



2022/2023
FINANCIAL YEAR

MONTHLY FINANCIAL MONITORING REPORT

M12: 30 June 2023

Garden Route District Municipality
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Glossary:

Adjusted Budget – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.

Adjustment Budget – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its Adjusted budget during the year.

Allocations (Transfers – see DORA) – Money received from Provincial or National Government.

Budget Related Policy(ies) – Policies of a Municipality affecting or affected by the budget, examples include Tariff Policy, Rates Policy, Credit Control and Debt Collection Policies.

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet and must be included in the asset register.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality. Payments do not always coincide with budgeted expenditure timings - for example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Adjusted legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services and to compensate loss of RSC levies.

Fruitless and Wasteful Expenditure – Expenditure that was made in vain and would/should have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The accounting standards for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations dated April 2009.

MFMA – The Municipal Finance Management Act – Act No. 56 of 2003. The principle piece of legislation relating to municipal financial management.

mSCOA – Municipal Standard Chart of Accounts – uniform accounting template completed by municipalities for ease of comparison. Items are broken down in different segments e.g. per item, fund, cost, project, etc.

MTREF – Medium Term Revenue and Expenditure Framework. A medium-term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Operating Expenditure – The day-to-day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the Rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budgeted estimates.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised Expenditure – Generally, spending without, or in excess of, an Approved Budget.

Virement – A transfer of funds within a vote.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be approved by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided. In Garden Route District, this means the different GFS classification the budget is divided.

Legislative Framework:

This report has been prepared in terms of the following enabling legislation:

The Municipal Finance Management Act – Act No. 56 of 2003

Section 71: Monthly budget statements

Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations

PART 1 – IN-YEAR REPORT

Section 1 – Resolutions

These are the resolutions being presented to the executive mayor in the monthly report on the implementation of the budget and the financial state of affairs of the municipality as required in terms of Section 71 of the Municipal Finance Management Act, Act 56 of 2003 and the Municipal Budget and Reporting Regulations.

Regulation 28 of the Municipal Budget and Reporting Regulations states:

“The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.”

Recommendations:

- That the executive mayor takes note of the monthly budget statement and supporting documentation for the month ended 30 June 2023.

Section 2 – Executive summary

2.1 Introduction

The aim of the Financial Monitoring Report (FMR) is to provide a monthly update and report on the municipality's consolidated performance in terms of the budget, indicate any material variances from the Service Delivery and Budget Implementation Plan (SDBIP) and provide any remedial actions or corrective steps to be taken.

2.2 Consolidated Performance

2.2.1 Against Approved Budget

Revenue by source

The total revenue received for the month ended 30 June 2023 amounted to **R22,550,030** which represents **5%** of the total adjusted budgeted figure of **R487,921,059 (including Roads)**.

Operating Expenditure by type

Operating expenditure for the month ended 30 June 2023 amounted to **R 42,326,026** with a total adjusted budgeted figure of **R496,081,438 (including Roads)**, the operational expenditure for the month is **9%** of the total adjusted budget. The majority of the expenditure related to Employee and Councillor related cost of **R23,387,300 (55% of the monthly expenditure)**.

Capital Expenditure

The adjusted capital budget for the financial year amounts to **R 38,504,814**. Capital expenditure of **R13,949,104** were recorded for the month ended 30 June 2023.

85% of the annual capital budget relates to the construction of the Regional Waste Management Facility and the construction of the fire station. The tender has been awarded for the construction of the regional landfill site, and appeal period concluded. Actual construction is only expected to start towards the end of quarter 4. Delays in the regional landfill site project resulted in the low budget performance. The construction of the fire station also only commenced in the 4th quarter and will be completed in the new financial year.

Refer to page 15 & 16 for detail on capital budget progress.

2.3 Material variances from SDBIP

Variances and deficiencies are identified in terms of the SDBIP. These are reported on and monitored by the Performance Management Unit, situated in the Office of the Municipal Manager, as applicable. Variances above 10% are briefly explained under the revenue by source and expenditure by type sections below.

2.4 Remedial or corrective steps

HODs monitor monthly income and expenditure reports, ensure spending is within budget and is aligned to the IDP's Strategic Goals. Departments invite officials from the BTO office to the respective departmental meetings if assistance is needed with the budget implementation or budget related enquiries.

Conclusion

Detailed analysis of the municipal performance for the month ended 30 June 2023 will be presented under the different sections of the report, spending is within the anticipated 8% per month

