

# CENTRAL KAROO DISTRICT MUNICIPALITY



## SECTION 52 REPORT Quarter 1 (2019–20)

July – September  
2019

*“Working together in development and growth”*

# CENTRAL KAROO DISTRICT MUNICIPALITY



## In-Year Report

Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009.

## MONTHLY AND QUARTERLY BUDGET STATEMENT

SEPTEMBER 2019



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## 1. GLOSSARY

- 1.1 **Adjustments Budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
- 1.2 **Allocations** – Money received from Provincial or National Government or other municipalities.
- 1.3 **Budget** – The financial plan of the Central Karoo District Municipality.
- 1.4 **Budget Related Policy** – Policy of the municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.
- 1.5 **Capital Expenditure** – Spending on assets such as land, buildings, furniture, computer equipment and machinery. Any capital expenditure must be reflected as a non-current asset on the Municipality’s balance sheet.
- 1.6 **Cash Flow Statement** – A statement including only actual receipts and expenditure by the Municipality. Cash payments and receipts do not always coincide with budgeted timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.
- 1.7 **DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
- 1.8 **Equitable Share** – A general grant paid to Municipalities.
- 1.9 **Fruitless and Wasteful Expenditure** – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
- 1.10 **GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between Municipalities.
- 1.11 **GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting.
- 1.12 **IDP** – Integrated Development Plan. The main strategic planning document of the Municipality.

- 1.13 **MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations.
- 1.14 **MFMA** – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Herein referred to as the Act.
- 1.15 **MTREF** – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years’ budget allocations. Also includes details of the previous and current years’ financial position.
- 1.16 **Operating Expenditure** – Spending on the day to day operations of the Municipality such as salaries and wages and general expenses.
- 1.17 **SDBIP** – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
- 1.18 **Strategic Objectives** – The main priorities of the Central Karoo District Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
- 1.19 **Unauthorised Expenditure** – Generally, is spending without, or in excess of, an approved budget.
- 1.20 **Virement** – A transfer of budget.
- 1.21 **Virement Policy** – The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
- 1.22 **Vote** – One of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments of the municipality. In Central Karoo District Municipality this means at directorate level. The votes for Central Karoo District therefore are:
- Executive and Council;
  - Budget and Treasury;
  - Corporate Services; and
  - Technical Services.

## 2. PART 1: IN-YEAR REPORT

### 2.1 SECTION 1 – MAYOR’S REPORT:

#### 2.1.1 In-Year Report: Monthly and Quarterly Budget Statement:

##### 2.1.1.1 Implementation of Budget in terms of SDBIP:

No comments apart from that already mentioned in the Executive summary of this report.

##### 2.1.1.2 Other Information:

Additional clarity on the content of this report or answers to any questions is available from the Chief Financial Officer, Ms. Ursula Baartman.

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Executive Mayor

## **2.2 SECTION 2 – RESOLUTIONS:**

The recommended Resolution to Council with regard to the September 2019 In-Year Report is:

**RESOLVED:**

- (a) That the Council take note of contents in the in-year monthly and quarterly report for September 2019 as set out in the schedules contained in Section 4:
  - (i) Table C1 – Monthly Budget Statement Summary;
  - (ii) Table C2 – Monthly Budget Statement: Financial Performance (Standard Classification);
  - (iii) Table C3 – Monthly Budget Statement: Financial Performance Standard Classification (Revenue and Expenditure by Municipal Vote);
  - (iv) Table C4 – Monthly Budget Statement: Financial Performance (Revenue by Source and Expenditure by Type);
  - (v) Table C5 – Monthly Budget Statement: Capital Expenditure;
  - (vi) Table C6 – Monthly Budget Statement: Financial Position; and
  - (vii) Table C7 – Monthly Budget Statement – Cash Flows.
  
- (b) Any other resolutions required by the Council.

## 2.3 SECTION 3 – EXECUTIVE SUMMARY:

### 2.3.1 Introduction:

All the schedules reflect the following information:

- Original budget;
- Monthly actual figures;
- Year-to-date actual figures;
- Year-to-date budgeted figures.

### 2.3.2 Financial Performance, Position and Cash Flow:

Section 4 of this report includes the tables with the detailed figures.

#### 2.3.2.1 Financial Performance:

The detail of this section can be found in Section 4 of this report Table C2 (Summary per GFS); Table C3 (Summary per Municipal Vote) and Table C4 (Summary by Revenue Source and Expenditure Type). The latter is used to provide the executive summary.

##### 2.3.2.1.1 Overall View:

The following table summarises the overall position on the capital and operating budgets. Take note that the Operating Expenditure only reflects the direct expenditure and exclude all indirect expenditure e.g. Administrative Costs.

	<u>Capital Expenditure</u>	<u>Operating Expenditure</u>	<u>Operating Revenue</u>
Original Budget	743 800,00	96 254 785,45	97 236 676,00
Actual spend / received (YTD)	4 320,74	20 487 103,00	31 283 432,31
<b>Percentage Spend (YTD)</b>	<b>1%</b>	<b>21%</b>	<b>32%</b>

The table reflects spending of the capital budget as percentage spent of 1%. The total operating expenditure and revenue reflects percentage spent of 21% and 32% respectively.

##### 2.3.2.1.2 Revenue by Source:

The figures represented in this section are the accrued amounts and not actual cash receipts.



The total revenue excluding capital transfers and contributions for the month of September 2019 is R 3.982 million. Refer to figure 1 for more detail.

The comparisons of the major sources of revenue are illustrated in the figure below:

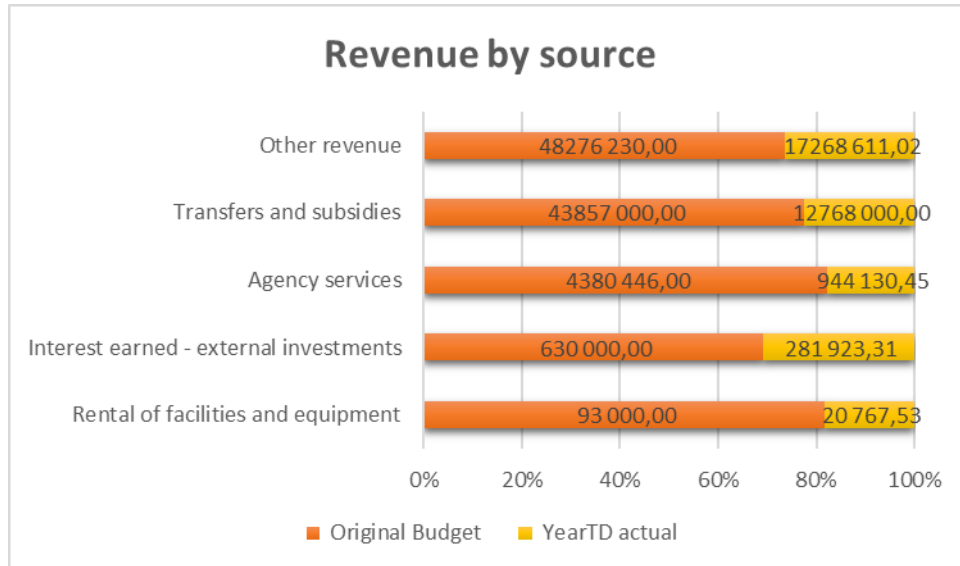


Figure 1 – Revenue by source

• **Other Revenue:**

The amount raised as reflected for the actual year to date represents 36% of the budget amount. The budgeted amount received (Year-to-date) amounts to R 12.069 million.

• **Interest Earned – External Investments:**

The budget amount for Interest earned R 630 000, whilst the year to date actual revenue is R 281 923.31. Thus, reflecting receipt of 45% at the end of the 1st quarter.

**2.3.2.2 Operating Expenditure by Type:**

The figures in this section should represent the accrued amounts; in other words, when the goods have been ordered; received or the invoice has been completed (reconciled with goods received and prices quoted) it should be captured as an expense. Shadow figures are reflected on the financial system once an order is issued. This action serves as a budgetary control mechanism and no actual financial entries are passed. These figures cannot be used for reporting purposes. The amounts included as expenditure are currently only those for which a payment run has been completed.

