

Metsimaholo Local Municipality



MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT FOR THE 2020/2021 FINANCIAL YEAR

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2. Report of the Executive Mayor

- Council approved the 2020/2021 MTREF on 26 June 2020.
- The information provided to the Executive Mayor is in compliance with Section 71 of the Local Government: Municipal Finance Management Act 56 of 2003. (MFMA).
- This monthly report is referred to as the Section 71 Report or the Schedule C Report for ease of reference.
- The report format is a standard template issued by National Treasury to all municipalities for completion and all the necessary information required to be reported on in terms of Section 71 is included in the report.
- In terms of Section 71, the Accounting Officer must by no later than 10 working days after the end of each month submit to the mayor and the relevant provincial treasury the monthly Section 71 (Schedule C) report.
- Provision for expenditure relating to COVID 19 was made for this financial year.
- Approved indigents households received 10kl water free for August 2020 and no interest was charged on outstanding services
- Adjustment Budget was approved on 30 September 2020.
- Additional equitable share was received.
- All indigent households receive an additional 50kWh electricity and 6kl of water free for 3 months (October 2020 to December 2020).
- Households and small business have the opportunity to receive 50% discount if the balance of 50% is paid within three (3) months and the current accounts is paid monthly.
- Residents who are always paying their rates and taxes be given 10% rebate on their current accounts for 3 months.
- Municipal employees not be included in the list of people who will receive a rebate.
- By the 30th of September 2020, all municipal budgets need to be assessed by the Provincial and National Treasuries. The additional allocations provided to municipalities for Covid-19 relief measures need to be taken into account in these special adjustments budgets and a determination needs to

be made by the respective Treasuries as to whether or not the budgets are funded. If the budgets are funded, the municipal council could approve the budget for implementation. If the budget is assessed as being unfunded, the council must not approve the budget. The budget would need to be reworked. Financial recovery plans are prepared for municipalities where interventions are implemented in terms of Section 139. Metsimaholo local municipality.

- A Recovery Plan was submitted to Council as it was indicated by National Treasury that the budget is unfunded. Council approved the recovery plan at the Council Meeting of 10 November 2020, item 12.
- The Mid Term Report is an assessment of actual performance against pre-determined objectives for the six months ended 31 December 2020.
- The key performance indicators and analysis is contained in this report and is presented to Council to note the actual performance for the first six months against the approved Service Delivery and Budget Implementation Plans (SDBIP's).
- The Executive Mayor hereby also confirm that she has received the monthly report timeously from the Accounting Officer.

3. Resolutions

1. That Council notes the contents of the report dealing with the mid-year budget and performance assessment for the 2020/2021 financial year (six months ended 31 December 2020)
2. That Council notes that the mid-year budget and performance assessment was done in terms of Section 72 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
3. That Council notes the actual performance of the municipality for the first six months of the financial year, against the service delivery targets contained in the approved 2020/21 Service Delivery and Budget Implementation Plan (SDBIP) as contained in Annexure A.
4. That the amended 2020/2021 Predetermined Objectives-strategic objectives, developmental strategies, key performance indicators and targets (SDBIP) be adopted as contained in Annexure B.
5. The Municipal Manager must ensure that appropriate measures are implemented by Directorates to fast-track actual performance in areas where the mid-year review reflects under-performance.
6. An Adjustments Budget will be submitted to Council for approval to accommodate the changes resulting from the mid-year performance assessment, in terms of Section 28 (6) of the MFMA as well as per approved Recovery Plan, approved by Council 10 November 2020.

4. Executive Summary

BACKGROUND

The 2020/21 MTREF was approved by Council on 26 June 2020 in accordance with Section 24(1) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and applicable National Treasury guidelines.

An Adjustment Budget to accommodate changes relating to COVID 19 was submitted as per guidelines of National Treasury and approved on 30 September 2020 by Council.

In terms of **Section 72 of the MFMA**: -

‘the accounting officer of a municipality must by 25 January of each year assess the performance of the municipality during the first half of the financial year’, taking into account the monthly budgeted statements, the municipality’s service delivery performance in terms of the Service Delivery and Budget Implementation Plan (SDBIP), the past year’s annual report and progress on resolving problems identified in the Annual Report.

It is further stated in **Section 72 of the MFMA** that:-

“the accounting officer must as part of the review make recommendations as to whether an adjustments budget is necessary and recommend revised projections for revenue and expenditure to the extent that this may be necessary”.

Section 69(2) of the MFMA further stipulates that:-

“when necessary, the accounting officer must prepare an adjustment budget and submit it to the mayor for consideration and tabling in the municipal council”.

Section 54(1)(f) of the MFMA further stipulates that: -

“(1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of Section 71 or 72, the mayor must- (f) in the case of a Section 72 report, submit the report to the council by 31 January of each year”

The assessment of the performance and budget of the municipality for the first six months of the 2020/21 financial year was undertaken in line with the above legislative requirements and as part of the municipality’s internal performance management processes.

The assessment included a detailed review of:

- the actual performance of each Directorate and Cluster for the period 1 July to 31 December 2020 against the performance targets approved for the 2020/21 Service Delivery and Budget Implementation Plan (SDBIP)
- Challenges identified and progress achieved in dealing with issues raised in the prior year Annual Report.

A detailed analysis of the assessment and results is presented in the following sections of the report and appendices.

Mid – Year Budget Assessment

Council adopted, on the 26 June 2020, the 2020/21 MTREF, which reflected allocations for the 2020/21 financial year to the amount of R1 522 501 750 and R1 404 546 940 in respect of revenue and expenditure respectively.

Council adopted, on the 30 September 2020, an adjusted 2020/21 MTREF, which reflected allocations for the 2020/21 financial year to the amount of R1 539 077 890 and R1 415 155 790 in respect of revenue and expenditure respectively.

The 2020/2021 mid-term budget assessment was prepared in accordance with guidelines of the Municipal Budget and Reporting Regulations.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low to high-priority programmes so as to maintain sound financial stewardship, and prioritizing key areas of service delivery. A critical review was also undertaken of expenditure on non-core and 'nice to have' items. (Refer also to Circular 82). *The policy on cost containment measures is submitted and await approval from Council.*

The main challenges experienced during the compilation of the 2020/21 MTREF, as well with the compilation of the 2020/2021 Adjustment Budget – 30 September 2020, can be summarised as follows:

Infrastructure and capital items

- Ageing and poorly maintained water, electricity and roads infrastructure
- A lack of proper maintenance master plans
- Limited capital projects that can be funded from own funds
- The need to reprioritize projects and expenditure within the **existing limited resources** given the cash flow realities
- Plant hire on a regular basis is costly and alternatives need to be explored – purchasing of own equipment (subject to affordability)

Increased costs and decreasing margins on trading activities

- Increased prices of goods and services above the inflation rate
- The increased cost of bulk water and electricity (due to tariff increases from Rand Water and Eskom), which places constant upward pressure on service tariffs to the community,
- Declining profit margins on water and electricity
- Tariffs are not cost reflective
- Some private developments and industries receive services direct from Eskom and Rand water with no direct benefit to the municipality

Irregular expenditure

- Expired tenders need to be regularized to avoid recurring irregular expenditure

Staffing and personnel costs

- Instability without permanent appointed directors
- Wage increases above the inflation target (As per the Bargaining Council Agreement)
- Critical vacancies can only be phased in over 4-8 years based on the affordability – subject to the organizational review
- Organisational review – process has commenced and needs to be completed this impacts on the critical vacancies and unfilled posts
- Job evaluation to address disparities on job and post levels
- Overtime cost in certain departments appear to be too high – requires a minimization strategy

Distribution losses

- Distribution losses - water and electricity require a minimization strategy that is practical and implementable
- Illegal connections to be addressed and eliminated altogether

Fleet management

- Fleet management (Cost of repairs and fuel) - needs to be addressed

Other matters

- Linking of each item to the IDP - the votes will reflect the link to IDP
- Tariff applications and approvals to be submitted timeously

COVID 19 impact

- Only R298 000 Disaster grant relief allocated by National Treasury
- Additional expenditure related to sanitize, protective clothing, etc.
- Relief for consumers due to economic impact of lock down
- Lower payment rate than expected

Benefits extended to registered indigents

- Free services were extended to approved indigent due to COVID

Recovery Plan

- Recovery plan was approved by Council as National Treasury indicated that the budget is not funded.

- The resolutions must be implemented in the February 2021 Adjustment budget

The in-year reporting is prepared in accordance with the guidelines as set out in the Government Gazette, 17 April 2009 (Schedule C: in-year reports and mid-year budget and performance assessment of Municipalities) and National Treasury Guidelines, Schedule C. Section 71 Reporting Guideline, July 2013 issued by National Treasury.

High Level Financial Analysis

	2020/21 Budget For the year R'000	2020/21 Adjustment Budget 30/9/2020 For the year R'000	Actual for the 6 months to 31/12/2020 R'000	Actual Versus Budget
Operating revenue	1,522,502	1,539,078	647,996	42.10%
Operating expenditure	1,404,547	1,415,156	552,538	39.04%
Capital expenditure	252,787	253,016	9,833	3.89%

Key Indicators for the period under review

- A. Operating Revenue: represents 42% of budgeted revenue.
- B. Operating Expenditure: represents 39% of budgeted expenditure.
- c. Capital Expenditure: represents 4% of budgeted CAPEX

A. Operating Revenue for the period under review

- **Total operating revenue for the 6 months represents 42% of the budgeted revenue for the year.**
- Included in the revenue of R648 million is R156,6 million from Government Grants, of which R153.3 million was the Equitable Share (67% of the equitable share allocation for the year has already been received) There is a below budget performance on the service charges.

- Waste management the Billing before free services are taken into account, is **42.3%** of the budget on waste management.
- Sanitation for the period is 8% **below budget before free basic services is taken into account.**
- Water (**34%**) and electricity (48 %) are also below budget however this varies with consumption levels. However, the bulk purchase of water and electricity on the expenditure is already on 43% and 51% respectively. Journals need to be done on the financial system to correct the financial years for the interim reversals on the billing system.

B. Operating expenditure for the period under review

- **Total operating expenditure for the 6 months represents 39% of the total budget**
- Accruals were made for bulk purchases of water and electricity, so that costs and revenues are matched in the same reporting period. Bulk purchase for electricity is 51% and water 43%.
- Operating expenditure is a challenge and subject to cash flow constraints.
- The approval and implementation of the bank overdraft is assisting to pay outstanding creditors and to bridge temporary cash shortfalls
- Operating expenditure for the period **is 11% below budget.**
- Depreciation for 2020/2021 is not yet done. It will be done after the audit is completed at the end of February 2021.

C. Capital Expenditure

- Capital spending is 3.9% of the budget. Capital expenditure for the year (**6 months**) is as follows:

▪ Grants spending	8.19%
▪ Borrowing	0%
▪ Donation(HDA)	0%
▪ Own funding	0.44%
- The approved budgeted Capital Expenditure for the year is R253.016 million

- **Capital expenditure is to be funded from the following sources:**

**Half year
Spending
(December 2020)**

➤ Own funds	R 62.3 m	R272K
➤ Donations	R 3.0m	R0
➤ Borrowing	R 71.0m	R0
➤ Grant funds (see below)	R 116.7m	R9.6m
➤ Department of Energy	R 5.0m	R 4.037m
➤ Municipal Infrastructure Grant	R 42.0m	R 5.524m
➤ Department of Water Sanitation	R 20.0m	R 0
➤ Regional Bulk Infrastructure	R 49.7m	R 0
<u>Total Capex budget</u>		<u>R 253.08m R 9.8</u>

D. Personnel expenses

- **Employee cost** for the 6 months totalled R161.226m
- An amount of **R29 million** is budgeted for critical vacancies for this year.
 - The R29 million is made up as follows: (included all new appointments from 1 March 2020)

Department	Budget	Appointments(Dec)	<i>Balance per directorate</i>
Directors	R 7,800,000		R 7,800,000
Managers	R 7,400,000	3,169,962.83	R 4,230,037
Office of the Municipal Manager	R 600,000	R 888,819.73	R -288,819.73
Corporate Services	R 1,000,000	1,293,497.12	R -293,497.12
Social Services	R 3,000,000	1,508,599.94	R 1,491,400.06
Fire Services	R 2,400,000	750,357.08	R 1,649,642.92
Technical Services	R 4,300,000	4,535,104.74	R -235,104.74
Financial Services	R 1,000,000	1,132,501.83	R -132,501.83
LED	R 1,500,000	974,432.23	R 525,567.77
Total	R 29,000,000	R 14,253,275.51	R 14,746,724.49

- New appointments will have to be considered carefully. Availability of budget, as acting figures must re-allocated from vacancy votes and the cash flow constraints must be taken into account.