Section 3 – In-year budget statement tables

3.1 Monthly budget statements

3.1.1 Table C1: S71 Monthly Budget Statement Summary

DC4 Garden Route - Table C1 Monthly Budget Statement Summary - M12 June

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year to Date actual	Year to Date budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	–	11 168	–	–	–	–	–	–	–
Investment revenue	8 271	9 010	9 560	1 999	9 700	9 560	140	1%	9 560
Transfers and subsidies	183 567	228 660	232 030	–	187 655	232 030	(43 751)	-19%	232 030
Other own revenue	204 463	220 312	240 731	20 552	244 326	240 731	2 971	1%	240 731
Total Revenue (excluding capital transfers and contributions)	396 301	469 150	482 321	22 550	441 681	482 321	(40 641)	-8%	482 321
Employee costs	275 308	288 669	284 510	22 391	278 467	284 510	(6 043)	-2%	284 510
Remuneration of Councillors	11 829	12 542	13 286	996	12 693	13 286	(593)	-4%	13 286
Depreciation & asset impairment	4 605	4 986	4 982	444	4 632	4 982	(350)	-7%	4 982
Finance charges	28	73	73	–	–	73	(73)	-100%	73
Inventory consumed and bulk purchases	44 148	51 011	53 073	5 480	51 203	53 073	(1 870)	-4%	53 073
Transfers and subsidies	5 296	1 835	3 703	1 299	3 201	3 703	(502)	-14%	3 703
Other expenditure	74 405	128 180	136 453	11 716	90 932	136 453	(45 521)	-33%	136 453
Total Expenditure	415 618	487 297	496 081	42 326	441 128	496 081	(54 953)	-11%	496 081
Surplus/(Deficit)	(19 317)	(18 147)	(13 760)	(19 776)	552	(13 760)	14 313	-104%	(13 760)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	4 000	5 600	–	5 600	5 600	–	–	5 600
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers	191	7 200	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(19 126)	(6 947)	(8 160)	(19 776)	6 152	(8 160)	14 313	-175%	(8 160)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(19 126)	(6 947)	(8 160)	(19 776)	6 152	(8 160)	14 313	-175%	(8 160)
Capital expenditure & funds sources									
Capital expenditure	9 645	126 642	38 441	13 949	22 809	38 441	(15 695)	-41%	38 441
Capital transfers recognised	381	11 200	5 815	100	3 353	5 815	(2 462)	-42%	5 815
Borrowing	–	107 232	26 577	12 784	13 374	26 577	(13 204)	-50%	26 577
Internally generated funds	9 264	8 210	6 049	1 065	6 083	6 049	(30)	-0%	6 049
Total sources of capital funds	9 645	126 642	38 441	13 949	22 809	38 441	(15 695)	-41%	38 441
Financial position									
Total current assets	147 663	283 780	163 930	–	156 683	–	–	–	163 930
Total non current assets	286 975	431 969	328 953	–	313 607	–	–	–	328 953
Total current liabilities	53 413	33 460	62 133	–	34 980	–	–	–	62 133
Total non current liabilities	131 669	376 559	171 740	–	143 981	–	–	–	171 740
Community wealth/Equity	249 556	305 730	259 009	–	291 329	–	–	–	259 009
Cash flows									
Net cash from (used) operating	226 844	(14 037)	(5 154)	(17 172)	12 945	(5 154)	(19 333)	375%	(5 154)
Net cash from (used) investing	(8 144)	(126 615)	(38 413)	20 670	11 810	(38 413)	(11 605)	30%	(38 413)
Net cash from (used) financing	–	107 232	26 577	–	–	26 577	26 577	100%	26 577
Cash/cash equivalents at the month/year end	388 451	229 622	125 069	120 140	120 140	125 069	(4 360)	-3%	125 069
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Income Source	13 619	1 440	617	1 491	770	1 227	7 254	33 951	60 369
Creditors Age Analysis									
Total Creditors	3 225	3 529	477	66	1	–	35	421	7 754

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

This table reflects the operating budget (Financial Performance) in the standard classifications that is the Government Finance Statistics Functions and Sub-function. The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services. In Table C3, Financial Performance is reported by municipal vote:

DC4 Garden Route - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June

DC4 Garden Route - Table C2 monthly Budget Statement - Financial Performance (functional classification) - M12 June										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year to date actual	Year to date budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		221 855	285 116	281 821	5 240	237 094	281 821	(44 727)	-16%	281 821
Executive and council		220 980	284 542	280 850	5 116	235 203	280 850	(45 647)	-16%	280 850
Finance and administration		875	574	971	124	1 891	971	920	95%	971
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		8 440	8 175	12 091	721	9 434	12 091	(2 657)	-22%	12 091
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		8 134	7 761	11 677	690	9 054	11 677	(2 623)	-22%	11 677
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		306	414	414	31	380	414	(34)	-8%	414
Economic and environmental services		166 063	174 784	194 010	16 589	200 753	194 010	6 743	3%	194 010
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		165 982	174 659	193 885	16 578	200 675	193 885	6 790	4%	193 885
Environmental protection		80	125	125	11	78	125	(47)	-38%	125
Trading services		-	12 275	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	12 275	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	396 358	480 350	487 921	22 550	447 281	487 921	(40 641)	-8%	487 921
Expenditure - Functional										
Governance and administration		138 320	183 489	181 477	14 997	138 786	181 477	(42 692)	-24%	181 477
Executive and council		48 486	51 514	51 265	5 187	43 795	51 265	(7 470)	-15%	51 265
Finance and administration		87 078	129 055	127 226	9 578	92 065	127 226	(35 161)	-28%	127 226
Internal audit		2 756	2 919	2 987	232	2 926	2 987	(60)	-2%	2 987
Community and public safety		83 854	89 679	89 798	6 848	84 284	89 798	(5 515)	-6%	89 798
Community and social services		9 004	7 917	7 307	589	6 814	7 307	(493)	-7%	7 307
Sport and recreation		11 768	13 387	12 912	1 129	11 445	12 912	(1 467)	-11%	12 912
Public safety		26 063	28 916	28 928	2 157	27 836	28 928	(1 092)	-4%	28 928
Housing		-	-	-	-	-	-	-	-	-
Health		37 019	39 460	40 652	2 972	38 189	40 652	(2 463)	-6%	40 652
Economic and environmental services		188 785	197 403	219 648	20 037	213 518	219 648	(6 130)	-3%	219 648
Planning and development		16 743	16 302	18 853	2 376	18 512	18 853	(341)	-2%	18 853
Road transport		168 568	177 203	197 136	17 308	191 461	197 136	(5 674)	-3%	197 136
Environmental protection		3 474	3 898	3 660	353	3 545	3 660	(114)	-3%	3 660
Trading services		2 178	14 051	2 704	266	2 113	2 704	(592)	-22%	2 704
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2 178	14 051	2 704	266	2 113	2 704	(592)	-22%	2 704
Other		2 482	2 676	2 454	178	2 428	2 454	(26)	-1%	2 454
Total Expenditure - Functional	3	415 618	487 297	496 081	42 326	441 128	496 081	(54 953)	-11%	496 081
Surplus/ (Deficit) for the year		(19 261)	(6 947)	(8 160)	(19 776)	6 152	(8 160)	14 313	-175%	(8 160)

