

# 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

DECEMBER 2019



## Table of Contents

1.	GLOSSARY.....	2
2.	PART 1: IN-YEAR REPORT.....	6
2.1	SECTION 1 – MAYOR’S REPORT:.....	6
2.2	SECTION 2 – RESOLUTIONS:.....	7
2.3	SECTION 3 – EXECUTIVE SUMMARY:.....	8
2.4	SECTION 4 – IN-YEAR BUDGET STATEMENT TABLE:.....	13
3.1	SECTION 5 – DEBTORS ANALYSIS:.....	21
3.2	SECTION 6 – GRANT RECEIPTS:.....	22
3.3	SECTION 7 – CAPITAL PROGRAMME PERFORMANCE:.....	24
	NON-FINANCIAL PERFORMANCE REPORTING – QUARTER 2 (01 Oct – 31 Dec 2019).....	25
1.	PURPOSE.....	26
2.	LEGISLATIVE REQUIREMENTS.....	26
3.	BACKGROUND TO THE FORMAT AND MONITORING OF THE SDBIP.....	26
3.1	Format.....	26
3.2	Monitoring.....	27
4.	ACTUAL PERFORMANCE FOR THE FIRST (ST) QUARTER – 01 JULY- 30 SEPTEMBER 2019.....	28
5.	OVERALL PERFORMANCE OF THE MUNICIPALITY.....	28
6.	ACTUAL STRATEGIC PERFORMANCE AND CORRECTIVE MEASURES THAT WILL BE IMPLEMENTED.....	30
6.1	Build a well capacitated workforce, skilled youth and communities.....	30
6.2	Deliver a sound and effective administrative and financial service to achieve sustainability and viability in the region.....	31
6.3	Facilitate good governance principles and effective stakeholder participation....	33
6.4	Improve and maintain district roads and promote safe roads transport.....	35
6.5	Promote regional, economic development, tourism and growth opportunities ...	36
6.6	Promote safe, healthy and socially stable communities through the provision of a sustainable environmental health service.....	37
7.	CONCLUSION.....	39

## **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:

Due to additional allocations, approved roll-over applications and assessment of year-to-date spending at mid-year, and adjustment budget will be passed.

**Executive Mayor**

15 January 2020

## **2.2 SECTION 2 – RESOLUTIONS:**

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

### **RESOLVED:**

(a) That the Council take note of contents in the in-year monthly and quarterly report for December 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.

	<b>Capital Expenditure</b>	<b>Operating Expenditure</b>	<b>Operating Revenue</b>
Original Budget	743 800,00	96 254 785,45	97 236 676,00
Actual spend / received (YTD)	15 214,08	42 586 887,65	51 570 604,71
<b>Percentage Spend (YTD)</b>	<b>2%</b>	<b>44%</b>	<b>53%</b>

The table reflects spending of the capital budget as percentage spent of 2%. The total operating expenditure and revenue reflects percentage spent of 44% and 53% 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 December 2019 is R 10.549 million. Refer to figure 1 for more detail.

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

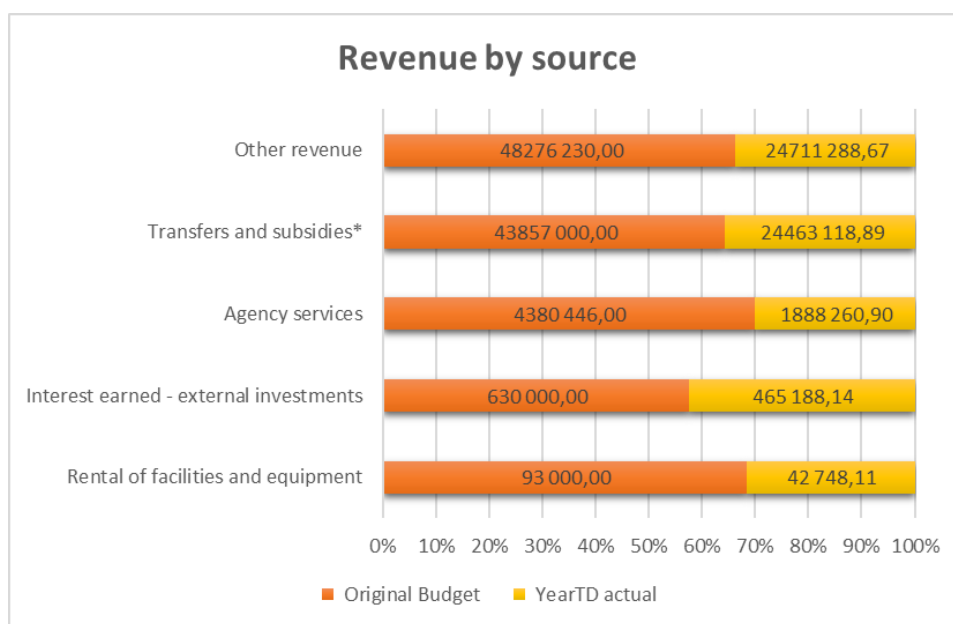


Figure 1 – Revenue by source (\*Refer to Grants receipts schedule for actual receipts, page 22)

### **Other Revenue:**

The amount raised as reflected for the actual year to date represents 51% of the budget amount. The budgeted amount received (Year-to-date) amounts to R 24.138 million.

