P3

RICHMOND
Local Municipality

# In-Year Report
# SEPTMBER 2024

# Table of Contents

## 1.1 Executive Summary

The Municipal Finance Management Act (MFMA) assigns various responsibilities to the Mayor and the Accounting Officer (Municipal Manager).

As per Section 71 (1) "*The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month.*"

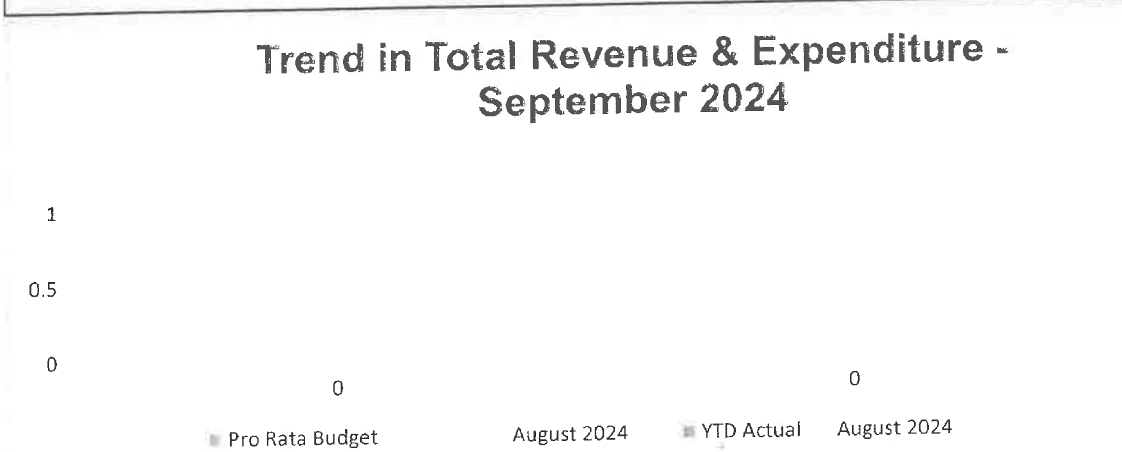
Furthermore, Section 52(d) of the MFMA states: *"**52. General responsibilities:** - The Mayor of a municipality-*

*(d) Must within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."*

This in year report is prepared in terms of the municipal budget and reporting regulations that were promulgated in the Government Gazette No. 32141 of 17 April 2009.

### 1.1.1 Overview of financial performance

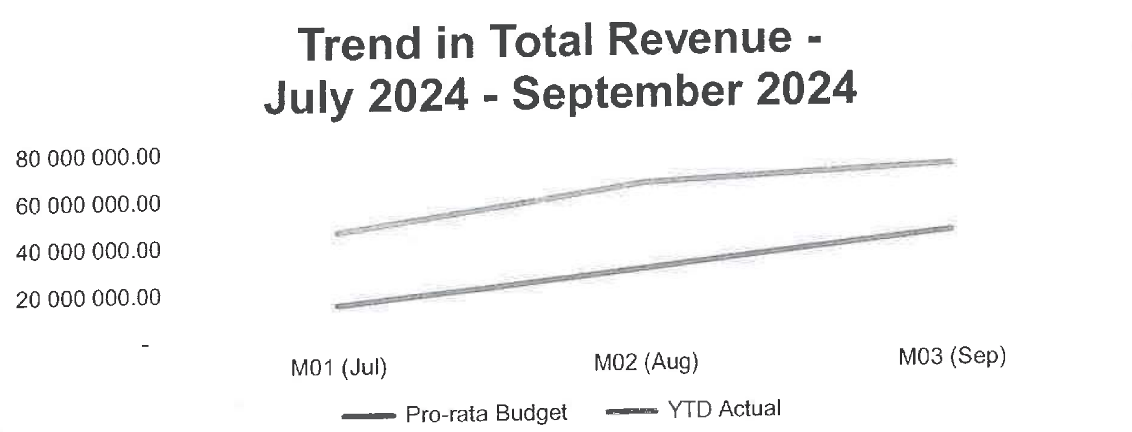
| Description | Table 1 - Summary for Financial Period ended Sep-24 | | | | | |
|---|---|---|---|---|---|---|
| | Full Year Budget 2024/25 | Pro Rata Budget Sep-24 | YTD Actual Sep-24 | YTD Variance Sep-24 | | |
| **Total Revenue:** | **172,889,112.00** | **43,222,278.00** | **71,584,977.69** | **R** | **28,362,700** | **65.62%** |
| Revenue - Operational | 150,763,812.00 | 37,690,953.00 | 65,417,486.49 | R | 27,726,533 | 73.56% |
| Revenue - Capital | 22,125,300.00 | 5,531,325.00 | 6,167,491.20 | R | 636,166 | 11.50% |
| **Total Expenditure:** | **197,071,068.00** | **49,267,767.00** | **43,756,525.25** | **R** | **-5,511,242** | **-11.19%** |
| Expenditure - Operational | 172,980,884.00 | 43,245,221.00 | 38,174,989.27 | R | -5,070,232 | -11.72% |
| Expenditure - Capital | 24,090,184.00 | 6,022,546.00 | 5,581,535.98 | R | -441,010 | -7.32% |
| | | | | | | Source: Budget Table C1 |



*Key Observations:*

- The table & illustrations above provide an overview of the municipal financial performance and position as at **September 2024**
- Total revenue accrued amounted to **R 71,5 million** which is above the pro-rata budget of **R 43,2 million.**
- Total expenditure incurred amounted to **R 43,7 million** which is lower compared to the pro-rata budget of **R 49,2 million**.

