31 December 2018	% Variance from expected 50%
	R'000		
Interest received	2 978	1 831	61.5%
Traffic Fines	3 713	1 656	44.6%

The slow spending on capital projects have caused higher than expected bank balances.

DECREASE IN REVENUE

There was a decrease in revenue, especially traffic fines.

The transfers recognised – capital decreased due to slow spending on capital grant expenses.

OPERATIONAL EXPENDITURE

DECREASE IN EXPENDITURE

There was no decrease in expenditure.

Expenditure item and reason for such decrease	Total original budget for 2018/19	Actual as at 31 December 2017	% Variance from expected 50%
	R'000		
Employee related costs	21 982	10 561	48%
Bulk purchases	9 800	5 183	53%

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Expenditure item and reason for such decrease	Total original budget for 2018/19	Actual as at 31 December 2017	% Variance from expected 50%
	R'000		
Other expenditure	47 840	14 634	31%

Due to the fact that Eskom charges the municipality based on time of use, estimated correct usage is very difficult.

The above variances will be rectified in the adjustment budget.

SERVICE DELIVERY PERFORMANCE ANALYSIS

CREATING A CULTURE OF PERFORMANCE

(I) PERFORMANCE FRAMEWORK

Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players." This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

The municipality adopted a performance management framework that was reviewed and approved by Council on 10 April 2018.

(II) IMPLEMENTATION OF PERFORMANCE MANAGEMENT

The IDP for 2017/18 was compiled and approved by council on 30 May 2018 per Council resolution 38/2018 with the budget for 2018/19 approved by Council on 30 May 2016 per Council resolution 39/2017. The time table and process plan for the compilation of the IDP, budget and reviewed SDF was approved by Council on 30 August 2018 per Council Resolution 78/2018. The organizational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organizational level and through the service delivery budget implementation plan (SDBIP) at directorate levels.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The SDBIP were prepared and the Top Layer SDBIP was approved by the Executive Mayor and tabled at Council on 28 June 2018 and the Departmental SDBIP **by** the Municipal Manager shortly after.