### **Interest Earned – External Investments:**

The budget amount for Interest earned R 630 000, whilst the year to date actual revenue is R 465 188. Thus, reflecting receipt of 74% at the end of the 2nd 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 42.587 million and the year to date budget is R 48.127 million which represents a **variance of 12%** for the year to date.

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

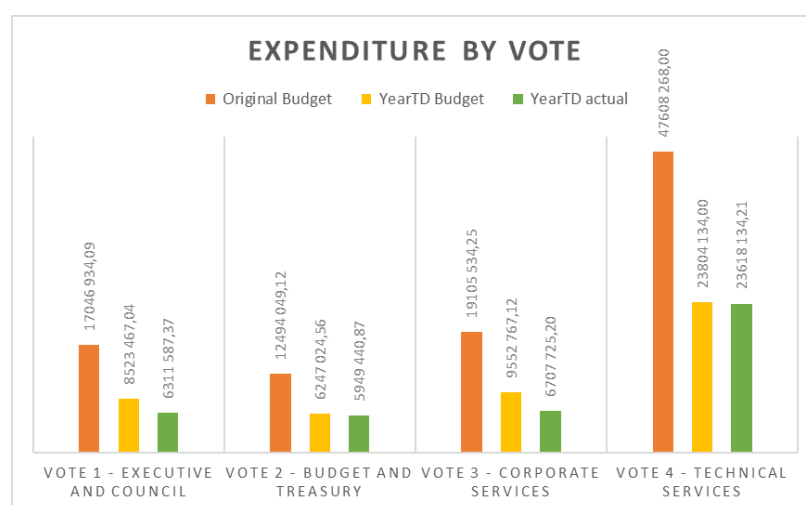


Figure 2 – Breakdown Operating Expenditure by Municipal Vote

Expenditure by Vote	Original Budget	YearTD Budget	YearTD actual	% Spend
Vote 1 - EXECUTIVE AND COUNCIL	17 046 934,09	8 523 467,04	6 311 587,37	37%
Vote 2 - BUDGET AND TREASURY	12 494 049,12	6 247 024,56	5 949 440,87	48%
Vote 3 - CORPORATE SERVICES	19 105 534,25	9 552 767,12	6 707 725,20	35%
Vote 4 - TECHNICAL SERVICES	47 608 268,00	23 804 134,00	23 618 134,21	50%
<b>Total Expenditure by Vote</b>	<b>96 254 785,45</b>	<b>48 127 392,73</b>	<b>42 586 887,65</b>	<b>44%</b>

The annual budget for Technical Service is R 47.608 million of which R 23.618 million has been expended representing 50% of the budget amount.

The annual budget for Corporate Services is R 19.106 million of which R 6.708 million has been expended representing 35% of the budget amount.

The annual budget for Budget and Treasury is R 12.494 million of which R 5.949 million has been expended representing 48% of the budget amount.

The annual budget for Executive and Council is R 17.047 million of which R 6.312 million has been expended representing 37% of the budget amount.

### 2.3.2.4 Capital Expenditure (Figure 3):

There was no capital spending for the month of December 2019. The total capital budget amount is R 743 800, thus reflecting total spending of 2% at the end of the 2<sup>nd</sup> quarter.