## 1.1.2 Revenue Trend




The illustration above provides an overview and trend of total revenue for **July 2024 to September 2024**.

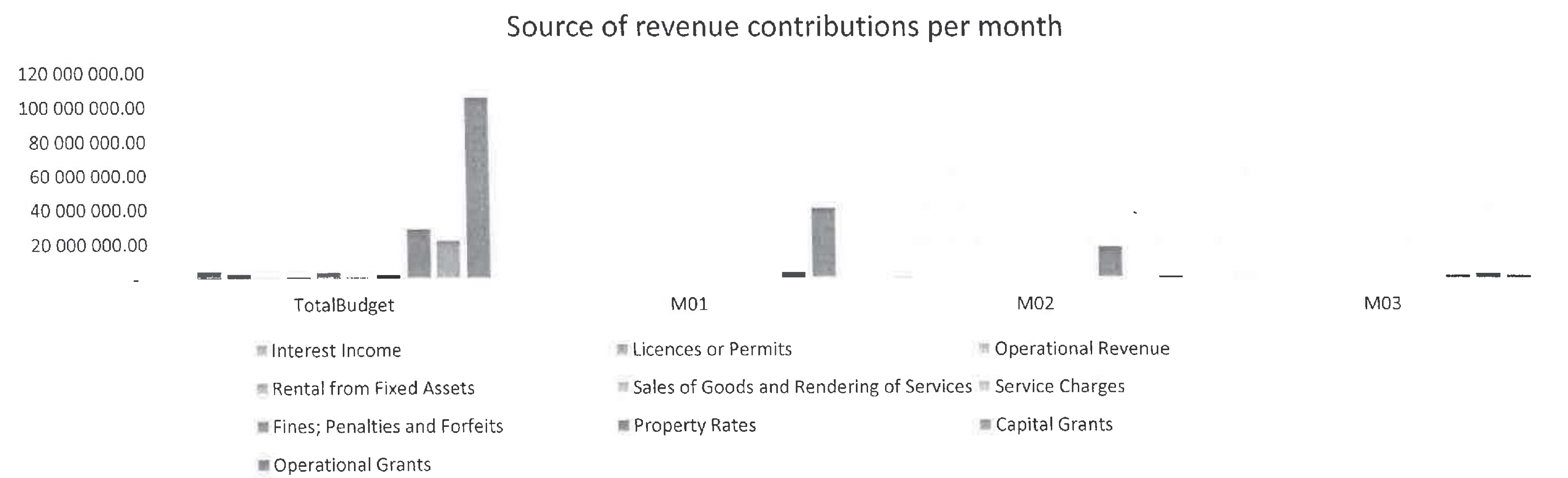
## 1.1.3 Revenue by source

The following revenue tables are from municipality's financial system their purpose is to disclose revenue performance by source. These tables are aligned with **Table C4, Monthly Budget Statement – Financial performance (revenue M12)**. Key variances are further detailed and analysed below:

| Revenue by Source | Total Budget | Budget to Date | Total Actual | Variance |
|---|---|---|---|---|
| Operational Grants | 106,213,692.00 | 26,553,423.00 | 41,679,117.80 | 15,125,694.80 |
| Property Rates | 28,888,812.00 | 7,222,203.00 | 19,463,101.83 | 12,240,898.83 |
| Capital Grants | 22,125,300.00 | 5,531,325.00 | 6,167,491.20 | 636,166.20 |
| Interest Income | 4,044,516.00 | 1,011,129.00 | 1,407,116.85 | 395,987.85 |
| Sales of Goods and Rendering of Services | 3,570,924.00 | 892,731.00 | 68,342.86 | - 824,388.14 |
| Licences or Permits | 2,735,508.00 | 683,877.00 | 622,541.05 | - 61,335.95 |
| Fines; Penalties and Forfeits | 2,375,964.00 | 593,991.00 | 221,504.92 | - 372,486.08 |
| Service Charges | 1,078,596.00 | 269,649.00 | 268,257.15 | - 1,391.85 |
| Operational Revenue | 945,312.00 | 236,328.00 | 139,595.70 | - 96,732.30 |
| Rental from Fixed Assets | 910,488.00 | 227,622.00 | 219,068.49 | - 8,553.51 |

