

# FRANCES BAARD DISTRICT MUNICIPALITY



## **Section 72 Report**

**31 December 2019**

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## **1. EXECUTIVE SUMMARY**

All variances are calculated against the approved budget figures.

### **1.1 Statement of Financial Performance**

#### **Consolidated performance against annual budget (Projected Operating Results) – Statement of Financial Performance – (Annexure A - Table C4)**

##### **Revenue by source**

Year-to-date actual revenue is R96,372 million as compared to the year-to-date budget projections of R68,123 million. The variance is due to the first trench of the equitable share which was transferred in July 2019.

##### **Operating expenditure by type**

To date, R49,357 million has been spent as compared to the operational year-to-date budget projections of R74, 636 million. The variance is mainly due to the following:

- Vacant positions of the CFO, Director Planning & Development and Director Infrastructure;
- Capital and Operational allocations to local municipality which has not been claimed; and
- Special projects which are still at a planning stage of the SCM process.

The summary statement of financial performance in Annexure A, Table C4 is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type.

##### **Capital Expenditure**

Year-to-date expenditure on capital amounts to R0, 268 million as compared to the operational year-to-date budget projections of R1,762 million. Capital expenditure will improve as the financial year progress as projects are currently in the planning phase of the procurement process.

Please refer to Annexure A, Table C5 for further details.

##### **Cash Flows**

The municipality started the year with a total cash and cash equivalents of R78, 267 million. The year-to date cash and cash equivalents amounted to R117,363 million. The net increase in cash and cash equivalents for the year to date is R39,096 million. The increase is as a result of the equitable share that was received in July and December 2019.

### Consolidated performance of year-to-date expenditure against year-to-date budget (per municipal vote)

The municipal vote reflects the organisational structure of the municipality which is made up of the following directorates: Council & Executive, Budget & Treasury, Administration, Planning & Development and Project Management & Advisory Services.

The following table depicts the financial performance as per municipal vote according to the approved organogram of the municipality:

Council & Executive						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
01.1 - Council & Executive Administration	10,115,074	11,574,120	-	906,790	4,346,901	5,787,060
02.1 - Office Of The Municipal Manager	2,209,966	2,509,730	-	161,030	899,043	1,254,865
02.2 - Committee & Administration Services	962,088	1,312,270	-	45,226	263,339	656,135
02.3 - Internal Audit	2,441,526	3,299,340	-	238,717	1,378,547	1,649,670
02.4 - Communications	1,964,530	2,458,210	-	206,446	989,040	1,229,105
02.5 - Legal And Compliance	1,281,194	1,403,948	-	104,447	660,913	701,974
02.6 - Political Office Administration	3,473,258	3,821,750	-	227,626	1,940,930	1,910,875
02.7 - Youth Unit	2,157,854	1,998,740	-	360,937	1,201,742	999,370
02.8 - Risk Unit	877,772	1,006,030	-	86,977	519,800	503,015
<b>Total</b>	<b>25,483,262</b>	<b>29,384,138</b>	<b>-</b>	<b>2,338,195</b>	<b>12,200,256</b>	<b>14,692,069</b>

Actual operating expenditure of Council & Executive is R12, 200 million as compared to the year-to-date budget R14, 692 million. Special projects in the respective departments are still at a planning stage, project activities are expected to be implemented as indicated in the operational plans. Expenditure is expected to gain momentum as the year progress with the implementation of set budgets by the departments. Two vacancies exist within the department, namely the PMS Intern and Manager in the office of the MM.

Budger & Treasury Office						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Budger & treasury						
03.1 - Finance Directorate	4,148,200	7,907,990	-	1,577,588	2,659,186	3,953,995
03.2 - Revenue & Expenditure	3,175,059	3,760,282	-	405,686	1,673,874	1,880,141
03.3 - Budget And Treasury Office	7,035,582	7,039,030	-	229,987	2,152,696	3,519,515
03.4 - Supply Chain Management	3,195,551	3,192,660	-	291,525	1,644,590	1,596,330
03.5 - Council Motor Vehicle Pool	1,935,333	1,905,760	-	147,415	385,878	952,880
<b>Total</b>	<b>19,489,726</b>	<b>23,805,722</b>	<b>-</b>	<b>2,652,201</b>	<b>8,516,224</b>	<b>11,902,861</b>

The actual operating expenditure of Budget & Treasury office at the end of the month amounts to R8, 516 million as compared to the year-to-date projected budget of R11, 903 million. Due to the vacant CFO position and finance intern, spending on the planned budget is below expected projection. Depreciation also contributes to the low spending as the actual expenditure is not yet accounted for in the current financial year, as the municipality is waiting for the finalisation of the audit to ensure the correct opening balances are recorded.

Corporate Services						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
04.1 - Administration Directorate	1,662,653	1,918,050	-	132,893	822,976	959,025
04.2 - Information Systems	3,578,972	4,140,130	-	193,905	1,359,417	2,070,065
04.3 - Human Resource Management	4,352,678	7,335,010	-	404,626	2,155,360	3,667,505
04.4 - Office Support Services	10,303,286	11,345,160	-	557,535	5,899,879	5,672,580
04.5 - Environmental Protection	3,912,678	7,539,150	-	413,811	2,387,780	3,769,575
04.6 - Fire Fighting & Disaster Management	5,531,376	10,244,950	-	517,883	3,097,425	5,122,475
<b>Total</b>	<b>29,341,642</b>	<b>42,522,450</b>	<b>-</b>	<b>2,220,653</b>	<b>15,722,837</b>	<b>21,261,225</b>

Actual operating expenditure of Corporate Services at the end of the month is R15, 723 million as compared to the year-to-date projected budget of R21, 261 million. Expenditure is expected to gain momentum as the year progress with the implementation of set budgets by the departments, taking into consideration the cost containment policy to eliminate non-priority spending on service delivery items. Vacancies within the department also has an impact on the underspending of the projected budget, namely, Environmental Practitioner, Senior Fire Fighter, Chief Clerk Archive and Disaster Management Co-ordinator.

Planning & Development						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
05.1 - Planning & Development Directorate	976,649	1,835,190	-	124,666	604,294	917,595
05.3 - Local Economic Development	5,018,657	8,310,100	-	478,370	2,626,585	4,155,050
05.4 - Planning Unit - Gis	1,627,268	2,100,110	-	66,957	517,085	1,050,055
05.5 - Planning Unit - Spacial Planning	1,534,595	3,551,380	-	91,488	493,345	1,775,690
05.6 - Tourism	3,241,809	3,697,410	-	459,279	1,613,344	1,848,705
05.7 - Planning Unit - ldp	1,389,378	1,664,460	-	157,798	714,082	832,230
<b>Total</b>	<b>13,788,356</b>	<b>21,158,650</b>	<b>-</b>	<b>1,378,559</b>	<b>6,568,736</b>	<b>10,579,325</b>

Actual operating expenditure of Planning & Development at the end of the month amounts to R6, 569 million as compared to the year-to-date projected budget of R10, 579 million. Due to the vacant director position, spending on the planned budget is below expected projection. However, the budget is expected to gain momentum when the financial year progresses, taking into consideration the cost containment policy to eliminate non-priority spending on service delivery items. Vacancies within the department also has an impact on the underspending of the projected budget, namely, GIS Officer and LED Officer.

Infrastructure						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
06.1 - Infrastructure Service Directorate	4,371,638	1,969,620	-	124,692	322,555	984,810
06.2 - Project Management & Advisory Service	12,318,762	25,415,450	-	1,341,225	4,415,368	12,707,725
06.3 - Infrastructure Service - Roads Maint	777,179	964,600	-	34,386	293,532	482,300
06.4 - Housing Administration	2,660,945	4,050,490	-	151,264	1,317,686	2,025,245
<b>Total</b>	<b>20,128,525</b>	<b>32,400,160</b>	<b>-</b>	<b>1,651,567</b>	<b>6,349,141</b>	<b>16,200,080</b>

Actual operating expenditure of Project Management & Advisory Services at the end of the month amounts to R6, 349 million as compared to the year-to-date projected budget of R16, 200 million. Underspending is due to the vacant Director position and the underspending of local municipality on Capital and Operational allocation. The spending on the planned budget is expected to gain momentum once the local municipalities start submitting claims for their projects. Vacancies within the department also has an impact on the underspending of the projected budget, namely, Manager Infrastructure and Building Technician.