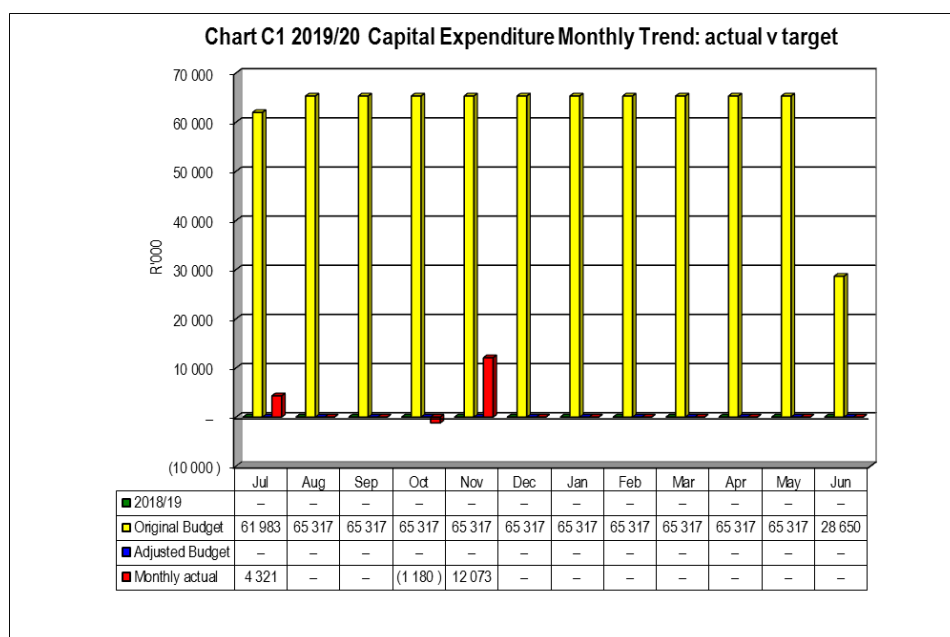


Figure 3 – Breakdown Capital Expenditure by month

### 2.3.3 Cash Flow:

The detail of this section can be found in Section 4 of this report Table C7 (Cashflow statement). The balance at the end of the 2<sup>nd</sup> quarter for the cash flow statement amounts to R 17.187 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 - Q2 Second 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	-	8	465	315	150	48%	-
Transfers and subsidies	-	43 857	-	10 214	24 463	21 929	2 535	12%	-
Other own revenue	-	52 750	-	327	26 642	26 375	267	1%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>97 237</b>	-	<b>10 549</b>	<b>51 571</b>	<b>48 618</b>	<b>2 952</b>	<b>6%</b>	-
Employee costs	-	51 840	-	6 068	24 650	25 920	(1 270)	-5%	-
Remuneration of Councillors	-	3 796	-	355	2 065	1 898	167	9%	-
Depreciation & asset impairment	-	283	-	-	-	141	(141)	-100%	-
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	11 502	-	3	20	5 751	(5 731)	-100%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	28 834	-	2 078	15 851	14 417	1 434	10%	-
<b>Total Expenditure</b>	-	<b>96 255</b>	-	<b>8 503</b>	<b>42 587</b>	<b>48 127</b>	<b>(5 541)</b>	<b>-12%</b>	-
<b>Surplus/(Deficit)</b>	-	<b>982</b>	-	<b>2 046</b>	<b>8 984</b>	<b>491</b>	<b>8 493</b>	<b>1730%</b>	-
Transfers and subsidies - capital (monetary allocated)	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>982</b>	-	<b>2 046</b>	<b>8 984</b>	<b>491</b>	<b>8 493</b>	<b>1730%</b>	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>982</b>	-	<b>2 046</b>	<b>8 984</b>	<b>491</b>	<b>8 493</b>	<b>1730%</b>	-
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>744</b>	<b>1 047</b>	-	<b>15</b>	<b>372</b>	<b>(357)</b>	<b>-96%</b>	-
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	744	-	-	15	372	(357)	-96%	-
<b>Total sources of capital funds</b>	-	<b>744</b>	-	-	<b>15</b>	<b>372</b>	<b>(357)</b>	<b>-96%</b>	-
<b>Financial position</b>									
Total current assets	-	9 443	-	-	24 844	-	-	-	9 443
Total non current assets	-	19 261	-	-	17 992	-	-	-	19 261
Total current liabilities	-	8 218	-	-	10 543	-	-	-	8 218
Total non current liabilities	-	18 091	-	-	15 274	-	-	-	18 091
Community wealth/Equity	-	2 396	-	-	17 019	-	-	-	2 396
<b>Cash flows</b>									
Net cash from (used) operating	-	1 330	-	(1 499)	11 146	665	(10 481)	-1576%	-
Net cash from (used) investing	-	(784)	-	12	(1 059)	(392)	667	-170%	-
Net cash from (used) financing	-	(11)	-	-	-	(6)	(6)	100%	-
<b>Cash/cash equivalents at the month/year end</b>	-	<b>4 140</b>	-	-	<b>17 187</b>	<b>3 873</b>	<b>(13 314)</b>	<b>-344%</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	(47)	5	17	-	562	678	-	-	1 215
<b>Creditors Age Analysis</b>									
Total Creditors	18	0	-	4	-	-	-	-	22

**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) - Q2 Second 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>Governance and administration</i>		-	47 086	-	10 546	26 892	23 543	3 349	14%	-
Executive and council		-	37 969	-	10 529	12 734	18 985	(6 251)	-33%	-
Finance and administration		-	9 117	-	18	14 158	4 558	9 600	211%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	45	-	3	40	22	17	77%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	45	-	3	40	22	17	77%	-
<i>Economic and environmental services</i>		-	50 106	-	-	24 639	25 053	(414)	-2%	-
Planning and development		-	2 331	-	-	27	1 166	(1 139)	-98%	-
Road transport		-	47 775	-	-	24 612	23 888	725	3%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	97 237	-	10 549	51 571	48 618	2 952	6%	-
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	33 790	-	2 587	13 770	16 895	(3 125)	-18%	-
Executive and council		-	8 473	-	690	4 181	4 236	(56)	-1%	-
Finance and administration		-	24 955	-	1 859	9 524	12 477	(2 953)	-24%	-
Internal audit		-	363	-	37	65	181	(116)	-64%	-
<i>Community and public safety</i>		-	6 451	-	705	3 116	3 226	(110)	-3%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1 886	-	183	824	943	(119)	-13%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	4 565	-	522	2 292	2 283	9	0%	-
<i>Economic and environmental services</i>		-	55 823	-	5 200	25 684	27 912	(2 227)	-8%	-
Planning and development		-	6 432	-	461	2 064	3 216	(1 152)	-36%	-
Road transport		-	49 391	-	4 738	23 620	24 696	(1 075)	-4%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Other		-	190	-	12	17	95	(78)	-82%	-
<b>Total Expenditure - Functional</b>	3	-	96 255	-	8 503	42 587	48 127	(5 541)	-12%	-
<b>Surplus/ (Deficit) for the year</b>		-	982	-	2 046	8 984	491	8 493	1730%	-