The total actual expenditure amounts to R 20.487 million and the year to date budget is R 24.064 million which represents a variance of 15% for the year to date.

**2.3.2.3 Operating Expenditure by Municipal Vote (Figure 2):**

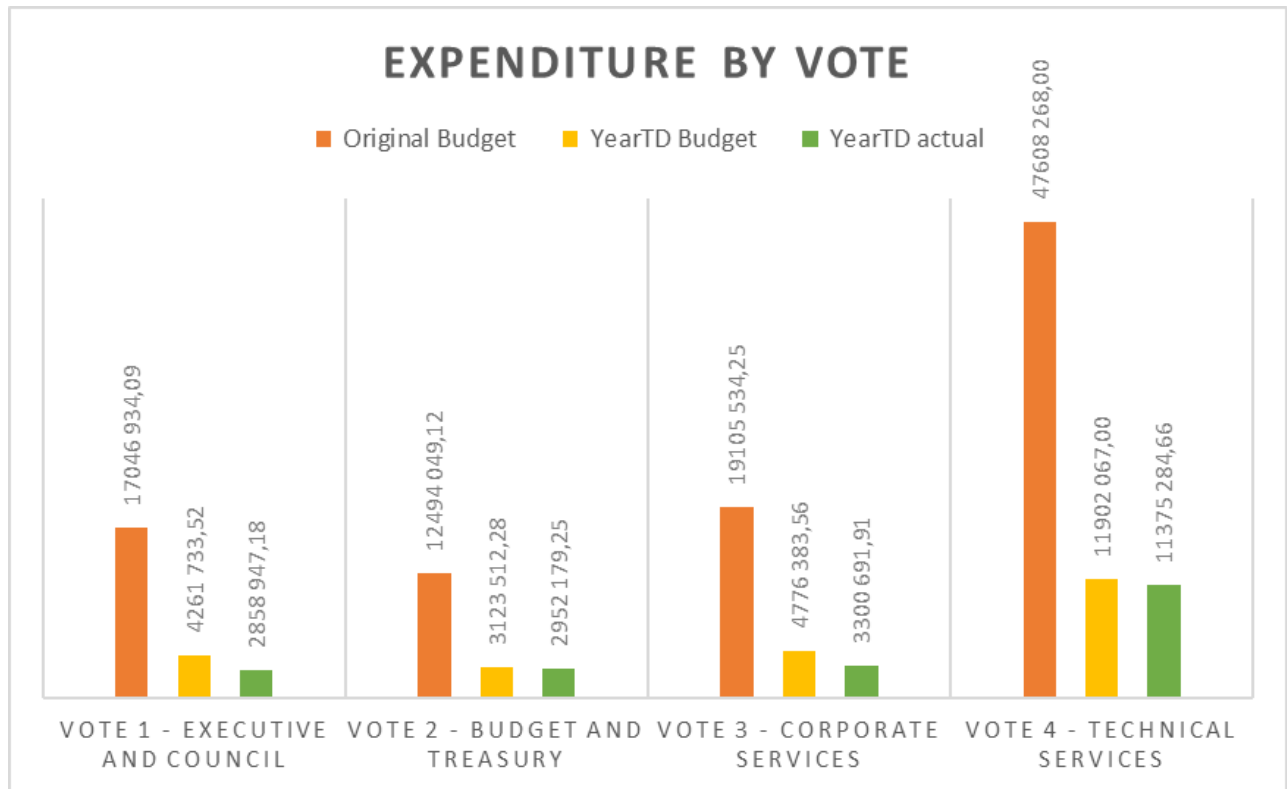


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Original Budget	YearTD Budget	YearTD actual	% Spend
Vote 1 - EXECUTIVE AND COUNCIL	17 046 934,09	4 261 733,52	2 858 947,18	17%
Vote 2 - BUDGET AND TREASURY	12 494 049,12	3 123 512,28	2 952 179,25	24%
Vote 3 - CORPORATE SERVICES	19 105 534,25	4 776 383,56	3 300 691,91	17%
Vote 4 - TECHNICAL SERVICES	47 608 268,00	11 902 067,00	11 375 284,66	24%
<b>Total Expenditure by Vote</b>	<b>96 254 785,45</b>	<b>24 063 696,36</b>	<b>20 487 103,00</b>	<b>21%</b>

The annual budget for Technical Service is R 47.608 million of which R 11.375 million has been expended representing 24% of the budget amount.

The annual budget for Corporate Services is R 19.106 million of which R 3.301 million has been expended representing 17% of the budget amount.

The annual budget for Budget and Treasury is R 12.494 million of which R 2.952 million has been expended representing 24% of the budget amount.

The annual budget for Executive and Council is R 17.047 million of which R 2.859 million has been expended representing 17% of the budget amount.

**2.3.2.4 Capital Expenditure (Figure 3):**

There was no capital spending for the month of September 2019. The total capital budget amount is R 743 800, thus reflecting total spending of 1% at the end of the 1st quarter.

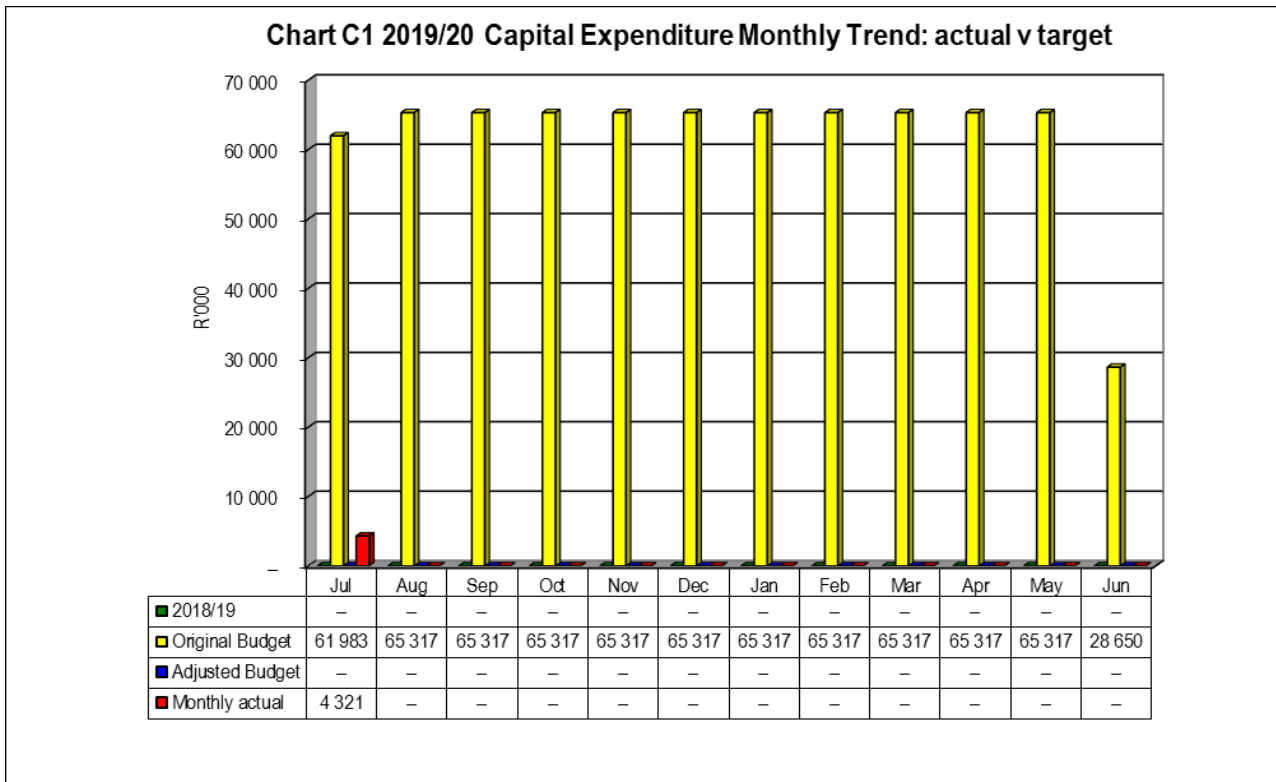


Figure 3 – Breakdown Capital Expenditure by month

**2.3.3 Cash Flow:**

The detail of this section can be found in Section 4 of this report Table C7 (Cash flow statement). The balance at the end of the 4th quarter for the cash flow statement amounts to R 10.944 million.