3.1.3 Table C3: Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

DC4 Garden Route - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

BC4 Garden Route Table C3 monthly Budget Statement - Financial Performance (Revenue and Expenditure by Municipal Vote) - W12 June											
Vote Description		Ref	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget	YID variance	YID variance %	Full Year Forecast
R thousands											
Revenue by Vote		1									
Vote 1 - Office of the Municipal Manager			221 115	284 542	280 850	5 116	235 203	280 850	(45 647)	-16,3%	280 850
Vote 2 - Office of the Municipal Manager (cont)			-	-	-	-	-	-	-	-	-
Vote 3 - Financial Services			8	-	-	124	124	-	124	#DIV/0!	-
Vote 4 - Financial Services (cont)			-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Services			867	574	971	-	1 764	971	793	81,6%	971
Vote 6 - Corporate Services (cont)			-	-	-	-	-	-	-	-	-
Vote 7 - Community Services			306	414	414	31	380	414	(34)	-8,2%	414
Vote 8 - Community Services (cont)			80	12 400	125	11	78	125	(47)	-37,7%	125
Vote 9 - Planning and Economic Development			-	-	-	-	4	-	4	#DIV/0!	-
Vote 10 - Planning and Economic Development (cont)			4 763	3 015	6 030	572	5 373	6 030	(657)	-10,9%	6 030
Vote 11 - Planning and Economic Development(cont2)			3 371	4 746	5 646	119	3 681	5 646	(1 966)	-34,8%	5 646
Vote 12 - Roads			165 982	174 659	193 885	16 578	200 675	193 885	6 790	3,5%	193 885
Vote 13 - Roads (cont)			-	-	-	-	-	-	-	-	-
Vote 14 -			-	-	-	-	-	-	-	-	-
Vote 15 -			-	-	-	-	-	-	-	-	-
Total Revenue by Vote		2	396 492	480 350	487 921	22 550	447 281	487 921	(40 641)	-8,3%	487 921
Expenditure by Vote		1									
Vote 1 - Office of the Municipal Manager			55 068	56 625	58 888	5 649	51 440	58 888	(7 447)	-12,6%	58 888
Vote 2 - Office of the Municipal Manager (cont)			6 326	6 208	6 473	682	6 386	6 473	(87)	-1,3%	6 473
Vote 3 - Financial Services			18 395	20 275	21 235	1 546	18 172	21 235	(3 063)	-14,4%	21 235
Vote 4 - Financial Services (cont)			5 525	5 902	6 087	455	5 935	6 087	(152)	-2,5%	6 087
Vote 5 - Corporate Services			16 093	54 827	49 127	3 267	19 442	49 127	(29 685)	-60,4%	49 127
Vote 6 - Corporate Services (cont)			24 572	26 371	26 200	2 199	24 033	26 200	(2 166)	-8,3%	26 200
Vote 7 - Community Services			48 451	51 577	52 097	3 952	48 942	52 097	(3 155)	-6,1%	52 097
Vote 8 - Community Services (cont)			30 589	45 657	34 060	2 605	32 313	34 060	(1 747)	-5,1%	34 060
Vote 9 - Planning and Economic Development			16 728	17 965	17 800	1 548	18 082	17 800	283	1,6%	17 800
Vote 10 - Planning and Economic Development (cont)			22 365	21 210	23 470	2 706	21 488	23 470	(1 982)	-8,4%	23 470
Vote 11 - Planning and Economic Development(cont2)			2 939	3 478	3 509	409	3 432	3 509	(77)	-2,2%	3 509
Vote 12 - Roads			98 845	101 065	125 593	11 300	125 693	125 593	100	0,1%	125 593
Vote 13 - Roads (cont)			69 723	76 138	71 542	6 008	65 768	71 542	(5 774)	-8,1%	71 542
Vote 14 -			-	-	-	-	-	-	-	-	-
Vote 15 -			-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		2	415 618	487 297	496 081	42 326	441 128	496 081	(54 953)	-11,1%	496 081
Surplus/ (Deficit) for the year		2	(19 126)	(6 947)	(8 160)	(19 776)	6 152	(8 160)	14 313	-175,4%	(8 160)

Reporting per municipal vote provide details on the spread of spending over the various functions of council. Revenue is mainly budgeted under the Executive and Council function and therefore the majority of the revenue will be reflected under this function. The integration of the Roads Agency function into the budget of Garden Route DM reflects under the Roads Transport municipal function above.

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

DC4 Garden Route - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearID actual	YearID budget	YID variance	YID variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		-	-	-	-	-	-	-		-
Service charges - electricity revenue		-	-	-	-	-	-	-		-
Service charges - water revenue		-	-	-	-	-	-	-		-
Service charges - sanitation revenue		-	-	-	-	-	-	-		-
Service charges - refuse revenue		-	11 168	-	-	-	-	-		-
Rental of facilities and equipment		1 039	2 469	2 469	135	1 313	2 469	(1 156)	-47%	2 469
Interest earned - external investments		8 271	9 010	9 560	1 999	9 700	9 560	140	1%	9 560
Interest earned - outstanding debtors		2 751	3 180	3 180	398	4 189	3 180	1 009	32%	3 180
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		-	-	-	-	-	-	-		-
Licences and permits		80	125	125	11	78	125	(47)	-38%	125
Agency services		183 028	189 287	209 328	17 930	216 223	209 328	6 895	3%	209 328
Transfers and subsidies		183 567	228 660	232 030	-	187 655	232 030	(43 751)	-19%	232 030
Other revenue		17 556	22 711	25 630	1 954	22 399	25 630	(3 855)	-15%	25 630
Gains		8	2 540	-	124	124	-	124	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		396 301	469 150	482 321	22 550	441 681	482 321	(40 641)	-8%	482 321
Expenditure By Type										
Employee related costs		275 308	288 669	284 510	22 391	278 467	284 510	(6 043)	-2%	284 510
Remuneration of councillors		11 829	12 542	13 286	996	12 693	13 286	(593)	-4%	13 286
Debt impairment		5 976	1 560	1 560	2 160	2 160	1 560	600	38%	1 560
Depreciation & asset impairment		4 605	4 986	4 982	444	4 632	4 982	(350)	-7%	4 982
Finance charges		28	73	73	-	-	73	(73)	-100%	73
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		44 148	51 011	53 073	5 480	51 203	53 073	(1 870)	-4%	53 073
Contracted services		20 812	79 177	68 025	4 053	29 219	68 025	(38 806)	-57%	68 025
Transfers and subsidies		5 296	1 835	3 703	1 299	3 201	3 703	(502)	-14%	3 703
Other expenditure		47 465	47 370	66 795	5 478	59 499	66 795	(7 296)	-11%	66 795
Losses		152	73	73	26	53	73	(19)	-27%	73
Total Expenditure		415 618	487 297	496 081	42 326	441 128	496 081	(54 953)	-11%	496 081
Surplus/(Deficit)		(19 317)	(18 147)	(13 760)	(19 776)	552	(13 760)	14 313	(0)	(13 760)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	4 000	5 600	-	5 600	5 600	-		5 600
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		134	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)		57	7 200	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		(19 126)	(6 947)	(8 160)	(19 776)	6 152	(8 160)			(8 160)
Taxation		-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		(19 126)	(6 947)	(8 160)	(19 776)	6 152	(8 160)			(8 160)
Attributable to minorities		-	-	-	-	-	-	-		-
Surplus/(Deficit) attributable to municipality		(19 126)	(6 947)	(8 160)	(19 776)	6 152	(8 160)			(8 160)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year		(19 126)	(6 947)	(8 160)	(19 776)	6 152	(8 160)			(8 160)