- The percentage of employee related cost against the total expenditure must also be taken into account.
- Employee costs account for: -
 - **42.5%** of the total **personnel budget** for the year. Allocation on provision for leave, bonus and other employee benefits still outstanding.
 - **The filling of vacancies must be carefully be considered.**
 - **27.17% of the year to date total expenditure**
- **Remuneration of councillors:**
- Councillor Allowances in terms of the upper limits for 6 months ended December 2020 amounts to R9.7 million. Increase of upper limits will be implemented retrospective from 1 July 2020 when the Gazette with upper limits is available.
- **Salaries and overtime (excluding Councillors)**

Normal salary	R90 810 248
Overtime	R11 829 909
Total	<u>R102 640 157</u>
Overtime % of normal salary	13.03% (Prev. quarter 13.71%)

Overtime incurred is to be monitored on an on-going basis by the Technical and Social Services directorates so as to reduce overtime to 5% of normal salaries. **This has not been achieved and is being reported every month.**

The schedule below is an analysis of the overtime for the period July 2020 to December 2020 per department.

Description	YTD Movement	Political Offices	Municipal Manager	Corporate Services	Social Services	Technical Services	Financial Services	LED
BASIC SALARIES	90,810,249	5,998,693	6,306,796	7,404,478	29,149,572	21,518,875	14,138,515	6,293,321
Overtime	11,829,910	631,632	21,033	238,832	5,307,176	5,474,576	114,795	41,866
Overtime as % of salaries	13.03	10.53	0.33	3.23	18.21	25.44	0.81	0.67

E. Distribution losses

The norms are set by National Treasury as per MFMA Circular 71-Uniform Ratios and Norms (January 2014) paragraph B –Distribution losses

- The **electricity loss of 16.35%**, is above the acceptable norm which is between 7% and 10%
(The loss for the 2019/2020 financial year was 12.11%)
- The **water loss is of 25.47%** is within the acceptable norm which is between 15% and 30%. (The loss for the 2020/2021 financial year was 19.78%)

	Purchased	Sold	(Loss)/ Gain	(Loss)/Gain at cost
	kl/kWh	kl/kWh	%	Rand value
Year to date				
Water (Kilolitre)	10 162 809	7 574 281	(25.47)	(R26 119 885)
Electricity (kWh)	113 590 236	95 013 123	(16.35)	(R13 739 548)

The electricity losses are indicative of electricity theft and bridging of meters that needs to be investigated by the technical department.

No pre-paid meters in stock to replace faulty and illegal connections

Water losses also arise as a result of unmetered water at informal stands, calculated on average at 20kl per household:

- Themba Kubheka is 50 000kl per month
- Zamdela is 90 580kl per month.

Taking this 110 580 kl of unmetered water per month into account, the unaccounted for water loss will reduce further.

F: Current Assets - Debtors

- The debtor's age analysis has increased to R1.894b (September R1.882b)
- The age analysis will continue to grow to the extent of non-payment below 100% and by interest charged every month on the arrears.
- **Credit control measures must be applied strictly throughout the municipality, regardless of the customer type, whether it be businesses, schools, hospitals, or private households and also other government departments. This process has been intensified.**
- The municipality has in place a detailed Revenue Enhancement Strategy which must be rolled out in this financial year.
 - Presentations have been made to the Senior Management and also to Managers.
 - A further presentation will be made to the Council in due course.
 - This workshop has been repeatedly postponed and rollout can only be in the 2020/2021 year

Payment Rates

Average	Excluding prepaid	Including prepaid
Year to date	67.0%	78.1%
July to November levies received in August to December 2020		

- **Calculation of payment ratio**
- The average payment rate is calculated by expressing as a percentage: Payments received in the month following the month in which levies were raised, **and** the levies raised for the month
- This calculation **does not include prepaid electricity** – as the payment rate on this is 100%, by virtue of it being prepaid.
- The average payment rate can exceed 100% which indicates that arrears have also been collected.

Year to Date - Average payment rates: (excluding prepaid electricity)

	Levies	Payments	Payment
	R000	R000	Rate (%)
Sasolburg	262,421	228,836	87.2
Zamdela	69,165	7,126	10.3
Deneysville	11,465	6,555	57.2
Refengkgotso	14,232	218	1.5
Oranjeville	3,129	2,337	74.7
Metsimaholo	4,756	54	1.1
Sundry Debtors	932	303	32.5
Municipality Total	366,100	245,429	67.04

- The levies represent all the amounts billed, including indigent accounts, but excluding prepaid electricity sales
- The levied amount is net of the free basic amount.
- The payment amount does not include the indigent subsidy, as the free basic services are deducted from the levies.
- If the free basic services amounts are included in the levies and in the payments, the payment level will be slightly higher
- If prepaid electricity sales are included in the levies and in the payments, the payment level will be slightly higher.

Payment rate per ward - Year to date**(Taking into account free basic services to indigents)**

<u>Ward</u>	<u>MOVEMENT(Levies)</u>	<u>RECEIPTS</u>	<u>PERCENTAGE</u>
001	9,680,476.97	- 1,919,609.68	19.83
002	4,982,827.38	- 195,402.58	3.92
003	7,450,935.19	- 181,800.97	2.44
004	7,782,397.94	- 883,750.89	11.36
005	12,049,498.77	- 4,805,767.90	39.88
006	7,716,225.70	- 1,018,417.69	13.20
007	7,387,511.84	- 534,068.94	7.23
008	8,160,050.18	- 683,812.62	8.38
009	8,658,442.54	- 919,695.90	10.62
010	9,266,401.87	- 1,639,548.14	17.69
011	3,734,594.48	- 762,920.15	20.43
012	4,205,367.70	- 586,941.48	13.96
013	21,453,578.21	- 8,990,027.34	41.90
014	23,476,677.66	- 31,265,461.14	133.18
015	13,083,224.04	- 10,776,510.99	82.37
016	66,166,577.61	- 60,421,266.24	91.32
017	165,721,611.89	- 139,310,189.63	84.06
018	40,030,822.64	- 27,898,849.29	69.69
019	12,606,095.33	- 2,820,310.58	22.37
020	18,126,985.48	- 6,683,376.30	36.87
021	3,997,240.27	- 574,086.54	14.36

*Included industrial areas such as NATREF, SASOL, NALEDI

G. Analysis of Budget, Actual and Collection

(Actual Billing compared to Budgeted Billing) (Including prepaid electricity)

Comparison: (as per General Ledger)

Budget vs Levy	Budget 6 months (20/21)	Actual Levy (Q2: July - Dec 2020)	Actual Cash Collection (5 MONTHS)
Cleansing	R18 245 255	R17 217 897	R6 825 452
Electricity	R148 772 755	R149 119 398	R107 759 173
Sewer	R20 816 830	R17 774 726	R6 493 760
Water	R250 756 475	R168 243 636	R39 250 824
Assessment Rates	R104 695 405	R109 405 622	R46 557 553
Housing/Hostel	R2 968 985	R2 678 293	R360 300
Interest	R19 362 500	R15 706 868	R1 890 448
Unallocated			R118 660 349
Total	R565 618 205	R480 146 442	R324 797 859

- The levies for December 2020 are payable at end of January 2021.
- Actual levied is 84.9% of budgeted levies for the 6 months.
- Actual cash collection(5months) is 57.4% of budgeted levies for the 6 months
- Actual cash collection is (5months) 67.6% of actual levied-previous 6 months
- The levies are for 6 months but the actual cash collections are only for 5 months. (December levies are only received in January)

H. Councillors' balances outstanding as at 31 December 2020

Councillor Arrears

Councillor balances outstanding	R855.1k	(September 2020 Q1– R770.7k)
Arrears longer than 3 months	R801.7k	(September 2020 Q1– R713.0k)

The amount has increased from the previous month for the period 3 months and longer, as well as total amount owed by Councillors.

Municipal Systems Act

A Councillor may not be in arrears to the municipality for rates and service charges for a period longer than 3 months

It is the duty of the chairperson of municipal Councils to take necessary action where the Code of Conduct for Councillors has been breached.

Councillors balance outstanding as at 31 December 2020

Account No	Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing	Remarks
562734	DYWILI (MY2436) (1600)	NN	Arrangement	-	-	-	-	22,072.42	22,072.42	Honoured
536637	LEOTLELA (MY2403)	PR	Normal	167.60	166.94	166.27	165.60	13,122.30	13,788.71	No Arrangement
592959	LEOTLELA (MY2403)	PR	Handed over	-	-	-	-	10,956.49	10,956.49	No Arrangement
108353	MAHLAELA (MY2428)	MD	Normal	298.42	173.49	302.94	295.67	10,987.53	12,058.05	No Arrangement
595729	MALINDI (MY2417)	MJ	Handed over	-	-	-	-	5,349.78	5,349.78	No Arrangement
566022	MATWA (MY2444-R616 PM)	SM	Arrangement	-	-	-	-	6,931.59	6,931.59	Honoured
872070	MATWA (MY2444-R616 PM)	SM	Abeyance	-	-	-	-	6,146.92	6,146.92	No Arrangement
553229	MOISI T J TAATS (MY2405)	ME`	Normal	461.24	5,944.35	459.90	444.65	9,291.21	16,601.35	No Arrangement
109049	MOKOENA M E Maseko (MY2406)	DE	Normal	463.98	460.57	462.65	459.23	43,222.18	45,068.61	No Arrangement
590648	MOKOENA M E Maseko (MY2406)	DE	Handed over	-	-	-	-	10,849.58	10,849.58	No Arrangement
565105	MOKWENA N Mokoena (MY2439)	MS	Arrangement	-	-	-	-	16,398.42	16,398.42	Honoured
791179	MOKWENA N Mokoena (MY2439)	MS	Normal	457.92	453.68	457.92	453.68	4,892.35	6,715.55	No Arrangement
830981	MOKWENA N Mokoena (MY2439)	RE	Arrangement	-	-	-	-	12,549.16	12,549.16	Honoured

568419	MONYELA P M Mokoena(MY2431)	SD	Arrangement	-	-	-	-	5,171.67	5,171.67	Honoured
830353	MOSOKWENI (MY2437)	FD	Arrangement	-	-	-	-	56,227.56	56,227.56	Honoured
537934	MOTAUNG (MY2410)R500+CURRENT	TA	Normal	325.58	329.90	328.34	326.84	15,407.32	16,717.98	No Arrangement
106180	MOTJEANE S M Motjeane(MY2407)	RJ	Normal	22,831.55	4,430.76	4,459.35	4,426.03	110,371.04	146,518.73	No Arrangement
100348	MOTLOUNG (MY2408)	MC	Normal	676.12	668.52	676.12	668.52	23,780.13	26,469.41	No Arrangement
562315	MTSHALI (MY2420)	BP	Arrangement	-	-	-	-	30,270.46	30,270.46	Honoured
830352	MZIZI S S Kobo(MY2426)	TJ	Arrangement	-	-	-	-	14,931.19	14,931.19	Honoured
872353	MZIZI S S Kobo(MY2426)	TJ	Abeyance	-	-	-	-	9,088.41	9,088.41	No Arrangement
108037	NKHELOANE M Nkheloane (MY2433)	NE	Normal	763.33	758.42	762.00	754.95	26,582.81	29,621.51	No Arrangement
592910	NKHELOANE M Nkheloane (MY2433)	NE	Handed over	-	-	-	-	31,363.13	31,363.13	No Arrangement
512468	NNUNE (MY2424)	JG	Normal	372.61	362.61	309.39	320.42	3,541.68	4,906.71	No Arrangement
103104	NTESO S J Netso (MY2440)	DD	Normal	789.74	1,298.94	744.16	1,296.53	108,683.41	112,812.78	No Arrangement
589204	POHO(MY2432)	MS	Arrangement	-	-	-	-	6,740.88	6,740.88	Honoured
566245	TELANE M M Telane (MY2429)	P	Arrangement	-	-	69.88	305.05	65,647.69	66,022.62	Honoured
872358	TELANE M M Telane (MY2429)	P	Abeyance	-	-	-	-	32,884.19	32,884.19	No Arrangement

511192	TSOTETSI (MY2423)	P	Normal	508.41	507.60	506.80	505.99	77,845.27	79,874.07	No Arrangement
				28,116.50	15,555.78	9,705.72	10,423.16	791,306.77	855,107.93	

I. Officials balances outstanding as at 31 December 2020

Those officials who have not made arrangements - Deductions of up to 20% are made from their salaries.