## 2.4 SECTION 4 – IN-YEAR BUDGET STATEMENT TABLE:

### 2.4.1. Table C1: Monthly Budget Statement Summary:

The table below provides a summary of the most important information by pulling its information from the other tables to follow.

DC5 Central Karoo - Table C1 Monthly Budget Statement Summary - Q1 First Quarter

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	630	-	99	282	158	124	79%	-
Transfers and subsidies	-	43 857	-	-	12 768	10 964	1 804	16%	-
Other own revenue	-	52 750	-	3 883	18 234	13 187	5 046	38%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>97 237</b>	-	<b>3 982</b>	<b>31 283</b>	<b>24 309</b>	<b>6 974</b>	<b>29%</b>	-
Employee costs	-	51 840	-	3 799	11 151	12 960	(1 809)	-14%	-
Remuneration of Councillors	-	3 796	-	345	1 036	949	87	9%	-
Depreciation & asset impairment	-	283	-	-	-	71	(71)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	11 502	-	1	14	2 875	(2 862)	-100%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	28 834	-	3 071	8 286	7 209	1 078	15%	-
<b>Total Expenditure</b>	-	<b>96 255</b>	-	<b>7 216</b>	<b>20 487</b>	<b>24 064</b>	<b>(3 577)</b>	<b>-15%</b>	-
<b>Surplus/(Deficit)</b>	-	<b>982</b>	-	<b>(3 234)</b>	<b>10 796</b>	<b>245</b>	<b>10 551</b>	<b>4298%</b>	-
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>982</b>	-	<b>(3 234)</b>	<b>10 796</b>	<b>245</b>	<b>10 551</b>	<b>4298%</b>	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>982</b>	-	<b>(3 234)</b>	<b>10 796</b>	<b>245</b>	<b>10 551</b>	<b>4298%</b>	-
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>744</b>	<b>1 047</b>	-	<b>4</b>	<b>186</b>	<b>(182)</b>	<b>-98%</b>	-
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	<b>744</b>	-	<b>4</b>	<b>4</b>	<b>186</b>	<b>(182)</b>	<b>-98%</b>	-
<b>Total sources of capital funds</b>	-	<b>744</b>	-	<b>4</b>	<b>4</b>	<b>186</b>	<b>(182)</b>	<b>-98%</b>	-
<b>Financial position</b>									
Total current assets	-	9 443	-	-	27 730	-	-	-	9 443
Total non current assets	-	19 261	-	-	17 992	-	-	-	19 261
Total current liabilities	-	8 218	-	-	13 310	-	-	-	8 218
Total non current liabilities	-	18 091	-	-	15 274	-	-	-	18 091
Community wealth/Equity	-	<b>2 396</b>	-	-	<b>17 138</b>	-	-	-	<b>2 396</b>
<b>Cash flows</b>									
Net cash from (used) operating	-	1 330	-	3 571	4 943	333	(4 610)	-1386%	-
Net cash from (used) investing	-	(784)	-	(1 044)	(1 048)	(196)	852	-435%	-
Net cash from (used) financing	-	(11)	-	-	-	(3)	(3)	100%	-
<b>Cash/cash equivalents at the month/year end</b>	-	<b>4 140</b>	-	-	<b>10 994</b>	<b>3 739</b>	<b>(7 255)</b>	<b>-194%</b>	<b>7 099</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	(107)	15	566	63	44	64	589	-	1 234
<b>Creditors Age Analysis</b>									
Total Creditors	773	12	3	-	560	-	-	-	1 349

### 2.4.1.2 Table C2: Monthly Budget Statement – Financial Performance (Standard Classification):

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

DC5 Central Karoo - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		-	47 086	-	452	14 053	11 771	2 282	19%	-
Executive and council		-	37 969	-	315	944	9 492	(8 548)	-90%	-
Finance and administration		-	9 117	-	137	13 109	2 279	10 830	475%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		-	45	-	6	27	11	16	142%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	45	-	6	27	11	16	142%	-
<i><b>Economic and environmental services</b></i>		-	50 106	-	3 524	17 203	12 527	4 676	37%	-
Planning and development		-	2 331	-	-	-	583	(583)	-100%	-
Road transport		-	47 775	-	3 524	17 203	11 944	5 259	44%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i><b>Other</b></i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	97 237	-	3 982	31 283	24 309	6 974	29%	-
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		-	33 790	-	2 865	6 914	8 448	(1 533)	-18%	-
Executive and council		-	8 473	-	676	2 030	2 118	(88)	-4%	-
Finance and administration		-	24 955	-	2 184	4 867	6 239	(1 372)	-22%	-
Internal audit		-	363	-	5	18	91	(73)	-81%	-
<i><b>Community and public safety</b></i>		-	6 451	-	472	1 381	1 613	(232)	-14%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1 886	-	128	378	472	(94)	-20%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	4 565	-	345	1 004	1 141	(138)	-12%	-
<i><b>Economic and environmental services</b></i>		-	55 823	-	3 873	12 187	13 956	(1 769)	-13%	-
Planning and development		-	6 432	-	225	811	1 608	(797)	-50%	-
Road transport		-	49 391	-	3 648	11 375	12 348	(972)	-8%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i><b>Other</b></i>		-	190	-	5	5	48	(43)	-89%	-
<b>Total Expenditure - Functional</b>	3	-	96 255	-	7 216	20 487	24 064	(3 577)	-15%	-
<b>Surplus/ (Deficit) for the year</b>		-	982	-	(3 234)	10 796	245	10 551	4298%	-

### 2.4.1.3 Table C3: Monthly Budget Statement – Financial:

The budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality. On the next page, as part of Table C3, a table with the sub-votes is also prepared.

DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First Quarter

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	40 300	-	315	944	10 075	(9 131)	-90,6%	-
Vote 2 - BUDGET AND TREASURY		-	4 398	-	109	13 081	1 100	11 981	1089,7%	-
Vote 3 - CORPORATE SERVICES		-	4 763	-	35	56	1 191	(1 135)	-95,3%	-
Vote 4 - TECHNICAL SERVICES		-	47 775	-	3 524	17 203	11 944	5 259	44,0%	-
<b>Total Revenue by Vote</b>	2	-	<b>97 237</b>	-	<b>3 982</b>	<b>31 283</b>	<b>24 309</b>	<b>6 974</b>	<b>28,7%</b>	-
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	17 047	-	907	2 859	4 262	(1 403)	-32,9%	-
Vote 2 - BUDGET AND TREASURY		-	12 494	-	1 547	2 952	3 124	(171)	-5,5%	-
Vote 3 - CORPORATE SERVICES		-	19 106	-	1 114	3 301	4 776	(1 476)	-30,9%	-
Vote 4 - TECHNICAL SERVICES		-	47 608	-	3 648	11 375	11 902	(527)	-4,4%	-
<b>Total Expenditure by Vote</b>	2	-	<b>96 255</b>	-	<b>7 216</b>	<b>20 487</b>	<b>24 064</b>	<b>(3 577)</b>	<b>-14,9%</b>	-
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>982</b>	-	<b>(3 234)</b>	<b>10 796</b>	<b>245</b>	<b>10 551</b>	<b>4298,2%</b>	-