### Consolidated performance of year-to-date expenditure on special projects against full year budget

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
<b>MUNICIPAL MANAGERS OFFICE</b>						
<b>COMMUNICATIONS</b>						
Public Participation Programme	30,200	-	-	30,200	0%	The executive mayor and municipal manager to decide on how the program will be implemented
<b>Total Communications Projects</b>	<b>30,200</b>	<b>-</b>	<b>-</b>	<b>30,200</b>	<b>0%</b>	
<b>FINANCE DIRECTORATE</b>						
Support to 3 local municipalities (Phokwane, Magareng & Dikgatlong)	150,000.00	-	-	150,000.00	0%	To be utilised during the course of the financial year, upon formal request for assistance from the local municipalities.
<b>Total Finance Directorate Projects</b>	<b>150,000.00</b>	<b>-</b>	<b>-</b>	<b>150,000.00</b>	<b>0%</b>	
<b>BUDGET AND TREASURY OFFICE</b>						
Revaluation of Buildings	150,000.00	-	-	150,000.00	0%	To be utilised in the fourth quarter, during the completion of the 2019/20 AFS.
<b>Total BTO Projects</b>	<b>150,000.00</b>	<b>-</b>	<b>-</b>	<b>150,000.00</b>	<b>0%</b>	

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
<b>COUNCIL AND EXECUTIVE ADMINISTRATION</b>						
<b>COUNCIL</b>						
South African Municipal Sports and Recreational Association Games (SAMSRA)	500,000.00	-	-	500,000.00	0%	Budget was not utilised due to the latest cost containment regulation released on 31 July 2019, after the adoption of the municipal budget. Budget to be revised during the adjustment budget process.
<b>Total Council Projects</b>	<b>500,000.00</b>	<b>-</b>	<b>-</b>	<b>500,000.00</b>	<b>0%</b>	
<b>POLITICAL OFFICE ADMINISTRATION</b>						
Commemorative Days	220,000.00	-	234,828.98	-14,828.98	107%	Overspending took place on Commemorative Days (Mandela program), that was held on the 27th & 28th of July, a two day program. Budget to be corrected during the adjustment budget process.
Disability Programme	70,000.00	-	57,999.50	12,000.50	83%	Project completed with a savings.
Child Programme	50,000.00	-	47,000.00	3,000.00	94%	Project completed with a savings.
Gender Programme	70,000.00	-	46,000.00	24,000.00	66%	Project completed with a savings.
MRM Programme	5,000.00	-	-	5,000.00	0%	Budget to be utilised during the course of the financial year.
Old Age Programme	35,000.00	-	26,950.00	8,050.00	77%	Project completed with a savings.
<b>Total Political Office Projects</b>	<b>1,450,000.00</b>	<b>-</b>	<b>412,778.48</b>	<b>37,221.52</b>	<b>28%</b>	
<b>YOUTH UNIT</b>						
Youth Career	25,000.00	-	7,412.39	17,587.61	30%	Youth Career event occurred on the 23rd of September 2019.
Sopa Programme	17,000.00	-	7,000.00	10,000.00	41%	SOPA to take place on 23 March 2020, as per the operational plan.
June 16 Programme	45,000.00	-	37,000.00	8,000.00	82%	June 16 programme will take place during the fourth quarter, for the June 16 celebrations. The expenditure of R37 000 is due to the hosting of youth dialogue on the recent attacks on xenophobia and women & child abuse hosted on the 13th of September 2019.
Youth Skills Programme	253,600.00	-	205,068.70	48,531.30	81%	Project completed with a savings.
<b>Total Youth Projects</b>	<b>340,600.00</b>	<b>-</b>	<b>256,481.09</b>	<b>84,118.91</b>	<b>75%</b>	

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
<b>CORPORATE SERVICES</b>						
<b>HUMAN RESOURCE MANAGEMENT</b>						
Employee Wellness Assistance Programme	80,000.00	-	92.00	79,908.00	0%	Will occur as and when needed by the employees.
Team Building	50,000.00	-	-	50,000.00	0%	Team Building was held on the 25th of October 2019 however there were no cost implications.
<b>Total HR Projects</b>	<b>130,000.00</b>	<b>-</b>	<b>92.00</b>	<b>129,908.00</b>	<b>0%</b>	
<b>ENVIRONMENTAL PROTECTION</b>						
Air Quality	14,000.00	-	5,936.27	8,063.73	42%	Campaigns were conducted during the first quarter on the 1st and 16th of August 2019.
Commemorative Days	85,000.00	486.96	3,957.40	81,042.60	5%	Programme is in the implementation stage, campaigns were conducted.
Awareness Sanitation Programme	56,600.00	756.00	16,113.76	40,486.24	28%	World Environmental Health Day was commemorated.
Environmental Health Framework	200,000.00	-	196,280.00	3,720.00	98%	Project completed with a savings.
Water Analysis	338,500.00	3,767.87	126,535.52	211,964.48	37%	Water analysis was done in July 2019. Budget to be utilised during the course of the financial year as per operational plan.
Sample Analysis	9,600.00	9,600.00	-	9,600.00	0%	Project is in the implementation phase.
Environmental World day Awareness	200,000.00	-	1,113.04	198,886.96	1%	The Environmental world day Awareness occurred on the 26 to the 27th of September 2019.
South African Standards for Drinking Water	90,000.00	-	-	90,000.00	0%	Budget to be utilised during the course of the financial year as no samples were collected.
<b>Total Environmental Health Projects</b>	<b>993,700.00</b>	<b>14,610.83</b>	<b>349,935.99</b>	<b>643,764.01</b>	<b>35%</b>	
<b>FIRE FIGHTING &amp; DISASTER MANAGEMENT</b>						
Volunteer Training	107,400.00	-	76,150.00	31,250.00	71%	Project completed with a savings.
Disaster Management Forum	10,800.00	-	-	10,800.00	0%	Hosting of disaster management forum, to be used during the financial year.
Awareness Programme	7,000.00	-	-	7,000.00	0%	Budget to be utilised during the course of the financial year, as per deployment during the 3rd to the 4th quarter.
Disaster Plan Strategy	800,000.00	-	-	800,000.00	0%	Project to be implemented during the course of the financial year.
Contingency Fund	320,000.00	90,240.00	139,698.00	180,302.00	44%	To be utilised as and when the need arise in emergency situations, during July expenditure was incurred for assistance to community members.
<b>Total Disaster Management Projects</b>	<b>1,245,200.00</b>	<b>90,240.00</b>	<b>215,848.00</b>	<b>1,029,352.00</b>	<b>17%</b>	



Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
<b>PLANNING AND DEVELOPMENT</b>						
<b>LOCAL ECONOMIC DEVELOPMENT</b>						
Led Small, Medium & Micro Entreprises	795,600.00	-	-	795,600.00	0%	The service provider appointed on the 10th of December 2019, the event to take place on the 23rd of January 2020.
Machinery and equipment SMME	850,000.00	-	-	850,000.00	0%	Advertisement for the application has been placed, submission closed at the end of August 2019.TOR to be finalised end of January 2020.
Led Expo	920,000.00	-	916,304.69	3,695.31	100%	Project completed.
Youth Enterprenuer	160,000.00	-	-	160,000.00	0%	Project is in the implementation phase, awaiting appointment of specifications committee.
Exhibition Installers	380,000.00	-	113,400.00	266,600.00	30%	Budget to be utilised during the course of the financial year.
Led Trade & Investment Promotion	35,000.00	-	-	35,000.00	0%	Project is in the planning phase, in the process of developing brochures to be completed during the 3rd to the 4th quarter.
Investment Desk	50,000.00	-	-	50,000.00	0%	Project is in the planning phase, research in progress.To take place during 3rd quarter
Agriculture Emerging Farmers	200,000.00	-	-	200,000.00	0%	Project is in the implementation phase, awaiting appointment of specifications committee.
Advertising and Promotion	208,810.00	-	32,406.60	176,403.40	16%	Project is in the implementation phase, budget to be fully utilised by the end of the financial year.
Women Empowerment	50,000.00	-	50,000.00	-	100%	Project completed.
Hartswater Stalls	600,000.00	-	526,739.13	73,260.87	88%	Project completed with a savings.
<b>Total LED Projects</b>	<b>4,249,410.00</b>	<b>-</b>	<b>1,638,850.42</b>	<b>2,610,559.58</b>	<b>39%</b>	
<b>TOURISM</b>						
Ganspan	270,000.00	-	96,042.00	173,958.00	36%	Project in the environmental impact review phase.
Indaba Expo	327,370.00	21,892.17	108,980.10	218,389.90	33%	Budget will be utilised during the fourth quarter, May 2020.
Diamond and Dorings Festival	480,000.00	-	-	480,000.00	0%	Budget to be utilised during March/April 2020.
Tourism Business Competition	501,300.00	-	370,546.35	130,753.65	74%	Project completed with a savings.
Tourism Association	75,000.00	-	-	75,000.00	0%	Tourism association meetings to take place during the course of the financial year.
Northern Cape Tourism Authority	135,000.00	-	13,900.00	121,100.00	10%	No transfer to be done to the Northern Cape Tourism Authority as decision was made that Frances Baard District Municipality can do the marketing in-house. Budget to be moved to the Tourism Awareness Campaign during the adjustment budget process. Spending of R13 900.00 will be moved to the Community Awareness Campaign during adjustment budget process.
Tourism Awareness Campaign	120,000.00	-	78,527.65	41,472.35	65%	Project completed with a savings.
Printing of Travel Guide	150,000.00	-	-	150,000.00	0%	Budget to be utilised during the course of the financial year.
Tourism Advertisement	175,000.00	-	23,305.00	151,695.00	13%	In progress still to take place during the course of the financial year.
N12 Promotion	60,000.00	-	44,570.78	15,429.22	74%	Project completed with a savings.
<b>Total Tourism Projects</b>	<b>2,293,670.00</b>	<b>21,892.17</b>	<b>735,871.88</b>	<b>1,557,798.12</b>	<b>32%</b>	

Project	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
<b>PLANNING AND DEVELOPMENT</b>						
<b>PLANNING UNIT - GIS</b>						
Land Use Survey (Dikgatlong)	390,000.00	-	-	390,000.00	0%	Project is in the planning phase, awaiting the implementation of the specification committee before advertising the tender.
<b>Total GIS Projects</b>	<b>390,000.00</b>	<b>-</b>	<b>-</b>	<b>390,000.00</b>	<b>0%</b>	
<b>PLANNING UNIT - SPATIAL PLANNING</b>						
Municipal Tribunal	70,000.00	-	9,168.00	60,832.00	13%	The DMPT took place on the 17 December 2019, invoice still to be paid in January 2020, project completed with savings.
FBDM SDF Framework	800,000.00	-	-	800,000.00	0%	The tender advertisement closed on the 21 November 2019. Currently finalising the appointment of the service provider. Behind schedule by a month.
Phokwane Infill Development	140,000.00	-	51,878.64	88,121.36	37%	The project is on track. The final Environmental Impact Assessment has been submitted to the Department of Environment and Nature Conservation for review and approval. The third draft layout plan has been completed.
<b>Total Spatial Planning Projects</b>	<b>1,010,000.00</b>	<b>-</b>	<b>61,046.64</b>	<b>948,953.36</b>	<b>6%</b>	

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
<b>INFRASTRUCTURE</b>						
<b>PROJECT MANAGEMENT &amp; ADVISORY SERVICE</b>						
Magareng O&M	2,500,000.00	-	985,056.15	1,514,943.85	39%	Spending dependent on claims received from the local municipality, the remaining budget of R1 514,943.85 will be used as the financial year progresses.
Dikgatlong O&M	2,500,000.00	-	167,200.00	2,332,800.00	7%	Spending dependent on claims received from the local municipality, the remaining budget of R2 332,800.00 will be used during the financial year.
Phokwane O&M	2,500,000.00	-	-	2,500,000.00	0%	Spending dependent on claims received from the local municipality,
Sol Plaatje O&M	2,500,000.00	-	14,300.00	2,485,700.00	1%	Spending dependent on claims received from the local municipality.
Magareng Capital Projects	2,000,000.00	-	-	2,000,000.00	0%	Spending dependent on claims received from the local municipality.
Dikgatlong Capital Projects	2,400,000.00	-	993,614.86	1,406,385.14	41%	Spending dependent on claims received from the local municipality. The remaining budget of R1 406,385.14 wil used during the financial year.
Phokwane Capital Projects	2,000,000.00	-	-	2,000,000.00	0%	Spending dependent on claims received from the local municipality.
Sol Plaatje Capital projects	2,000,000.00	-	-	2,000,000.00	0%	Spending dependent on claims received from the local municipality.
<b>Total Infrastructure Projects</b>	<b>18,400,000.00</b>	<b>-</b>	<b>2,160,171.01</b>	<b>16,239,828.99</b>	<b>12%</b>	
<b>HOUSING ADMINISTRATION</b>						
Housing Project	860,000.00	-	-	860,000.00	0%	Budget to be utilised during the course of the financial year.
<b>Total Housing Projects</b>	<b>860,000.00</b>	<b>-</b>	<b>-</b>	<b>860,000.00</b>	<b>0%</b>	
<b>Total Special Projects</b>	<b>32,192,780.00</b>	<b>126,743.00</b>	<b>5,831,075.51</b>	<b>25,361,704.49</b>	<b>18%</b>	

The actual spending on special projects for the municipality at the end of the month amounts to R5 831 075.51, with a commitment of R126 743.00. The municipality has spent 18% of its budgeted special projects.