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) - Q2 Second 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	-	10 529	12 761	20 150	(7 390)	-36,7%	-
Vote 2 - BUDGET AND TREASURY		-	4 398	-	18	14 114	2 199	11 915	541,9%	-
Vote 3 - CORPORATE SERVICES		-	4 763	-	3	83	2 382	(2 298)	-96,5%	-
Vote 4 - TECHNICAL SERVICES		-	47 775	-	-	24 612	23 888	725	3,0%	-
<b>Total Revenue by Vote</b>	2	-	<b>97 237</b>	-	<b>10 549</b>	<b>51 571</b>	<b>48 618</b>	<b>2 952</b>	<b>6,1%</b>	-
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		-	17 047	-	1 191	6 312	8 523	(2 212)	-26,0%	-
Vote 2 - BUDGET AND TREASURY		-	12 494	-	1 121	5 949	6 247	(298)	-4,8%	-
Vote 3 - CORPORATE SERVICES		-	19 106	-	1 455	6 708	9 553	(2 845)	-29,8%	-
Vote 4 - TECHNICAL SERVICES		-	47 608	-	4 736	23 618	23 804	(186)	-0,8%	-
<b>Total Expenditure by Vote</b>	2	-	<b>96 255</b>	-	<b>8 503</b>	<b>42 587</b>	<b>48 127</b>	<b>(5 541)</b>	<b>-11,5%</b>	-
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>982</b>	-	<b>2 046</b>	<b>8 984</b>	<b>491</b>	<b>8 493</b>	<b>1729,9%</b>	-



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

**DC5 Central Karoo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - Q2 Second 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	-	10 529	12 761	20 150	(7 390)	-37%	-
1.1 - MUNICIPAL MANAGER			8 558		315	2 011	4 279	(2 268)	-53%	
1.2 - COUNCIL GENERAL EXPENSES			30 642		10 214	10 723	15 321	(4 598)	-30%	
1.3 - INTERNAL AUDIT			-		-	-	-	-		
1.4 - IDP			-		-	-	-	-		
1.5 - EDA			-		-	-	-	-		
1.6 - LED			-		-	-	-	-		
1.7 - STRATEGIC PLANNING			1 100		-	27	550	(523)	-95%	
<b>Vote 2 - BUDGET AND TREASURY</b>		-	4 398	-	18	14 114	2 199	11 915	542%	-
2.1 - FINANCIAL SERVICES			3 398		18	13 575	1 699	11 876	699%	
2.2 - DISTRICT COUNCIL LEVIES			-		-	-	-	-		
2.3 - FINANCE MANAGEMENT GRANT			1 000		-	540	500	40	8%	
<b>Vote 3 - CORPORATE SERVICES</b>		-	4 763	-	3	83	2 382	(2 298)	-97%	-
3.1 - CORPORATE SERVICES			4 719		0	44	2 359	(2 315)	-98%	
3.2 - TOURISM			-		-	-	-	-		
3.3 - PMU			-		-	-	-	-		
3.4 - ENVIRONMENTAL HEALTH			45		3	40	22	17	77%	
3.5 - CIVIL DEFENCE			-		-	-	-	-		
<b>Vote 4 - TECHNICAL SERVICES</b>		-	47 775	-	-	24 612	23 888	725	3%	-
4.1 - ROADS			47 775		-	24 612	23 888	725	3%	
4.2 - TRANSPORT FUND			-		-	-	-	-		
<b>Total Revenue by Vote</b>	2	-	97 237	-	10 549	51 571	48 618	2 952	6%	-
<b>Expenditure by Vote</b>	1									
<b>Vote 1 - EXECUTIVE AND COUNCIL</b>		-	17 047	-	1 191	6 312	8 523	(2 212)	-26%	-
1.1 - MUNICIPAL MANAGER			6 226		245	1 446	3 113	(1 668)	-54%	
1.2 - COUNCIL GENERAL EXPENSES			4 894		419	2 567	2 447	120	5%	
1.3 - INTERNAL AUDIT			717		66	235	359	(123)	-34%	
1.4 - IDP			-		-	-	-	-		
1.5 - EDA			-		-	-	-	-		
1.6 - LED			-		-	-	-	-		
1.7 - STRATEGIC PLANNING			5 209		461	2 064	2 605	(541)	-21%	