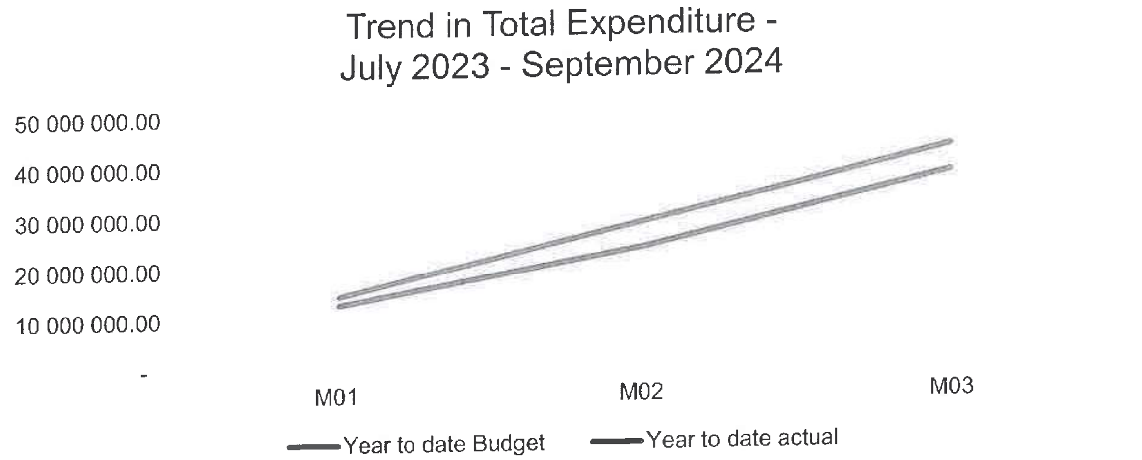
| % | Revenue by Source | Comment | Explanations for variances above +/-10% |
|---|---|---|---|
| 57% | Operational Grants | Favourable | Due to the first tranche of equitable share allocation received in June. |
| 169% | Property Rates | Favourable | Due to annual raising of rates in August, variance to even out during the year. |
| 12% | Capital Grants | Favourable | Due to good performance on MIG funded projects |
| 39% | Interest Income | Favourable | Due to aggressive investment on surplus cash. |
| -92% | Sales of Goods and Rendering of Services | Unfavourable | Construction contract revenue not yet recognised due to delays in receiving the INEP tranche. |
| -9% | Licences or Permits | Unfavourable | Variance within acceptable threshold |
| -63% | Fines; Penalties and Forfeits | Unfavourable | Variance is due to collection charges on customer accounts which will be closely monitored in the 2nd quarter. |
| -1% | Service Charges | Unfavourable | Variance within acceptable threshold |
| -41% | Operational Revenue | Unfavourable | Due to delays in receiving insurance refunds |
| -4% | Rental from Fixed Assets | Unfavourable | Variance within acceptable threshold |

The table and graph below further show revenue per source monthly:




| Revenue by Source | TotalBudget | M01 | M02 | M03 |
|---|---|---|---|---|
| Interest Income | 4,044,516.00 | 328,913.95 | 547,321.92 | 530,880.98 |
| Licences or Permits | 2,735,508.00 | 160,512.28 | 224,136.40 | 237,892.37 |
| Operational Revenue | 945,312.00 | 86,319.33 | 21,587.76 | 31,688.61 |
| Rental from Fixed Assets | 910,488.00 | 66,746.43 | 65,349.09 | 86,972.97 |
| Sales of Goods and Rendering of Services | 3,570,924.00 | 14,344.06 | 38,339.93 | 15,658.87 |
| Service Charges | 1,078,596.00 | 87,664.31 | 90,662.27 | 89,930.57 |
| Fines; Penalties and Forfeits | 2,375,964.00 | 219,950.32 | - | 1,554.60 |
| Property Rates | 28,888,812.00 | - | 18,052,482.30 | 1,410,619.53 |
| Capital Grants | 22,125,300.00 | 3,713,175.87 | - | 2,454,315.33 |
| Operational Grants | 106,213,692.00 | 40,886,888.64 | 792,229.16 | 1,320,281.48 |
| **Totals** | **172,889,112.00** | **45,564,515.19** | **19,832,108.83** | **6,179,795.31** |

### 1.1.4 Expenditure Trend




The table and illustration above provide an overview and trend of Total Expenditure for **July 2024 to September 2024**.

### 1.1.5 Expenditure by Type

Operational cost

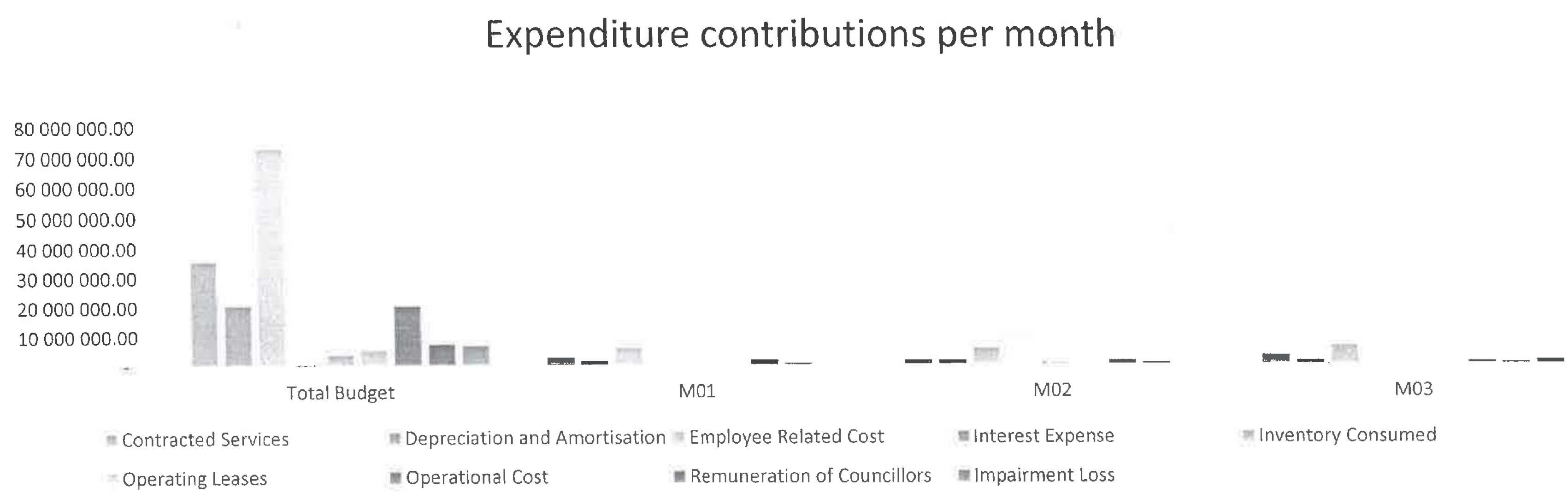
The following expenditure tables are from Richmond Local Municipality financial system, their purpose is to disclose expenditure by type. These tables are aligned with **Table C4, Monthly Budget Statement – Financial performance (expenditure M12)**. Key variances are further detailed and analysed below:

| Expenditure by type | Total Budget | Total Actual | Budget To date | Variance |
|---|---|---|---|---|
| Employee Related Cost | 73,130,460.00 | 17,798,411.56 | 18,282,615.00 | (484,203.44) |
| Contracted Services | 35,551,556.00 | 7,341,356.12 | 8,887,889.00 | (1,546,532.88) |
| Operational Cost | 20,501,932.00 | 4,212,562.00 | 5,125,483.00 | (912,921.00) |
| Depreciation and Amortisation | 20,455,524.00 | 4,275,506.13 | 5,113,881.00 | (838,374.87) |
| Remuneration of Councillors | 7,218,528.00 | 1,495,636.24 | 1,804,632.00 | (308,995.76) |
| Impairment Loss | 6,781,596.00 | 1,681,344.06 | 1,695,399.00 | (14,054.94) |
| Operating Leases | 5,216,088.00 | 527,404.28 | 1,304,022.00 | (776,617.72) |
| Inventory Consumed | 3,703,916.00 | 837,683.07 | 925,979.00 | (88,295.93) |
| Interest Expense | 421,284.00 | 5,085.81 | 105,321.00 | (100,235.19) |

| % | Revenue by Source | Comment | Explanations for variances above +/-10% |
|---|---|---|---|
| -3% | Employee Related Cost | Favourable | Variance within acceptable threshold |
| -17% | Contracted Services | Favourable | Due to cost curtailment measures and expenditure prioritisation |
| -18% | Operational Cost | Favourable | Due to cost curtailment measures and expenditure prioritisation |
| -16% | Depreciation and Amortisation | Favourable | System generated monthly depreciation is below budget. |
| -17% | Remuneration of Councillors | Favourable | Council upper limits not yet gazetted for implantation |
| -1% | Impairment Loss | Favourable | Variance within acceptable threshold |
| -60% | Operating Leases | Favourable | Due to vehicle lease rental for the month of October not accrued on the system. Service provider delayed finalising the invoice. |
| -10% | Inventory Consumed | Favourable | Variance within acceptable threshold |
| -95% | Interest Expense | Favourable | Interest charge on discounting of landfill site provision done only at year end. |

P11

The table and graph below further show expenditure per source on a monthly basis:




| Expenditure by type | Total Budget | M01 | M02 | M03 |
|---|---|---|---|---|
| Contracted Services | 35,551,556.00 | 2,715,797.33 | 1,464,096.93 | 3,161,461.86 |
| Depreciation and Amortisation | 20,455,524.00 | 1,440,543.33 | 1,440,543.33 | 1,394,419.47 |
| Employee Related Cost | 73,130,460.00 | 5,885,949.73 | 5,537,571.01 | 6,374,890.82 |
| Interest Expense | 421,284.00 | 1,843.51 | 1,695.61 | 1,546.69 |
| Inventory Consumed | 3,703,916.00 | 106,107.03 | 466,111.31 | 265,464.73 |
| Operating Leases | 5,216,088.00 | 258,105.61 | 263,983.29 | 5,315.38 |
| Operational Cost | 20,501,932.00 | 1,728,778.01 | 1,414,941.14 | 1,068,842.85 |
| Remuneration of Councillors | 7,218,528.00 | 504,371.88 | 495,632.18 | 495,632.18 |
| Impairment Loss | 6,781,596.00 | - | 33,761.73 | 1,647,582.33 |
| **Grand Total** | **172,980,884.00** | **12,641,496.43** | **11,118,336.53** | **14,415,156.31** |

### 1.1.6 Financial Health Indicators

The following provides an overview of the key financial health indicators

| Crucial ratios | A brief definition of that ratio | M01 | M02 | M03 |
|---|---|---|---|---|
| Collection rate | The ratio indicates the collection rate; i.e. level of payments. It measures an increase or decrease in debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written off are taken into consideration. The norm is 95% | 214% | 12% | 28% |
| Cash/Cost Coverage ratio (excluding unspent conditional grants) | The ratio indicates the municipality's or municipal entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investments without collecting any additional revenue, during that month. The norm range is between 1 month to 3 months. | 3.8 months | 3.5 months | 3 months |
| Current ratio | The ratio is used to assess the municipality's or municipal entity's ability to pay back its short-term liabilities (Debt and Payables) with its short-term assets (cash, inventory, receivables). The norm ranges between 1.5 to 2:1 | 3 | 2.8 | 2 |
| Creditor payment period | This ratio indicates the average number of days taken for trade creditors to be paid. The norm is 30 days | 29 Days | 28 Days | 25 Days |

Debtors collection rate (norm 95%)

Collection rate as at the end of June was 28%. This is considered below the norm of 95%, however this is mainly due to the yearly billing that was done during August. The ratio is expected to increase during the year.

