

SECTION 71 REPORT

FEBRUARY

2015

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Part 1 – Annual Budget

1.1 Mayor's Report

The Monthly section 71 report is a report that gives a clear view on the state or performance of the Municipality for that month as well as the year to date performance. Among the impacts that are challenging the Municipality, is the cash flow challenge currently being experienced by the municipality due to among other things declining collection, historic expenditure patterns, high water losses and high rate of indigents within the municipal boundaries.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the UThukela District Municipality .Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

1.2 Council Resolutions

1. The Council of UThukela District Municipality, acting in terms of section 71 of the Municipal Finance Management Act, (Act 56 of 2003) to note :
2. Monthly Budget statements and supporting documents for the month of February 2015.

1.3 Executive Summary

As per Municipal Finance Management Act the municipality needs to prepare section 71 report in a prescribed format as per national treasury regulations.

The District Municipality has to embark on implementing revenue collection strategies to optimize the collection of debt owed by consumers.

The municipality is also embarking on assuring that all grants are spent during the 2014/15 financial year.

1.4 In - Year Budget tables

TABLE 1: C4 – Monthly Budget Statements – Financial Performance

DC23 Uthukela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates								-		
Property rates - penalties & collection charges								-		
Service charges - electricity revenue								-		
Service charges - water revenue		118 572	134 908	134 908	11 662	77 331	89 939	(12 608)	-14%	134 908
Service charges - sanitation revenue		14 199	16 598	16 598	1 549	11 107	11 065	42	0%	16 598
Service charges - refuse revenue										
Service charges - other										
Rental of facilities and equipment										
Interest earned - external investments		10 761	9 471	9 471	202	4 240	6 314	(2 073)	-33%	9 471
Interest earned - outstanding debtors		33 284	35 660	35 660	1 504	13 083	23 773	(10 690)	-45%	35 660
Dividends received										
Fines										
Licences and permits										
Agency services										
Transfers recognised - operational		257 902	306 828	306 828	197	216 614	204 552	12 062	6%	306 828
Other revenue		2 845	1 372	1 372	59	455	915	(460)	-50%	1 372
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)		437 563	504 836	504 836	15 174	322 830	336 557	(13 728)	-4%	504 836
Expenditure By Type										
Employee related costs		125 359	160 321	160 321	10 900	91 763	106 881	(15 117)	-14%	160 321
Remuneration of councillors		4 703	4 619	4 619	381	3 019	3 079	(60)	-2%	4 619
Debt impairment		16 028	30 452	30 452	-	-	20 301	(20 301)	-100%	30 452
Depreciation & asset impairment		38 999	44 689	44 689	-	-	29 793	(29 793)	-100%	44 689
Finance charges		2 549	1 311	1 311	7	545	874	(329)	-38%	1 311
Bulk purchases		7 232	6 085	6 085	1 739	3 695	4 057	(362)	-9%	6 085
Other materials		22 082	54 450	54 450	323	10 181	36 300	(26 119)	-72%	54 450
Contracted services		46 772	37 658	37 658	1 475	15 393	25 105	(9 713)	-39%	37 658
Transfers and grants		83 732	11 900	11 900	229	6 695	7 933	(1 238)	-16%	11 900
Other expenditure		97 887	115 103	115 103	10 764	75 105	76 735	(1 630)	-2%	115 103
Loss on disposal of PPE		5 421								
Total Expenditure		450 763	466 587	466 587	25 819	206 396	311 058	(104 662)	-34%	466 587
Surplus/(Deficit)		(13 200)	38 249	38 249	(10 646)	116 434	25 499	90 935	0	38 249
Transfers recognised - capital		360 480	209 225	209 225	28 019	162 012	139 483	22 529	0	209 225
Contributions recognised - capital										
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions		347 279	247 474	247 474	17 373	278 446	164 982			247 474
Taxation										
Surplus/(Deficit) after taxation		347 279	247 474	247 474	17 373	278 446	164 982			247 474
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		347 279	247 474	247 474	17 373	278 446	164 982			247 474
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		347 279	247 474	247 474	17 373	278 446	164 982			247 474

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Total expenditure is at R25 819 000 for the month of February 2015
-
- The Service charges – water revenue have a billed amount to consumers of R 11 662 000 in February 2015.
- The Service charges – Sanitation revenue have a billed amount to consumers of R 1 549 000 in February 2015.
- Employees related costs spending is R10 900 000 for the month of February 2015.
- Remuneration of Councillors is R 381 000 for the month of 28 February 2015.