<b>Vote 2 - BUDGET AND TREASURY</b>		-	12 494	-	1 121	5 949	6 247	(298)	-5%	-
2.1 - FINANCIAL SERVICES			11 864		1 076	5 684	5 932	(248)	-4%	
2.2 - DISTRICT COUNCIL LEVIES			-		-	-	-	-		
2.3 - FINANCE MANAGEMENT GRANT			630		45	265	315	(50)	-16%	
<b>Vote 3 - CORPORATE SERVICES</b>		-	19 106	-	1 455	6 708	9 553	(2 845)	-30%	-
3.1 - CORPORATE SERVICES			12 359		738	3 575	6 180	(2 605)	-42%	
3.2 - TOURISM			190		12	17	95	(78)	-82%	
3.3 - PMU			-		-	-	-	-		
3.4 - ENVIRONMENTAL HEALTH			4 570		523	2 292	2 285	7	0%	
3.5 - CIVIL DEFENCE			1 886		183	824	943	(119)	-13%	
3.6 - GRANTS AND SUBSIDIES			-		-	-	-	-		
3.7 - WORK FOR WATER			100		-	-	50	(50)	-100%	
<b>Vote 4 - TECHNICAL SERVICES</b>		-	47 608	-	4 736	23 618	23 804	(186)	-1%	-
4.1 - ROADS			47 608		4 736	23 618	23 804	(186)	-1%	
<b>Total Expenditure by Vote</b>	2	-	96 255	-	8 503	42 587	48 127	(5 541)	(0)	-
<b>Surplus/ (Deficit) for the year</b>	2	-	982	-	2 046	8 984	491	8 493	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) - Q2 Second 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	43	47	(4)	-8%		
Interest earned - external investments			630		8	465	315	150	48%		
Interest earned - outstanding debtors			-		-	-	-	-			
Dividends received			-		-	-	-	-			
Fines, penalties and forfeits			-		-	-	-	-			
Licences and permits			-		-	-	-	-			
Agency services			4 380		315	1 888	2 190	(302)	-14%		
Transfers and subsidies			43 857		10 214	24 463	21 929	2 535	12%		
Other revenue			48 276		5	24 711	24 138	573	2%		
Gains on disposal of PPE			-		-	-	-	-			
<b>Total Revenue (excluding capital transfers and contributions)</b>			-	97 237	-	10 549	51 571	48 618	2 952	6%	-
<b>Expenditure By Type</b>											
Employee related costs			51 840		6 068	24 650	25 920	(1 270)	-5%		
Remuneration of councillors			3 796		355	2 065	1 898	167	9%		
Debt impairment			-		-	-	-	-			
Depreciation & asset impairment			283		-	-	141	(141)	-100%		
Finance charges			-		-	-	-	-			
Bulk purchases			-		-	-	-	-			
Other materials			11 502		3	20	5 751	(5 731)	-100%		
Contracted services			16 979		65	765	8 490	(7 724)	-91%		
Transfers and subsidies			-		-	-	-	-			
Other expenditure			11 855		2 013	15 086	5 928	9 159	155%		
Loss on disposal of PPE			-		-	-	-	-			
<b>Total Expenditure</b>			-	96 255	-	8 503	42 587	48 127	(5 541)	-12%	-
<b>Surplus/(Deficit)</b>											
Transfers and subsidies - capital (municipality and associates)			-	982	-	2 046	8 984	491	8 493	0	-
(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>			-	982	-	2 046	8 984	491			-
Taxation											
<b>Surplus/(Deficit) after taxation</b>			-	982	-	2 046	8 984	491			-
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>			-	982	-	2 046	8 984	491			-
Share of surplus/ (deficit) of associate											
<b>Surplus/ (Deficit) for the year</b>			-	982	-	2 046	8 984	491			-