Staff arrears (outstanding greater than 90 days)

Staff (officials) balances **outstanding greater than 90 days** totalled R1.228 million (Q1 September 2020– R1.242 million)

Staff have been reminded of the requirements of the Municipal Systems Act in that they are not to have arrears for a period longer than 3 months.

- Deductions were effected from the staff salaries as from the month of September 2014 in cases where no arrangements have been made.
- Where arrangements are in place this will be reviewed and the arrangements amounts may be increased. Affordability will be taken into consideration.
- All the officials owing may not be on the list as their residential details is not available. Information is not declared by officials.
- E-mail sent to all employees to remind them of the municipal accounts and arrangement form attached.

Those officials who have not made arrangements – Deductions of up to 20% were made from their salaries from November 2017. Officials were once again reminded to pay their consumers' account and to make arrangements.

Officials with arrears will be specifically addressed in the Revenue Enhancement Strategy. The workshop has been postponed and roll out can only happen in 2020/2021 year.

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Officials balance outstanding as at 31 December 2020

Account No	Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing	Remarks
830967	DLAMINI(A19129)	PR	Arrangement	-	-	-	-	6,620.29	6,620.29	Honoured
589598	KHUMALO 3522(R550)	MR	Arrangement	-	-	-	-	9,844.63	9,844.63	Honoured
580348	KOK (1119)(R1000)	TJ	Arrangement	-	-	-	-	970.94	970.94	Honoured
600918	MABENA(00119)	MS&SV	Arrangement	-	-	-	1,704.67	10,463.83	12,168.50	Honoured
578762	MADLALA(A02557)	BT	Arrangement	-	-	-	-	2,223.18	2,223.18	Honoured
830745	MALOKA(TD055)	MM	Arrangement	-	-	-	-	6,111.73	6,111.73	Honoured
581425	MAROSHA 2541	PA&MA	Arrangement	-	-	-	-	879.15	879.15	Honoured
830780	MATSEMULA 3502	MM	Arrangement	-	-	-	-	904.92	904.92	Honoured
562772	MAZIBUKO_(AMPT 00150)	NE	Arrangement	-	-	-	-	789.09	789.09	Honoured
830690	MGXWASHU A19143	MS	Arrangement	-	-	-	-	3,491.02	3,491.02	Honoured
830839	MKHABELA A02553	MG&GN	Arrangement	-	-	-	-	25,542.20	25,542.20	Honoured
561605	MNGUNI(A47447)	NB	Arrangement	-	-	-	-	1,172.17	1,172.17	Honoured
578911	MONAHENG A19220 R600	JC	Arrangement	-	-	-	-	3,532.48	3,532.48	Honoured
830942	NKUMANE	SB	Arrangement	-	-	-	-	2,970.14	2,970.14	Honoured
830170	RAMAELE 0124	TD&ME	Arrangement	-	-	-	-	1,362.42	1,362.42	Honoured
830680	SELEPE(R400)A24734	J	Arrangement	-	-	-	-	2,469.61	2,469.61	Honoured
830112	SELIANE (BI4738)	RD&CN	Arrangement	-	-	-	-	6,166.72	6,166.72	Honoured
830996	SERERO (A10164)R1500	J	Arrangement	-	-	2,839.70	1,113.39	4,381.87	8,334.96	Honoured
830387	SHEBE (5712)	KA	Arrangement	-	-	-	-	8,963.95	8,963.95	Honoured
830842	SHEBE (5712)	KA	Arrangement	-	-	-	-	10,394.37	10,394.37	Honoured
830126	TSHABALALA(3806)	PP	Arrangement	-	-	-	-	16,318.68	16,318.68	Honoured
562276	TSHABALALA_A49339	NS	Arrangement	-	-	-	-	5,009.96	5,009.96	Honoured
830421	VAN DER MERWE 0129	KJH&EA	Arrangement	-	-	-	-	9,101.89	9,101.89	Honoured
830823	VILAKAZI (B05010)(R1500)	LM	Arrangement	-	-	-	-	15,928.98	15,928.98	Honoured
562477	ZWANE (A02558)	SE&HB	Arrangement	-	-	-	-	7,538.06	7,538.06	Honoured
				-	-	2,839.70	2,818.06	163,152.28	168,810.04	

Account No	Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing	Remarks
604052	ALBERTS 1030	G&MJ	Normal	1,041.94	1,053.82	1,045.31	1,495.32	14,933.63	19,570.02	No Arrangement
606857	DLAMINI(A19129)	PR	Normal	1,606.38	2,771.64	1,754.33	1,946.76	963.98	9,043.09	No Arrangement
795035	HLONGWANE (00145)	MN	Normal	930.70	1,451.32	1,469.91	3,157.35	16,030.96	23,040.24	No Arrangement
558233	KASA (1022)	LN	Normal	140.76	822.10	336.29	488.58	5,669.28	7,457.01	No Arrangement
588221	KHOZA	T	Normal	1,436.92	1,060.73	2,468.63	1,050.63	21,018.08	27,034.99	No Arrangement
602270	KHOZA(5717)	B	Normal	211.85	246.63	246.63	264.02	41,136.70	42,105.83	No Arrangement
574375	LABUSCHAGNE 0131	HPJV	Normal	1,983.72	3,626.65	4,232.48	2,605.34	978.72	13,426.91	No Arrangement
604787	LERATA(4905)	DP	Normal	817.67	817.63	812.79	807.96	6,014.14	9,270.19	No Arrangement
574530	LETSHWARA_0123	DJ	Normal	583.00	553.25	6,186.24	556.71	7,518.85	15,398.05	No Arrangement
106694	MABULA(A48085)(R1000.00)	MM	Normal	1,114.15	1,058.00	1,806.49	1,322.15	2,769.63	8,070.42	No Arrangement
556399	MACHAEA	PV	Normal	933.75	926.33	924.56	1,110.56	15,372.37	19,267.57	No Arrangement
319590	MAKHELEDISA (3806)	SJ	Normal	563.24	560.81	561.22	558.80	2,384.46	4,628.53	No Arrangement
851956	MAKHELEDISA (3806)	SJ	Handed over	-	-	-	838.93	23,487.47	24,326.40	No Arrangement
791508	MAKO (A19364)	MK	Normal	2,184.75	2,316.96	2,269.88	2,174.27	84,943.69	93,889.55	No Arrangement

603246	MASUKU	TL	Normal	758.52	4,382.69	750.25	746.11	13,689.79	20,327.36	No Arrangement
582620	MATSEMULA 3502	MM	Handed over	-	-	-	-	43,692.73	43,692.73	No Arrangement
550463	MBABALE (1927- R300PM)	JM	Normal	307.76	535.80	545.06	760.52	38,984.52	41,133.66	No Arrangement
108487	MBIKOLO	MMG	Normal	2,326.55	1,258.08	1,760.91	444.05	-	5,789.59	No Arrangement
596744	MBIKOLO	MMG	Handed over	-	-	-	-	9,170.71	9,170.71	No Arrangement
526948	MOFOKENG O344389	M	Normal	778.18	1,696.69	3,541.66	1,943.91	8,269.94	16,230.38	No Arrangement
526623	MOFOKENG__080313	DE	Normal	699.07	695.49	699.05	694.88	10,018.83	12,807.32	No Arrangement
511919	MOFOKENG__D8003	PJ	Normal	353.13	593.99	504.05	1,352.80	6,322.96	9,126.93	No Arrangement
107168	MOKHELE A15891	SR	Normal	1,244.03	1,044.95	1,479.58	1,671.08	28,942.58	34,382.22	No Arrangement
604116	MOKOENA (1101)	SJ&SJ	Normal	1,051.59	1,388.55	1,399.42	2,229.07	7,168.87	13,237.50	No Arrangement
604348	MOKOENA (1101)	SJ&SJ	Normal	1,215.22	1,030.68	932.50	959.52	5,430.20	9,568.12	No Arrangement
581317	MOKOENA (A19174)(R600)	MS	Normal	1,288.15	1,460.10	3,079.18	1,456.95	19,174.79	26,459.17	No Arrangement
590644	MOKOENA (A19174)(R600)	MS	Handed over	-	-	-	-	11,551.82	11,551.82	No Arrangement
1753	MOKOENA(1101)	SJ	Normal	849.35	835.87	780.92	757.34	1,818.08	5,041.56	No Arrangement
794364	MOKOENA(1101)	SJ&SJ	Normal	1,440.83	1,687.46	1,502.45	1,487.85	7,753.72	13,872.31	No Arrangement

602177	MOLETSANE(1604)R11904.89)	LM	Normal	2,585.79	2,807.94	3,501.51	3,952.81	5,195.32	18,043.37	No Arrangement
593107	MONAHENG A19220 R600	JC	Handed over	-	-	-	-	8,542.26	8,542.26	No Arrangement
871950	MONAHENG A19220 R600	JC	Abeyance	-	-	-	-	12,061.37	12,061.37	No Arrangement
604444	MOTA(2250)R400	SB	Normal	290.46	293.46	291.74	92.40	-	968.06	No Arrangement
606966	MOTSEI	TD	Normal	-	-	-	-	13.00	13.00	No Arrangement
100415	MOTSEI 1006	ZA	Normal	1,233.59	1,220.10	1,230.49	1,217.00	24,828.81	29,729.99	No Arrangement
109198	MOTSIE__00119	JM	Normal	303.96	462.63	587.40	366.94	13,802.27	15,523.20	No Arrangement
103811	MOTSITSI A24725(CANCL20191219)	MJ	Normal	987.77	4,638.27	1,454.98	4,637.59	12,742.75	24,461.36	No Arrangement
108932	MOTSOENENG 1171	MJ	Normal	1,113.73	1,100.34	1,110.81	1,097.41	26,410.60	30,832.89	No Arrangement
598702	MPETJEKANA (A48082)	NS	Handed over	-	-	-	-	8,549.37	8,549.37	No Arrangement
109232	NGQUBA(A42517)	T	Normal	1,818.85	-	-	-	20,537.43	22,356.28	No Arrangement
607085	NTLIZIYOTYE	N	Normal	889.77	1,066.87	970.08	929.58	4,819.82	8,676.12	No Arrangement
605027	RADEBE(3840) & MASOMBUKA	PM&NB	Normal	715.12	707.85	707.42	700.17	8,665.17	11,495.73	No Arrangement
607015	RAMAELE	T	Normal	1,152.09	1,248.51	1,655.44	1,328.43	4,659.61	10,044.08	No Arrangement
794833	RAMATHE	JS	Normal	2,995.66	2,644.50	2,168.14	1,286.06	111,403.15	120,497.51	No Arrangement