Table 2: C5 – Monthly Budget Statements – Capital Expenditure

2.1 The following table provides a breakdown of budgeted capital expenditure by vote:

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M08 February

Vote Description	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Single Year expenditure appropriation	2									
Vote 1 - COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - PLANNING AND ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - WATER AND SANITATION SERVICES		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANGER		351	2 210	2 210	9	923	1 473	(550)	-37%	2 210
Vote 10 - TREASURY		10	600	600	-	484	400	84	21%	600
Vote 11 - CORPORATE SERVICES		19	1 500	1 500	24	846	1 000	(154)	-15%	1 500
Vote 12 - WATER SERVICES		10 623	43 321	43 321	50	28 889	28 881	9	0%	43 321
Vote 13 - SOCIAL AND ECONOMIC SERVICES		3	17 586	17 586	-	2 611	11 724	(9 113)	-78%	17 586
Vote 14 - TECHNICAL SERVICES		414 608	212 258	212 258	28 019	162 013	141 505	20 508	14%	212 258
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	425 614	277 475	277 475	28 102	195 766	184 983	10 783	6%	277 475
Total Capital Expenditure		425 614	277 475	277 475	28 102	195 766	184 983	10 783	6%	277 475
Capital Expenditure - Standard Classification										
Governance and administration		359	4 310	4 310	33	2 253	2 873	(620)	-22%	4 310
Executive and council		330	2 210	2 210	9	923	1 473	(550)	-37%	2 210
Budget and treasury office		10	600	600	-	484	400	84	21%	600
Corporate services		19	1 500	1 500	24	846	1 000	(154)	-15%	1 500
Community and public safety		-	17 586	17 586	-	2 611	11 724	(9 113)	-78%	17 586
Community and social services		-	17 586	17 586	-	2 611	11 724	(9 113)	-78%	17 586
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		2 002	2 315	2 315	-	846	1 543	(697)	-45%	2 315
Planning and development		3	-	-	-	-	-	-	-	-
Road transport		1 999	2 315	2 315	-	846	1 543	(697)	-45%	2 315
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		423 252	253 264	253 264	28 069	190 056	168 843	21 213	13%	253 264
Electricity		423 252	253 264	253 264	28 069	190 056	168 843	21 213	13%	253 264
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	425 614	277 475	277 475	28 102	195 766	184 983	10 783	6%	277 475
Funded by:										
National Government		344 456	209 225	209 225	28 069	162 012	139 483	22 529	16%	209 225
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		344 456	209 225	209 225	28 069	162 012	139 483	22 529	16%	209 225
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		81 158	68 250	68 250	33	33 754	45 500	(11 746)	-26%	68 250
Total Capital Funding		425 614	277 475	277 475	28 102	195 766	184 983	10 783	6%	277 475

- The major spending on the capital expenditure is from Government grants.
- R195 766 000 has been spent on capital as at 28 February 2015.