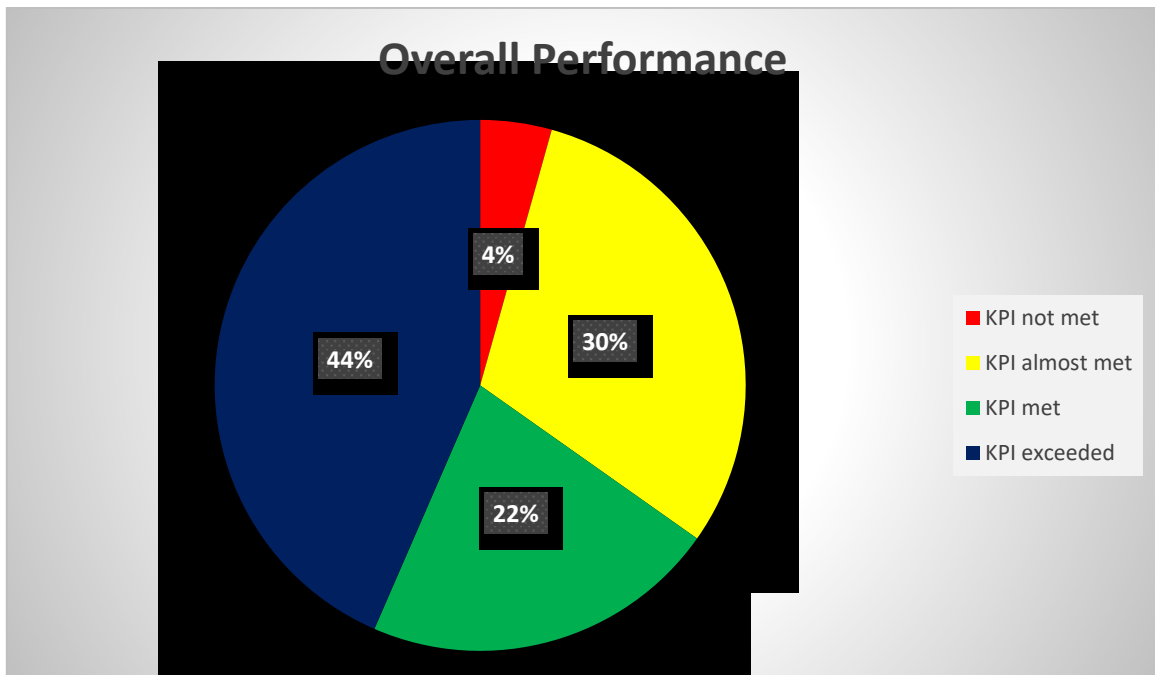
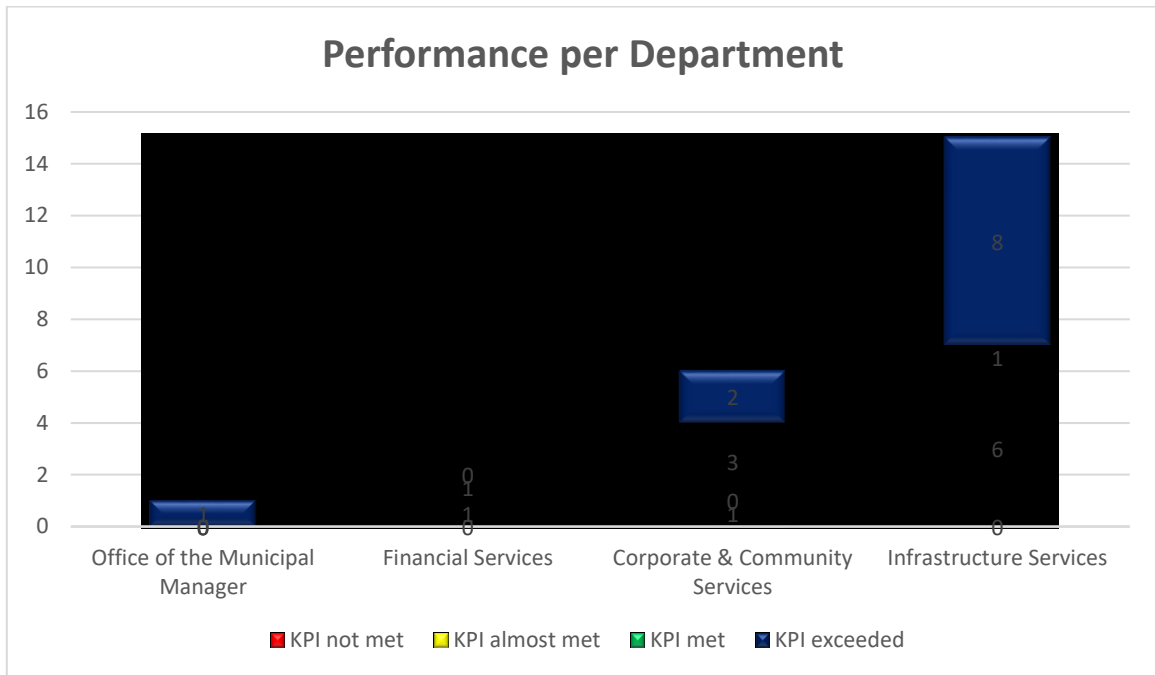
(III) MONITORING PERFORMANCE

Monitoring of performance takes place as follows:

- (a) An automated mail is send via the web based system as a reminder to all staff responsible for updating their actual performance against key performance indicator targets by the 20th of every month for the previous month's performance.
- (b) The performance system administrator will ultimately remind all departments on a weekly basis to update their actual performance on the web based system as part of the ongoing monitoring of the total performance management model. At this time a computer generated reminder is sent via e-mail as mentioned above, reminding all KPI owners and users of the closing date for updating of actual performance results. Two closing dates are set on the automated system, on the 16th as the first notice and the 20th of each month as the second and final notice.
- (c) Monthly performance reports should be submitted and discussed with the Executive Mayor, but has not been done due to further development and refining of the performance management model. It is envisaged that monthly reports will be generated from the beginning of the third quarter going forward.
- (d) Only the third and fourth quarterly performance reports will be submitted to Council on the appropriate dates to coincide with scheduled Council meetings. The compilation and production of quarterly reports on performance has been frustrated.
- (e) Internal Audit (Consultant) has developed SOP`s that form the basis for all future audits on predetermined objectives. It is envisaged that the new and reviewed SOP`s document will be signed by all the relevant role-players before the end of the third quarter.

(IV) OVERALL SERVICE DELIVERY PERFORMANCE IN TERMS OF THE TOP LAYER SDBIP

It must be noted that the Top Layer SDBIP contains 45 KPI's of which 21 does not fall into the reporting period. The table below reflects the top layer SDBIP dashboard of overall performance of the respective Departments from 1 June 2018 to 31 December 2018.



Mid –year Budget and Performance Report

2018/19

		<i>Municipal Financial Viability and management</i>	<i>Good Governance and Public participation</i>	<i>Municipal Transformation and Institutional Development</i>	<i>Local Economic Development</i>	<i>Basic Service Delivery</i>
KPI Not Met		0	0	1	0	0
KPI Almost Met	8	1		0	0	6
KPI Met	8	1	1	2	0	1
KPI Exceeded	0	1	1	0	2	7
Total:	24	3	2	3	2	14

Category	Colour	Explanation
KPI's Not Met		0% >= Actual/Target < 75%
KPI's Almost Met		75% >= Actual/Target < 100%
KPI's Met		Actual/Target = 100%
KPI's exceeded		Actual/Target <= 150%

3.2 Summary and challenges

Early indications are that the performance against the output and goals of the Service Delivery Budget Implementation Plan (SDBIP) are on track, with only one KPI reflecting non performance towards water losses. Due to capacity constraints water losses could not be determined accurately during the first quarter. The Municipality embarked on a door-to-door leak detection and repair campaign to address this short coming.

The KPI's nearly met is mostly due to the applications for free basic services that are lower than envisioned. Council launched awareness campaigns in this respect and will also be appointing three officials on contract to do door-to-door visits on debt collection and to ensure that outstanding debt is collected and that everyone is aware of the indigent support offered by the Municipality.

Notwithstanding the afore-mentioned challenges, the municipality met 66% of its KPI's.

Annexure A reflects the organisation's performance against the national key performance indicators. Attached as **Annexure A** is the unaudited Top Layer SDBIP for the first half of the financial year ending 31 December 2018 which measures the municipality's overall

performance per Directorate. **Annexure A** is a graph of the overall departmental performance per department.

Annexure A is in an excel format that reflects the performance corrective measures indicated for targets not achieved. Although, this report focuses on strategic service delivery of the municipality, **Annexure A** has been included to reflect the contribution and performance per directorate towards achieving strategic service delivery targets.

3. FINANCIAL PERFORMANCE ANALYSIS

CASH MANAGEMENT

- Revenue is collected when it is due and banked promptly;
- Payments are made, including transfers, no earlier than necessary, with due regard for efficient, effective and economical programme delivery and the municipality's normal terms for account payments;
- Debtors are perused with appropriate sensitivity to ensure that amounts receivable by the municipality are collected and banked promptly;
- The municipality's cash flow requirements are accurately forecasted;
- Taking any other action that avoids locking up money unnecessarily and inefficiently, such as managing inventories to the minimum level necessary for efficient and effective programme delivery, and selling surplus or under-utilized assets in terms of the asset management policy;
- Bank reconciliation is performed on a monthly basis to detect any unauthorised entries; and
- Dishonored cheques are followed up immediately; and duties are separated to minimise the incidence of fraud.