104043	SEFATSA W07673	LA	Normal	1,266.17	952.31	1,357.72	937.64	83,024.55	87,538.39	No Arrangement
588452	SELIANE(BI4738)	RD	Normal	5,576.59	5,536.90	5,536.13	5,423.18	11,137.67	33,210.47	No Arrangement
552905	SIMELANE A24736(R830)	LA	Normal	1,127.12	330.56	1,632.18	321.34	21,872.73	25,283.93	No Arrangement
526983	SOLANI (080018)	NM	Normal	880.50	2,626.47	913.02	903.43	37,190.12	42,513.54	No Arrangement
795037	TOM 00140	NE	Normal	890.48	1,475.82	1,229.31	2,582.91	7,817.23	13,995.75	No Arrangement
599634	TSOTETSI(00114)	TE	Normal	975.97	1,534.04	1,417.85	3,254.74	7,419.53	14,602.13	No Arrangement
525023	VAN RENSBURG (LUBBE)	B	Normal	28.41	28.41	28.41	28.41	56.82	170.46	No Arrangement
588031	VILAKAZI (4301)	MC	Handed over	-	-	-	-	22,102.42	22,102.42	No Arrangement
27524	ZAKWE A024	OL	Normal	661.90	659.89	660.52	657.28	3,926.88	6,566.47	No Arrangement
				51,355.14	63,211.09	67,542.94	62,598.78	911,990.38	1,156,698.33	
Account No	Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing	Remarks
339440	KOK (1119)(R1000)	TJ	Normal	1,667.23	1,652.57	1,650.12	1,631.59	38,072.85	44,674.36	
560323	MKHABELA A02553	MG&GN	Normal	1,317.29	2,046.55	3,162.28	1,893.59	1,000.00	9,419.71	
795182	TSHABALALA(3806)	PP	Normal	2,869.09	1,856.78	2,148.21	1,994.02	37,931.19	46,799.29	
103488	VILAKAZI (B05010)(R1500)	LM	Normal	1,278.36	1,270.44	1,270.02	1,254.04	2,148.83	7,221.69	
102680	ZWANE (A02558)	SE&HB	Normal	2,737.98	979.03	1,726.22	1,103.71	-	6,546.94	
				9,869.95	7,805.37	9,956.85	7,876.95	79,152.87	114,661.99	

TOTAL	61,225.09	71,016.46	80,339.49	73,293.79	1,154,295.53	1,440,170.36
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J: Current Liabilities

- The creditor's age analysis **increased from R131 (Q1) m to R167.3 m.**
- The payment of creditors affects the cash flow situation.

The top 6 creditors balances are as follows: -

1.	Government Garage	June 2019 statement	R16 150 000
2.	Department of Water Affairs	October 2020 Statement	R44 660 000
3.	Eskom	Current account	R 21 028 000
4.	Rand Water	Current account	R 17 772 000
5	Millennium Pumps	June 2020 statement	R1 100 470
6.	Edge Forensics	December 2020 Statement	R 3 488 020
	Total of top 6	62.2 %of total creditors	R104 198 490
7.	Other creditors		R 63 116 510
	Total creditors		R167 315 000

1. Government Garage:

No payments were made in December 2020. No arrangements were made for the payment of outstanding balance.

2. Department of Water Affairs:

The monthly account is paid every month.

A formal agreement for payments of the arrear amount is not yet signed.

There is a dispute on the account and our legal department has been engaging with them to reach a solution.

3. Eskom

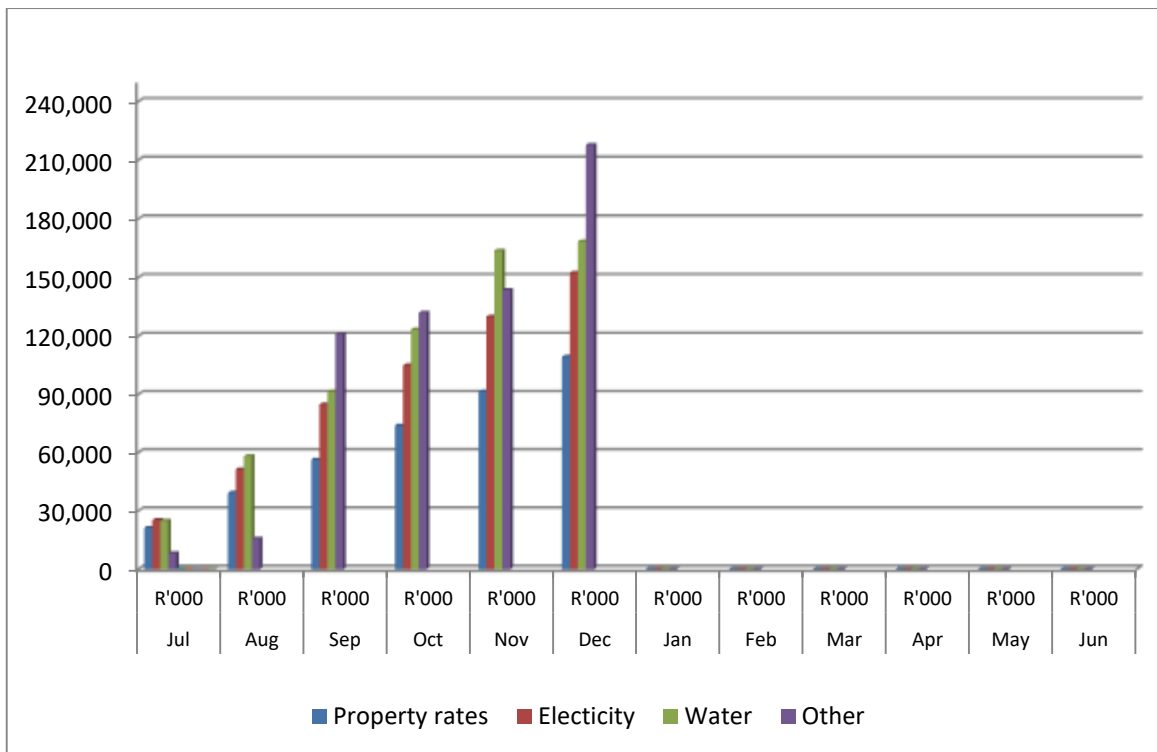
The current accounts for November 2020 was paid.

4. Edge Forensics

The arrangement payments for Edge Forensics were adhered to and the total amount of R696 918 was paid in December 2020.

K: Budget Related Charts

Chart 1: Revenue by Major source

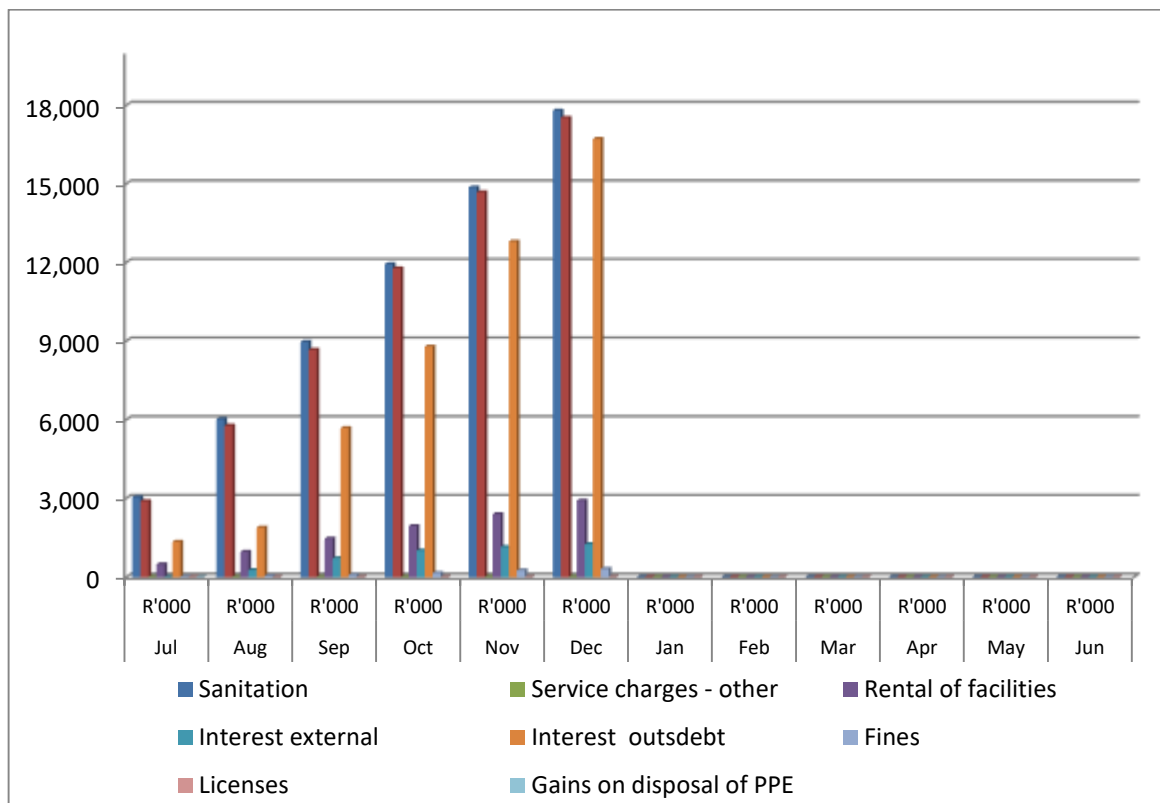


Revenue from own sources represents 75.8 % of total revenue for six months ended December 2020.

The **four major sources of own revenue** for six months ended December 2020 is as follows:

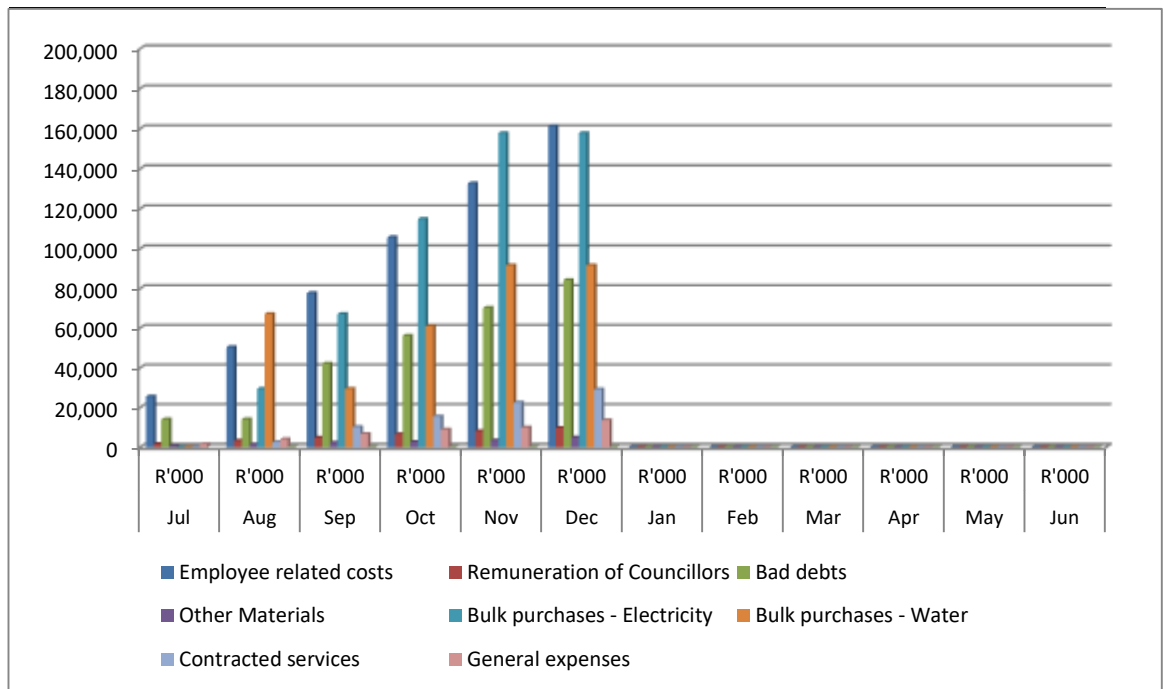
1.	Water	34.3%
2.	Electricity	31.0%
3.	Property Rates	22.3%
4.	Sanitation	3.6%
	Total	<u>91.2%</u>

The figures on the chart for December 2020 are cumulative (Year-to-date).