**Table C3C: Monthly Budget Statement – Financial:**

**DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - Q1 First Quarter**

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Revenue by Vote</b>	1									
<b>Vote 1 - EXECUTIVE AND COUNCIL</b>		-	40 300	-	315	944	10 075	(9 131)	-91%	-
1.1 - MUNICIPAL MANAGER			8 558		315	944	2 140	(1 195)	-56%	
1.2 - COUNCIL GENERAL EXPENSES			30 642		-	-	7 661	(7 661)	-100%	
1.3 - INTERNAL AUDIT			-		-	-	-	-		
1.4 - IDP			-		-	-	-	-		
1.5 - EDA			-		-	-	-	-		
1.6 - LED			-		-	-	-	-		
1.7 - STRATEGIC PLANNING			1 100		-	-	275	(275)	-100%	
<b>Vote 2 - BUDGET AND TREASURY</b>		-	4 398	-	109	13 081	1 100	11 981	1090%	-
2.1 - FINANCIAL SERVICES			3 398		109	13 081	850	12 231	1440%	
2.2 - DISTRICT COUNCIL LEVIES			-		-	-	-	-		
2.3 - FINANCE MANAGEMENT GRANT			1 000		-	-	250	(250)	-100%	
<b>Vote 3 - CORPORATE SERVICES</b>		-	4 763	-	35	56	1 191	(1 135)	-95%	-
3.1 - CORPORATE SERVICES			4 719		29	29	1 180	(1 151)	-98%	
3.2 - TOURISM			-		-	-	-	-		
3.3 - PMU			-		-	-	-	-		
3.4 - ENVIRONMENTAL HEALTH			45		6	27	11	16	142%	
3.5 - CIVIL DEFENCE			-		-	-	-	-		
3.6 - GRANTS AND SUBSIDIES			-		-	-	-	-		
3.7 - WORK FOR WATER			-		-	-	-	-		
3.8 - NUTRITION SCHEME			-		-	-	-	-		
<b>Vote 4 - TECHNICAL SERVICES</b>		-	47 775	-	3 524	17 203	11 944	5 259	44%	-
4.1 - ROADS			47 775		3 524	17 203	11 944	5 259	44%	
4.2 - TRANSPORT FUND			-		-	-	-	-		
<b>Total Revenue by Vote</b>	2	-	97 237	-	3 982	31 283	24 309	6 974	29%	-
<b>Expenditure by Vote</b>	1									
<b>Vote 1 - EXECUTIVE AND COUNCIL</b>		-	17 047	-	907	2 859	4 262	(1 403)	-33%	-
1.1 - MUNICIPAL MANAGER			6 226		200	713	1 557	(843)	-54%	
1.2 - COUNCIL GENERAL EXPENSES			4 894		449	1 232	1 224	8	1%	
1.3 - INTERNAL AUDIT			717		33	102	179	(77)	-43%	
1.4 - IDP			-		-	-	-	-		
1.5 - EDA			-		-	-	-	-		
1.6 - LED			-		-	-	-	-		
1.7 - STRATEGIC PLANNING			5 209		225	811	1 302	(491)	-38%	
<b>Vote 2 - BUDGET AND TREASURY</b>		-	12 494	-	1 547	2 952	3 124	(171)	-5%	-
2.1 - FINANCIAL SERVICES			11 864		1 507	2 834	2 966	(132)	-4%	
2.2 - DISTRICT COUNCIL LEVIES			-		-	-	-	-		
2.3 - FINANCE MANAGEMENT GRANT			630		41	118	158	(39)	-25%	
<b>Vote 3 - CORPORATE SERVICES</b>		-	19 106	-	1 114	3 301	4 776	(1 476)	-31%	-
3.1 - CORPORATE SERVICES			12 359		637	1 914	3 090	(1 175)	-38%	
3.2 - TOURISM			190		5	5	48	(43)	-89%	
3.3 - PMU			-		-	-	-	-		
3.4 - ENVIRONMENTAL HEALTH			4 570		345	1 004	1 143	(139)	-12%	
3.5 - CIVIL DEFENCE			1 886		128	378	472	(94)	-20%	
3.6 - GRANTS AND SUBSIDIES			-		-	-	-	-		
3.7 - WORK FOR WATER			100		-	-	25	(25)	-100%	
3.8 - NUTRITION SCHEME			-		-	-	-	-		
<b>Vote 4 - TECHNICAL SERVICES</b>		-	47 608	-	3 648	11 375	11 902	(527)	-4%	-
4.1 - ROADS			47 608		3 648	11 375	11 902	(527)	-4%	
4.2 - TRANSPORT FUND			-		-	-	-	-		
<b>Total Expenditure by Vote</b>	2	-	96 255	-	7 216	20 487	24 064	(3 577)	(0)	-
<b>Surplus/ (Deficit) for the year</b>	2	-	982	-	(3 234)	10 796	245	10 551	0	-

**2.4.1.4 Table C4: Monthly Budget Statement – Financial Performance (Revenue and Expenditure):**

This table reflects the operating budget and actual figures of the financial performance. The revenue is specifically set out by source due to the fact that Council approves the revenue budget by source and the expenditure budget by vote.

**DC5 Central Karoo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter**

Description	Ref	2018/19	Budget Year 2019/20									
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast		
<b>R thousands</b>												
<b>Revenue By Source</b>												
Property rates								-				
Service charges - electricity revenue								-				
Service charges - water revenue								-				
Service charges - sanitation revenue								-				
Service charges - refuse revenue								-				
Service charges - other			-		-		-	-				
Rental of facilities and equipment			93		7		21	23	(2)	-11%		
Interest earned - external investments			630				99	282	158	124	79%	
Interest earned - outstanding debtors			-		-		-	-	-			
Dividends received			-		-		-	-	-			
Fines, penalties and forfeits			-		-		-	-	-			
Licences and permits			-		-		-	-	-			
Agency services			4 380				315	944	1 095	(151)	-14%	
Transfers and subsidies			43 857				-	12 768	10 964	1 804	16%	
Other revenue			48 276				3 562	17 269	12 069	5 200	43%	
Gains on disposal of PPE			-		-		-	-	-	-		
<b>Total Revenue (excluding capital transfers and contributions)</b>			-		-		<b>3 982</b>	<b>31 283</b>	<b>24 309</b>	<b>6 974</b>	<b>29%</b>	<b>-</b>
<b>Expenditure By Type</b>												
Employee related costs			51 840				3 799	11 151	12 960	(1 809)	-14%	
Remuneration of councillors			3 796				345	1 036	949	87	9%	
Debt impairment			-				-	-	-	-		
Depreciation & asset impairment			283				-	-	71	(71)	-100%	
Finance charges			-				-	-	-	-		
Bulk purchases			-				-	-	-	-		
Other materials			11 502				1	14	2 875	(2 862)	-100%	
Contracted services			16 979				488	548	4 245	(3 697)	-87%	
Transfers and subsidies			-				-	-	-	-		
Other expenditure			11 855				2 583	7 738	2 964	4 774	161%	
Loss on disposal of PPE			-				-	-	-	-		
<b>Total Expenditure</b>			<b>-</b>		<b>-</b>		<b>7 216</b>	<b>20 487</b>	<b>24 064</b>	<b>(3 577)</b>	<b>-15%</b>	<b>-</b>
<b>Surplus/(Deficit)</b>			<b>-</b>		<b>-</b>		<b>(3 234)</b>	<b>10 796</b>	<b>245</b>	<b>10 551</b>	<b>0</b>	<b>-</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)												
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)												
Transfers and subsidies - capital (in-kind - all)												
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>-</b>		<b>-</b>		<b>(3 234)</b>	<b>10 796</b>	<b>245</b>			<b>-</b>
Taxation												
<b>Surplus/(Deficit) after taxation</b>			<b>-</b>		<b>-</b>		<b>(3 234)</b>	<b>10 796</b>	<b>245</b>			<b>-</b>
Attributable to minorities												
<b>Surplus/(Deficit) attributable to municipality</b>			<b>-</b>		<b>-</b>		<b>(3 234)</b>	<b>10 796</b>	<b>245</b>			<b>-</b>
Share of surplus/ (deficit) of associate												
<b>Surplus/ (Deficit) for the year</b>			<b>-</b>		<b>-</b>		<b>(3 234)</b>	<b>10 796</b>	<b>245</b>			<b>-</b>