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) - Q2 Second 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	-	10	66	(56)	-85%	-
Vote 2 - BUDGET AND TREASURY		-	60	140	-	-	30	(30)	-100%	-
Vote 3 - CORPORATE SERVICES		-	552	709	-	6	276	(271)	-98%	-
Vote 4 - TECHNICAL SERVICES		-	-	100	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	-	744	1 047	-	15	372	(357)	-96%	-
<b>Total Capital Expenditure</b>		-	744	1 047	-	15	372	(357)	-96%	-
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	195	-	-	11	97	(86)	-89%	-
Executive and council		-	31	-	-	8	16	(7)	-48%	-
Finance and administration		-	164	-	-	3	82	(79)	-96%	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	449	-	-	3	224	(222)	-99%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	406	-	-	-	203	(203)	-100%	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	43	-	-	3	22	(19)	-88%	-
<b>Economic and environmental services</b>		-	101	-	-	2	50	(49)	-97%	-
Planning and development		-	101	-	-	2	50	(49)	-97%	-
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	-	-	15	372	(357)	-96%	-
<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	-	-	15	372	(357)	-96%	-
<b>Total Capital Funding</b>		-	744	-	-	15	372	(357)	-96%	-

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

**DC5 Central Karoo - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter**

Description	Ref	2018/19	Budget Year 2019/20			
		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		2 408	4 140
Call investment deposits			–		14 779	–
Consumer debtors			3 275		–	3 275
Other debtors			1 315		6 997	1 315
Current portion of long-term receivables					–	
Inventory			713		660	713
<b>Total current assets</b>			<b>–</b>	<b>–</b>	<b>24 844</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		8 479	9 149
Agricultural					–	
Biological					–	
Intangible			93		112	93
Other non-current assets					–	
<b>Total non current assets</b>			<b>–</b>	<b>–</b>	<b>17 992</b>	<b>19 261</b>
<b>TOTAL ASSETS</b>			<b>–</b>	<b>–</b>	<b>42 836</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		5 897	8 179
Provisions					4 576	
<b>Total current liabilities</b>			<b>–</b>	<b>–</b>	<b>10 543</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>–</b>	<b>–</b>	<b>15 274</b>	<b>18 091</b>
<b>TOTAL LIABILITIES</b>			<b>–</b>	<b>–</b>	<b>25 817</b>	<b>26 309</b>
<b>NET ASSETS</b>	2		<b>–</b>	<b>–</b>	<b>17 019</b>	<b>2 396</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)			2 396		17 019	2 396
Reserves			–		–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2		<b>–</b>	<b>–</b>	<b>17 019</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 - Q2 Second 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		4 092	26 642	26 395	247	1%		
Government - operating			43 717		1 201	24 463	21 859	2 605	12%		
Government - capital			-		-	-	-	-			
Interest			600		87	487	300	187	62%		
Dividends			-		-	-	-	-			
<b>Payments</b>											
Suppliers and employees			(95 776)		(6 878)	(40 446)	(47 888)	(7 442)	16%		
Finance charges			-		-	-	-	-			
Transfers and Grants			-		-	-	-	-			
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			-	1 330	-	(1 499)	11 146	665	(10 481)	-1576%	-
<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)	#DIV/0!		
Decrease (increase) in non-current investments			-					-			
<b>Payments</b>											
Capital assets			(784)		12	(15)	(392)	(377)	96%		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			-	(784)	-	12	(1 059)	(392)	667	-170%	-
<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)				(6)	(6)	100%		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			-	(11)	-	-	-	(6)	(6)	100%	-
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			-	535	-	(1 487)	10 088	268			-
Cash/cash equivalents at beginning:			3 605				7 099	3 605			7 099
Cash/cash equivalents at month/year end:			-	4 140	-		17 187	3 873			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 - Q2 Second Quarter

Description	NT Code	Budget Year 2019/20									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to 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				
<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	(47)	5	17	-	562	678	-	-	1 215	1 240			
<b>Total By Income Source</b>	<b>2000</b>	<b>(47)</b>	<b>5</b>	<b>17</b>	<b>-</b>	<b>562</b>	<b>678</b>	<b>-</b>	<b>-</b>	<b>1 215</b>	<b>1 240</b>	<b>-</b>	<b>-</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	(47)	5	17	-	562	678	-	-	1 215	1 240			
<b>Total By Customer Group</b>	<b>2600</b>	<b>(47)</b>	<b>5</b>	<b>17</b>	<b>-</b>	<b>562</b>	<b>678</b>	<b>-</b>	<b>-</b>	<b>1 215</b>	<b>1 240</b>	<b>-</b>	<b>-</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 - Q2 Second 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	18	0	-	4	-	-	-	-	-	22	
Auditor General	0800										-	
Other	0900										-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>18</b>	<b>0</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22</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 - Q2 Second 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	-	10 214	26 270	17 454	8 070	46,2%	-
Local Government Equitable Share			30 642		10 214	22 982	15 321	7 661	50,0%	
FMG - Internship Training			1 000		-	1 000	500			
EPWP Incentive			1 231		-	862	616			
Rural Asset Management Grant			2 035		-	1 426	1 018	409	40,1%	
<b>Provincial Government:</b>		-	1 759	-	-	280	880	(550)	-62,5%	-
WK FMG KAPASITEIT AFS			-		-	-	-			
Disaster Management			-		-	-	-			
WP Financial Management Support Grant			280		-	280	140			
WC - FMG CAPACITY			379		-	-	190			
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		-	-	550	(550)	-100,0%	
LG GEGRADUEERDE INTERNSKAP			-		-	-	-			
<b>District Municipality:</b>	4	-	-	-	-	-	-	-		-
<i>[insert description]</i>										
<b>Other grant providers:</b>		-	7 190	-	-	439	3 595	(3 156)	-87,8%	-
CHIETA			1 300		-	439	650	(211)	-32,4%	
LGSETA			2 850		-	-	1 425			
LGSETA MANDATORY GRANT			40		-	-	20			
Audit fee			3 000		-	-	1 500			
<b>Total Operating Transfers and Grants</b>	5	-	43 857	-	10 214	26 989	21 929	4 364	19,9%	-
<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	-	10 214	26 989	21 929	4 364	19,9%	-

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

DC5 Central Karoo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q2 Second 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	-	2 748	16 537	17 454	(917)	-5,3%	-
Local Government Equitable Share			30 642		2 554	15 321	15 321	-		
FMG - Internship Training			1 000		99	611	500	111	22,1%	
EPWP Incentive			1 231		96	605	616	(11)	-1,7%	
Rural Asset Management Grant			2 035		-	-	1 018	(1 018)	-100,0%	
<b>Provincial Government:</b>		-	1 759	-	19	401	880	-		-
WK FMG KAPASITEIT AFS			-		-	-	-	-		
Disaster Management			-		-	-	-	-		
WP Financial Management Support Grant			280		17	244	140			
WC - FMG CAPACITY			379		-	129	190			
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		2	28	550			
LG GEGRADUEERDE INTERNSKAP			-		-	-	-			
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
<i>[insert description]</i>			-		-	-	-	-		-
<b>Other grant providers:</b>		-	7 190	-	-	16	3 595	(3 579)	-99,6%	-
CHIETA			1 300		-	3	650	(647)	-99,6%	
LGSETA			2 850		-	-	1 425			
LGSETA MANDATORY GRANT			40		-	13	20			
Audit fee			3 000		-	-	1 500	(1 500)	-100,0%	
<b>Total operating expenditure of Transfers and Grants:</b>		-	43 857	-	2 767	16 953	21 929	(4 497)	-20,5%	-
<b>Capital expenditure of 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>		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
<b>Total capital expenditure of Transfers and Grants</b>		-	-	-	-	-	-	-		-
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	43 857	-	2 767	16 953	21 929	(4 497)	-20,5%	-