Cash coverage (norm 1-3 months)

Currently this ratio is well within norm, which means the municipality can continue its operations for 3 months by only utilizing its own funds.

Current ratio: (Norm 1:1.5)

Current ratio for June is still within the norm which means the municipality is still able to meet it short term obligations.

Creditors payment period (norm 30 days)

The municipality is within the norm of paying it short term creditors within 30 days. This means that the municipality is complying with section 65 of the MFMA.

### 1.1.7 Material differences from the SDBIP

None identified, however a detailed report is attached under performance information.

### 1.1.8 Remedial or corrective steps

None identified

## 1.2 In-Year Budget Statement Tables

The In-Year Budget Statement Tables, that are submitted with this report, include the following:

| TABLE | DESCRIPTION | ADDITIONAL DETAILS |
|---|---|---|
| C1 | Monthly Budget Statement | S71 Summary |
| C2 | Monthly Budget Statement | Financial Performance (standard classification) |
| C3 | Monthly Budget Statement | Financial Performance (revenue and expenditure by municipal vote) |
| C4 | Monthly Budget Statement | Financial Performance (revenue and expenditure) |
| C5 | Monthly Budget Statement | Capital expenditure |
| C6 | Monthly Budget Statement | Financial Position |
| C7 | Monthly Budget Statement | Cash Flow |

# 2 Part 2 – SUPPORTING DOCUMENTATION

## 2.1 Debtors Analysis

The following is from **Table SC3, Monthly Budget Statement – aged debtors**, and an analysis is further provided:

| Item Code | Item Description | 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 |
|---|---|---|---|---|---|---|---|---|---|---|
| 1100 | Debtors Age Analysis By Income Source | | | | | | | | | |
| 1200 | Trade and Other Receivables from Exchange Transactions - Water | | | | | | | | | |
| 1300 | Trade and Other Receivables from Exchange Transactions - Electricity | | | | | | | | | |
| 1400 | Receivables from Non-exchange Transactions - Property Rates | 1,307 | 16,119 | 51 | 31 | 1,001 | 608 | 501 | 28,344 | 47,961 |
| 1500 | Receivables from Exchange Transactions - Waste Water Management | | | | | | | | | |
| 1600 | Receivables from Exchange Transactions - Waste Management | 126 | 74 | 64 | 60 | 60 | 59 | 52 | 2,239 | 2,733 |
| 1700 | Receivables from Exchange Transactions - Property Rental Debtors | | | | | | | | | |
| 1810 | Interest on Arrear Debtor Accounts | 281 | 262 | 255 | 256 | 252 | 245 | 236 | 13,372 | 15,159 |
| 1820 | Recoverable unauthorised, irregular or fruitless and wasteful Expenditure | | | | | | | | | |
| 1900 | Other | | | | 6 | | | | 44 | 50 |
| 2000 | **Total By Income Source** | 1,713 | 16,456 | 370 | 354 | 1,313 | 912 | 788 | 43,998 | 65,904 |
| 2100 | Debtors Age Analysis By Customer Group | | | | | | | | | |
| 2200 | Organs of State | 255 | 13,368 | 28 | 8 | 27 | 43 | 6 | 7,284 | 21,019 |
| 2300 | Commercial | 279 | 338 | 17 | 4 | 26 | 21 | 8 | 37 | 730 |
| 2400 | Households | 1,180 | 2,750 | 324 | 341 | 1,260 | 847 | 774 | 36,678 | 44,154 |
| 2500 | Other | | | | | | | | | |
| 2600 | **Total By Customer Group** | 1,713 | 16,456 | 370 | 354 | 1,313 | 912 | 788 | 43,998 | 65,904 |

The Debtor's report has been prepared based on the format required to be lodged electronically with National Treasury. This format provides an extended aged analysis, as well as an aged analysis by debtor type. The summary report indicates that the debtors >90 days balance amounts to **R 47.3 million**

## 2.2 Creditors Analysis

The following is from **Table SC4, Monthly Budget Statement – aged creditors**, and an analysis is further provided:

| Item Code | Item Description | 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 | % |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0100 | Bulk Electricity | | | | | | | | | | | | | | | | | | |
| 0200 | Bulk Water | | | | | | | | | | | | | | | | | | |
| 0300 | PAYE deductions | | | | | | | | | | | | | | | | | | |
| 0400 | VAT (output less input) | | | | | | | | | | | | | | | | | | |
| 0500 | Pensions / Retirement deductions | | | | | | | | | | | | | | | | | | |
| 0600 | Loan repayments | | | | | | | | | | | | | | | | | | |
| 0700 | Trade Creditors | | | | | | | | | | | | | | | | | | |
| 0800 | Auditor General | | | | | | | | | | | | | | | | | | |
| 0900 | Other | | | | | | | | | | | | | | | | | | |
| 0950 | Medical Aid deductions | | | | | | | | | | | | | | | | | | |
| 1000 | Total | | | | | | | | | | | | | | | | | | |

The Creditors report has been prepared based on the format required to be lodged electronically with National Treasury. This format provides an extended aged analysis, as well as an aged analysis by creditor type.