### 2.4.1.5 Table C5: Monthly Budget Statement – Capital Expenditure (Municipal Vote, Standard Classification and Funding):

DC5 Central Karoo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q1 First Quarter

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	132	98	-	-	33	(33)	-100%	-
Vote 2 - BUDGET AND TREASURY		-	60	140	-	-	15	(15)	-100%	-
Vote 3 - CORPORATE SERVICES		-	552	709	-	4	138	(134)	-97%	-
Vote 4 - TECHNICAL SERVICES		-	-	100	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	-	744	1 047	-	4	186	(182)	-98%	-
<b>Total Capital Expenditure</b>		-	744	1 047	-	4	186	(182)	-98%	-
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	195	-	-	2	49	(47)	-96%	-
Executive and council			31	-	-	-	8	(8)	-100%	-
Finance and administration			164	-	-	2	41	(39)	-96%	-
Internal audit			-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	449	-	-	3	112	(110)	-98%	-
Community and social services			-	-	-	-	-	-	-	-
Sport and recreation			-	-	-	-	-	-	-	-
Public safety			406	-	-	-	101	(101)	-100%	-
Housing			-	-	-	-	-	-	-	-
Health			43	-	-	3	11	(8)	-77%	-
<b>Economic and environmental services</b>		-	101	-	-	-	25	(25)	-100%	-
Planning and development			101	-	-	-	25	(25)	-100%	-
Road transport			-	-	-	-	-	-	-	-
Environmental protection			-	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-
Energy sources			-	-	-	-	-	-	-	-
Water management			-	-	-	-	-	-	-	-
Waste water management			-	-	-	-	-	-	-	-
Waste management			-	-	-	-	-	-	-	-
<b>Other</b>			-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	-	744	-	-	4	186	(182)	-98%	-
<b>Funded by:</b>										
National Government			-	-	-	-	-	-	-	-
Provincial Government			-	-	-	-	-	-	-	-
District Municipality			-	-	-	-	-	-	-	-
Other transfers and grants			-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		-	-	-	-	-	-	-	-	-
<b>Public contributions &amp; donations</b>	5		-	-	-	-	-	-	-	-
<b>Borrowing</b>	6		-	-	-	-	-	-	-	-
<b>Internally generated funds</b>			744	-	4	4	186	(182)	-98%	-
<b>Total Capital Funding</b>		-	744	-	4	4	186	(182)	-98%	-

## 2.4.1.6 Table C6: Monthly Budget Statement – Financial Position:

### DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter

Description	Ref	2018/19	Budget Year			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash			4 140		10 994	4 140
Call investment deposits			–		8 500	–
Consumer debtors			3 275		–	3 275
Other debtors			1 315		7 095	1 315
Current portion of long-term receivables			–		–	–
Inventory			713		1 141	713
<b>Total current assets</b>		–	<b>9 443</b>	–	<b>27 730</b>	<b>9 443</b>
<b>Non current assets</b>						
Long-term receivables			10 020		9 401	10 020
Investments			–		–	–
Investment property			–		–	–
Investments in Associate			–		–	–
Property, plant and equipment			9 149		8 480	9 149
Agricultural			–		–	–
Biological			–		–	–
Intangible			93		111	93
Other non-current assets			–		–	–
<b>Total non current assets</b>		–	<b>19 261</b>	–	<b>17 992</b>	<b>19 261</b>
<b>TOTAL ASSETS</b>		–	<b>28 704</b>	–	<b>45 722</b>	<b>28 704</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft			–		–	–
Borrowing			39		70	39
Consumer deposits			–		–	–
Trade and other payables			8 179		8 664	8 179
Provisions			–		4 576	–
<b>Total current liabilities</b>		–	<b>8 218</b>	–	<b>13 310</b>	<b>8 218</b>
<b>Non current liabilities</b>						
Borrowing			90		21	90
Provisions			18 001		15 254	18 001
<b>Total non current liabilities</b>		–	<b>18 091</b>	–	<b>15 274</b>	<b>18 091</b>
<b>TOTAL LIABILITIES</b>		–	<b>26 309</b>	–	<b>28 584</b>	<b>26 309</b>
<b>NET ASSETS</b>	2	–	<b>2 396</b>	–	<b>17 138</b>	<b>2 396</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)			2 396		17 138	2 396
Reserves		–	–		–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	–	<b>2 396</b>	–	<b>17 138</b>	<b>2 396</b>

### 2.4.1.7 Table C7: Monthly Budget Statement - Cash Flow:

DC5 Central Karoo - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter

Description	Ref	2018/19	Budget Year 2019/20								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>	1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			-					-			
Service charges			-					-			
Other revenue			52 790		9 963	18 234	13 197	5 036	38%		
Government - operating			43 717		-	12 768	10 929	1 839	17%		
Government - capital			-		-	-	-	-			
Interest			600		106	304	150	154	103%		
Dividends			-		-	-	-	-			
<b>Payments</b>											
Suppliers and employees			(95 776)		(6 498)	(26 363)	(23 944)	2 419	-10%		
Finance charges			-		-	-	-	-			
Transfers and Grants			-		-	-	-	-			
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			-	1 330	-	3 571	4 943	333	(4 610)	-1386%	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE			-					-			
Decrease (Increase) in non-current debtors			-					-			
Decrease (increase) other non-current receivables			-		(1 044)	(1 044)	-	(1 044)	#DIV/0!		
Decrease (increase) in non-current investments			-					-			
<b>Payments</b>											
Capital assets			(784)		-	(4)	(196)	(192)	98%		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			-	(784)	-	(1 044)	(1 048)	(196)	852	-435%	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans			-					-			
Borrowing long term/refinancing			-					-			
Increase (decrease) in consumer deposits			-					-			
<b>Payments</b>											
Repayment of borrowing			(11)					(3)	100%		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			-	(11)	-	-	-	(3)	(3)	100%	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			-	535	-	2 528	3 895	134			-
Cash/cash equivalents at beginning:			3 605				7 099	3 605			7 099
Cash/cash equivalents at month/year end:			4 140				10 994	3 739			7 099

### 3. PART 2 – SUPPORTING DOCUMENTATION

#### 3.1 SECTION 5 – DEBTORS ANALYSIS:

##### 3.1.1 Supporting Table SC3:

DC5 Central Karoo - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter

Description	NT Code	Budget Year 2019/20										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			
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200													
Trade and Other Receivables from Exchange Transactions - Electricity	1300													
Receivables from Non-exchange Transactions - Property Rates	1400													
Receivables from Exchange Transactions - Waste Water Management	1500													
Receivables from Exchange Transactions - Waste Management	1600													
Receivables from Exchange Transactions - Property Rental Debtors	1700													
Interest on Arrear Debtor Accounts	1810													
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820													
Other	1900	(107)	15	566	63	44	64	589	-	1 234	760			
<b>Total By Income Source</b>	<b>2000</b>	<b>(107)</b>	<b>15</b>	<b>566</b>	<b>63</b>	<b>44</b>	<b>64</b>	<b>589</b>	<b>-</b>	<b>1 234</b>	<b>760</b>			
<b>2018/19 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200													
Commercial	2300													
Households	2400													
Other	2500	(107)	15	566	63	44	64	589	-	1 234	760			
<b>Total By Customer Group</b>	<b>2600</b>	<b>(107)</b>	<b>15</b>	<b>566</b>	<b>63</b>	<b>44</b>	<b>64</b>	<b>589</b>	<b>-</b>	<b>1 234</b>	<b>760</b>			

Table SC3 is the only debtors report required by the MBRR.