**2. IN-YEAR BUDGET STATEMENT TABLES (ANNEXURE: A)****Table C1: Monthly Budget Statement Summary**

DC9 Frances Baard - Table C1 Monthly Budget Statement Summary - M06 December									
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	6,729	5,350	-	292	4,094	2,675	1,419	53%	5,350
Transfers and subsidies	123,192	128,942	-	40,529	91,907	64,471	27,436	43%	128,942
Other own revenue	932	1,953	-	27	371	977	(606)	-62%	1,953
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>130,853</b>	<b>136,245</b>	<b>-</b>	<b>40,848</b>	<b>96,372</b>	<b>68,123</b>	<b>28,249</b>	<b>41%</b>	<b>136,245</b>
Employee costs	61,650	76,174	-	5,082	30,286	38,087	(7,801)	-20%	76,174
Remuneration of Councillors	6,700	7,311	-	575	3,220	3,656	(436)	-12%	7,311
Depreciation & asset impairment	3,003	3,629	-	-	-	1,814	(1,814)	-100%	3,629
Finance charges	204	-	-	-	-	-	-	-	-
Materials and bulk purchases	1,246	1,671	-	124	561	836	(274)	-33%	1,671
Transfers and subsidies	7,306	20,411	-	1,085	2,330	10,205	(7,875)	-77%	20,411
Other expenditure	28,547	40,074	-	3,376	12,960	20,037	(7,077)	-35%	40,074
<b>Total Expenditure</b>	<b>108,655</b>	<b>149,271</b>	<b>-</b>	<b>10,241</b>	<b>49,357</b>	<b>74,636</b>	<b>(25,278)</b>	<b>-34%</b>	<b>149,271</b>
<b>Surplus/(Deficit)</b>	<b>22,198</b>	<b>(13,026)</b>	<b>-</b>	<b>30,607</b>	<b>47,015</b>	<b>(6,513)</b>	<b>53,528</b>	<b>-822%</b>	<b>(13,026)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2,521	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>24,719</b>	<b>(13,026)</b>	<b>-</b>	<b>30,607</b>	<b>47,015</b>	<b>(6,513)</b>	<b>53,528</b>	<b>-822%</b>	<b>(13,026)</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>24,719</b>	<b>(13,026)</b>	<b>-</b>	<b>30,607</b>	<b>47,015</b>	<b>(6,513)</b>	<b>53,528</b>	<b>-822%</b>	<b>(13,026)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>9,195</b>	<b>3,525</b>	<b>-</b>	<b>145</b>	<b>268</b>	<b>1,762</b>	<b>(1,494)</b>	<b>-85%</b>	<b>3,525</b>
Capital transfers recognised	-	70	-	-	-	35	(35)	-100%	70
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	9,192	3,455	-	145	268	1,735	(1,467)	-85%	3,455
<b>Total sources of capital funds</b>	<b>9,192</b>	<b>3,525</b>	<b>-</b>	<b>145</b>	<b>268</b>	<b>1,770</b>	<b>(1,502)</b>	<b>-85%</b>	<b>3,525</b>
<b>Financial position</b>									
Total current assets	95,294	53,959	-	-	135,714	-	-	-	53,959
Total non current assets	64,319	64,934	-	-	64,587	-	-	-	64,934
Total current liabilities	28,104	15,141	-	-	21,857	-	-	-	15,141
Total non current liabilities	31,004	35,000	-	-	30,924	-	-	-	35,000
Community wealth/Equity	104,330	68,753	-	-	147,519	-	-	-	68,753
<b>Cash flows</b>									
Net cash from (used) operating	32,761	(3,085)	-	29,392	40,971	(1,542)	(42,513)	2756%	(3,085)
Net cash from (used) investing	(9,811)	(3,525)	-	(145)	(1,875)	(1,762)	113	-6%	(3,525)
Net cash from (used) financing	(2,455)	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	<b>71,567</b>	<b>48,779</b>	<b>-</b>	<b>-</b>	<b>117,363</b>	<b>52,083</b>	<b>(65,280)</b>	<b>-125%</b>	<b>48,779</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	171	222	18	25	14	283	181	948	1,862
<b>Creditors Age Analysis</b>									
Total Creditors	92	-	-	24	-	-	-	-	116

**Table C2 Monthly Budget Statement - Financial Performance (standard classification)**

DC9 Frances Baard - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December										
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
R thousands	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		124,655	130,209	-	40,554	94,903	65,104	29,798	46%	130,209
Executive and council		478	250	-	-	-	125	(125)	-100%	250
Finance and administration		124,177	129,959	-	40,554	94,903	64,979	29,923	46%	129,959
<i>Community and public safety</i>		389	246	-	-	-	123	(123)	-100%	246
Public safety		389	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		8,331	5,790	-	294	1,469	2,895	(1,426)	-49%	5,790
Planning and development		8,331	5,790	-	294	1,469	2,895	(1,426)	-49%	5,790
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	133,374	136,245	-	40,848	96,372	68,123	28,249	41%	136,245
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		64,873	77,928	-	6,279	30,954	38,964	(8,010)	-21%	77,928
Executive and council		18,920	21,217	-	1,702	8,652	10,608	(1,956)	-18%	21,217
Finance and administration		43,511	53,412	-	4,339	20,924	26,706	(5,783)	-22%	53,412
Internal audit		2,442	3,299	-	239	1,379	1,650	(271)	-16%	3,299
<i>Community and public safety</i>		8,614	14,295	-	669	4,415	7,148	(2,733)	-38%	14,295
Public safety		422	-	-	-	-	-	-	-	-
Housing		2,661	4,050	-	151	1,318	2,025	(708)	-35%	4,050
<i>Economic and environmental services</i>		31,927	53,350	-	2,833	12,375	26,675	(14,300)	-54%	53,350
Planning and development		28,014	45,811	-	2,420	9,987	22,905	(12,919)	-56%	45,811
Environmental protection		3,913	7,539	-	414	2,388	3,770	(1,382)	-37%	7,539
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		3,242	3,697	-	459	1,613	1,849	(235)	-13%	3,697
<b>Total Expenditure - Functional</b>	3	108,655	149,271	-	10,241	49,357	74,636	(25,278)	-34%	149,271
<b>Surplus/ (Deficit) for the year</b>		24,719	(13,026)	-	30,607	47,015	(6,513)	53,528	-822%	(13,026)

**Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by Municipal vote)**

DC9 Frances Baard - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December										
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
R thousands										
<b>Revenue by Vote</b>	1									
Vote 01 - Executive & Council		478	250	-	-	-	125	(125)	-100.0%	250
Vote 02 - Office Of The Municipal Manager		-	-	-	-	-	-	-		-
Vote 03 - Budget & Treasury Office		124,177	129,959	-	40,554	94,903	64,979	29,923	46.1%	129,959
Vote 04 - Administration		389	246	-	-	-	123	(123)	-100.0%	246
Vote 05 - Planning & Development		-	800	-	-	-	400	(400)	-100.0%	800
Vote 06 - Infrastructure Services		8,331	4,990	-	294	1,469	2,495	(1,026)	-41.1%	4,990
<b>Total Revenue by Vote</b>	2	<b>133,374</b>	<b>136,245</b>	<b>-</b>	<b>40,848</b>	<b>96,372</b>	<b>68,123</b>	<b>28,249</b>	<b>41.5%</b>	<b>136,245</b>
<b>Expenditure by Vote</b>	1									
Vote 01 - Executive & Council		10,115	11,574	-	907	4,347	5,787	(1,440)	-24.9%	11,574
Vote 02 - Office Of The Municipal Manager		15,370	17,810	-	1,431	7,853	8,905	(1,052)	-11.8%	17,810
Vote 03 - Budget & Treasury Office		19,490	23,806	-	2,652	8,516	11,903	(3,387)	-28.5%	23,806
Vote 04 - Administration		29,763	42,522	-	2,221	15,723	21,261	(5,538)	-26.0%	42,522
Vote 05 - Planning & Development		13,788	21,159	-	1,379	6,569	10,579	(4,011)	-37.9%	21,159
Vote 06 - Infrastructure Services		20,129	32,400	-	1,652	6,349	16,200	(9,851)	-60.8%	32,400
<b>Total Expenditure by Vote</b>	2	<b>108,655</b>	<b>149,271</b>	<b>-</b>	<b>10,241</b>	<b>49,357</b>	<b>74,636</b>	<b>(25,278)</b>	<b>-33.9%</b>	<b>149,271</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>24,719</b>	<b>(13,026)</b>	<b>-</b>	<b>30,607</b>	<b>47,015</b>	<b>(6,513)</b>	<b>53,528</b>	<b>-821.9%</b>	<b>(13,026)</b>

**Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)**

DC9 Frances Baard - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December										
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>										
Rental of facilities and equipment		858	1,153	-	18	307	577	(270)	-47%	1,153
Interest earned - external investments		6,729	5,350	-	292	4,094	2,675	1,419	53%	5,350
Transfers and subsidies		123,192	128,942	-	40,529	91,907	64,471	27,436	43%	128,942
Other revenue		75	800	-	9	64	400	(336)	-84%	800
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>130,853</b>	<b>136,245</b>	<b>-</b>	<b>40,848</b>	<b>96,372</b>	<b>68,123</b>	<b>28,249</b>	<b>41%</b>	<b>136,245</b>
<b>Expenditure By Type</b>										
Employee related costs		61,650	76,174	-	5,082	30,286	38,087	(7,801)	-20%	76,174
Remuneration of councillors		6,700	7,311	-	575	3,220	3,656	(436)	-12%	7,311
Debt impairment		-	3	-	-	-	2	(2)	-100%	3
Depreciation & asset impairment		3,003	3,629	-	-	-	1,814	(1,814)	-100%	3,629
Finance charges		204	-	-	-	-	-	-	-	-
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		1,246	1,671	-	124	561	836	(274)	-33%	1,671
Contracted services		18,158	24,092	-	1,387	6,843	12,046	(5,203)	-43%	24,092
Transfers and subsidies		7,306	20,411	-	1,085	2,330	10,205	(7,875)	-77%	20,411
Other expenditure		10,322	15,679	-	1,988	6,117	7,840	(1,723)	-22%	15,679
Loss on disposal of PPE		67	300	-	-	-	150	(150)	-100%	300
<b>Total Expenditure</b>		<b>108,655</b>	<b>149,271</b>	<b>-</b>	<b>10,241</b>	<b>49,357</b>	<b>74,636</b>	<b>(25,278)</b>	<b>-34%</b>	<b>149,271</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2,521	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>24,719</b>	<b>(13,026)</b>	<b>-</b>	<b>30,607</b>	<b>47,015</b>	<b>(6,513)</b>			<b>(13,026)</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>24,719</b>	<b>(13,026)</b>	<b>-</b>	<b>30,607</b>	<b>47,015</b>	<b>(6,513)</b>			<b>(13,026)</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>24,719</b>	<b>(13,026)</b>	<b>-</b>	<b>30,607</b>	<b>47,015</b>	<b>(6,513)</b>			<b>(13,026)</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>24,719</b>	<b>(13,026)</b>	<b>-</b>	<b>30,607</b>	<b>47,015</b>	<b>(6,513)</b>			<b>(13,026)</b>

**Revenue**

Year-to-date actual revenue is R 96,372 million as compared to the year-to-date budget projections of R 68,123 million. The variance is mainly due to the first trench of the equitable shares which was transferred in July 2019.

**Expenditure**

To date, R 49,357 million has been spent as compared to the operational year-to-date budget projections of R 74,636 million. The variance is mainly due to the following:

- Vacant positions of the CFO, Director Planning & Development and Director Infrastructure;
- Capital and Operational allocations to local municipality which has not been claimed; and
- Special projects which are still at a planning stage of the SCM process.

**Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)**

DC9 Frances Baard - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December										
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
R thousands										
<b>Single Year expenditure appropriation</b>	2									
Vote 01 - Executive & Council		19	-	-	-	-	-	-	-	-
Vote 02 - Office Of The Municipal Manager		9	8	-	-	7	4	3	65%	8
Vote 03 - Budget & Treasury Office		15	4	-	-	-	2	(2)	-100%	4
Vote 05 - Planning & Development		17	14	-	-	-	7	(7)	-100%	14
Vote 06 - Infrastructure Services		5,852	91	-	-	18	46	(27)	-59%	91
<b>Total Capital single-year expenditure</b>	4	9,195	3,525	-	145	268	1,762	(1,494)	-85%	3,525
<b>Total Capital Expenditure</b>		9,195	3,525	-	145	268	1,762	(1,494)	-85%	3,525
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		1,384	1,356	-	11	115	650	(535)	-82%	1,356
Executive and council		19	-	-	-	-	-	-	-	-
Finance and administration		1,361	1,356	-	11	115	650	(535)	-82%	1,356
Internal audit		4	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		1,897	2,016	-	135	135	1,008	(873)	-87%	2,016
Community and social services		1,897	2,016	-	135	135	1,008	(873)	-87%	2,016
Sport and recreation										
Public safety		-	-	-	-	-	-	-	-	-
Housing										
Health										
<b>Economic and environmental services</b>		5,898	153	-	-	18	77	(58)	-76%	153
Planning and development		5,853	105	-	-	18	52	(34)	-65%	105
Road transport										
Environmental protection		45	49	-	-	-	24	(24)	-100%	49
<b>Trading services</b>		-	-	-	-	-	-	-	-	-
<b>Other</b>		16	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	9,195	3,525	-	145	268	1,735	(1,467)	-85%	3,525
<b>Funded by:</b>										
National Government		-	70	-	-	-	35	(35)	-100%	70
Provincial Government										
District Municipality										
Other transfers and grants										
<b>Transfers recognised - capital</b>		-	70	-	-	-	35	(35)	-100%	70
<b>Borrowing</b>	6									
Internally generated funds		9,192	3,455	-	145	268	1,735	(1,467)	-85%	3,455
<b>Total Capital Funding</b>		9,192	3,455	-	145	268	1,770	(1,502)	-85%	3,525

**3. SUPPORTING DOCUMENTATION****Monthly Budget Statement - aged debtors**

DC9 Frances Baard - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December													
Description	NT Code	Budget Year 2019/20										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Other	1900	163	171	222	15	250	14	283	902	2,019	1,464		
<b>Total By Income Source</b>	<b>2000</b>	<b>163</b>	<b>171</b>	<b>222</b>	<b>15</b>	<b>250</b>	<b>14</b>	<b>283</b>	<b>902</b>	<b>2,019</b>	<b>1,464</b>	-	-
<b>2011/12 - totals only</b>													
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	155	213	11	1,467	-	-	-	-	1,845	1,467		
Other	2500	8	(42)	211	(1,452)	250	14	283	902	174	(3)		
<b>Total By Customer Group</b>	<b>2600</b>	<b>163</b>	<b>171</b>	<b>222</b>	<b>15</b>	<b>250</b>	<b>14</b>	<b>283</b>	<b>902</b>	<b>2,019</b>	<b>1,464</b>	-	-

Municipal debtors consist of three main groups, namely:

- Provincial or Local government bodies for services rendered to or on behalf of these bodies,
- Ex-employees entitled to post-service benefits, and
- Other entities by way of service delivery for which costs are to be recovered.

Matters reported below are in respect of debts outstanding to the municipality as at 31 December 2019.

FRANCES BAARD DISTRICT MUNICIPALITY DEBTORS OUTSTANDING BALANCES 31 DECEMBER 2019									
ACCOUNT NR	DEBTOR	INVOICE DATE	DESCRIPTION	INITIAL DEBT	AMOUNT PAID PREVIOUSLY	INVOICED DECEMBER '19	PAID DECEMBER '19	BALANCE	PROGRESS
101418	Moloi M.M.	4/17/2014	Irregular expenditure - Motor Vehicle & Modules failed	188,636.80	132,584.20	0.00	0.00	56,052.60	Handed over to state attorney - Summons issued 01/08/2019
101417	Kgantsi N.G.	8/18/2015	Medical aid	26,740.00	10,138.85	0.00	0.00	16,601.15	Handed over to state Attorney
101429	Johnson W.	6/30/2016	Modules failed & Salary overpayment	36,089.94	23,134.43	0.00	0.00	12,955.51	Handed over state attorney - Summons issued 08/07/2019
101430	Molefi P.R.	6/30/2016	Modules failed & Salary overpayment	31,543.50	24,668.09	0.00	0.00	6,875.41	Handed over state attorney
101415	Maribe B.M.	9/22/2016	Salary overpayment	16,546.73	13,081.48	0.00	0.00	3,465.25	No payment received
101432	Nicholas T.	9/22/2016	Modules failed & Salary overpayment	25,582.71	16,810.95	0.00	0.00	8,771.76	Handed over to state attorney
100087	Department of Safety & Liasion	7/1/2018	Rental of Clinic Building - Jan Kempdorp	169,233.93	69,832.20	4,402.48	4,402.48	99,401.73	Handed over to legal department for further action
101399	Department of Transport	7/1/2018	Post Service medical aid - Council Contribution	1,315,561.83	1,182,274.70	63,240.10		196,527.23	Receive monthly payments
101400	Department of Transport	7/1/2018	Sundry - Municipal accounts workshops	2,235,940.48	766,092.34	79,427.04	0.00	1,549,275.18	Handed over to legal department for further action
100098	MTN	7/1/2018	Tower - Rental & fixed rate electricity	107,321.55	82,079.85	15,989.60	0.00	41,231.30	Current balance - new contract 01/10/2019
101408	Greenan S.	7/1/2018	Post Service medical aid - Member Contribution	11,355.00	9,084.00	0.00	0.00	2,271.00	Awaiting feedback from member re payment
100054	Maritz A.J.	7/1/2018	Post Service medical aid - Member Contribution	4,732.38	4,384.00	0.00	350.00	-1.62	-
100044	Neethling W.J. (Estate Late)	7/1/2018	Post Service medical aid - Member Contribution	9,153.04	6,488.00	0.00	0.00	2,665.04	Account handed in for payment from late member's estate
101448	Moruri K.K.	10/30/2018	Missing laptop - IT	3,712.50	1,546.85	0.00	309.37	1,856.28	Monthly salary deduction
101457	Mokgoro D.K.	12/19/2018	Medical aid overcharged	5,978.61	0.00	0.00	0.00	5,978.61	Debtor do no want to pay on this stage, request more information - reported to the CFO Ms Moseki for further action
101459	Siwisa A.M.	7/30/2019	Salary overpayment	9,653.29	0.00	0.00	0.00	9,653.29	Clr did not received formal letter - reported to CFO Ms Moseki for further action
101460	Mosala D.M.	9/30/2019	Missing laptop - Clr Bishop	3,648.00	1,094.40	0.00	364.80	2,188.80	Monthly salary deduction
101461	Pienaar R.	9/30/2019	Excess fee - Vehicle repairs	5,000.00	1,000.00	571.00	0.00	4,571.00	Monthly salary deduction
				<b>4,206,430.29</b>	<b>2,344,294.34</b>	<b>163,630.22</b>	<b>5,426.65</b>	<b>2,020,339.52</b>	