Table 3: Repairs and maintenance per asset class

DC23 Uthukela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08 February

Description	Ref	2013/14	Budget Year 2014/15							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		18 623	40 575	40 575	13	8 440	27 050	18 610	68.8%	40 575
Infrastructure - Road transport		1 500	1 575	1 575	-	-	1 050	1 050	100.0%	1 575
Roads, Pavements & Bridges		1 500	1 575	1 575	-	-	1 050	1 050	100.0%	1 575
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		11 164	15 000	15 000	13	8 440	10 000	1 560	15.6%	15 000
Dams & Reservoirs		6 014	6 000	6 000	13	5 121	4 000	(1 121)	-28.0%	6 000
Water purification		50	2 000	2 000	-	-	1 333	1 333	100.0%	2 000
Reticulation		5 100	7 000	7 000	-	3 319	4 667	1 348	28.9%	7 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		5 959	24 000	24 000	-	-	16 000	16 000	100.0%	24 000
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		5 959	24 000	24 000	-	-	16 000	16 000	100.0%	24 000
Other assets		3 459	13 875	13 875	311	1 741	9 250	7 509	81.2%	13 875
General vehicles		3 126	4 550	4 550	306	1 588	3 033	1 445	47.7%	4 550
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	5 000	5 000	-	15	3 333	3 319	99.6%	5 000
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		53	50	50	1	3	33	31	92.1%	50
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		280	399	399	4	135	266	131	49.1%	399
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	3 876	3 876	-	-	2 584	2 584	100.0%	3 876
Total Repairs and Maintenance Expenditure		22 082	54 450	54 450	323	10 181	36 300	26 119	72.0%	54 450

- Repairs and Maintenance have a slow spending when compared to the year to date budget.
- Plant and Equipment refers to the purification plants and equipment.
- The total amount spent to date towards repairs and maintenance is R10 181 000.

Table 4: Table C2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M08 February

Description	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Standard										
<i>Governance and administration</i>		279 380	299 336	299 336	445	214 646	199 557	15 089	8%	299 336
Executive and council		37 743	41 140	41 140	-	-	27 427	(27 427)	-100%	41 140
Budget and treasury office		241 637	258 196	258 196	445	214 646	172 131	42 515	25%	258 196
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		890	6 317	6 317	-	-	4 211	(4 211)	-100%	6 317
Planning and development		890	6 317	6 317	-	-	4 211	(4 211)	-100%	6 317
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		517 773	408 408	408 408	42 748	270 196	272 272	(2 076)	-1%	408 408
Electricity		-	-	-	-	-	-	-	-	-
Water		503 502	391 810	391 810	41 199	259 089	261 207	(2 118)	-1%	391 810
Waste water management		14 270	16 598	16 598	1 549	11 107	11 065	42	0%	16 598
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	798 042	714 061	714 061	43 193	484 842	476 041	8 801	2%	714 061
Expenditure - Standard										
<i>Governance and administration</i>		113 648	189 666	189 666	6 353	44 615	126 444	(81 829)	-65%	189 666
Executive and council		64 054	49 743	49 743	1 400	11 063	33 162	(22 099)	-67%	49 743
Budget and treasury office		23 332	104 843	104 843	1 845	15 009	69 895	(54 886)	-79%	104 843
Corporate services		26 262	35 080	35 080	3 108	18 543	23 387	(4 844)	-21%	35 080
<i>Community and public safety</i>		11 271	11 099	11 099	799	9 097	7 399	1 697	23%	11 099
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		11 271	11 099	11 099	799	9 097	7 399	1 697	23%	11 099
<i>Economic and environmental services</i>		8 760	26 939	26 939	914	10 320	17 959	(7 639)	-43%	26 939
Planning and development		8 760	26 939	26 939	914	10 320	17 959	(7 639)	-43%	26 939
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		317 084	238 883	238 883	17 754	142 364	159 255	(16 892)	-11%	238 883
Electricity		-	-	-	-	-	-	-	-	-
Water		314 868	235 956	235 956	17 730	141 069	157 304	(16 235)	-10%	235 956
Waste water management		2 216	2 928	2 928	23	1 295	1 952	(657)	-34%	2 928
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	450 763	466 587	466 587	25 819	206 396	311 058	(104 662)	-34%	466 587
Surplus/ (Deficit) for the year		347 280	247 474	247 474	17 373	278 446	164 983	113 464	69%	247 474