Also refer to **Table C7** for more detail on cash receipts and payments for the period.

OUTSTANDING DEBTORS

Attached as **Table SC3** is a summary of outstanding debtors as 31 December 2018, analyzing age of debtors by income source and number of days outstanding and type of consumer. Although, approximately **67%** (R5.5 million) of the total outstanding debtors of **R 8.3 million** is more than 120 days outstanding, the Administration institute the following procedures to collect outstanding amounts:

- Implemented an approved credit control and debt collection policy.
- Cut off electricity on a monthly basis.
- Handing over of outstanding rates and taxes to our lawyers for collection.
- Provision is made for bad debts

4. ADJUSTMENTS BUDGET

Section 72(3) of the MFMA further states that the accounting officer must, as part of the review:

- Make recommendations as to whether an adjustment budget is necessary and
- Recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Regulation 23 of the Municipal Budget and Reporting Regulations provides, *inter alia* for the following:

“An adjustment budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each year. Furthermore, except under certain circumstances only one adjustment budget may be tabled in Council during a financial year.”

Accordingly a report on adjustments to the budget will be submitted for consideration by Council before 28 February 2018. The Top Layer SDBIP will have to be adjusted accordingly, but only as it pertains to monetary adjustments reflected in the approved adjustment budget.

5. ANNUAL REPORT

The Annual Report of the 2017/18 financial year is covered in a separate report to Council and will be tabled on 22 January 2019.

As prescribed in section 72(1)((a)(iii) of the MFMA the Accounting officer must assess the performance of the municipality in the first 6 months taking into account the past year’s Annual Report, and progress on resolving the problems identified in the Annual Report. The draft Annual Report for 2017/18 was advertised for public comment and on receipt thereof the Oversight Committee has compile an oversight report.

6. Other Information

6.1 Internship Programme

As per National Treasury regulations and per Financial Management Grant (FMG) conditions the municipality is obliged to appoint five Finance Interns. We currently have one vacant position in this regard and we continuously try our utmost best to fill the position.

The aim of the programme is to capacitate Finance Graduates to eventually be able to fill CFO and other financial posts in municipalities. The appointment is for a period of 24 to 36 months depending on completion of the Municipal Minimum Competency (MMC) training programme.

6.2 SCOA implementation

The key objectives of the Regulations on a Standard Chart of Accounts (SCOA) is to enable the alignment of budget information with information captured in the course of the implementation of the budget; improve data quality and credibility; achieve a greater level of standardization; improve transparency, accountability and governance through uniform recording of transactions at posting account level; enable deeper data analysis and sector comparisons to improve financial performance and the standardization of the account classification to facilitate mobility in financial skills within local government in order to enhance the ability to attract and retain skilled personnel.

The municipality implemented the regulation from the 1st of July 2017. To date the mSCOA implementation is more challenging with numerous challenges experienced in terms of system operations and standard operating procedures.

7. RECOMMENDATIONS

- (i) That the Executive Mayor considers the report and deals with it in terms of Section 54 of the Municipal Finance Management Act, as detailed in introduction of this report.
- (ii) That an adjustment budget be approved.
- (iii) That the Top Layer SDBIP be adjusted to accommodate the financial changes to the budget.
- (iv) That Council strive to fill critical vacancies within their budgetary provision.

JANNIE NEETHLING
ACTING MUNICIPAL MANAGER

DATE

SERVICE DELIVERY PERFORMANCE

- (i) ANNEXURE A — TOP LAYER SDBIP 2018/19 PER NATIONAL KPA AND ASSESSMENT OF TARGETS ACHIEVED
 - (ii) ANNEXURE A — DASHBOARD OF OVERALL PERFORMANCE FOR 2018/19 PER NATIONAL KPA
-