Chart 2: Revenue by Minor Source

The figures on the chart are cumulative (year to date)

- Interest earned on outstanding debtors amounts to R16 716 000 for the six months ended December 2020.
- Revenue from fines amounts to R314 000 for the six months ended December 2020.

Chart 3: Operating Expenditure by Major Type

The figures on the chart are cumulative (year to date)

The **major expenses** for the six months ended December 2020 are as follows:

1. Employee related cost	29.2%
2. Electricity bulk purchase	28.6%
3. Water bulk purchase	16.6%
4. Debt Impairment	15.2%
Total	89.6%

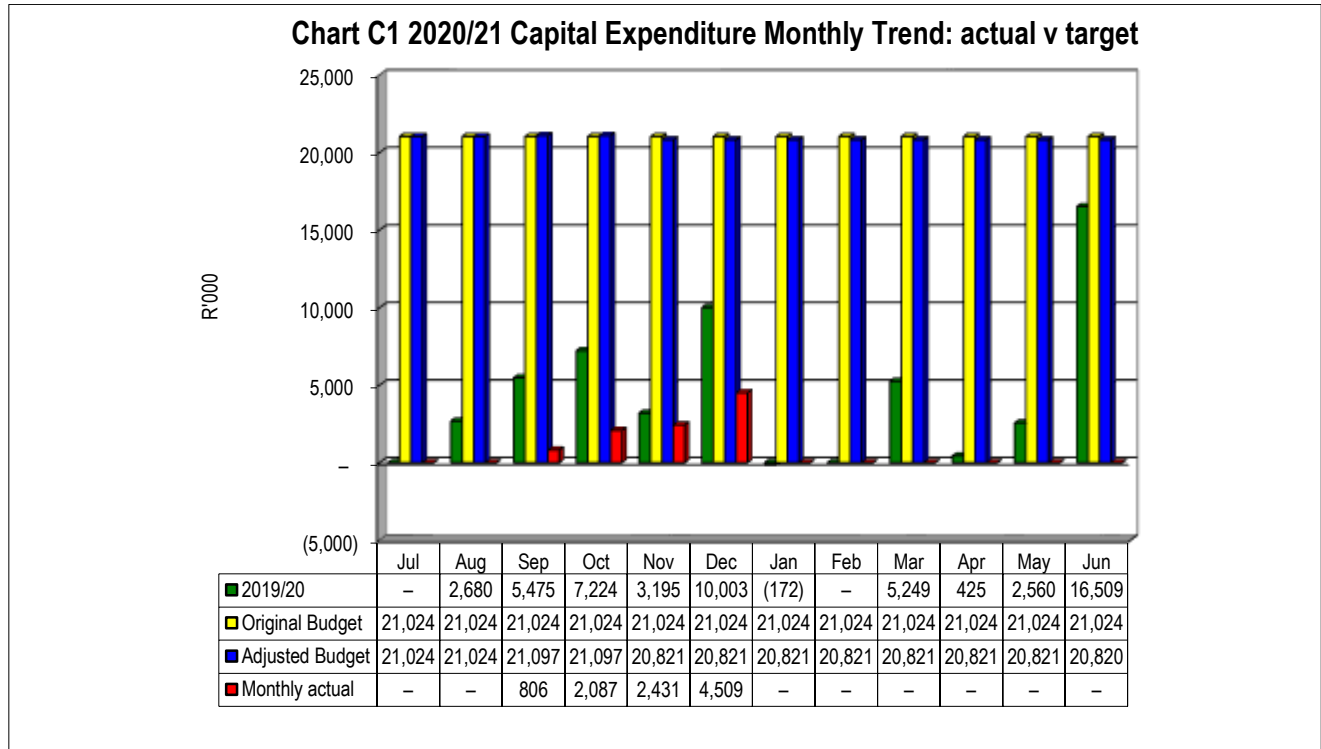
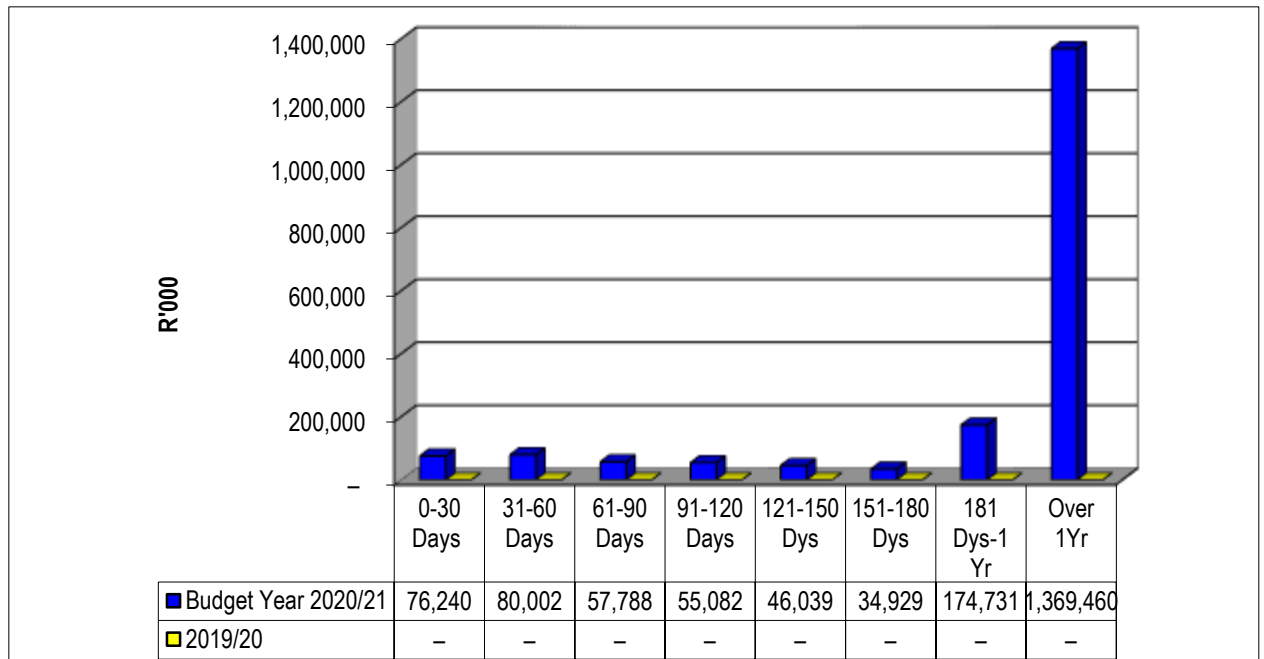
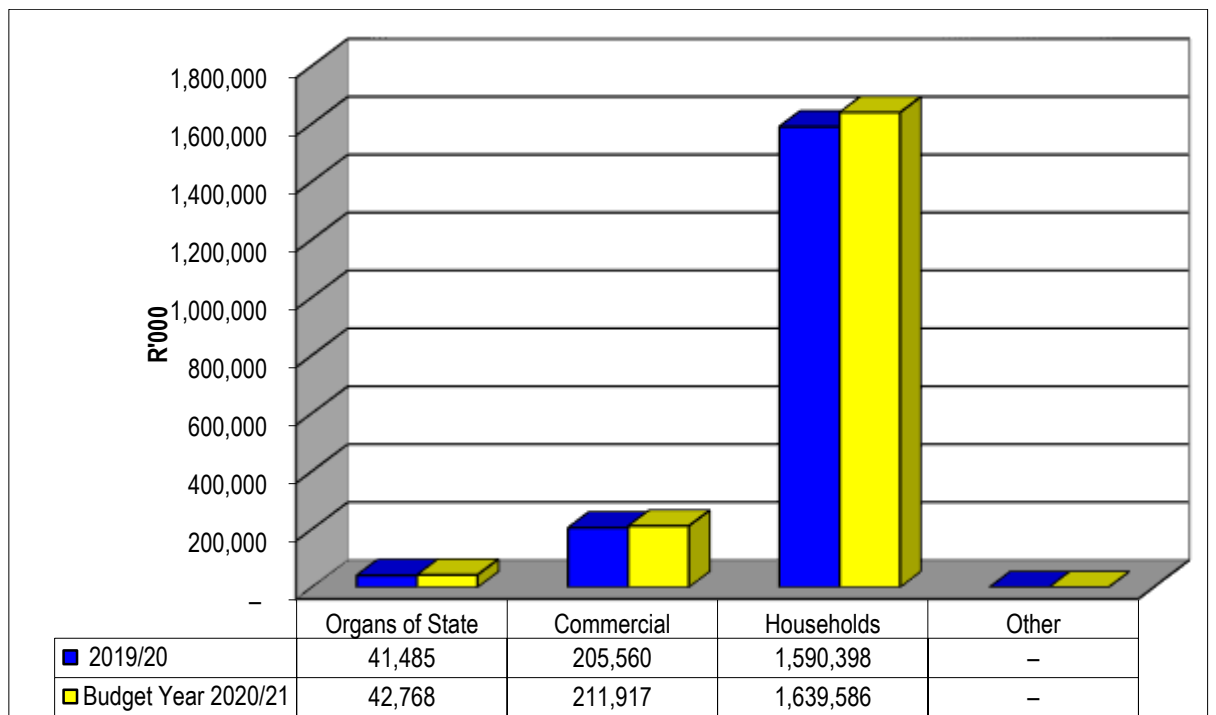
Chart 4: Capital Expenditure Monthly Trend

Chart 5: Consumer Debtors**Consumers per period****Consumers per category**

COMMENTS ON THE DEBTORS BOOK

Performance of the debtors' book

- The gross debtors book exceeds R1 billion and the latest amount at end of December 2020 is R1 894 270 493 (June 2020 – R1 805 188 397)
- The concentration of the debtors' book is mainly in the category of **household consumers**
- The debtors' book is an accumulation of debt over many years
- The debtors' book will continue to grow for as long as the payment level is below 100%, in addition interest is charged on the outstanding balances which also contributes to the growth in the debtors' book

Impairment of the debtors' book

- The Impairment on the debtors' book as at **30 June 2020** is **R1 543 841 031** and represents **85.5%** of the gross debtor's book
- Impairment for the **six months** totalled **R84 057 214**
- Total impairment as at **December 2018** is **R1 627 898 246**, and represents **85.9%** of the gross debtor's book

Budget implications

- The budget is prepared based on an estimated projection of the payment level and not on the balance of the debtors' book
- The water distribution gain for December 2020 is 22.45% and the loss for the financial year **25.47%**. The readings of all the consumption of water must be taken and processed on the accounts regularly.
- Illegal electricity connections must be follow up and actions taken against the consumers

Debt collection Control

- Debt collection control measures are to be applied to all household consumers throughout the municipality
- The municipality does not have sufficient capacity in the debt management department to manage all the household debt.
- The debt management department needs to be further capacitated
- No debt collection control measures in all the areas
- **The consumption of water and the non-payment for water consumption must be address as a matter of urgency. The payment rate on water for the period July to November 2020 is 23%**

5. In -Year Budget Statement Tables

FS204 Metsimaholo - Table C1 Monthly Budget Statement Summary – Mid-year
December