Revenue by Source

Revenue by source explains the types of income budgeted for and the performance of these items individually.

Rental of facilities and equipment:

The municipality recorded income for rental of facilities and equipment of R135,277 for the month ended 30 June 2023.

Interest earned – External Investments:

Reflects the interest earned in respect of surplus funds not immediately needed in the operations of the municipality over the short-term period. Interest on external investments for the month ended 30 June 2023 amounts to R1,998,527.

Interest raised – Outstanding debtors.

The interest on outstanding debtors for the month of 30 June 2023 amounts to R397,758.

Agency services

The municipality performs an agency function on behalf of the Department of Transport – Roads department. Monthly fees are collected from the department that is equal to the expenditure incurred under the MoA with the WC Department of Transport and Public Works. An admin fee from agency services was recorded for the month ended 30 June 2023 to the amount of R17,929,617.

Transfers recognised – operational.

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenues Act's respectively. The first instalment of R67,361,000 for the Equitable Share was received during July 2022. The municipality received its first instalment of R1,815,000 for the Rural Roads Assets Management Grant during July 2022. The municipality received R1,000,000 for the Financial Management Grant (FMG), R610,000 the first instalment of the EPWP grant and a R2,000,000 for the EEDS grant from the National Treasury for the month end 31 August 2022. The municipality recorded no income for grants received for the month 30 September 2022. The amount of R1,500,000 was received for Safety Initiative Implementation Plan during the month of October 2022. The municipality received the second instalment to the amount of R1,098,000 for the EPWP grant during the month of 30 November 2022. The municipality received the second instalment of the Equitable Share to the amount of R56,997,000 during the month of 31 December 2022. The municipality received no income from the grants for the month end 31 January 2023. The municipality recorded R300,000 for the Western Cape Financial Recovery Services Grant and R100,000 for Disaster Management Internship Grant from Provincial Treasury. The last payment from National Treasury with regards to the EEDS grant to the amount of R1,000,000 were also received during the month of February 2023. The municipality received the last instalment of the Equitable Share to the amount of

R48,363,000, R732,000 for the EPWP grant and R779,000 for the Rural Roads Asset Management Grant from National Treasury during the month of 31 March 2023. The Provincial Treasury transferred R5,000,000 with regards to the Human Settlements and an amount of R1,600,000 for the Emergency Municipal Load-Shedding Relief Grant during the month of 31 March 2023. The municipality received no income for grants for the month of 30 June 2023.

Other revenue / Sundry income

Other revenue reflects an amount of R1,954,391 for the month ended 30 June 2023. Other revenue mostly consists of Fire Services and Health Services.

Expenditure by Type

Expenditure by type reflects the operational budget per main type/category of expenditure.

Employee Related cost / Remuneration of councillors.

Remuneration related expenditure (councillors and staff) for the month ended 30 June 2023 amounted to R23,387,300 of an adjusted budgeted amount R297,796,375 that represents 8% of the budgeted amount and 55% of the total monthly expenditure.

Debt Impairment / Depreciation and asset impairment

The total debt impairment amounted to R2,160,413 and depreciation of R443,716 was recognised in 30 June 2023.

These items account for non-cash budgeted items. The fixed asset register module must still be implemented at Garden Route DM by the service provider of the financial system. The municipality are awaiting the service provider to implement the new fixed asset management system as the previous asset management system provider (Market Demand) terminated its services under the mSCOA contract. Phoenix had to develop a new asset register (at no additional cost to municipalities, as this was an mSCOA requirement when National Treasury awarded the transversal tender for financial systems). Garden Route DM must first test the new proposed asset register extensively to ensure it meets the requirements of mSCOA and GRAP and fully integrates seamlessly and correctly with the financial system before it can be implemented. The Asset Verification module has been implemented – the GRAP implementation testing will be done during the next few months. The asset register are maintained on excel and GRAP/year-end procedures for AFS will be performed on the excel fixed asset register.

Other materials

Other materials consist of all inventory consumed purchases for materials and supplies and amounts to R5,479,891 for the month ended 30 June 2023 against an adjusted budgeted amount of R53,073,043.

Contracted services

The contracted services for the month ended 30 June 2023 amounts to R4,052,543 against an adjusted budgeted amount of R68,025,248, relating mostly to the aerial support for firefighting section.

Transfers and subsidies

The transfers and subsidies expenditure for the month ended 30 June 2023 amounts to R104,309 against an adjusted budgeted amount of R1,298,663.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R5,477,649 for month ended 30 June 2023.