The municipality had **R Nil** outstanding creditors as of September 2024

## 2.3 Investment portfolio analysis

The following is from Richmond Local Municipality financial system and is aligned with Table **SC5, Monthly Budget Statement – Investment portfolio**, and an analysis is further provided:

**INVESTMENT PORTFOLIO ANALYSIS**

NOTICE NO. R.1536 - GOVT GAZETTE NO.18435

***REGULATION 3(1)(g)***
**INVESTMENT PORTFOLIO :**

| Financial Institution | Account Number | Investment Type | | Bal. as at 30 September 2024 | Interest Rate | Septmber 2024 Interest | Bal. as at 30 September 2024 | Investment Period |
|---|---|---|---|---|---|---|---|---|
| First National Bank | 61356002695 | Call account | | 791,859.22 | | 4,817.06 | 782,946.54 | call |
| First National Bank | 62117170407 | Patheni Housing | | - | | 1,102.32 | 179,419.58 | daily call |
| First National Bank | 62134473280 | Housing Operating Account | | 786,846.41 | | 5,335.16 | 696,082.88 | daily call |
| First National Bank | 62155682844 | Zwelethu Housing | | - | | 2,536.81 | 399,024.33 | daily call |
| First National Bank | 62176174383 | Siyathuthuka Phase ii | | - | | 2,170.32 | 338,460.02 | daily call |
| First National Bank | 62810019217 | Housing Title deed Account | | 2,636,965.75 | | 16,066.47 | 2,620,899.28 | daily call |
| First National Bank | 62299629116 | Mig Grant Funding | | 737,646.23 | | 19,005.48 | 2,927,524.62 | daily call |
| First National Bank | 62241817537 | Financial Management Grant | | 1,800,000.00 | | 4,095.62 | 1,800,000.00 | daily call |
| First National Bank | 62833569900 | Library Services Grant | | 1,946.77 | | 11.87 | 1,934.90 | daily call |
| First National Bank | 62833571385 | Small Town Grant | | 1,891.70 | | 11.53 | 1,880.17 | daily call |
| FNB DME | 63003663506 | FNB DME | | 16,634.31 | | 101.35 | 16,532.96 | daily call |
| FNB RESERVES | 63003024063 | FNB RESERVES | | 8,551,446.62 | | 91,591.99 | 15,159,854.63 | daily call |
| NEDBANK | 03/7165013946/00005 | Nedbank Fixed | | - | | - | - | fixed inv. |
| ABSA BANK | 20-8167-2454 | ABSA Fixed | | 10,246,460.27 | | 81,279.45 | 10,165,180.82 | fixed inv. |
| Standard Bank | 268791155 003 | Standard Fixed | | 5,061,815.07 | | 35,852.74 | 5,025,962.33 | fixed inv. |
| First National Bank | 63024683319 | FNB HIGHOVER | | 218,237.42 | | 1,329.67 | 216,907.75 | daily call |
| First National Bank | 63107196932 | Nelson St. SMME Project | | 359,639.31 | | 2,191.20 | 357,448.11 | daily call |
| | | | | **31,211,389.08** | | **267,499.04** | **40,690,058.92** | |

| Summary of exposures to particular financial institutions<br>financial institution | Amount invested | Percentage exposure |
|---|---|---|
| First National Bank | 15,903,113.74 | 50.95 |
| Nedbank | - | - |
| Investec | - | |
| ABSA BANK | 10,246,460.27 | 32.83 |
| Standard Bank | 5,061,815.07 | 16.22 |
| **TOTAL** | **31,211,389.08** | **100.00** |
| Primary Bank Account | R 5,823,960.73 | |
| Cash & Cash Equivalent | **37,035,349.81** | |

| **CONDITIONAL GRANTS** | |
|---|---|
| Expanded Public Works Programme Integrated grant for Mu | 94,550.64 |
| Financial Management Grant (FMG) | 391,625.92 |
| Library Grant | 0.00 |
| INEP Grant | 0.00 |
| Municipal Infrastructure Grant (MIG) | 3,132,304.33 |
| Highover Game Reserve | 211,922.00 |
| Small Town Rehabilitation Programme | 0.00 |
| Library Cyber Grant | 0.00 |
| Rehabilitation of Nelson Street SMME's | 2,652,688.85 |
| Housing Grant | 3,423,811.58 |
| **MUNICIPAL AVAILABLE CASH BALANCE** | **27,128,446.49** |