DC9 Frances Baard - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2019/20									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	Total	
<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										-
Auditor General	0800										-
Other	0900	64	11	-	24	-	-	-	-	-	99
<b>Total By Customer Type</b>	<b>1000</b>	<b>64</b>	<b>11</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99</b>

The expenditure section continues to administer, manage, assess and improve creditors, salaries and sundry payments subject to internal recommendations.

**Trade Creditors:**

The Municipal purchases and payments to creditors are under adequate control. Expenditure statistics for the month ended on the 31 December 2019 is listed below:

<b>FRANCES BAARD DISTRICT MUNICIPALITY</b>		
<b>EXPENDITURE STATISTICS</b>		<b>Dec-19</b>
<b>PAYMENTS</b>		
Total value of all payments		<b>R 37,200,978</b>
Electronic transfers		110
Cheques issued		2
<b>SALARIES</b>		
Number of salary beneficiaries		<b>157</b>
Councillors		<b>26</b>
<b>Total Councillors</b>	<b>27</b>	
* Councillors Position - Vacant	<i>1</i>	
* Councillors with Remuneration	<b>26</b>	
* Councillors without Remuneration	<i>0</i>	
<b>Employees</b>		<b>131</b>
* Remunerated Employee's	129	
* <b>Remunerated Terminated Employees</b>	<i>0</i>	
Pensioners	2	
<b>Total remuneration paid</b>		<b>4,489,860</b>
Councillors		362,990
Employees		2,203,667
Pensioners		2,841

Internal controls in the expenditure unit are continuously being assessed and tightened up to allow closer monitoring of daily purchases.

**SUPPLY CHAIN MANAGEMENT:**

Council adopted Its procurement policy on 20 September 2017.

Council is empowered by the MFMA and its regulation to exercise oversight over the implementation of the Supply Chain Management Policy. The following is hereby reported as stipulated in the SCM Policy:

**Implementation of the approved Supply Chain Management Policy:**

The approved Supply Chain Management Policy of 20 September 2017 is implemented and maintained by all relevant role players.

**Implementation of the Supply Chain Management Process:**

- **Training of Supply Chain Management Officials**

There was no training during the month of December 2019.

- **Demand Management**

Bids and quotations were invited in accordance with the Supply Chain Management Policy. Bid documents used were customised, standard bid documents prescribe by National Treasury. All preconditions were enforced during the opening of bids including the verification on Tax Clearance Certificates issued by SARS. The procurement plan for 2019-20 was approved by the Accounting Officer.

- **Acquisition Management**

For the period of December 2019, there were three contracts (R200 000 +) awarded by the Municipal Manager:

1. SME's capacitation programme -IALE INSTITUTE - R748 500.00 VAT inclusive.
2. Supply, delivery and installation of 20kva ups (uninterrupted power supply)- ROZLIN ENTERPRISES - R169 948.65 VAT inclusive.
3. Supply, delivery and installation of new data storage arrays server- MOSIMA IT SOLUTION -594 550.00 VAT inclusive.

For the period of December 2019, one written quotation (R30 000-R200 000) was awarded by the Municipal Manager.

1. Volunteer training - Disaster Risk Management Pty ltd T/A DMS - R77 550.00

**Total orders issued total R538 901.37**

Orders per department:

Council & Executive	R 8 890.00
Municipal Manager	R 11 721.66
Finance	R 3 964.80
Administration	R224 142.74
Planning & Development	R290 182.17
Technical Service	R 0.00

**a. Disposal Management**

No disposals for the month of December 2019.

**b. Deviations**

No deviation was approved by the Municipal Manager for the month of December 2019.

**c. Issues from Stores****Total orders issued total R10 103.92**

Issues per department

Council & Executive	R1 520.00
Municipal Manager	R 106.73
Finance	R 641.56
Administration	R7 022.98
Planning & Development	R 812.65
Technical service	R 0.00

**d. List of accredited Service Providers**

The supplier's database is updated daily, and the database is amended to make provision for the MBD 4 and MBD 9 forms as required by the AG report.

**e. Support to Local Municipalities**

No official request was received from the local municipalities for the month of December 2019.

### Monthly Budget Statement - investment portfolio

DC9 Frances Baard - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December														
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate <sup>3</sup>	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
<b>Municipality</b>														
NEDCOR		1	notice	Yes	Fixed	0.0823	0	0	6/24/2020	6,700	-	-		6,700
NEDCOR		4	notice	Yes	Fixed	0.0755	0	0	3/13/2020	10,000	29	(29)		10,000
STANDARD BANK		4	notice	Yes	Fixed	0.07579	0	0	3/13/2020	10,000	29	(29)		10,000
FNB		4	notice	Yes	Fixed	0.0725	0	0	3/13/2020	4,000	11	(11)		4,000
Municipality sub-total										30,700		-	-	30,700
TOTAL INVESTMENTS AND INTEREST	2									30,700		-	-	30,700

Surplus cash is invested at approved banking institutions in accordance with current cash and investment policy.