Table 5: Table C3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

DC23 Uthukela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Vote Description	Ref	2013/14	Budget Year 2014/15							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue by Vote	1									
Vote 1 - COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - PLANNING AND ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - WATER AND SANITATION SERVICES		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANGER		37 743	41 140	41 140	-	-	27 427	(27 427)	-100.0%	41 140
Vote 10 - TREASURY		241 637	258 196	258 196	445	214 646	172 131	42 515	24.7%	258 196
Vote 11 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 12 - WATER SERVICES		164 212	201 951	201 951	14 729	108 183	134 634	(26 451)	-19.6%	201 951
Vote 13 - SOCIAL AND ECONOMIC SERVICES		890	717	717	-	-	478	(478)	-100.0%	717
Vote 14 - TECHNICAL SERVICES		353 560	212 057	212 057	28 019	162 013	141 371	20 642	14.6%	212 057
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	798 042	714 061	714 061	43 193	484 842	476 041	8 801	1.8%	714 061
Expenditure by Vote	1									
Vote 1 - COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - PLANNING AND ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - WATER AND SANITATION SERVICES		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANGER		64 054	49 743	49 743	1 400	11 063	33 162	(22 099)	-66.6%	49 743
Vote 10 - TREASURY		23 332	104 843	104 843	1 845	15 009	69 895	(54 886)	-78.5%	104 843
Vote 11 - CORPORATE SERVICES		26 262	35 080	35 080	3 108	21 649	23 387	(1 737)	-7.4%	35 080
Vote 12 - WATER SERVICES		313 628	231 077	231 077	17 373	134 869	154 051	(19 182)	-12.5%	231 077
Vote 13 - SOCIAL AND ECONOMIC SERVICES		20 031	38 039	38 039	1 713	19 417	25 359	(5 942)	-23.4%	38 039
Vote 14 - TECHNICAL SERVICES		3 456	7 806	7 806	381	4 388	5 204	(816)	-15.7%	7 806
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	450 763	466 587	466 587	25 819	206 396	311 058	(104 663)	-33.6%	466 587
Surplus/ (Deficit) for the year	2	347 279	247 474	247 474	17 373	278 446	164 983	113 464	68.8%	247 474

Part 2 -- Supporting Documentation

2.1 DEBTOR'S AGE ANALYSIS

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

Description	NT Code	Budget Year 2014/15									
		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
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	13 297	7 806	6 838	10 090	446 332	-	-	-	484 363	456 422
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	63	3	36	15	1 827				1 944	1 842
Total By Income Source	2000	13 360	7 809	6 874	10 105	448 159	-	-	-	486 307	458 264
2013/14 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2200	(894)	389	236	272	3 013				3 016	3 285
Commercial	2300	822	512	408	212	14 264				16 218	14 476
Households	2400	13 369	6 905	6 193	9 606	429 055				465 128	438 660
Other	2500	63	3	36	15	1 827				1 944	1 842
Total By Customer Group	2600	13 360	7 809	6 874	10 105	448 159	-	-	-	486 307	458 264

The Municipality has a total amount of R486 307 000 for outstanding debtors. This includes an amount of R1 944 000 which relates to sundry debtors.

COLLECTION RATE

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 28 FEBRUARY 2015

MONTH	BILLING	MONTHS	PAYMENTS	RECOVERY RATE
JUNE 2014	9 595 581.43	JULY 2014	6 020 425.52	62.74%
JULY 2014	11 685 112.67	AUGUST 2014	6 110 030.11	52.29%
AUGUST 2014	21 035 993.75	SEPTEMBER 2014	6 209 513.43	29.52%
SEPTEMBER 2014	13 957 068.73	OCTOBER 2014	6 735 518.00	48.26%
OCTOBER 2014	8 912 018.19	NOVEMBER 2014	7 560 916.92	84.84%
NOVEMBER 2014	18 632 039.10	DECEMBER 2014	5 699 942.42	30.59%
DECEMBER 2014	9 919 516.35	JANUARY 2015	6 713 751.11	67.68%
JANUARY 2015	11 565 806.33	FEBRUARY 2015	8 349 434.46	72.19%
	105 303 136.55		53 399 531.97	