The other expenditure consists of the following:

- Operating costs
- Operating Projects (own funds)

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

DC4 Garden Route - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

Vote Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								Forecast
Multi-Year expenditure appropriation	2								
Vote 1 - Office of the Municipal Manager		10	30	30	17	30	30	-	30
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-
Vote 3 - Financial Services		19	30	30	-	20	30	(10)	-32%
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		30	30	10	-	5	10	(5)	-45%
Vote 6 - Corporate Services (cont)		16	250	500	218	499	500	(1)	0%
Vote 7 - Community Services		26	6 890	5 474	764	3 863	5 474	(1 610)	-29%
Vote 8 - Community Services (cont)		-	107 382	26 727	12 786	13 520	26 727	(13 207)	-49%
Vote 9 - Planning and Economic Development		-	30	245	61	208	245	(37)	-15%
Vote 10 - Planning and Economic Development (cont)		2 992	4 000	5 425	103	4 663	5 425	(827)	-15%
Vote 11 - Planning and Economic Development(cont2)		-	-	-	-	-	-	-	-
Vote 12 - Roads		-	-	-	-	-	-	-	-
Vote 13 - Roads (cont)		-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	3 093	118 642	38 441	13 949	22 809	38 441	(15 695)	-41%
Single Year expenditure appropriation	2								
Vote 1 - Office of the Municipal Manager		(1 720)	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager (cont)		-	-	-	-	-	-	-	-
Vote 3 - Financial Services		-	-	-	-	-	-	-	-
Vote 4 - Financial Services (cont)		-	-	-	-	-	-	-	-
Vote 5 - Corporate Services		370	-	-	-	-	-	-	-
Vote 6 - Corporate Services (cont)		(1 996)	-	-	-	-	-	-	-
Vote 7 - Community Services		(149)	-	-	-	-	-	-	-
Vote 8 - Community Services (cont)		(16)	-	-	-	-	-	-	-
Vote 9 - Planning and Economic Development		1	7 200	-	-	-	-	-	-
Vote 10 - Planning and Economic Development (cont)		-	800	-	-	-	-	-	-
Vote 11 - Planning and Economic Development(cont2)		-	-	-	-	-	-	-	-
Vote 12 - Roads		4 476	-	-	-	-	-	-	-
Vote 13 - Roads (cont)		-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-
Vote 15 -		5 585	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	6 552	8 000	-	-	-	-	-	-
Total Capital Expenditure		9 645	126 642	38 441	13 949	22 809	38 441	(15 695)	-41%

Refer to next page for detail breakdown of the capital expenditure:

SCOA config	Nr.	Project description	Adjusted budget R'	YTD Expenditure R'	Status of project	Any challenges identified that is resulting in delays?
7112000635	1	Office furniture: Office MM	30 000	30 000	Completed	No challenges anticipated
71010110001	2	Upgrading of buildings - Retrofitting EEDS	4 000 000	3 173 867	In Process	No challenges anticipated
71204240001	3	Office equipment: CFO	30 000	20 352	Completed	No challenges anticipated
71301240001	4	Office furniture: Exec Manager Corporate Services	6 500	5 477	Completed	No challenges anticipated
71120006639	5	Office Furniture & Equipment: Man Planning&Dev	30 000	28 975	Completed	No challenges anticipated
71602230001	6	Mosselbay JOC equipment	1 000 000	993 763	Completed	No challenges anticipated
71801240001	7	Office of the executive manager Community: office equipment	30 000	26 101	Completed	No challenges anticipated
71801310001	8	Firestation: George	73 897	73 896	In Process	No challenges anticipated
72305230001	9	Hazmat Rescue & Fire Equipment	150 000	146 259	Completed	No challenges anticipated
74402100901	10	Landfill Site: PPE	26 577 183	13 373 598	In Process	Project does show delays - no risk of loss to GRDM as project is not grant funded.
71207230003	11	Routers	33 025	33 025	Completed	No challenges anticipated
71207230004	12	Network Infrastructure	166 987	166 987	Completed	No challenges anticipated
71301104031	13	Loud Speakers	3 500		In Process	No challenges anticipated
71408102304	14	Banners: Human Settlements	1 000		Order Issued to Supplier	No challenges anticipated
71408104002	15	Fridges: Human Settlements	3 000	2 695	Completed	No challenges anticipated
71408104103	16	IT Equipment: Human Settlements	14 000	13 509	Completed	No challenges anticipated
71408104122	17	Laptops: Human Settlements	36 000	35 930	Completed	No challenges anticipated
71408400001	18	Office Furniture: Human Settlements	161 000	127 169	Order Issued to Supplier	No challenges anticipated
71207104112	19	Wireless Access Points	17 390	17 387	Completed	No challenges anticipated
71207102463	20	Replacing Urn	1 500	1 500	Completed	No challenges anticipated
71207104145	21	Monitor	2 195	2 195	Completed	No challenges anticipated
72205160002	22	Hot Springs Thatch Roofs	1 425 115	1 424 700	Completed	No challenges anticipated
71207104173	23	USB Port Replicator	4 779	4 778	Completed	No challenges anticipated
71602102321	24	Mobile Generators	1 600 000		Service Provider already appointed	No challenges anticipated
71801310002	25	Firestation: George	2 769 619	2 769 619	Completed	No challenges anticipated
72206102352	26	Electrical Equipment and tools	64 000	64 000	Completed	No challenges anticipated
71207102310	27	Backup Power System	0	0	In Process	No challenges anticipated
71207104152	28	Laptops	177 493	177 001	In Process	No challenges anticipated
71207104153	29	Manage Engine Licences	84 121	84 121	In Process	No challenges anticipated
71207104154	30	Network Cabinets	12 500	12 479	In Process	No challenges anticipated
Totals			38 504 804	22 809 383		

Commitments against capital for the month June 2023			
71408400001	18	Office Furniture: Human Settlements	18 856,00
71801240001	7	Office of the executive manager Community: office equipment	2 700,00
72305230001	9	Hazmat Rescue & Fire Equipment	1 334,59
74402100901	10	Landfill Site: PPE	218 878,75
		Total Commitments	241 769,34