## Monthly Budget Statement - transfers and grant receipts

DC9 Frances Baard - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December										
Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		118,209	128,062	-	40,202	93,888	64,031	29,857	46.6%	128,062
Equitable Share		116,209	120,606	-	40,202	90,455	60,303	30,152	50.0%	120,606
Expanded Public Works Programme Integrated Grant		-	2,540	-	-	318	1,270	(952)	-75.0%	2,540
Local Government Financial Management Grant		2,000	2,000	-	-	1,000	1,000	-	0.0%	2,000
Municipal Disaster Recovery Grant		-	246	-	-	246	123	123	100.0%	246
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	2,670	-	-	1,869	1,335	534	40.0%	2,670
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		5,910	1,050	-	-	-	525	(525)	-100.0%	1,050
Capacity Building		3,930	-	-	-	-	-	-	-	-
Disaster and Emergency Services		389	-	-	-	-	-	-	-	-
Expanded Public Works Programme		1,113	-	-	-	-	-	-	-	-
Health	4	478	-	-	-	-	-	-	-	-
Housing Projects		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	1,050	-	-	-	525	(525)	-100.0%	1,050
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		74	2,100	-	-	-	883	(883)	-100.0%	2,100
Education Training and Development Practices SETA		-	100	-	-	-	50	(50)	-100.0%	100
Northern Cape Economic Development Agency		-	-	-	-	-	-	-	-	-
Production		-	-	-	-	-	-	-	-	-
Services Sector SETA		74	-	-	-	-	-	-	-	-
Unspecified		-	2,000	-	-	-	833	(833)	-100.0%	2,000
<b>Total Operating Transfers and Grants</b>	5	124,192	131,212	-	40,202	93,888	65,439	28,449	43.5%	131,212
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		2,521	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		2,521	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Housing Projects		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	2,521	-	-	-	-	-	-	-	-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	126,713	131,212	-	40,202	93,888	65,439	28,449	43.5%	131,212

### Monthly Budget Statement - transfers and grant expenditure

DC9 Frances Baard - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December										
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
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	-	-	-	-	-	-		-
Provincial Government:		103,668	127,883	-	40,529	91,867	63,870	27,997	43.8%	142,126
Equitable Share		93,429	120,606	-	40,202	90,455	60,303	30,152	50.0%	134,849
Expanded Public Works Programme Integrated Grant		1,370	1,530	-	294	462	765	(303)	-39.6%	1,530
Local Government Financial Management Grant		1,892	1,885	-	33	176	942	(766)	-81.3%	1,885
Municipal Disaster Recovery Grant		-	430	-	-	-	215	(215)	-100.0%	430
Rural Road Asset Management Systems Grant		2,182	2,573	-	-	774	1,286	(512)	-39.8%	2,573
Capacity Building		3,930	-	-	-	-	-	-		-
Expanded Public Works Programme		386	-	-	-	-	-	-		-
Health		478	-	-	-	-	-	-		-
Housing Projects		-	-	-	-	-	-	-		-
Specify (Add grant description)		-	860	-	-	-	358	(358)	-100.0%	860
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		92	2,110	-	-	19	879	(860)	-97.8%	2,110
Education Training and Development Practices SETA		-	-	-	-	-	-	-		-
Production		-	-	-	-	-	-	-		-
Services Sector SETA		92	2,110	-	-	19	879	(860)	-97.8%	2,110
<b>Total operating expenditure of Transfers and Grants:</b>		<b>103,760</b>	<b>129,993</b>	<b>-</b>	<b>40,529</b>	<b>91,886</b>	<b>64,749</b>	<b>27,137</b>	<b>41.9%</b>	<b>144,236</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		-	70	-	-	-	29	(29)	-100.0%	70
Rural Road Asset Management Systems Grant		-	70	-	-	-	29	(29)	-100.0%	70
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
<b>Total capital expenditure of Transfers and Grants</b>		<b>-</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>(29)</b>	<b>-100.0%</b>	<b>70</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>103,760</b>	<b>130,063</b>	<b>-</b>	<b>40,529</b>	<b>91,886</b>	<b>64,778</b>	<b>27,108</b>	<b>41.8%</b>	<b>144,306</b>

## Monthly Budget Statement - councillor and staff benefits

DC9 Frances Baard - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December										
Summary of Employee and Councillor remuneration	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		5,347	6,443	-	467	2,627	2,684	(58)	-2%	6,443
Pension and UIF Contributions								-		
Medical Aid Contributions								-		
Motor Vehicle Allowance		869	829	-	67	359	346	14	4%	829
Cellphone Allowance		484	40	-	41	234	17	217	1316%	40
Housing Allowances								-		
Other benefits and allowances								-		
<b>Sub Total - Councillors</b>		<b>6,700</b>	<b>7,311</b>	<b>-</b>	<b>575</b>	<b>3,220</b>	<b>3,046</b>	<b>173</b>	<b>6%</b>	<b>7,311</b>
% increase	4		9.1%							9.1%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	3	3,459	6,667	-	408	2,256	2,778	(522)	-19%	6,667
Pension and UIF Contributions		5	9	-	1	3	4	(0)	-7%	9
Medical Aid Contributions		-	-	-	-	-	-	-		-
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		205	440	-	-	-	183	(183)	-100%	440
Motor Vehicle Allowance		-	193	-	-	-	80	(80)	-100%	193
Cellphone Allowance		53	96	-	7	33	40	(7)	-18%	96
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		0	1	-	0	-	0	(0)	-100%	1
Payments in lieu of leave		195	112	-	-	-	46	(46)	-100%	112
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2							-		
<b>Sub Total - Senior Managers of Municipality</b>		<b>3,917</b>	<b>7,517</b>	<b>-</b>	<b>415</b>	<b>2,292</b>	<b>3,132</b>	<b>(840)</b>	<b>-27%</b>	<b>7,517</b>
% increase	4		91.9%							91.9%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		37,615	43,551	-	3,196	19,110	18,146	964	5%	43,551
Pension and UIF Contributions		5,347	6,230	-	467	2,818	2,596	222	9%	6,230
Medical Aid Contributions		2,406	2,812	-	186	1,123	1,172	(49)	-4%	2,812
Overtime		211	627	-	10	90	261	(171)	-66%	627
Performance Bonus		2,858	3,239	-	238	1,475	1,350	126	9%	3,239
Motor Vehicle Allowance		3,204	3,644	-	234	1,478	1,518	(40)	-3%	3,644
Cellphone Allowance		215	216	-	17	99	90	9	10%	216
Housing Allowances		431	423	-	37	222	176	46	26%	423
Other benefits and allowances		457	2,133	-	40	242	889	(647)	-73%	2,133
Payments in lieu of leave		1,187	1,000	-	157	819	417	403	97%	1,000
Long service awards		(16)	302	-	-	-	126	(126)	-100%	302
Post-retirement benefit obligations	2	3,818	4,482	-	84	516	1,867	(1,352)	-72%	4,482
<b>Sub Total - Other Municipal Staff</b>		<b>57,733</b>	<b>68,658</b>	<b>-</b>	<b>4,667</b>	<b>27,993</b>	<b>28,607</b>	<b>(614)</b>	<b>-2%</b>	<b>68,658</b>
% increase	4		18.9%							18.9%
<b>Total Parent Municipality</b>		<b>68,350</b>	<b>83,486</b>	<b>-</b>	<b>5,657</b>	<b>33,506</b>	<b>34,786</b>	<b>(1,280)</b>	<b>-4%</b>	<b>83,486</b>
			22.1%							22.1%
Unpaid salary, allowances & benefits in arrears:										
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>68,350</b>	<b>83,486</b>	<b>-</b>	<b>5,657</b>	<b>33,506</b>	<b>34,786</b>	<b>(1,280)</b>	<b>-4%</b>	<b>83,486</b>
% increase	4		22.1%							22.1%
<b>TOTAL MANAGERS AND STAFF</b>		<b>61,650</b>	<b>76,174</b>	<b>-</b>	<b>5,082</b>	<b>30,286</b>	<b>31,740</b>	<b>(1,454)</b>	<b>-5%</b>	<b>76,174</b>



**PERSONNEL ATTENDANCES:**

Personnel attendance in the workplace (finance department) for the month of December 2019 averages 35%. The attendance average is low due to the office closure during the month of December 2019.

Attendance trends are summarized as follows:

	Senior Management	Middle Management	Supervisory	Clerical
Number of Members	1	3	7	10
Leave	0	11	18	4
Sick Leave	0	0	3	1
Courses / Seminar	0	0	0	6
Meetings	0	0	0	0
Study leave	0	0	0	0
Maternity Leave	0	0	0	0
Family Responsibility	0	0	0	0
Union Meetings	0	0	0	0
Absent	0	0	0	0
Special Leave	0	12	42	48
Over time	0	0	0	0
No. of Workdays Attended	0	15	53	87
Total Workdays	0	38	116	155
Percentage Attendance per Group	0	39%	46%	56%
Average	35%			

**Personnel Development:**

- For the period of December 2019, four interns attended Intern Training in Upington from 11-12 December 2019.