TOTALS

BILLING - JUNE 2014 TO JANUARY 2015	105 303 136.55
PAYMENTS - FEBRUARY 2015	53 399 531.97
DIFFERENCE	51 903 604.58

2.2. CREDITORS AGE ANALYSIS

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description	NT Code	Budget Year 2014/15								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100									-
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	673	340	48					34 144	35 205
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	673	340	48	-	-	-	-	34 144	35 205

2.3 SALARIES AND ALLOWANCES

DC23 Uthukela - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February

Summary of Employee and Councillor remuneration R thousands	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3 520	3 404	3 404	271	2 089	2 269	(180)	-8%	3 404
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance		1 008	1 034	1 034	86	671	689	(18)	-3%	1 034
Cellphone Allowance		176	181	181	24	259	121	138	115%	181
Housing Allowances										
Other benefits and allowances										
Sub Total - Councillors		4 703	4 619	4 619	381	3 019	3 079	(60)	-2%	4 619
% increase	4		-1.8%	-1.8%						-1.8%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 429	6 663	6 663	513	3 581	4 442	(861)	-19%	663
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus			666	666			444	(444)	-100%	6 660
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
Sub Total - Senior Managers of Municipality		5 429	7 329	7 329	513	3 581	4 886	(1 305)	-27%	7 323
% increase	4		35.0%	35.0%						34.9%
Other Municipal Staff										
Basic Salaries and Wages		76 438	104 820	104 820	6 626	52 822	69 880	(17 058)	-24%	104 820
Pension and UIF Contributions		11 508	14 194	14 194	982	8 245	9 463	(1 217)	-13%	14 194
Medical Aid Contributions		3 341	5 020	5 020	323	2 450	3 347	(896)	-27%	5 020
Overtime		15 997	3 135	3 135	1 572	11 641	2 090	9 551	457%	3 135
Performance Bonus										
Motor Vehicle Allowance		5 654	9 965	9 965	571	4 617	6 643	(2 027)	-31%	9 965
Cellphone Allowance										
Housing Allowances		572	1 490	1 490	60	486	993	(508)	-51%	1 490
Other benefits and allowances		12 183	13 255	13 255	94	6 917	8 837	(1 919)	-22%	13 255
Payments in lieu of leave		(334)	1 113	1 113	159	1 003	742	261	35%	1 113
Long service awards										
Post-retirement benefit obligations										
Sub Total - Other Municipal Staff		125 359	152 992	152 992	10 387	88 182	101 995	(13 813)	-14%	152 992
% increase	4		22.0%	22.0%						22.0%
Total Parent Municipality		135 491	164 940	164 940	11 281	94 782	109 960	(15 178)	-14%	164 934
			21.7%	21.7%						21.7%
Unpaid salary, allowances & benefits in arrears:										
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		135 491	164 940	164 940	11 281	94 782	109 960	(15 178)	-14%	164 934
% increase	4		21.7%	21.7%						21.7%
TOTAL MANAGERS AND STAFF		130 788	160 321	160 321	10 900	91 763	106 881	(15 118)	-14%	160 315

2.4. INVESTMENTS AND BANK BALANCES

BANK BALANCES

The following reflects bank balances at 28 February 2015

DESCRIPTION	FEBRUARY 2015
FNB MAIN ACCOUNT 62252306280	24 171 150.38
FNB WATER ACCOUNT 62253072385	0.00
Total cash held	24 171 150.38

INVESTMENTS FOR JANUARY 2015

DC23 Uthukela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
Municipality									
FNB UTDM		32 DAYS			392	3.9% - 5.35%	82 578	41 608	40 970
NEDBANKS		32 DAYS			15	4.5% - 5.6%	3 088	(15)	3 103
ABSA		32 DAYS			26	4.6%	5 712	(25)	5 737
Investec		32 DAYS			116	0.75% -	24 593	116	24 709
DDA - 62402906484									-
74448702164									-
Municipality sub-total					550		115 971	41 684	74 520
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				550		115 971	41 684	74 520