**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 - Q2 Second 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		(1)		258	-		
November		65		12	#VALUE!	323	#VALUE!	#VALUE!	#VALUE!
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>15</b>					

**QUALITY CERTIFICATE**

I, **S Jooste**, the 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 December 2019 (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

**Print Name: S Jooste**

Municipal Manager

Signature 

Date: 15 January 2020

# **NON-FINANCIAL PERFORMANCE REPORTING – QUARTER 2 (01 Oct – 31 Dec 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 second (2nd) Quarter (01 October – 31 December 2019) 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 second (2nd) Quarter (01 October – 31 December 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 second (2nd) Quarter (01 October – 31 December 2019) 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 October – 31 December 2019.

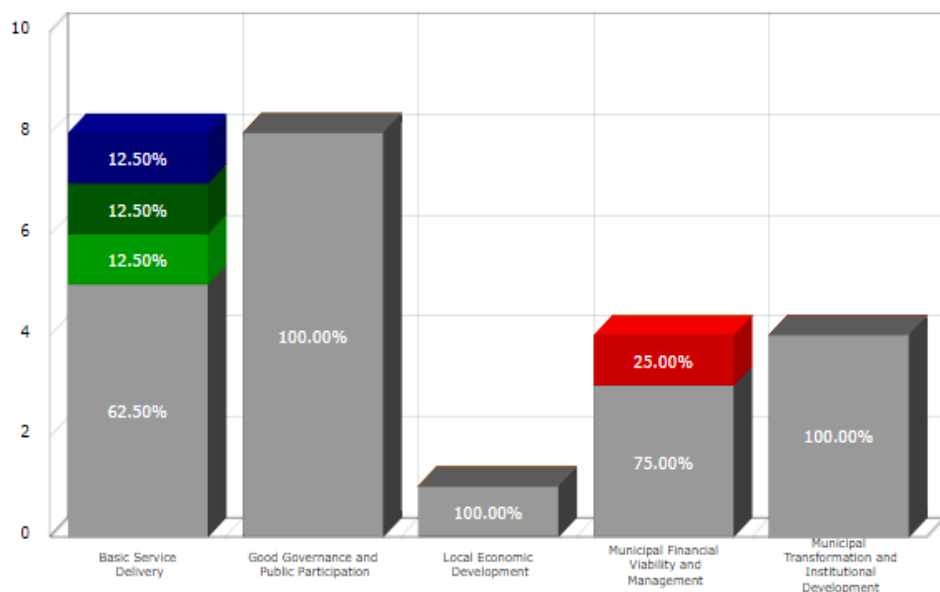
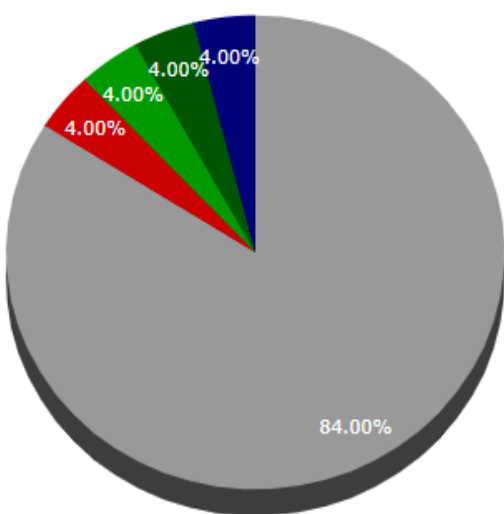


Figure 1: Graphs: Overall Performance on National KPA's

	Central Karoo District Municipality	National KPA				
		Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development
Not Yet Applicable	21 (84.00%)	5 (62.50%)	8 (100.00%)	1 (100.00%)	3 (75.00%)	4 (100.00%)
Not Met	1 (4.00%)	-	-	-	1 (25.00%)	-
Almost Met	-	-	-	-	-	-
Met	1 (4.00%)	1 (12.50%)	-	-	-	-
Well Met	1 (4.00%)	1 (12.50%)	-	-	-	-
Extremely Well Met	1 (4.00%)	1 (12.50%)	-	-	-	-
<b>Total:</b>	<b>25</b>	<b>8</b>	<b>8</b>	<b>1</b>	<b>4</b>	<b>4</b>
	<b>100%</b>	<b>32.00%</b>	<b>32.00%</b>	<b>4.00%</b>	<b>16.00%</b>	<b>16.00%</b>

Table 2: Overall Performance on National KPA's

(b) Dashboard summary per Municipal Key Performance Area (MKPA) for the period – 01 October – 31 December 2019.