## 2.4 Allocation and grants receipts & expenditure

Further detailed on **Table SC6, Monthly Budget Statement – Transfers and grant receipts** and **Table SC7, Monthly Budget Statement – Transfers and grant expenditure**:

| Name of grant | Opening Balance as at 01 July 2024 | Receipts | Expenditure: Operating (Revenue Recognised) | Expenditure: Capital (Revenue Recognised) | Adjustments | Closing Balance as at 30 September 2024 | % |
|---|---|---|---|---|---|---|---|
| Expanded Public Works Programme Integrated grant for | R - | R 353,000 | R 258,449 | R - | R - | 94,550.64 | 73% |
| Financial Management Grant (FMG) | R - | R 1,900,000 | R 1,508,374 | R - | R - | 391,625.92 | 79% |
| Library Grant | R - | R - | | R - | R - | - | |
| INEP Grant | R - | R - | R - | R - | R - | - | |
| Municipal Infrastructure Grant (MIG) | R - | R 9,438,000 | R 138,204 | R 6,167,491 | R - | 3,132,304.33 | 67% |
| Highover Game Reserve | R 211,922 | R - | R - | | | 211,922.00 | 0% |
| Small Town Rehabilitation Programme | | | | R - | | - | |
| Library Cyber Grant | R - | R - | | | | - | |
| Rehabilitation of Nelson Street SMME's | R 352,689 | R 2,300,000 | | R - | | 2,652,688.85 | 0% |
| Housing Grant | R 4,440,512 | | R 263,371 | | R 753,329 | 3,423,811.58 | 23% |
| | | | | | | | |
| TOTAL | R 5,005,123 | R 13,991,000 | R 2,168,399 | R 6,167,491 | R -753,329 | R 9,906,903 | 40% |

## 2.5 Councillor and staff benefits

The following is from **Table SC8, Monthly Budget Statement – Councillor and staff benefits**, and an analysis is further provided:

| Row Labels | Total Budget | Sum of M01 | Sum of M02 | Sum of M03 | Total Actual |
|---|---|---|---|---|---|
| **Remuneration of Councillors** | **7,218,528.00** | **504,371.88** | **495,632.18** | **495,632.18** | **1,495,636.24** |
| **Executive Mayor/Mayor** | **1,576,224.00** | **81,897.36** | **80,474.86** | **80,474.86** | **242,847.08** |
| Basic Salary | 979,716.00 | 69,576.48 | 69,576.48 | 69,576.48 | 208,729.44 |
| Cell phone Allowance | 49,128.00 | 3,917.00 | 3,917.00 | 3,917.00 | 11,751.00 |
| Motor Vehicle Allowance | 526,188.00 | - | - | - | - |
| Out of pocket Expenses | 6,024.00 | 1,422.50 | - | - | 1,422.50 |
| Pension Fund Contributions | 15,168.00 | - | - | - | - |
| Travelling Allowance | - | 6,981.38 | 6,981.38 | 6,981.38 | 20,944.14 |
| **Deputy Executive Mayor/Deputy Mayor** | **935,112.00** | **60,452.12** | **60,452.12** | **60,452.12** | **181,356.36** |
| Basic Salary | 804,744.00 | 50,627.80 | 50,627.80 | 50,627.80 | 151,883.40 |
| Cell phone Allowance | 49,128.00 | 3,917.00 | 3,917.00 | 3,917.00 | 11,751.00 |
| Medial Aid Benefits | 20,808.00 | 1,440.00 | 1,440.00 | 1,440.00 | 4,320.00 |
| Pension Fund Contributions | 7,812.00 | 825.07 | 825.07 | 825.07 | 2,475.21 |
| Travelling Allowance | 52,620.00 | 3,642.25 | 3,642.25 | 3,642.25 | 10,926.75 |
| **Speaker** | **861,684.00** | **60,452.12** | **60,452.12** | **60,452.12** | **181,356.36** |
| Basic Salary | 791,748.00 | 50,912.82 | 50,912.82 | 50,912.82 | 152,738.46 |
| Cell phone Allowance | 49,128.00 | 3,917.00 | 3,917.00 | 3,917.00 | 11,751.00 |
| Medial Aid Benefits | 20,808.00 | 1,440.00 | 1,440.00 | 1,440.00 | 4,320.00 |
| Pension Fund Contributions | - | 540.05 | 540.05 | 540.05 | 1,620.15 |
| Travelling Allowance | - | 3,642.25 | 3,642.25 | 3,642.25 | 10,926.75 |
| **Executive Committee/Mayoral Committee** | **474,108.00** | **35,949.67** | **35,949.67** | **35,949.67** | **107,849.01** |
| Basic Salary | 298,836.00 | 28,390.42 | 28,390.42 | 28,390.42 | 85,171.26 |
| Cell phone Allowance | 49,128.00 | 3,917.00 | 3,917.00 | 3,917.00 | 11,751.00 |
| Medial Aid Benefits | 20,808.00 | - | - | - | - |
| Motor Vehicle Allowance | 68,496.00 | 3,642.25 | 3,642.25 | 3,642.25 | 10,926.75 |
| Pension Fund Contributions | 36,840.00 | - | - | - | - |
| **Total for All Other Councillors** | **3,371,400.00** | **265,620.61** | **258,303.41** | **258,303.41** | **782,227.43** |
| Basic Salary | 2,660,868.00 | 189,295.08 | 189,295.08 | 189,295.08 | 567,885.24 |
| Cell phone Allowance | 491,196.00 | 35,253.00 | 35,253.00 | 35,253.00 | 105,759.00 |
| Medial Aid Benefits | 20,808.00 | - | - | - | - |
| Motor Vehicle Allowance | 100,872.00 | 32,780.25 | 32,780.25 | 32,780.25 | 98,340.75 |
| Out of pocket Expenses | - | 7,317.20 | - | - | 7,317.20 |
| Pension Fund Contributions | 97,656.00 | 975.08 | 975.08 | 975.08 | 2,925.24 |
| **Employee Related Cost** | **73,130,460.00** | **5,885,949.73** | **5,537,571.01** | **6,374,890.82** | **17,798,411.56** |
| **Senior Management** | **6,116,208.00** | **669,764.00** | **488,023.42** | **488,023.42** | **1,645,810.84** |
| Salaries and Allowances | 6,104,328.00 | 668,818.65 | 487,078.07 | 487,078.07 | 1,642,974.79 |
| Social Contributions | 11,880.00 | 945.35 | 945.35 | 945.35 | 2,836.05 |
| **Municipal Staff** | **67,014,252.00** | **5,216,185.73** | **5,049,547.59** | **5,886,867.40** | **16,152,600.72** |
| Bargaining Council | 25,008.00 | 2,127.10 | 2,115.15 | 2,115.15 | 6,357.40 |
| Basic Salary and Wages | 47,588,388.00 | 3,722,344.40 | 3,832,984.06 | 4,399,943.23 | 11,955,271.69 |
| Bonuses | 3,220,884.00 | 20,189.02 | - | 33,918.12 | 54,107.14 |
| Cellular and Telephone | 434,904.00 | 37,642.10 | 37,642.10 | 35,992.10 | 111,276.30 |
| Housing Benefits and Incidental | 325,536.00 | 28,793.07 | 28,793.07 | 32,680.26 | 90,266.40 |
| Leave Pay | 1,562,688.00 | 211,401.22 | 54,166.04 | 160,301.46 | 425,868.72 |
| Lifeguard/Duty Squads | 44,064.00 | 3,500.00 | 3,500.00 | 3,500.00 | 10,500.00 |
| Medical | 2,462,784.00 | 219,892.14 | 218,105.34 | 216,121.38 | 654,118.86 |
| Non-pensionable | 116,304.00 | 82,548.15 | 1,188.15 | 1,188.15 | 84,924.45 |
| Overtime | 2,100,420.00 | 126,925.11 | 100,150.73 | 121,842.36 | 348,918.20 |
| Pension | 6,559,104.00 | 545,491.69 | 543,060.90 | 658,064.59 | 1,746,617.18 |
| Standby Allowance | 464,148.00 | 31,337.08 | 43,324.60 | 47,368.28 | 122,029.96 |
| Travel or Motor Vehicle | 1,580,940.00 | 140,000.00 | 140,000.00 | 129,000.00 | 409,000.00 |
| Unemployment Insurance | 387,468.00 | 30,994.65 | 31,517.45 | 31,832.32 | 94,344.42 |
| Uniform/Special/Protective Clothing | 141,612.00 | 13,000.00 | 13,000.00 | 13,000.00 | 39,000.00 |
| **Grand Total** | **80,348,988.00** | **6,390,321.61** | **6,033,203.19** | **6,870,523.00** | **19,294,047.80** |