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	199,277	210,599	209,391	109,406	109,406	104,816	4,590	4%	209,391
Service charges	767,533	906,475	892,307	356,151	356,151	447,570	(91,419)	-20%	892,307
Investment revenue	4,491	2,500	2,500	1,256	1,256	1,250	6	0%	2,500
Transfers and subsidies	213,846	208,982	240,206	156,634	156,634	116,981	39,653	34%	240,206
Other own revenue	61,310	77,975	77,975	24,549	24,549	38,988	(14,438)	-37%	77,975
Total Revenue (excluding capital transfers and contributions)	1,246,457	1,406,532	1,422,379	647,996	647,996	709,605	(61,608)	-9%	1,422,379
Employee costs	307,824	379,706	379,145	161,226	161,226	189,630	(28,405)	-15%	379,145
Remuneration of Councillors	19,380	21,047	21,047	9,718	9,718	10,523	(806)	-8%	21,047
Depreciation & asset impairment	46,368	87,906	87,906	–	–	43,954	(43,954)	-100%	87,906
Finance charges	6,827	5,176	5,176	283	283	2,588	(2,306)	-89%	5,176
Materials and bulk purchases	495,854	560,832	560,892	254,369	254,369	280,490	(26,121)	-9%	560,892
Transfers and subsidies	176	352	352	12	12	176	(164)	-93%	352
Other expenditure	361,061	349,527	360,638	127,031	127,031	178,829	(51,798)	-29%	360,638
Total Expenditure	1,237,489	1,404,547	1,415,156	552,637	552,637	706,190	(153,553)	-22%	1,415,156
Surplus/(Deficit)	8,968	1,985	7,223	95,360	95,360	3,415	91,945	2693%	7,223
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	35,658	90,970	67,014	–	–	35,902	#####	-100%	67,014
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)	6,626	25,000	49,685	–	–	22,374	(22,374)	-100%	49,685
Surplus/(Deficit) after capital transfers & contributions	51,252	117,955	123,922	95,360	95,360	61,691	33,668	55%	123,922
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	51,252	117,955	123,922	95,360	95,360	61,691	33,668	55%	123,922
Capital expenditure & funds sources									
Capital expenditure	53,147	252,287	250,808	9,833	9,833	125,883	(116,050)	-92%	250,808
Capital transfers recognised	42,605	118,970	117,490	9,561	9,561	59,224	(49,663)	-84%	117,490
Borrowing	–	70,972	70,972	–	–	35,486	(35,486)	-100%	70,972
Internally generated funds	10,542	62,345	62,345	272	272	31,173	(30,901)	-99%	62,345
Total sources of capital funds	53,147	252,287	250,808	9,833	9,833	125,883	(116,050)	-92%	250,808
Financial position									
Total current assets	1,053,279	819,767	840,496		1,178,383				840,496
Total non current assets	1,679,722	2,021,739	2,020,259		1,689,555				2,020,259
Total current liabilities	1,048,511	1,028,739	1,065,244		1,088,726				1,065,244
Total non current liabilities	142,245	56,424	56,424		142,245				56,424
Community wealth/Equity	1,542,280	1,756,344	1,739,087		1,636,967				1,739,087
Cash flows									
Net cash from (used) operating	–	221,406	241,360	(314,346)	(314,346)	120,680	435,026	360%	241,360
Net cash from (used) investing	45	(252,287)	(252,287)	(9,788)	(9,788)	(126,144)	(116,355)	92%	(252,287)
Net cash from (used) financing	(30,460)	14,682	14,682	(4,255)	(4,255)	7,341	11,596	158%	14,682
Cash/cash equivalents at the month/year end	(12,898)	1,598	41,730	–	(280,987)	1,877	282,865	15068%	3,755

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
<u>Debtors Age Analysis</u>									
Total By Income Source	76,240	80,002	57,788	55,082	46,039	34,929	174,731	1,369,460	1,894,270
<u>Creditors Age Analysis</u>									
Total Creditors	43,282	4,644	1,345	6,451	40,458	–	–	71,134	167,315

VIREMENTS:

All Virement's are reported in the monthly Schedule C reports

5.2 Monthly Budget Statement Financial Performance: Standard Classification

FS204 Metsimaholo - Table C2 Monthly Budget Statement - Financial Performance (functional classification) – Mid-year December

Description	Ref	2019/20	Budget Year 2020/21							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		156,114	158,533	189,757	131,933	131,933	91,756	40,177	44%	189,757
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		156,114	158,533	189,757	131,933	131,933	91,756	40,177	44%	189,757
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		228,134	260,875	259,667	119,696	119,696	129,954	(10,258)	-8%	259,667
Community and social services		795	15,134	15,134	234	234	7,567	(7,333)	-97%	15,134
Sport and recreation		5,741	2,717	2,717	53	53	1,359	(1,306)	-96%	2,717
Public safety		3,082	10,784	10,784	817	817	5,392	(4,575)	-85%	10,784
Housing		218,515	232,239	231,031	118,592	118,592	115,636	2,956	3%	231,031
Health		–	–	–	–	–	–	–		–
Economic and environmental services		10,659	26,943	26,943	1,432	1,432	13,472	(12,040)	-89%	26,943
Planning and development		2,846	3,782	3,782	1,432	1,432	1,891	(459)	-24%	3,782
Road transport		7,813	23,161	23,161	–	0	11,581	(11,581)	-100%	23,161
Environmental protection		–	–	–	–	–	–	–		–
Trading services		893,834	1,076,151	1,062,711	394,935	394,935	532,699	(137,764)	-26%	1,062,711
Energy sources		324,841	354,748	332,532	156,997	156,997	168,488	(11,491)	-7%	332,532
Water management		446,700	547,017	537,387	188,206	188,206	269,656	(81,450)	-30%	537,387
Waste water management		73,249	109,904	128,878	24,015	24,015	62,542	(38,526)	-62%	128,878
Waste management		49,044	64,483	63,914	25,717	25,717	32,014	(6,297)	-20%	63,914
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	1,288,741	1,522,502	1,539,078	647,996	647,996	767,881	(119,885)	-16%	1,539,078
Expenditure - Functional	-									
Governance and administration		225,743	281,809	284,605	100,824	100,824	141,687	(40,863)	-29%	284,605
Executive and council		54,173	58,898	58,919	25,024	25,024	29,458	(4,434)	-15%	58,919
Finance and administration		168,922	219,827	222,606	74,418	74,418	110,689	(36,271)	-33%	222,606
Internal audit		2,648	3,084	3,080	1,382	1,382	1,540	(159)	-10%	3,080
Community and public safety		127,363	145,297	145,228	60,609	60,609	72,622	(12,013)	-17%	145,228
Community and social services		5,721	7,819	7,868	2,601	2,601	3,930	(1,329)	-34%	7,868
Sport and recreation		34,765	43,399	43,399	16,117	16,117	21,700	(5,583)	-26%	43,399
Public safety		39,581	49,979	49,871	20,390	20,390	24,947	(4,557)	-18%	49,871
Housing		47,296	44,100	44,090	21,502	21,502	22,046	(544)	-2%	44,090
Health		–	–	–	–	–	–	–		–
Economic and environmental services		50,292	93,548	93,046	19,015	19,015	46,728	(27,713)	-59%	93,046
Planning and development		14,765	25,075	25,057	7,864	7,864	12,531	(4,667)	-37%	25,057
Road transport		35,527	68,473	67,988	11,151	11,151	34,197	(23,046)	-67%	67,988
Environmental protection		–	–	–	–	–	–	–		–
Trading services		831,970	880,476	888,856	371,154	371,154	443,443	(72,289)	-16%	888,856
Energy sources		325,860	392,011	393,501	181,178	181,178	196,602	(15,424)	-8%	393,501
Water management		392,003	363,968	370,043	150,075	150,075	184,260	(34,185)	-19%	370,043
Waste water management		59,853	62,944	63,509	18,049	18,049	31,704	(13,656)	-43%	63,509
Waste management		54,255	61,553	61,803	21,852	21,852	30,877	(9,024)	-29%	61,803
Other		2,121	3,416	3,421	1,035	1,035	1,710	(675)	-39%	3,421
Total Expenditure - Functional	3	1,237,489	1,404,547	1,415,156	552,637	552,637	706,190	(153,553)	-22%	1,415,156
Surplus/ (Deficit) for the year		51,252	117,955	123,922	95,360	95,360	61,691	33,668	55%	123,922

5.3 Monthly Budget Statement Financial Performance: Municipal vote

FS204 Metsimaholo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – Mid-year December

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<u>Revenue by Vote</u>	1									
Vote 01 - Executive & Council		–	–	–	–	–	–	–		–
Vote 02 - Municipal Manager		2,118	2,952	2,952	950	950	1,476	(526)	-35.7%	2,952
Vote 03 - Corporate Services		812	1,307	1,307	233	233	653	(421)	-64.4%	1,307
Vote 04 - Social Services		58,662	93,119	92,550	26,821	26,821	46,332	(19,511)	-42.1%	92,550
Vote 05 - Technical Services		852,603	1,034,829	1,021,958	369,218	369,218	512,266	(143,048)	-27.9%	1,021,958
Vote 06 - Financial Services		367,660	369,413	399,428	247,105	247,105	196,712	50,393	25.6%	399,428
Vote 07 - Local Economic Development And Planning		6,885	20,882	20,882	3,670	3,670	10,441	(6,772)	-64.9%	20,882
Total Revenue by Vote	2	1,288,741	1,522,502	1,539,078	647,996	647,996	767,881	(119,885)	-15.6%	1,539,078
<u>Expenditure by Vote</u>	1									
Vote 01 - Executive & Council		41,987	48,981	49,001	21,656	21,656	24,499	(2,843)	-11.6%	49,001
Vote 02 - Municipal Manager		59,419	74,220	74,185	22,348	22,348	37,096	(14,748)	-39.8%	74,185
Vote 03 - Corporate Services		41,193	51,800	53,749	21,430	21,430	26,349	(4,918)	-18.7%	53,749
Vote 04 - Social Services		134,381	167,440	167,632	60,917	60,917	83,798	(22,881)	-27.3%	167,632
Vote 05 - Technical Services		826,461	909,478	917,217	366,977	366,977	457,836	(90,859)	-19.8%	917,217
Vote 06 - Financial Services		110,385	116,420	117,184	48,465	48,465	58,516	(10,051)	-17.2%	117,184
Vote 07 - Local Economic Development And Planning		23,663	36,208	36,188	10,843	10,843	18,096	(7,253)	-40.1%	36,188
Total Expenditure by Vote	2	1,237,489	1,404,547	1,415,156	552,637	552,637	706,190	(153,553)	-21.7%	1,415,156
Surplus/ (Deficit) for the year	2	51,252	117,955	123,922	95,360	95,360	61,691	33,668	54.6%	123,922

5.4 Monthly Budget Statement - Financial Performance: (revenue and expenditure)

FS204 Metsimaholo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – Mid-year December