##### 3.1.2 Supporting Table SC4:

DC5 Central Karoo - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2019/20								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				
<b>R thousands</b>													
<b>Creditors Age Analysis By Customer Type</b>													
Bulk Electricity	0100												
Bulk Water	0200												
PAYE deductions	0300												
VAT (output less input)	0400												
Pensions / Retirement deductions	0500												
Loan repayments	0600												
Trade Creditors	0700	773	12	3	-	560	-					1 349	
Auditor General	0800												
Other	0900												
<b>Total By Customer Type</b>	<b>1000</b>	<b>773</b>	<b>12</b>	<b>3</b>	<b>-</b>	<b>560</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 349</b>	<b>-</b>

**3.2 SECTION 6 – GRANT RECEIPTS:**

**3.2.1 Supporting Table SC6 – Grant Receipts:**

DC5 Central Karoo - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

Description	Ref	2018/19	Budget Year	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget							
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	34 908	-	-	15 502	8 727	6 025	69,0%	-
Local Government Equitable Share			30 642		-	12 768	7 661	5 108	66,7%	
FMG - Internship Training			1 000		-	1 000	250			
EPWP Incentiv e			1 231		-	308	308			
Rural Asset Management Grant			2 035		-	1 426	509	917	180,3%	
<b>Provincial Government:</b>		-	1 759	-	-	-	440	(275)	-62,5%	-
WK FMG KAPASITEIT AFS					-	-	-	-		
Disaster Management					-	-	-	-		
WP Financial Management Support Grant			280		-	-	70			
WC - FMG CAPACITY			379		-	-	95			
WK FMG ERM SYSTEM					-	-	-			
WK FMG PDO COMPLIANCE					-	-	-			
WK FMG ERM SYSTEM ROLL-FORWARD					-	-	-			
WK FMG CAPACITY AUDIT ASSISTANCE					-	-	-			
WK FMG CAPACITY IA SYSTEM					-	-	-			
WOSA			1 100		-	-	275	(275)	-100,0%	
LG GEGRADUEERDE INTERNSKAP					-	-	-			
<b>District Municipality:</b>	4	-	-	-	-	-	-	-		-
<i>[insert description]</i>										
<b>Other grant providers:</b>		-	7 190	-	-	439	1 798	(1 358)	-75,6%	-
CHIETA			1 300		-	439	325	114	35,2%	
LGSETA			2 850		-	-	713			
LGSETA MANDATORY GRANT			40		-	-	10			
Audit fee			3 000		-	-	750			
<b>Total Operating Transfers and Grants</b>	5	-	43 857	-	-	15 941	10 964	4 392	40,1%	-
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	-	-	-	-		-
Other capital transfers <i>[insert description]</i>										
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
Fire department capacity building										
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
<b>Total Capital Transfers and Grants</b>	5	-	-	-	-	-	-	-		-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	43 857	-	-	15 941	10 964	4 392	40,1%	-

### 3.2.2 Supporting Table SC7(1) – Grant Expenditure:

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		-	34 908	-	2 916	8 181	8 669	(488)	-5,6%	-
Local Government Equitable Share			30 642		2 554	7 661	7 661	-		
FMG - Internship Training			1 000		232	260	250	10	4,1%	
EPWP Incentive			1 231		130	261	250	11	4,2%	
Rural Asset Management Grant			2 035		-	-	509	(509)	-100,0%	
<b>Provincial Government:</b>		-	1 759	-	6	133	440	17	3,9%	-
WK FMG KAPASITEIT AFS					-	-	-	-		
Disaster Management			-		-	-	-	-		
WP Financial Management Support Grant			280		-	-	70	-		
WC - FMG CAPACITY			379		-	99	95	-		
WK FMG ERM SYSTEM			-		-	-	-	-		
WK FMG PDO COMPLIANCE			-		-	-	-	-		
WK FMG ERM SYSTEM ROLL-FORWARD			-		-	-	-	-		
WK FMG CAPACITY AUDIT ASSISTANCE			-		-	-	-	-		
WK FMG CAPACITY IA SYSTEM			-		-	-	-	-		
WOSA			1 100		-	17	275	-		
LG GEGRADUEERDE INTERNSKAP					6	17	-	17	#DIV/0!	
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	7 190	-	0	13	1 798	(1 784)	-99,3%	-
CHIETA			1 300		0	0	325	(325)	-99,9%	
LGSETA			2 850		-	-	713	-		
LGSETA MANDATORY GRANT			40		-	13	10	-		
Audit fee			3 000		-	-	750	(750)	-100,0%	
<b>Total operating expenditure of Transfers and Grants:</b>		-	43 857	-	2 922	8 327	10 907	(2 255)	-20,7%	-
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	-	-	-	-	-	-
Other capital transfers [insert description]										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Fire department capacity building										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Other grant providers:										
<b>Total capital expenditure of Transfers and Grants</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	43 857	-	2 922	8 327	10 907	(2 255)	-20,7%	-

**3.3 SECTION 7 – CAPITAL PROGRAMME PERFORMANCE:**

**3.3.1 Supporting Table C12:**

Supporting Table C12 reconciled with Table C5.

**DC5 Central Karoo - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q1 First Quarter**

Month	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July		62		4	4	62	58	93,0%	1%
August		65		-		127	-		
September		65		-		193	-		
October		65				258	-		
November		65				323	-		
December		65				389	-		
January		65				454	-		
February		65				519	-		
March		65				585	-		
April		65				650	-		
May		65				715	-		
June		29				744	-		
<b>Total Capital expenditure</b>	-	<b>744</b>	-	<b>4</b>					

**QUALITY CERTIFICATE**

I, **J Jonkers**, the Acting Municipal Manager of Central Karoo District Municipality, hereby certify that –

(mark as appropriate)

The monthly budget statement

Quarterly report on the implementation of the budget and financial state affairs of the municipality

Mid – year budget and performance assessment

For the month of September 2019 (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print Name : J Jonkers

Acting Municipal Manager

Signature



Date: 11 October 2019

# NON-FINANCIAL PERFORMANCE REPORTING – QUARTER 1 (July – September 2019)

## **Disclaimer**

This Quarterly Performance Assessment Report, w.r.t. the non-financial information, is based on reported information only, and is un-audited. This report is subject to change on finalisation of the Internal Performance Audit Report for the 1st Quarter of the 2019/2020 financial year.



## 1. PURPOSE

- (a) The purpose of this report is to inform Council regarding the progress made with the implementation of the Key Performance Indicators (KPIs) in the realisation of the development priorities and objectives as determined in the Municipality's Integrated Development Plan (IDP) as well as in the Service Delivery and Budget Implementation Plan (SDBIP) for the first (1st) Quarter (01 July - 30 September 2019) of the 2019/20 financial year.

## 2. LEGISLATIVE REQUIREMENTS

- (a) The SDBIP is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 (Act 56 of 2003) (MFMA), and the format of the SDBIP is prescribed by the MFMA Circular 13.
- (b) Section 41(1) (e) of the Local Government: Municipal Systems Act, 32 (Act 32 of 2000) (MSA), prescribes that a process must be established of regular reporting to Council.
- (c) This report is a requirement in terms of Section 52 of the MFMA which provide for:
  - The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality;
  - The Accounting Officer, while conducting the above, must take into account:
    - Section 71 Reports;
    - Performance in line with the Service Delivery and Budget Implementation Plans.

## 3. BACKGROUND TO THE FORMAT AND MONITORING OF THE SDBIP

### 3.1 Format

- (a) The Municipality's SDBIP consists of a Top Layer (TL) as well as a Departmental Plan for each individual Department.
- (b) For purposes of reporting, the TL SDBIP is used to report to Council and the Community on the organisational performance of the Municipality.
- (c) The TL SDBIP measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of the Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Strategic Objectives as detailed in the Integrated Development Plan (IDP) of the Central Karoo District Municipality. The Top Layer SDBIP 2019/2020 was approved by the Executive Mayor on 19 June 2019.
- (d) The Departmental SDBIP measures the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer SDBIP. The Departmental Plans

have been approved by the Municipal Manager.

- (e) The overall assessment of actual performance against targets set for the key performance indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150%
	KPI Extremely Well Met	Actual vs. target more than 150% achieved

Table 1: Description of colour codes

- (f) The Performance Management System is an internet based system and it uses, as its basis, the approved SDBIP. The SDBIP is a layered plan comprising of Top Layer SDBIP and Departmental SDBIPs.
- (g) Performance reports on the Top Layer SDBIP is submitted to the Council on a quarterly, half yearly (Mid-year Budget and Performance Assessment Report) and annual basis.
- (i) This non-financial part of the report is based on the Top Layer SDBIP 2019/2020 and comprises of the following:
- Summary of the overall performance of the Municipality in terms of the National Key Performance Areas of Local Government;
  - Summary of the overall performance of the Municipality in terms of the seven Municipal Key Performance Areas; and
  - A detailed performance review per Municipal Key Performance Area (MKPA).