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Garden Route - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		140 851	224 260	115 997	120 140	115 997
Call investment deposits		276	5 000	5 276	–	5 276
Consumer debtors		11 152	4 368	10 590	15 483	10 590
Other debtors		(12 083)	42 789	24 719	13 157	24 719
Current portion of long-term receivables		4 341	4 246	4 293	4 293	4 293
Inventory		3 126	3 117	3 053	3 611	3 053
Total current assets		147 663	283 780	163 930	156 683	163 930
Non current assets						
Long-term receivables		54 321	61 388	62 764	62 764	62 764
Investments		27	27	28	28	28
Investment property		64 207	57 400	64 187	64 084	64 187
Investments in Associate		–	–	–	–	–
Property, plant and equipment		166 881	313 383	201 060	185 380	201 060
Biological		–	–	–	–	–
Intangible		1 538	(228)	913	1 351	913
Other non-current assets		–	–	–	–	–
Total non current assets		286 975	431 969	328 953	313 607	328 953
TOTAL ASSETS		434 638	715 749	492 882	470 291	492 882
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		(213)	536	100	100	100
Consumer deposits		406	374	468	636	468
Trade and other payables		32 954	948	34 722	8 452	34 722
Provisions		20 265	31 602	26 843	25 792	26 843
Total current liabilities		53 413	33 460	62 133	34 980	62 133
Non current liabilities						
Borrowing		725	236 166	26 583	–	26 583
Provisions		130 944	140 393	145 157	143 981	145 157
Total non current liabilities		131 669	376 559	171 740	143 981	171 740
TOTAL LIABILITIES		185 082	410 019	233 873	178 962	233 873
NET ASSETS	2	249 556	305 730	259 009	291 329	259 009
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		191 854	245 217	206 079	238 399	206 079
Reserves		57 702	60 513	52 930	52 930	52 930
TOTAL COMMUNITY WEALTH/EQUITY	2	249 556	305 730	259 009	291 329	259 009

Commented [LHC(1): Please check and ensure all changes made to schedules reflects correctly on C1

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Garden Route - Table C7 Monthly Budget Statement - Cash Flow - M12 June										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year to date actual	Year to date budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges		-	11 168	-	-	-	-	-		-
Other revenue		(7 890)	81 249	79 608	20 552	244 326	79 608	(283 736)	-356%	79 608
Transfers and Subsidies - Operational		357 672	359 315	387 185	-	187 655	387 185	(47 989)	-12%	387 185
Transfers and Subsidies - Capital		-	4 000	5 700	-	5 600	5 700	900	16%	5 700
Interest		992	9 010	9 560	1 999	9 700	9 560	(7 265)	-76%	9 560
Dividends								-		
Payments										
Suppliers and employees		(123 931)	(477 594)	(484 514)	(38 423)	(431 135)	(484 514)	(354 729)	73%	(484 514)
Finance charges		-	(73)	(73)	-	-	(73)	(73)	100%	(73)
Transfers and Grants		-	(1 112)	(2 619)	(1 299)	(3 201)	(2 619)	(2 619)	100%	(2 619)
NET CASH FROM/(USED) OPERATING ACTIVITIES		226 844	(14 037)	(5 154)	(17 172)	12 945	(5 154)	(19 333)	375%	(5 154)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables								-		
Decrease (increase) in non-current investments			27	28	34 620	34 620		-		28
Payments										
Capital assets		(8 144)	(126 642)	(38 441)	(13 949)	(22 809)	(38 441)	(11 605)	30%	(38 441)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(8 144)	(126 615)	(38 413)	20 670	11 810	(38 441)	(11 605)	30%	(38 413)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		-	107 232	26 577	-		26 577	(26 577)	-100%	26 577
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	107 232	26 577	-	-	26 577	26 577	100%	26 577
NET INCREASE/ (DECREASE) IN CASH HELD		218 699	(33 420)	(16 989)	3 499	24 755	(17 017)			(16 989)
Cash/cash equivalents at beginning:		169 752	263 042	142 058	120 140	95 385	142 058			142 058
Cash/cash equivalents at month/year end:		388 451	229 622	125 069		120 140	125 041			125 069

Commented [LHC(2): Adjustment budget R125 069, YTD budget R125 041, link the R28m under YTD Budget. YTD budget must equal adjustment budget

The municipal bank balance on 30 June 2023 totals R120 139 702.

Detailed information regarding commitments against the cash position is tabled below.

REPORTING MONTH: 30 JUNE 2023		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 30 June 2023	12 385 032,33	120 139 702,00
Other Cash & Cash Equivalents: Short term deposits	50 000 000,00	-
Other Cash & Cash Equivalents: Call accounts	33 000 000,00	-
Total Cash & Cash Equivalents:	95 385 032,33	120 139 702,00
LESS:	79 079 172,48	65 699 432,34
Unspent Conditional Grants	7 460 842,00	7 460 842,00
Provision for staff leave	23 367 198,00	23 367 198,00
Provision for bonus	8 685 239,00	8 685 239,00
Post Retirement Benefits	24 535 000,00	24 535 000,00
Performance Bonus	1 409 384,00	1 409 384,00
Grant received in advance	-	-
Trade Payables	-	-
YTD Unspent Capital budget	1 031 509,48	241 769,34
YTD Unspent Operational budget	12 590 000,00	-
Sub total	16 305 859,85	54 440 269,66
PLUS:	65 593 333,00	22 240 516,00
VAT Receivable	1 751 533,00	1 751 533,00
Receivable Exchange	7 331 710,00	7 331 710,00
Department of Transport and Public Works	56 510 090,00	13 157 273,00
	81 899 192,85	76 680 785,66
LESS OTHER MATTERS:		
Capital Replacement Reserve	18 765 298,00	18 765 298,00
Employee Benefits Reserves	34 169 029,00	34 169 029,00
Sub Total	28 964 865,85	23 746 458,66
LESS: CONTINGENT LIABILITIES	4 622 115,00	4 622 115,00
Barry Louis Rae Trust	4 500 000,00	4 500 000,00
Portion of Portion 2 of Farm 238, Hooggekraal	32 115,00	32 115,00
Erf 99, Glentana	-	-
Labour disputes	90 000,00	90 000,00
Recalculated available cash balance	24 342 750,85	19 124 343,66
Total actual June 2023 expenditure excluding Roads (expenditure paid and taken into account in cash balance)	23 287 460,88	25 772 172,25

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Garden Route - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description	NT Code	Budget Year 2022/23									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.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				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	15	20	20	19	19	19	115	480	706	651	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	13 604	1 420	597	1 472	751	1 209	7 139	33 471	59 663	44 041	-	-	
Total By Income Source	2000	13 619	1 440	617	1 491	770	1 227	7 254	33 951	60 369	44 692	-	-	
2021/22 - totals only										-	-			
Debtors Age Analysis By Customer Group														
Organs of State	2200	145	117	20	19	19	19	210	2 180	2 728	2 446	-	-	
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-	
Households	2400	2	-	-	-	-	-	-	-	2	-	-	-	
Other	2500	13 472	1 323	597	1 472	751	1 209	7 044	31 771	57 638	42 246	-	-	
Total By Customer Group	2600	13 619	1 440	617	1 491	770	1 227	7 254	33 951	60 369	44 692	-	-	

Long outstanding debtors that mainly consist of old sundry debt and fire accounts, remains a concern for the municipality and management will continue to report in terms of progress made.