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		199,277	210,599	209,391	109,406	109,406	104,816	4,590	4%	209,391
Service charges - electricity revenue		298,686	314,935	311,676	152,409	152,409	156,164	(3,754)	-2%	311,676
Service charges - water revenue		407,802	511,534	501,904	168,419	168,419	251,915	(83,496)	-33%	501,904
Service charges - sanitation revenue		28,185	42,370	41,660	17,800	17,800	20,901	(3,101)	-15%	41,660
Service charges - refuse revenue		32,860	37,636	37,068	17,523	17,523	18,591	(1,068)	-6%	37,068
Rental of facilities and equipment		5,983	6,288	6,288	2,914	2,914	3,144	(229)	-7%	6,288
Interest earned - external investments		4,491	2,500	2,500	1,256	1,256	1,250	6	0%	2,500
Interest earned - outstanding debtors		45,927	38,725	38,725	16,716	16,716	19,362	(2,646)	-14%	38,725
Dividends received		123	100	100	–	–	50	(50)	-100%	100
Fines, penalties and forfeits		2,508	10,420	10,420	314	314	5,210	(4,896)	-94%	10,420
Licences and permits		56	211	211	3	3	105	(102)	-97%	211
Agency services								–		
Transfers and subsidies		213,846	208,982	240,206	156,634	156,634	116,981	39,653	34%	240,206
Other revenue		6,671	22,231	22,231	4,601	4,601	11,116	(6,514)	-59%	22,231
Gains		41	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		1,246,457	1,406,532	1,422,379	647,996	647,996	709,605	(61,608)	-9%	1,422,379
Expenditure By Type	-									
Employee related costs		307,824	379,706	379,145	161,226	161,226	189,630	(28,405)	-15%	379,145
Remuneration of councillors		19,380	21,047	21,047	9,718	9,718	10,523	(806)	-8%	21,047
Debt impairment		230,763	168,964	177,414	84,257	84,257	87,862	(3,605)	-4%	177,414
Depreciation & asset impairment		46,368	87,906	87,906	–	–	43,954	(43,954)	-100%	87,906
Finance charges		6,827	5,176	5,176	283	283	2,588	(2,306)	-89%	5,176
Bulk purchases		449,402	526,826	526,826	249,479	249,479	263,413	(13,934)	-5%	526,826
Other materials		46,453	34,007	34,066	4,890	4,890	17,077	(12,187)	-71%	34,066
Contracted services		79,498	115,320	116,012	29,205	29,205	58,061	(28,856)	-50%	116,012
Transfers and subsidies		176	352	352	12	12	176	(164)	-93%	352
Other expenditure		49,830	65,243	67,212	13,568	13,568	32,906	(19,337)	-59%	67,212
Losses		969	–	–	–	–	–	–		–
Total Expenditure		1,237,489	1,404,547	1,415,156	552,637	552,637	706,190	(153,553)	-22%	1,415,156
Surplus/(Deficit)		8,968	1,985	7,223	95,360	95,360	3,415	91,945	0	7,223
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		35,658	90,970	67,014	–	–	35,902	(35,902)	(0)	67,014
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)		6,626	25,000	49,685	–	–	22,374	(22,374)	(0)	49,685
Surplus/(Deficit) after capital transfers & contributions		51,252	117,955	123,922	95,360	95,360	61,691			123,922
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		51,252	117,955	123,922	95,360	95,360	61,691			123,922
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		51,252	117,955	123,922	95,360	95,360	61,691			123,922

Actual Revenue and Billing

Revenue source by						
	MTREF Adjustment	Actual Revenue and Billing 6 months to 31 Dec. 2020			MTREF 2021/2022	MTREF 2022/2023
		Billing 1*	Actual revenue 2*			
				3*		
		R'000	R'000	%	R'000	R'000
Property rates	209,391	109,406		52.2	221,207	232,330
Electricity	311,676	152,409		48.9	334,176	350,792
Sanitation	41,660	17,800		42.7	44,899	47,534
Water	501,904	168,419		33.6	543,240	573,215
Refuse removal	37,068	17,523		47.3	40,268	42,889
Govt. grants - operating	240,206		156,634	65.2	229,751	252,192
Govt. grants – capital transfer	116,699		0	0.0	92,662	82,292
Fines/Penalties	10,420		314	3.0	10,920	11,920
Interest Debtors	38,725	16,716		43.2	44,888	44,888
Interest	2,600		1,256	48.3	2,600	2,600
Licences and permits	211		3	1.4	211	211
Rental facilities of	6,288	2,678	236	46.3	6,595	6,607
Other	22,230		4,601	20.7	22,122	25,728
	1,539,078	484,951	163,044	42.1	1,593,539	1,673,198

1* The billing to consumers for the six months

2* Actual other revenue excluding billing, and including operational grants, for the six months

3* Revenue as a percentage of proposed budget for the year

The services levied for refuse, sewer, electricity and water are less than what was originally budgeted for. All services must be re-vised with the adjustment budget, taken into account the free basic services to Indigent

residents. Revenue section must also insure that service are bill correctly to consumers that receive the services

Other service charges in total are below budget.

The following items are a few items that are below budget:

Town planning & servitude	43.96%
Pan and Development: Building fees	0.75%
Tender documents	1.94%
Sale of Valuation rolls	0%
Licence and permits	1.65%
Staff recoveries	47.08%
Entrance fees	14.99%
Cemetery and burial fees	46.61%
Sale of assets	1.99%
Administrative handling fees(commission)	31.36%
Rental community assets	2.94%
Academic services(LGSETA)	8.78%

The actual collection on traffic fines for the six months is R302 028 as compared to the budget of R9.8 million. The collection must be improved.

The interest on outstanding debtors' amounts to R16.7 million. The budget of R38.7 million must be adjusted downwards.

Equitable share of R30.8 million was withheld due to unspent conditional grants (capital projects). The request for approval of roll over of funds were made to National Treasury.

Actual Operating Expenditure

The table below provides a summary of the actual operating expenditure by main type for the first six months of the 2019/20 financial year compared to the annual budget.

Operating expenditure by main type	2020/21			2021/22	2022/23
	MTREF Adjustment	Actual Expenditure 30-Dec-20 (6 Months)		MTREF	MTREF
		R'000	%		
Employee related costs	379,145	161,226	42.5	417,877	455,755
Remuneration of councillors	21,047	9,718	46.2	21,891	22,985
Impairment of debtors book	177,414	84,257	47.5	168,521	166,009
Other Materials	33,939	4,890	14.4	32,311	32,259
Bulk purchases-electricity	311,157	157,802	50.7	327,337	344,358
Bulk purchases-water	215,669	91,677	42.5	215,669	226,453
Contracted services	116,090	29,205	25.2	113,326	113,538
Finance charges	5,176	283	5.5	18,559	26,975
Grants and subsidies	352	12	3.4	350	322
General expenses	65,053	13,568	20.9	68,458	69,277
Depreciation	87,906	0	0.0	106,443	119,880
	1,412,948	552,638	39.1	1,490,742	1,577,811

Outstanding commitments and payments must be taken into account with expenditure type that reflects spending below 50%. Outstanding invoices from departments must also be taken into account where SCM procedures were not followed.

Depreciation will only be done after the 2019/2020 audit is completed by the Auditor general.

Increase in councillor allowances will only paid when the Gazette with upper limits are published and is therefore not included in the figures above.

Employee related cost – refer to paragraph D - Personnel cost

It must be taken into account that certain expenditure occurred only once a year.

Bulk purchases of water and electricity on target with the budget amounts and need to increase check if it will be sufficient for the next 6 months.

New finance leases and loans as per capital budget are outstanding. Tenders are not yet invited for institutions. The process for the finance lease tender has started in December 2020. Therefor can the finance cost be revised with the adjustment budget.

The Operating budget must be revised taken into account the Recovery plan and cash flow of the municipality.

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

FS204 Metsimaholo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) – Mid-year December

Vote Description	Ref	2019/20	Budget Year 2020/21							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 01 - Executive & Council		–	–	–	–	–	–	–		–
Vote 02 - Municipal Manager		507	1,970	1,970	232	232	985	(753)	-76%	1,970
Vote 03 - Corporate Services		40	4,052	4,052	–	–	2,026	(2,026)	-100%	4,052
Vote 04 - Social Services		4,546	34,301	24,109	1,527	1,527	14,684	(13,157)	-90%	24,109
Vote 05 - Technical Services		47,377	192,960	201,669	8,075	8,075	98,686	(90,611)	-92%	201,669
Vote 06 - Financial Services		–	–	–	–	–	–	–		–
Vote 07 - Local Economic Development And Planning		–	4,658	4,658	–	–	2,329	(2,329)	-100%	4,658
Total Capital Multi-year expenditure	4,7	52,469	237,942	236,458	9,833	9,833	118,710	(108,876)	-92%	236,458
Single Year expenditure appropriation	2									
Vote 01 - Executive & Council		–	–	–	–	–	–	–		–
Vote 02 - Municipal Manager		–	11	11	–	–	6	(6)	-100%	11
Vote 03 - Corporate Services		–	200	205	–	–	101	(101)	-100%	205
Vote 04 - Social Services		–	7,395	7,395	–	–	3,697	(3,697)	-100%	7,395
Vote 05 - Technical Services		601	5,020	5,020	–	–	2,510	(2,510)	-100%	5,020
Vote 06 - Financial Services		77	1,715	1,715	–	–	858	(858)	-100%	1,715
Vote 07 - Local Economic Development And Planning		–	4	4	–	–	2	(2)	-100%	4
Total Capital single-year expenditure	4	678	14,345	14,349	–	–	7,174	(7,174)	-100%	14,349
Total Capital Expenditure		53,147	252,287	250,808	9,833	9,833	125,883	(116,050)	-92%	250,808
Capital Expenditure - Functional Classification										
Governance and administration		796	9,448	9,453	232	232	4,725	(4,493)	-95%	9,453
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		796	9,448	9,453	232	232	4,725	(4,493)	-95%	9,453
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		4,546	29,714	20,949	1,527	1,527	12,747	(11,220)	-88%	20,949
Community and social services		49	15,852	7,086	–	–	5,815	(5,815)	-100%	7,086
Sport and recreation		4,497	5,545	5,545	1,527	1,527	2,772	(1,246)	-45%	5,545
Public safety		–	8,318	8,318	–	–	4,159	(4,159)	-100%	8,318
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		1,897	91,558	92,312	1,912	1,912	45,887	(43,975)	-96%	92,312
Planning and development		–	1,662	1,662	–	–	831	(831)	-100%	1,662
Road transport		1,897	89,895	90,650	1,912	1,912	45,056	(43,144)	-96%	90,650
Environmental protection		–	–	–	–	–	–	–		–
Trading services		45,908	118,567	125,094	6,163	6,163	61,025	(54,862)	-90%	125,094
Energy sources		14,831	45,668	26,712	4,037	4,037	15,252	(11,215)	-74%	26,712
Water management		2,992	7,183	7,183	40	40	3,592	(3,552)	-99%	7,183
Waste water management		28,085	53,733	80,643	2,086	2,086	36,547	(34,461)	-94%	80,643
Waste management		–	11,982	10,555	–	–	5,634	(5,634)	-100%	10,555
Other		–	3,000	3,000	–	–	1,500	(1,500)	-100%	3,000
Total Capital Expenditure - Functional Classification	3	53,147	252,287	250,808	9,833	9,833	125,883	(116,050)	-92%	250,808

Funded by:										
National Government		42,004	115,970	114,490	9,561	9,561	57,724	(48,163)	-83%	114,490
Provincial Government		–	–	–	–	–	–	–		–
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		601	3,000	3,000	–	–	1,500	(1,500)	-100%	3,000
Transfers recognised - capital		42,605	118,970	117,490	9,561	9,561	59,224	(49,663)	-84%	117,490
Borrowing	6	–	70,972	70,972	–	–	35,486	(35,486)	-100%	70,972
Internally generated funds		10,542	62,345	62,345	272	272	31,173	(30,901)	-99%	62,345
Total Capital Funding		53,147	252,287	250,808	9,833	9,833	125,883	(116,050)	-92%	250,808

Projects and items on the Capital budget must be revised with the Adjustment Budget, taken into account the cash position of the municipality. Capital projects/ items must be reduced to be less than R20 million on condition that operating budget reflects a surplus that can be allocated for the capital budget.