## 3.2 Monitoring

- (a) The Municipality utilises an electronic web based system that is monthly updated with actual performance.
- (b) The system closes every month between the 10<sup>th</sup> and the 15<sup>th</sup> day for updates of the previous month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis. No access is available to a month's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place. Departments must motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
- (c) The system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.

- (d) The system requires key performance indicator owners to update performance comments for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
- (e) In terms of Section 46(1) (a) (iii) of the MSA the Municipality must reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved.

#### 4. ACTUAL PERFORMANCE FOR THE FIRST (ST) QUARTER – 01 JULY- 30 SEPTEMBER 2019

- (a) The Top Layer SDBIP contains performance indicators per Municipal Key Performance Area and comments with corrective measures with regard to targets not achieved.
- (b) Overall performance (dashboard) per National and Municipal Key Performance Areas will be provided for in section 5 of this report.
- (c) A detailed analysis of actual performance for the first (1st) Quarter of the financial year 2019/2020 is provided for in section 6 of this report.

#### 5. OVERALL PERFORMANCE OF THE MUNICIPALITY

- (a) Dashboard summary per National Key Performance Area (NKPA) for the period – 01 July – 30 September 2019.

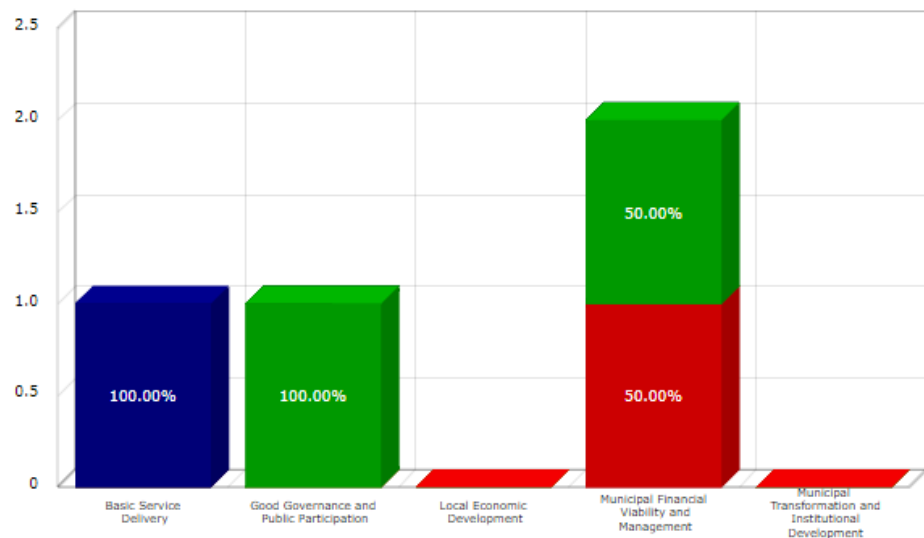
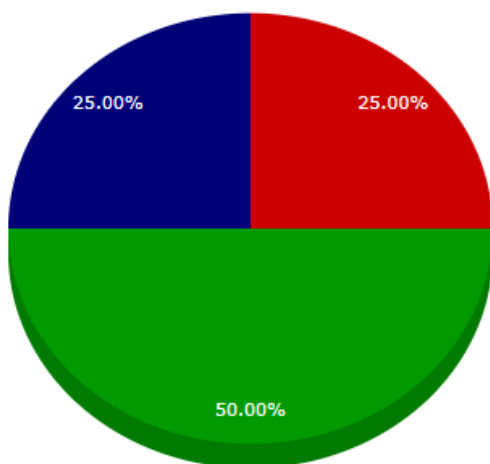


Figure 1: Graphs: Overall Performance on National KPA's

	Central Karoo District Municipality	Section				
		Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development
<b>Not Met</b>	1 (25.00%)	-	-	-	1 (25.00%)	-
<b>Almost Met</b>	-	-	-	-	-	-
<b>Met</b>	2 (50.00%)	-	1 (12.50%)	-	1 (25.00%)	-
<b>Well Met</b>	-	-	-	-	-	-
<b>Extremely Well Met</b>	1 (25.00%)	1 (12.50%)	-	-	-	-
<b>Total:</b>	<b>4*</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>
	<b>100%</b>	<b>25.00%</b>	<b>25.00%</b>	<b>0.00%</b>	<b>50.00%</b>	<b>0.00%</b>

Table 2: Overall Performance on National KPA's

(b) Dashboard summary per Municipal Key Performance Area (MKPA) for the period – 01 July – 30 September 2019.

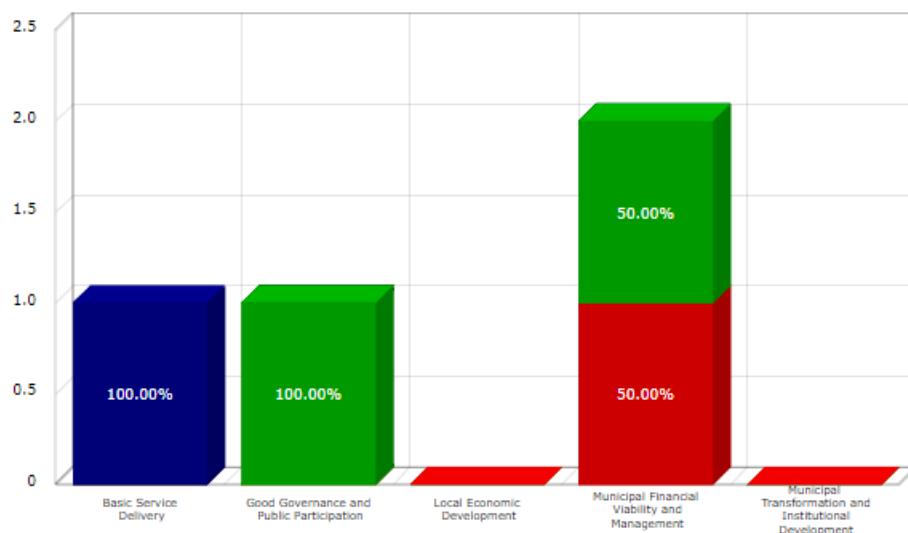
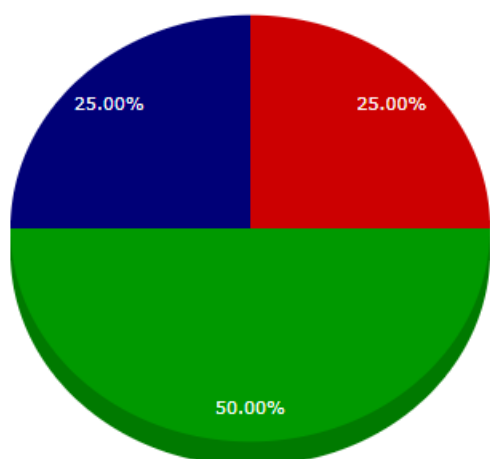


Figure 2: Graphs: Overall performance on Municipal KPA's

	Central Karoo District Municipality	Section				
		Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development
<b>Not Met</b>	1 (25.00%)	-	-	-	1 (20.00%)	-
<b>Almost Met</b>	-	-	-	-	-	-
<b>Met</b>	2 (50.00%)	-	1 (14.29%)	-	1 (20.00%)	-
<b>Well Met</b>	-	-	-	-	-	-
<b>Extremely Well Met</b>	1 (25.00%)	1 (12.50%)	-	-	-	-
<b>Total:</b>	<b>4*</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>
	<b>100%</b>	<b>25.00%</b>	<b>25.00%</b>	<b>0.00%</b>	<b>50.00%</b>	<b>0.00%</b>