Most of the firefighting accounts are disputed with regards to the origin of the fire and who is responsible for the payment of the account. The fire section has implemented an electronic system which will assist in the future with disputes.

The municipality are required to submit debtors aged analysis data strings on a monthly basis.

Currently the debtor section-initiated debt collection processes and will report quarterly to the financial services committee on the debt collection process.

Section 5 – Creditors' analysis

Supporting Table C4

DC4 Garden Route - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

Description		NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
R thousands			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	
Creditors Age Analysis By Customer Type												
		0100	-	-	-	-	-	-	-	-	-	-
		0200	-	-	-	-	-	-	-	-	-	-
		0300	-	-	-	-	-	-	-	-	-	-
		0400	-	-	-	-	-	-	-	-	-	-
		0500	-	-	-	-	-	-	-	-	-	-
		0600	-	-	-	-	-	-	-	-	-	-
		0700	3 027	3 356	477	66	1	-	35	421	7 383	-
		0800	-	-	-	-	-	-	-	-	-	-
		0900	199	173	-	-	-	-	-	-	371	-
Total By Customer Type		1000	3 225	3 529	477	66	1	-	35	421	7 754	-

The municipality are required to submit creditors aged analysis data strings on a monthly basis.

The reasons for long outstanding creditors include invoices not submitted by suppliers or unresolved disputes on certain invoices.

The municipality are continuously working towards resolving outstanding disputes on invoices and obtaining outstanding invoices.

Section 6 – Investment portfolio analysis

6.1 Investment monitoring information

	Balance as at 01 June 2023	Movements for the month		Balance as at 30 June 2023	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made			
Garden Route District Municipality						
Standard Bank	25 000 000,00	-25 000 000,00	-	-	513 578,77	3 172 147,95
ABSA	15 000 000,00	-15 000 000,00	-	-	307 232,88	1 574 923,30
Nedbank	10 000 000,00	-10 000 000,00	-	-	200 969,32	1 240 554,71
FNB	-	-	-	-	-	464 661,92
BANK DEPOSITS	50 000 000,00	-50 000 000,00	-	-	1 021 780,97	6 452 287,88

The municipality invest surplus funds in order to maximise the interest and to have cash readily available when needed and is done in line with the Cash Management and Investment Policy of council. Total interest received for the year is lower than anticipated due to interest rates and cash available to invest.

Section 7 – Allocation and grant receipts and expenditure

7.1 Supporting Table C6

DC4 Garden Route - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		173 756	181 160	182 938	–	179 755	182 938	(3 183)	-1,7%	182 938
Local Government Equitable Share		167 653	172 721	172 721	–	172 721	172 721	–		172 721
Energy Efficiency and Demand Side Management Grant		–	1 000	1 000	–	1 000	1 000	–		1 000
Expanded Public Works Programme Integrated Grant		2 071	2 440	2 440	–	2 440	2 440	–		2 440
Infrastructure Skills Development Grant		–	–	–	–	–	–	–		–
Local Government Financial Management Grant		1 000	1 000	1 000	–	1 000	1 000	–		1 000
Municipal Systems Improvement Grant		–	1 405	1 405	–	–	1 405	(1 405)	-100,0%	1 405
Public Transport Network Grant		–	–	1 778	–	–	1 778	(1 778)	-100,0%	1 778
Rural Road Asset Management Systems Grant		3 032	2 594	2 594	–	2 594	2 594	–		2 594
Provincial Government:		9 639	6 500	9 251	–	7 800	9 251	(1 451)	-15,7%	9 251
Capacity Building		9 639	6 500	9 251	–	7 800	9 251	(1 451)	-15,7%	9 251
Other grant providers:		172	41 000	39 840	–	623	39 840	(39 217)	-98,4%	39 840
Other Grants Received		172	41 000	39 840	–	623	39 840	(39 217)	-98,4%	39 840
Total Operating Transfers and Grants	5	183 567	228 660	232 030	–	188 178	232 030	(43 851)	-18,9%	232 030
Capital Transfers and Grants										
National Government:		–	4 000	4 000	–	4 000	4 000	–		4 000
Energy Efficiency and Demand Side Management Grant		–	4 000	4 000	–	4 000	4 000	–		4 000
Provincial Government:		–	–	1 600	–	1 600	1 600	–		1 600
Capacity Building		–	–	1 600	–	1 600	1 600	–		1 600
Other grant providers:		191	7 200	–	–	–	–	–		–
Other Grants Received		191	7 200	–	–	–	–	–		–
Total Capital Transfers and Grants	5	191	11 200	5 600	–	5 600	5 600	–		5 600
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	183 758	239 860	237 630	–	193 778	237 630	(43 851)	-18,5%	237 630

Performance reporting on grants will be enhanced to ensure compliance with the Division of Revenue Act.