INVESTMENTS FOR FEBRUARY 2015

DC23 Uthukela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
Municipality									
FNB UTM		32 DAYS			156	5.4%	40 970	(176)	41 146
NEDBANKS		32 DAYS			13	4.5% -5.6%	3 103	459	2 645
ABSA		32 DAYS			46	4.6%	5 737	(498)	6 235
Investec		32 DAYS			129	0.75% -	24 709	(50 129)	74 838
DDA - 62402906484									-
74448702164									-
Municipality sub-total					344		74 520	(50 344)	124 864
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				344		74 520	(50 344)	124 864

2.5 GRANTS RECEIPTS

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		267 042	300 978	300 978	990	221 009	200 652	17 935	8.9%	300 978
Local Government Equitable Share		257 902	286 962	286 962	-	209 243	191 308	17 935	9.4%	286 962
Finance Management		1 250	1 250	1 250	-	1 250	833			1 250
Municipal Systems Improvement		-	467	467	-	-	311			467
EPWP incentive		1 000	3 299	3 299	990	3 299	2 199			3 299
Water Services Operating Subsidy		6 000	9 000	9 000	-	6 750	6 000			9 000
KZN PROJECTS	3	890								
MSIG GRANT										
MSIG GRANT										
Provincial Government:		-	5 850	5 850	-	338	3 900	172	4.4%	5 938
Share Services			250	250		250	167	83	50.0%	250
Small Town Rehabilitation			5 600	5 600			3 733			5 600
LG SETA						88		88	#DIV/0!	88
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	267 042	306 828	306 828	990	221 347	204 552	18 107	8.9%	306 916
Capital Transfers and Grants										
National Government:		258 405	209 225	209 225	14 900	142 275	139 483	(952)	-0.7%	209 045
Municipal Infrastructure Grant (MIG)		174 260	177 319	177 319	-	117 261	118 213	(952)	-0.8%	177 319
Regional Bulk Infrastructure		63 621	25 000	25 000	14 900	22 232	16 667			4 124
Rural Households Infrastructure		4 000	4 124	4 124	-	-	2 749			25 000
Rural Road Asst Management		1 999	2 315	2 315	-	2 315	1 543			2 135
Municipal Systems Improvement		-	467	467	-	467	311			467
Municipal Infrastructure Water Grant		14 525								
Massification										
Provincial Government:		-	-	-	-	-	-	-	-	-
[insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	258 405	209 225	209 225	14 900	142 275	139 483	(952)	-0.7%	209 045
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	525 447	516 053	516 053	15 890	363 622	344 035	17 155	5.0%	515 961

2.6.GRANTS EXPENDITURE

DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		273 926	300 978	300 978	197	216 614	200 652	15 962	8.0%	300 978
Local Government Equitable Share		257 902	286 962	286 962	-	209 243	191 308	17 935	9.4%	286 962
Finance Management		1 581	1 250	1 250	47	608	833	(225)	-27.0%	1 250
Municipal Systems Improvement		-	467	467	151	243	311	(68)	-21.9%	467
EPWP Incentive		3 200	3 299	3 299	-	2 111	2 199	(89)	-4.0%	3 299
Water Services Operating Subsidy		4 448	9 000	9 000	-	4 409	6 000	(1 591)	-26.5%	9 000
KZN PROJECTS		5 905	-	-	-	-	-	-	-	-
MSIG GRANT		890	-	-	-	-	-	-	-	-
Provincial Government:		-	250	250	-	-	167	(167)	-100.0%	5 850
Share Services		-	250	250	-	-	167	(167)	-100.0%	250
Small Town Rehabilitation		-	-	-	-	-	-	-	-	5 600
LG SETA		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		273 926	301 228	301 228	197	216 614	200 819	15 795	7.9%	306 828
Capital expenditure of Transfers and Grants										
National Government:		344 456	209 045	209 045	28 019	162 012	139 363	22 649	16.3%	209 045
Municipal Infrastructure Grant (MIG)		233 809	177 319	177 319	6 117	101 776	118 213	(16 437)	-13.9%	177 319
Regional Bulk Infrastructure		75 274	25 000	25 000	21 902	59 391	16 667	42 724	256.3%	25 000
Rural Households Infrastructure		-	4 124	4 124	-	-	2 749	(2 749)	-100.0%	4 124
Rural Road Asst Management		1 999	2 135	2 135	-	846	1 423	(577)	-40.6%	2 135
Municipal Systems Improvement		-	467	467	-	-	311	(311)	-100.0%	467
Municipal Infrastructure Water Grant		11 738	-	-	-	-	-	-	-	-
Massification		1 234	-	-	-	-	-	-	-	-
20 402		20 402	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		344 456	209 045	209 045	28 019	162 012	139 363	22 649	16.3%	209 045
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		618 381	510 273	510 273	28 216	378 627	340 182	38 445	11.3%	515 873