Table 3: Overall performance on Municipal KPA's



**6. ACTUAL STRATEGIC PERFORMANCE AND CORRECTIVE MEASURES THAT WILL BE IMPLEMENTED**

**6.1 Build a well capacitated workforce, skilled youth and communities**

Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 1 July - September 2019		
					Target	Actual	Corrective Measures
TL8	Review the organisational structure (Macro) and submit to Council for approval by 31 May	Organisational structure reviewed and submitted to Council	Build a well capacitated workforce, skilled youth and communities	1	0	0	
TL12	Spend 0.5% of the municipality's personnel budget on training by 30 June [(Total Actual Training Expenditure/ Total personnel Budget) x100]	% of the personnel budget spent on training	Build a well capacitated workforce, skilled youth and communities	0.50%	0.00%	0.00%	
TL13	Review the Workplace Skills Plan and submit to LGSETA by 30 April	Workplace Skills Plan reviewed and submitted	Build a well capacitated workforce, skilled youth and communities	1	0	0	
TL14	The number of people from the employment equity target groups employed (appointed) in the three highest levels of management in compliance with the municipality's approved Equity Plan as at 30 June	Number of people employed	Build a well capacitated workforce, skilled youth and communities	0	0	0	



Summary of Results: Build a well capacitated workforce, skilled youth and communities			
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	4
R	KPI Not Met	0% <= Actual/Target <= 74.999%	0
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	0
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
Total KPIs:			4

## 6.2 Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region

Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 1 July – September 2019		
					Target	Actual	Corrective Measures
TL2	Spend 90% of the municipal capital budget by 30 June {(Actual amount spent /Total amount budgeted) X100}	% of capital budget spent	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	90.00%	25.00%	0.00%	
TL18	Review 15 budget related policies and submit to Council for approval by 31 May	Number of policies reviewed and submitted	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	15	0	0	
TL19	Review and submit the MFMA delegation register to Council for approval by 31 May	MFMA delegation registered reviewed and submitted	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	1	0	0	



Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 1 July – September 2019		
					Target	Actual	Corrective Measures
TL20	Compile and submit the financial statements to the Auditor-General by 31 August	Financial statements compiled and submitted	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	1	1	1	
TL21	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue – Op	% of debt coverage	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	10.00%	0.00%	0.00%	
TL22	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June ((Cash and Cash Equivalents – Unspent Conditional Grants – Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation,	Number of months it takes to cover fix operating expenditure with available cash	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region	25	0	0	



Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 1 July – September 2019		
					Target	Actual	Corrective Measures
	Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))						

Summary of Results: Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region			
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	4
R	KPI Not Met	0% <= Actual/Target <= 74.999%	1
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	1
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
	<b>Total KPIs:</b>		<b>6</b>





### 6.3 Facilitate good governance principles and effective stakeholder participation

Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 1 July – September 2019		
					Target	Actual	Corrective Measures
TL1	Submit the draft Annual Report in Council by 31 January	Draft Annual Report submitted in Council	Facilitate good governance principles and effective stakeholder participation	1	0	0	
TL3	Review and submit the IDP and Budget Process Plan and District Framework to Council by 31 August	IDP and Budget Process Plan and Framework submitted to Council	Facilitate good governance principles and effective stakeholder participation	1	1	1	
TL4	Review the Risk Based Audit Plan (RBAP) and submit to the Audit Committee for approval by 30 June	RBAP revised and submitted to the Audit Committee	Facilitate good governance principles and effective stakeholder participation	1	0	0	
TL5	Complete 70% of audits as per the RBAP by 30 June [(Audits completed for the year/audits planned for the year according to the RBAP) x100]	% audits completed	Facilitate good governance principles and effective stakeholder participation	70.00%	0.00%	0.00%	
TL7	Review the delegation register and submit to Council for approval by 30 June	Delegation registered reviewed and submitted to Council	Facilitate good governance principles and effective stakeholder participation	1	0	0	
TL11	Review Corporate and HR policies and submit to Council for approval by 30 June	Number of policies reviewed and submitted	Facilitate good governance principles and effective stakeholder participation	5	0	0	



Summary of Results: Facilitate good governance principles and effective stakeholder participation			
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	5
R	KPI Not Met	0% <= Actual/Target <= 74.999%	0
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	1
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
Total KPIs:			6

#### 6.4 Improve and maintain district roads and promote safe roads transport

Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 1 July – September 2019		
					Target	Actual	Corrective Measures
TL23	Create temporary job opportunities in terms of identified road projects by 31 March (Calculations of the number of jobs created will be over the 12 months coincided the financial year of the Provincial Department of Transport)	Number of temporary jobs created	Improve and maintain district roads and promote safe roads transport	22	0	0	
TL24	Spend 95% of the total allocated approved Roads budget by 31 March [(Actual expenditure divided by approved allocation received) x100] (Spending calculated over 12 months which coincide with the Financial year of the Provincial Department of Transport)	% of total allocated approved Roads budget spent	Improve and maintain district roads and promote safe roads transport	95.00%	10.00%	52.94%	



Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 1 July – September 2019		
					Target	Actual	Corrective Measures
TL25	Regravel 40 kilometres of road by 31 March	Number of kilometres regravelled	Improve and maintain district roads and promote safe roads transport	40	0	0	

Summary of Results: Improve and maintain district roads and promote safe roads transport			
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	2
R	KPI Not Met	0% <= Actual/Target <= 74.999%	0
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	0
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	1
Total KPIs:			3



### 6.5 Promote regional, economic development, tourism and growth opportunities

Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 1 July – September 2019		
					Target	Actual	Corrective Measures
TL6	Create full time equivalent (FTE's) through expenditure with the EPWP job creation initiatives by 30 June	Number of full time equivalent (FTE's) created	Promote regional, economic development, tourism and growth opportunities	20	0	0	

Summary of Results: Promote regional, economic development, tourism and growth opportunities			
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	1
R	KPI Not Met	0% <= Actual/Target <= 74.999%	0
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	0
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
Total KPIs:			1



**6.6 Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service**

Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 1 July – September 2019		
					Target	Actual	Corrective Measures
TL9	Conduct a feasibility study on regional waste management and submit to Council by 30 June	Regional Waste Management Study submitted	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	1	0	0	
TL10	Submit a Water Conservation and Demand Strategy to Council by 30 June	Water Conservation and Demand Strategy submitted	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	1	0	0	
TL15	Compile and submit a bi-annual Water Quality Evaluation Reports with recommendation to Water Service Authorities	Number of Water Quality Evaluation Reports submitted	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	6	0	0	
TL16	Compile and submit annual Waste Management Report with recommendation to Local Authorities by 30 June	Number of Waste Management Report submitted	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	3	0	0	
TL17	Compile and distribute a Municipal Health Newsletter to Local Authorities by 30 June	Number of Newsletters submitted	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service	1	0	0	



Summary of Results: Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service			
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	5
R	KPI Not Met	$0\% \leq \text{Actual/Target} \leq 74.999\%$	0
O	KPI Almost Met	$75.000\% \leq \text{Actual/Target} \leq 99.999\%$	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	0
G2	KPI Well Met	$100.001\% \leq \text{Actual/Target} \leq 149.999\%$	0
B	KPI Extremely Well Met	$150.000\% \leq \text{Actual/Target}$	0
	<b>Total KPIs:</b>		<b>5</b>

## 7. CONCLUSION

Overall Summary of Results			
N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	21
R	KPI Not Met	0% <= Actual/Target <= 74.999%	1
O	KPI Almost Met	75.000% <= Actual/Target <= 99.999%	0
G	KPI Met	Actual meets Target (Actual/Target = 100%)	2
G2	KPI Well Met	100.001% <= Actual/Target <= 149.999%	0
B	KPI Extremely Well Met	150.000% <= Actual/Target	1
Total KPIs:			25

- (a) Out of the 25 Key Performance Indicators (KPIs) listed on the Top layer SDBIP 2019/2020 for the 1st Quarter (July – September 2019), 21 were not yet applicable, 1 not met, 2 met and 1 KPI extremely well met.