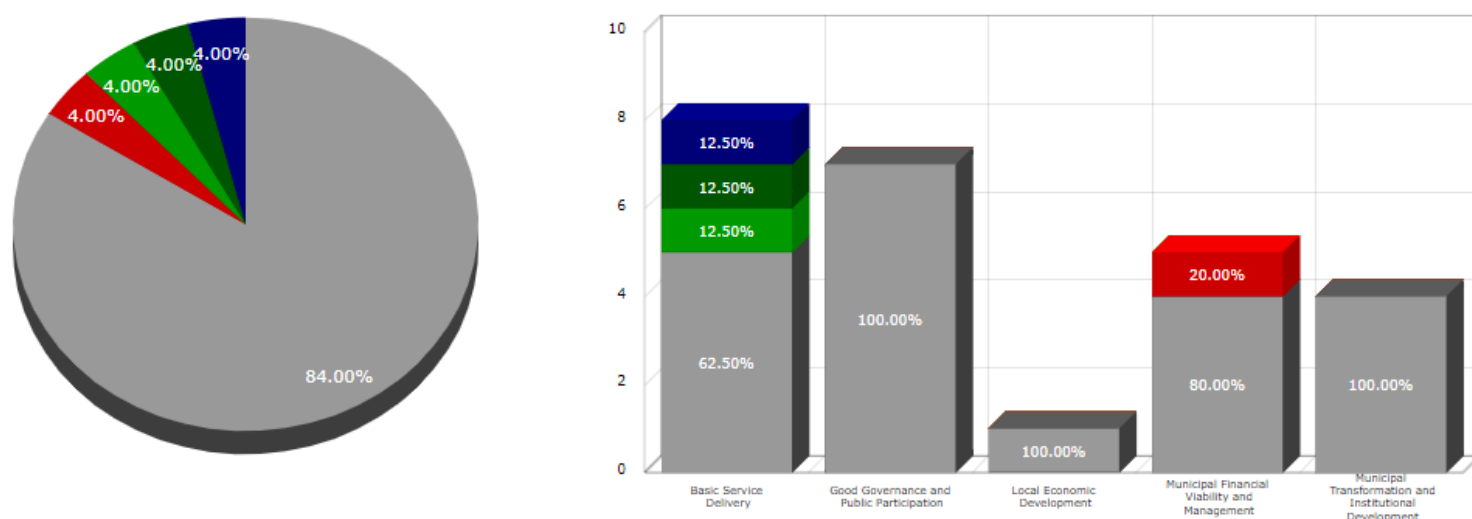


Figure 2: Graphs: Overall performance on Municipal KPA's

	Central Karoo District Municipality	Municipal KPA				
		Basic Service Delivery	Good Governance and Public Participation	Local Economic Development	Municipal Financial Viability and Management	Municipal Transformation and Institutional Development
Not Yet Applicable	21 (84.00%)	5 (62.50%)	7 (100.00%)	1 (100.00%)	4 (80.00%)	4 (100.00%)
Not Met	1 (4.00%)	-	-	-	1 (20.00%)	-
Almost Met	-	-	-	-	-	-
Met	1 (4.00%)	1 (12.50%)	-	-	-	-
Well Met	1 (4.00%)	1 (12.50%)	-	-	-	-
Extremely Well Met	1 (4.00%)	1 (12.50%)	-	-	-	-
<b>Total:</b>	<b>25</b>	<b>8</b>	<b>7</b>	<b>1</b>	<b>5</b>	<b>4</b>
	<b>100%</b>	<b>32.00%</b>	<b>28.00%</b>	<b>4.00%</b>	<b>20.00%</b>	<b>16.00%</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 2 (October – December 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	



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
<b>Total KPI's:</b>			<b>4</b>

## 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 2 (October – December 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%	40.00%	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 2 (October – December 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	0	0	
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, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	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	



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%	1
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:			6

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

Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 2 (October – December 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	0	0	
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	



Ref	KPI Name	Description of Unit of Measurement	Strategic Objective	Annual Target	Quarter 2 (October – December 2019)		
					Target	Actual	Corrective Measures
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	

N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	6
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
	<b>Total KPIs:</b>		<b>6</b>



#### 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 2 (October – December 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%	50.00%	78.57%	
TL25	Regravel 40 kilometres of road by 31 March	Number of kilometres regavelled	Improve and maintain district roads and promote safe roads transport	40	0	0	



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 2 (October - December 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	

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 2 (October – December 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	3	3	
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	1	



N/A	KPI Not Yet Applicable	KPIs with no targets or actuals in the selected period.	3
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%	1
B	KPI Extremely Well Met	150.000% <= Actual/Target	0
	<b>Total KPIs:</b>		<b>5</b>

## 7. CONCLUSION

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%)	1
G2	KPI Well Met	100.001% ≤ Actual/Target ≤ 149.999%	1
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 second (2nd) Quarter (01 October - 31 December 2019), 21 were not yet applicable, 1 not met (TL2), 1 met, 1 KPI well met and 1 KPI extremely well met.