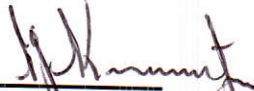
2.7 EXPENDITURE AGAINST APPROVED ROLL OVERS

DC23 Uthukela - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M08 February

Description	Ref	Budget Year 2014/15				YTD variance %
		Approved Rollover 2013/14	Monthly actual	YearTD actual	YTD variance	
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		1 552	-	-	1 552	100.0%
Local Government Equitable Share						
Finance Management						
Municipal Systems Improvement						
EPWP Incentive						
Water Services Operating Subsidy						
KZN PROJECTS		1 552	-	-	1 552	100.0%
MSIG GRANT						
Provincial Government:						
Share Services						
LG SETA						
Other transfers and grants [insert description]						
District Municipality:						
[insert description]						
Other grant providers:						
[insert description]						
Total operating expenditure of Approved Roll-overs		1 552	-	-	1 552	100.0%
Capital expenditure of Approved Roll-overs						
National Government:		28 557	433	22 280	6 277	22.0%
Municipal Infrastructure Grant (MIG)		21 771	433	17 723	4 048	18.6%
Municipal Infrastructure Water Grant		2 786	-	2 657	129	4.6%
Rural Household Infrastructure Grant		4 000	-	1 900	2 100	52.5%
Massification						
Provincial Government:						
District Municipality:						
Other grant providers:						
Total capital expenditure of Approved Roll-overs		28 557	433	22 280	6 277	22.0%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		30 109	433	22 280	7 829	26.0%

Prepared by: 

Manager: Expenditure

Checked by: 

Senior Manager: Finance

Reviewed by: 

Chief Financial Officer

2.8. Municipal Manager's quality certificate

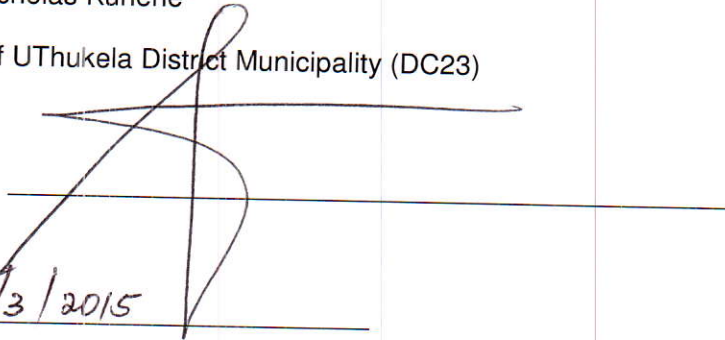
I **Sifiso Nicholas Kunene**, **Municipal** Manager of UThukela District Municipality, hereby certify that the Section 71 and supporting documentation for February 2015 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name: Sifiso Nicholas Kunene

Municipal Manager of UThukela District Municipality (DC23)

Signature

Date



12/3/2015