7.2 Supporting Table C7

DC4 Garden Route - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		8 926	8 439	10 217	1 798	8 966	10 217	(1 251)	-12,2%	10 217
Energy Efficiency and Demand Side Management Grant		-	1 000	1 000	163	966	1 000	(34)	-3,4%	1 000
Expanded Public Works Programme Integrated Grant		5 387	2 440	2 440	226	2 547	2 440	107	4,4%	2 440
Local Government Financial Management Grant		990	1 000	1 000	526	1 007	1 000	7	0,7%	1 000
Municipal Systems Improvement Grant		-	1 405	1 405	-	-	1 405	(1 405)	-100,0%	1 405
Rural Road Asset Management Systems Grant		2 549	2 594	2 594	814	2 779	2 594	185	7,1%	2 594
Public Transport Network Grant		-	-	1 778	70	1 667	1 778	(111)	-6,3%	1 778
Provincial Government:		169 627	179 655	200 491	18 287	193 970	200 491	(6 521)	-3,3%	200 491
Infrastructure		166 019	173 155	192 255	16 424	186 651	192 255	(5 604)	-2,9%	192 255
Capacity Building		3 607	6 500	8 236	1 863	7 319	8 236	(917)	-11,1%	8 236
Other grant providers:		161	-	339	1 149	2 718	339	2 379	701,7%	339
Expenditure on Other Grants		161	-	339	1 149	2 718	339	2 379	701,7%	339
Total operating expenditure of Transfers and Grants:		178 714	188 094	211 048	21 234	205 654	211 048	(5 394)	-2,6%	211 048
Capital expenditure of Transfers and Grants										
National Government:		-	4 000	4 000	39	3 174	4 000	(826)	-20,7%	4 000
Energy Efficiency and Demand Side Management Grant		-	4 000	4 000	39	3 174	4 000	(826)	-20,7%	4 000
Provincial Government:		-	-	1 815	61	179	1 815	(1 636)	-90,1%	1 815
Capacity Building		-	-	1 815	61	179	1 815	-	-	1 815
Other grant providers:		381	7 200	-	-	-	-	-	-	-
Expenditure on Other Grants		381	7 200	-	-	-	-	-	-	-
								-	-	
Total capital expenditure of Transfers and Grants		381	11 200	5 815	100	3 353	5 815	(2 462)	-42,3%	5 815
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		179 095	199 294	216 863	21 334	209 007	216 863	(7 856)	-3,6%	216 863

Section 8 – Expenditure on councillor and board members allowances and employee benefits

Supporting Table C8

DC4 Garden Route - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

OCA Garden Route - Supporting Table SCS Monthly Budget Statement - councillor and staff benefits - 1st July 2023										
Summary of Employee and Councillor remuneration	Ref	2021/22			Budget Year 2022/23					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		7 778	12 459	10 424	607	7 815	10 424	(2 609)	-25%	10 424
Pension and UIF Contributions		370	10	246	29	395	246	149	61%	246
Medical Aid Contributions		153	54	151	17	261	151	109	72%	151
Motor Vehicle Allowance		1 859	–	1 169	154	1 975	1 169	806	69%	1 169
Cellphone Allowance		1 035	20	586	76	961	586	375	64%	586
Housing Allowances		592	–	447	64	766	447	319	71%	447
Other benefits and allowances		42	–	263	48	521	263	258	98%	263
Sub Total - Councillors		11 829	12 542	13 286	996	12 693	13 286	(593)	-4%	13 286
% increase	4		6,0%	12,3%						12,3%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 431	6 119	5 871	386	5 384	5 871	(487)	-8%	5 871
Pension and UIF Contributions		(6 755)	1 178	1 963	52	719	1 963	(1 244)	-63%	1 963
Medical Aid Contributions		155	63	208	15	192	208	(16)	-8%	208
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		(28)	606	733	–	561	733	(172)	-23%	733
Motor Vehicle Allowance		822	527	856	57	787	856	(70)	-8%	856
Cellphone Allowance		81	114	195	11	171	195	(24)	-12%	195
Housing Allowances		321	–	370	22	325	370	(45)	-12%	370
Other benefits and allowances		31	–	25	–	8	25	(17)	-68%	25
Payments in lieu of leave		260	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		318	8 608	10 221	543	8 146	10 221	(2 075)	-20%	10 221
% increase	4		2604,8%	3111,5%						3111,5%
Other Municipal Staff										
Basic Salaries and Wages		161 970	172 635	166 654	14 719	168 850	166 654	2 196	1%	166 654
Pension and UIF Contributions		27 817	29 522	28 821	2 366	28 715	28 821	(106)	0%	28 821
Medical Aid Contributions		33 224	26 646	24 552	2 164	25 116	24 552	564	2%	24 552
Overtime		5 550	6 693	4 204	478	5 093	4 204	890	21%	4 204
Performance Bonus		10 608	12 374	12 928	42	13 241	12 928	313	2%	12 928
Motor Vehicle Allowance		10 474	10 498	11 821	1 000	11 993	11 821	172	1%	11 821
Cellphone Allowance		129	124	132	11	130	132	(2)	-2%	132
Housing Allowances		2 370	3 137	2 481	194	2 431	2 481	(50)	-2%	2 481
Other benefits and allowances		16 947	10 444	8 452	694	8 625	8 452	173	2%	8 452
Payments in lieu of leave		2 231	1 213	7 551	117	6 127	7 551	(1 424)	-19%	7 551
Long service awards		–	80	–	–	–	–	–	–	–
Post-retirement benefit obligations		–	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		274 990	280 061	274 290	21 849	270 321	274 290	(3 968)	-1%	274 290
% increase	4		1,8%	-0,3%						-0,3%
Total Parent Municipality		287 137	301 212	297 796	23 387	291 160	297 796	(6 636)	-2%	297 796

Remuneration related expenditure for the month ended 30 June 2023 amounted to R23,387,300.

Section 9 – Municipal manager's quality certification



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OFFICE OF THE MUNICIPAL MANAGER

Enquiries: Louise Hoek
Reference: 6/1/1 – 22/23
Date: 12 July 2023

Provincial Treasury
Local Government Budget Analysis
Private Bag X9165
CAPE TOWN
8000

National Treasury
Local Government Budget Analysis
Private Bag X115
PRETORIA

Sir / Madam

QUALITY CERTIFICATE

I, M STRATU, the accounting officer of **GARDEN ROUTE DISTRICT MUNICIPALITY (DC4)**, hereby certify that the—

- ☐ **The monthly budget statement**
 - ☐ Quarterly report on the implementation of the budget and financial state of affairs of the municipality
 - ☐ Mid-year budget and performance assessment
- for the month ended **30 June 2023**, has been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) and regulations made under the Act.

Print Name MONDE STRATU

Acting Accounting Officer of **GARDEN ROUTE DISTRICT MUNICIPALITY (DC4)**.

Signature [Signature]
Date 14/7/2023