The schedule details expenditure incurred by the municipality on staff salaries, wages, allowances, and benefits. All expenditure is within year-to-date budget.

## 2.6 Material Variances to the SDBIP

None identified

## 2.7 Capital programme performance

### 2.7.1 Capital expenditure per month

The following table shows the **Monthly Budget Statement – Capital expenditure trend:**

| Row Labels | Sum of TotalBudget | Sum of M01 | Sum of M02 | Sum of M03 | Sum of TotalActual |
|---|---|---|---|---|---|
| Assets:Non-current Assets:Construction Work-in-progress:Acquisitions:Outsourced | 21,125,304.00 | 3,228,848.64 | - | 2,134,187.24 | 5,363,035.88 |
| Assets:Non-current Assets:Heritage Assets:Cost Model:Other Heritage Assets:Archives Cost:Acquisitions | 180,000.00 | - | - | - | - |
| Assets:Non-current Assets:Intangible Assets:Cost:Other:In-use:Computer Software:Acquisitions | 879,996.00 | - | - | - | - |
| Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Community Assets:Cost:Acquisitions | 999,996.00 | - | - | - | - |
| Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Computer Equipment:In-use:Cost:Acquisitions | 90,000.00 | - | - | - | - |
| Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Furniture and Office Equipment:In-use:Cost:Acquisitions | 626,516.00 | - | 17,500.00 | - | 17,500.00 |
| Assets:Non-current Assets:Property; Plant and Equipment:Cost Model:Machinery and Equipment:In-use:Cost:Acquisitions | 188,372.00 | 97,000.00 | - | 104,000.10 | 201,000.10 |
| **Grand Total** | **24,090,184.00** | **3,325,848.64** | **17,500.00** | **2,238,187.34** | **5,581,535.98** |

### 2.7.2 Summary of Capital expenditure by asset class

The following is from **Table SC13a, Monthly Budget Statement – Capital expenditure on new assets by asset class**, and an *analysis is further provided on c schedule*.

## 2.8 Other supporting documents

***A complete set of C schedule is attached.***

## 2.9 Municipal Mangers Quality Certification

I, B.E Mswane, the acting Municipal Manager, of Richmond Municipality, hereby certify that the

- ☐ monthly budget statement
- ☐ quarterly report on the implementation of the budget and financial of the municipality
- ☐ mid-year budget and performance assessment

for the month of **September** of **2024** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

**Name: BE Mswane.**

**Municipal Manager of Richmond Municipality (KZN227)**

**Signature……………………………………………………**