**INTERNSHIP PROGRAMME**

As per National Treasury regulations, there are five finance internship posts. The aim of the programme is to capacitate finance graduates to eventually build their capacity to take up any senior position in the municipality, if possible, and elsewhere in other municipalities. Their appointment is for a period of 24 to 36 months depending on completion of the Municipal Finance Management Programme (MFMP).

One (1) intern was appointed in October 2018, Two (2) were appointed in July 2019, the other One (1) intern resumed duty on the First (1<sup>st</sup>) of October 2019 and One (1) vacancy will be advertised during the second quarter and the appointment will be finalized in the third quarter.

**SUPPORT OF LOCAL MUNICIPALITIES**

- No support was given to the local municipalities during December 2019.

**ASSET AND RISK MANAGEMENT****Insurance:**

All Municipal assets are adequately insured with Lateral Unison. The contract runs from 01 January 2019 for a period of three (3) years, which ends on 31 December 2021.

**Asset Management:**

The asset register is updated on annual basis; this is done to keep up with any changes that might have occurred. The last asset count was done during the month of July 2019 for the 2018/19 financial year.

**Information Backup:**

All shared data stored on file server (*O & P drives only*) is backed up on backup tapes which are extended automatically on a daily, weekly, monthly and annually basis. System users are responsible for ensuring that data backup and maintenance is carried out regarding their specific usage. General ledger and associated financial system data is backed up on the network server tape system, daily, weekly, tapes are stored on premises, monthly and annually are stored off site. The "e-Venus" financial system was implemented on 1 September 2009. A daily backup is done as well as a day end procedure to integrate daily transactions. On the last working day of each month (a few days after month end to accommodate financial transactions pertaining to the month closed) a monthly calendar, financial backup and integration including closing of votes and opening thereof in the new month is done.

**Repairs and Maintenance Cost:**

The actual operating costs of the municipal repairs and maintenance that were incurred for the year to date as required in terms of the repairs and maintenance policy are set out below:

<i>OPERATING RESULTS ANALYSIS</i>		Dec-19		VARIANCES
<i>COMPARISON: ACTUAL TO BUDGET</i>	FULL YEAR BUDGET 2019/20	YTD ACTUAL	VARIANCES	%
Municipal Offices	617,510.00	228,992.78	388,517.22	37%
Computer Software and Applications	2,308,520.00	867,802.20	1,440,717.80	38%
Computer Equipment	768,360.00	282,416.25	485,943.75	37%
Furniture and Office Equipment	56,500.00	41,959.41	14,540.59	74%
Machinery and Equipment	487,280.00	187,584.78	299,695.22	38%
Transport Assets	404,530.00	74,469.80	330,060.20	18%
<b>Totals</b>	<b>4,642,700.00</b>	<b>1,683,225.22</b>	<b>2,959,474.78</b>	<b>36%</b>

Year to date expenditure on repairs and maintenance amounts to R 1, 683 million of the R 4, 643 million that was budgeted. The spending is expected to gain momentum as the year progress.

**Motor Vehicles - Utilization Statistics:**

The municipality operates a pool of 28 vehicles as part of its routine activities. Statistical information regarding the year-to-date utility for December 2019 is as follows:

**Disposal of Vehicles:**

FRANCES BAARD DISTRICT MUNICIPALITY										POOL VEHICLE CONTROL DECEMBER 2019
	Vehicle	Vehicle	Year	Registration	Service	License	Opening KM	Previous Month	Current month	DEC' 19
	Description	Allocation	Model	Number		Expires	1-Jul-19	Closing Km Reading	Closing KM Reading	Utility
1	Chevrolet Captiva	Pool	2011	CDM 296 NC	120,000	2020/09/30	106,434	110,342	110,822	480
2	Isuzu KB 2.5 CrewCab	Environmental Health	2016	CMV 311 NC	75,000	2021/01/31	60,361	68,788	69,292	504
3	Chevrolet Cruze 1,6 North	Pool	2016	CMV 321 NC	105,000	2021/01/31	82,567	92,221	92,717	496
4	Toyota Hilux 2.5D	Project Management	2016	CMT 747 NC	60,000	2021/01/31	43,677	45,826	46,844	1,018
5	Chevrolet Cruze 1,6 North	Pool	2016	CVM 314 NC	90,000	2021/01/31	79,873	88,622	89,211	589
6	Isuzu KB CrewCab	Housing	2016	CMV 319 NC	60,000	2021/01/31	50,506	59,160	59,522	362
7	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	90,000	2021/01/31	77,137	77,772	79,158	1,386
8	Isuzu KB 250	Housing	2013	CGR 572 NC	105,000	2021/01/31	98,096	101,603	102,010	407
9	Isuzu KB 250	Housing	2013	CGR 576 NC	90,000	2021/01/31	73,642	77,489	77,809	320
10	Hyundai HI	Tourism Centre	2013	CGY 587 NC	75,000	2020/03/31	68,508	70,833	72,337	1,504
11	Isuzu KB 200	Disaster Management	2010	CBY 895 NC	90,000	2020/09/30	78,584	83,424	84,100	676
12	Isuzu KB 200	Disaster Management	2010	CBY 898 NC	105,000	2020/09/30	90,724	95,599	95,599	-
13	Toyota Landcruiser	Disaster Management	2014	CJL 363 NC	35,000	2020/03/31	33,118	33,776	33,776	-
14	Toyota Landcruiser	Disaster Management	2014	CKW 835 NC	30,000	2020/03/31	27,657	28,762	28,762	-
15	Isuzu Kb 250 D-Teq	Youth Unit	2014	CKR 822 NC	75,000	2020/10/31	68,359	71,661	72,093	432
16	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15,000	2020/06/30	2,050	2,050	2,050	-
17	Toyota Etios	Pool	2014	CJG 979 NC	75,000	2021/01/31	65,665	68,745	69,177	432
18	Nissan NP 200	Environmental Health	2014	CJJ 262 NC	75,000	2021/01/31	65,093	71,753	72,338	585
19	Nissan Hardbody	Environmental Health	2014	CJJ 263 NC	45,000	2021/01/31	39,068	43,053	43,053	-
20	Nissan NP 200	Environmental Health	2014	CJJ 258 NC	60,000	2021/01/31	46,052	49,439	49,982	543
21	Chevrolet Park Van	Supply Chain Management	2015	CLF791 NC	15,000	2021/01/31	11,875	13,013	13,153	140
22	Nissan Almera 1.5 Acenta	Pool	2016	CMT 438 NC	45,000	2021/01/31	37,582	40,908	40,949	41
23	Audi Q7 3.0TDI Quattro	Council	2017	FBDM 1 NC	60,000	2020/04/31	39,754	46,432	48,205	1,773
24	Nissan NP 300 D/Cab	Housing	2017	CPS 005 NC	30,000	2020/04/31	15,843	22,769	23,346	577
25	Nissan NP 300 D/Cab	Environmental Health	2017	CPS 010 NC	30,000	2020/04/31	17,159	22,969	24,015	1,046
26	Nissan NP 300 S/Cab	Roads Maintenance	2017	CPS 006 NC	30,000	2020/04/31	12,358	15,148	15,494	346
27	Nissan NP 300 S/Cab	Pool	2017	CPS 008 NC	30,000	2020/04/31	16,451	21,742	21,742	-
28	Scania P310 Water Tanker	Disaster Management	2018	CVG 023 NC	15,000	2020/07/31	1,785	17,985	17,985	10
	<b>FULL FLEET UTILITY DECEMBER 2019</b>									<b>13,667</b>

**4. Quality Certificate**

I, ZM Bogatsu, the Municipal Manager of Frances Baard District Municipality, hereby certify that-

- 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

The report for the month of December 2019 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

**Ms. ZM Bogatsu**  
**Municipal Manager**

Signature



Date

18 February 2020