5.6 Monthly Budget Statement – Financial Position

FS204 Metsimaholo - Table C6 Monthly Budget Statement - Financial Position – Mid-year December

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash		6,609	13,615	22,615	227,331	22,615
Call investment deposits		40,793	3,757	23,935	(165,281)	23,935
Consumer debtors		262,509	189,309	180,859	334,925	180,859
Other debtors		742,138	611,064	611,064	779,838	611,064
Current portion of long-term receivables		–	–	–	–	–
Inventory		1,230	2,022	2,022	1,570	2,022
Total current assets		1,053,279	819,767	840,496	1,178,383	840,496
Non-current assets						
Long-term receivables		45	–	–	45	–
Investments		–	–	–	–	–
Investment property		444,879	292,894	292,894	444,879	292,894
Investments in Associate						
Property, plant and equipment		1,225,814	1,730,097	1,728,618	1,235,647	1,728,618
Biological						
Intangible		4,556	(1,813)	(1,813)	4,556	(1,813)
Other non-current assets		4,428	561	561	4,428	561
Total non-current assets		1,679,722	2,021,739	2,020,259	1,689,555	2,020,259
TOTAL ASSETS		2,733,001	2,841,506	2,860,755	2,867,938	2,860,755
<u>LIABILITIES</u>						
Current liabilities	-					
Bank overdraft		–	–	–	–	–
Borrowing		3,288	11,838	11,838	1,656	11,838
Consumer deposits		25,477	31,488	31,488	26,353	31,488
Trade and other payables		1,009,710	834,312	870,817	1,050,680	870,817
Provisions		10,036	151,101	151,101	10,036	151,101
Total current liabilities		1,048,511	1,028,739	1,065,244	1,088,726	1,065,244
Non-current liabilities						
Borrowing		541	56,424	56,424	541	56,424
Provisions		141,705	–	–	141,705	–
Total non-current liabilities		142,245	56,424	56,424	142,245	56,424
TOTAL LIABILITIES		1,190,756	1,085,162	1,121,668	1,230,971	1,121,668
NET ASSETS	2	1,542,245	1,756,344	1,739,087	1,636,967	1,739,087
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)		1,542,245	1,756,344	1,739,087	1,636,967	1,739,087
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	1,542,245	1,756,344	1,739,087	1,636,967	1,739,087

The year to date does not take into account the opening balances, but only reflects the net movement for the period.

5.7 Monthly Budget Statement – Cash Flow

FS204 Metsimaholo - Table C7 Monthly Budget Statement - Cash Flow - Mid-year December

Description	Ref	2019/20	Budget Year							
		Audited Outcome	2020/21 Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		–	181,115	179,907	89,769	89,769	89,954	(185)	0%	179,907
Service charges		–	815,610	804,345	400,030	400,030	402,173	(2,143)	-1%	804,345
Other revenue		–	48,094	37,613	(66,773)	(66,773)	18,807	(85,580)	-455%	37,613
Transfers and Subsidies - Operational		–	208,982	240,206	105,561	105,561	120,103	(14,542)	-12%	240,206
Transfers and Subsidies - Capital		–	115,970	116,699	16,750	16,750	58,349	(41,599)	-71%	116,699
Interest		–	2,500	2,500	1,256	1,256	1,250	6	0%	2,500
Dividends		–	100	100	–	–	50	(50)	-100%	100
Payments										
Suppliers and employees		–	(1,150,965)	(1,140,011)	(860,939)	(860,939)	(570,006)	290,933	-51%	(1,140,011)
Finance charges								–		
Transfers and Grants								–		
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	221,406	241,360	(314,346)	(314,346)	120,680	435,026	360%	241,360
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Decrease (increase) in non-current receivables		45	–	–	45	45	–	45	#DIV/0!	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets		–	(252,287)	(252,287)	(9,833)	(9,833)	(126,144)	(116,310)	92%	(252,287)
NET CASH FROM/(USED) INVESTING ACTIVITIES		45	(252,287)	(252,287)	(9,788)	(9,788)	(126,144)	(116,355)	92%	(252,287)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing		–	52,709	52,709	–	–	26,355	(26,355)	-100%	52,709
Increase (decrease) in consumer deposits		(25,477)	(31,488)	(31,488)	(2,624)	(2,624)	(15,744)	13,120	-83%	(31,488)
Payments										
Repayment of borrowing		(4,983)	(6,539)	(6,539)	(1,631)	(1,631)	(3,270)	(1,639)	50%	(6,539)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(30,460)	14,682	14,682	(4,255)	(4,255)	7,341	11,596	158%	14,682
NET INCREASE/ (DECREASE) IN CASH HELD		(30,415)	(16,199)	3,755	(328,389)	(328,389)	1,877			3,755
Cash/cash equivalents at beginning:		17,517	17,797	37,976		47,402				
Cash/cash equivalents at month/year end:		(12,898)	1,598	41,730		(280,987)	1,877			3,755

Supporting Documentation

6. Debtors' analysis

FS204 Metsimaholo - Supporting Table SC3 Monthly Budget Statement - aged debtors – Mid-year December

Description	NT Code	Budget Year 2020/21											
		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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	41,354	51,534	35,979	35,658	34,488	19,834	102,389	828,661	1,149,899	1,021,031	1,912	46,779
Trade and Other Receivables from Exchange Transactions - Electricity	1300	9,216	8,232	6,431	5,873	3,262	4,375	12,864	52,529	102,781	78,903	1,120	13,153
Receivables from Non-exchange Transactions - Property Rates	1400	15,640	10,482	6,412	5,665	4,486	6,268	18,715	102,722	170,389	137,856	570	18,692
Receivables from Exchange Transactions - Waste Water Management	1500	2,380	2,059	1,496	1,336	1,225	1,155	5,535	39,060	54,246	48,311	325	2,153
Receivables from Exchange Transactions - Waste Management	1600	2,466	2,083	1,647	1,519	1,434	1,349	7,262	59,244	77,004	70,809	367	3,280
Receivables from Exchange Transactions - Property Rental Debtors	1700									-	-		
Interest on Arrear Debtor Accounts	1810	3,921	3,995	3,849	3,781	505	1,214	20,620	186,718	224,605	212,839		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	1,263	1,618	1,974	1,250	637	732	7,346	100,527	115,346	110,492	233	
Total By Income Source	2000	76,240	80,002	57,788	55,082	46,039	34,929	174,731	1,369,460	1,894,270	1,680,241	4,527	84,057
2019/20 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2,740	3,491	3,392	3,531	1,367	674	5,301	22,271	42,768	33,144		
Commercial	2300	30,044	30,360	15,894	13,295	4,783	6,442	19,910	91,190	211,917	135,620		
Households	2400	43,456	46,151	38,501	38,256	39,890	27,813	149,519	1,255,999	1,639,586	1,511,477	4,527	84,057
Other	2500									-	-		
Total By Customer Group	2600	76,240	80,002	57,788	55,082	46,039	34,929	174,731	1,369,460	1,894,270	1,680,241	4,527	84,057

Consumer debts of R4.5 million were written off in terms of the Credit Control and Debt Collection Policy during the 6 months ended December 2020

5. Creditors' analysis

FS204 Metsimaholo - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-year December

Description R thousands	NT Code	Budget Year 2020/21								
		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										
Bulk Electricity	0100	21,028	–							21,028
Bulk Water	0200	19,097	1,201	666	1,010	40,458				62,432
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	2,071	2,496	679	5,441				71,134	81,821
Auditor General	0800	1,087	947							2,034
Other	0900	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	43,282	4,644	1,345	6,451	40,458	–	–	71,134	167,315

**Trade creditors include outstanding orders, as a commitment is already made.
The amount becomes payable when the work is completed or when the service is
delivered.**

6. Investment portfolio analyses

FS204 Metsimaholo - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-year 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 ^a	Commissi on Paid (Rands)	Comm ission Recipi ent	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
ABSA			CALL		V	4.3				8,003	79	(13,055)	22,400	17,427
NEDBANK			CALL		V	3.25				6,122	30	(6,970)	10,000	9,182
FNB			CALL		V	3.25				5,224	30	(5,030)	10,000	10,224
STANDARD BANK			CALL		V	3.3				82	31	(68)	5,000	5,045
INVESTEC			CALL		V	3.35				4,048		(5,000)	10,000	9,048
FIXED			32DAYS		F	4				–	50	(50)	15,000	15,000
TOTAL INVESTMENTS AND INTEREST	2									23,479		(30,173)	72,400	65,926

7. Allocation and grant receipts and expenditure

FS204 Metsimaholo - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-year December

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
-										
Operating Transfers and Grants										
National Government:		200,912	208,982	240,206	156,634	156,634	116,981	39,653	33.9%	240,206
Equitable Share		183,064	202,505	233,729	152,267	152,267	113,742	38,525	33.9%	233,729
Expanded Public Works									40.0%	
Programme Integrated Grant		1,157	1,327	1,327	929	929	663	266		1,327
Local Government Financial									100.0%	
Management Grant		2,235	2,500	2,500	2,500	2,500	1,250	1,250		2,500
Municipal Disaster Relief Grant		298	298	298	-	-	149	(149)	-100.0%	298
Municipal Infrastructure Grant		14,158	2,352	2,352	938	938	1,176	(238)	-20.2%	2,352
Operation Clean Audit		-	-	-	-	-	-	-		-
Water Services Infrastructure		-	-	-	-	-	-	-		-
Grant		-	-	-	-	-	-	-		-
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		12,934	-	-	-	-	-	-		-
Auditor-General		-	-	-	-	-	-	-		-
Local Government Water and										
Related Service SETA		570	-	-	-	-	-	-		-
Unspecified		12,364	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	213,846	208,982	240,206	156,634	156,634	116,981	39,653	33.9%	240,206
Capital Transfers and Grants										
National Government:		35,658	90,970	67,014	-	-	35,902	(35,902)	-100.0%	67,014
Integrated National Electrification		-	-	-	-	-	-	-		-
Programme									-100.0%	
Integrated National Electrification		9,999	23,956	5,000	-	-	4,396	(4,396)		5,000
Programme Grant		19,693	42,014	42,014	-	-	21,007	(21,007)	-100.0%	42,014
Municipal Infrastructure Grant		-	-	-	-	-	-	-		-
Municipal Water Infrastructure		-	-	-	-	-	-	-		-
Grant		-	-	-	-	-	-	-		-
Regional Bulk Infrastructure Grant		-	-	-	-	-	-	-		-
Water Services Infrastructure		5,966	25,000	20,000	-	-	10,500	(10,500)	-100.0%	20,000
Grant		-	-	-	-	-	-	-		-
Provincial Government:		-	-	-	-	-	-	-		-
Specify (Add grant description)		-	-	-	-	-	-	-		-
Sports and Recreation		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		6,626	25,000	49,685	-	-	22,374	(22,374)	-100.0%	49,685
[insert description]		-	-	-	-	-	-	-		-
Government Motor Transport		-	25,000	49,685	-	-	22,374	(22,374)	-100.0%	49,685
Production		-	-	-	-	-	-	-		-
Unspecified		6,626	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	42,284	115,970	116,699	-	-	58,276	(58,276)	-100.0%	116,699
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	256,130	324,952	356,905	156,634	156,634	175,257	(18,623)	-10.6%	356,905

FS204 Metsimaholo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-year December

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		36,726	26,799	29,008	14,112	14,112	13,952	160	1.1%	29,008
Department of Environmental Affairs		–	–	–	–	–	–	–		–
Equitable Share		18,706	20,306	20,306	9,352	9,352	10,153	(801)	-7.9%	20,306
Expanded Public Works Programme Integrated Grant		1,502	1,342	1,342	762	762	671	91	13.5%	1,342
Local Government Financial Management Grant		2,012	2,501	2,501	1,950	1,950	1,251	699	55.9%	2,501
Municipal Disaster Relief Grant		298	298	298	–	–	149	(149)	-100.0%	298
Municipal Infrastructure Grant		14,208	2,352	4,561	2,048	2,048	1,728	320	18.5%	4,561
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
<i>Unspecified</i>		12,364	–	–	–	–	–	–		–
Total operating expenditure of Transfers and Grants:		36,726	26,799	29,008	14,112	14,112	13,952	160	1.1%	29,008
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		42,004	115,970	114,490	9,561	9,561	57,724	(48,163)	-83.4%	114,490
Integrated National Electrification Programme Grant		8,695	23,956	5,000	4,037	4,037	4,396	(359)	-8.2%	5,000
Municipal Infrastructure Grant		28,121	42,014	39,805	5,524	5,524	20,455	(14,930)	-73.0%	39,805
Regional Bulk Infrastructure Grant		–	25,000	49,685	–	–	22,374	(22,374)	-100.0%	49,685
Water Services Infrastructure Grant		5,188	25,000	20,000	–	–	10,500	(10,500)	-100.0%	20,000
Provincial Government:		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		601	3,000	3,000	–	–	1,500	(1,500)	-100.0%	3,000
Buildings and Construction		–	–	–	–	–	–	–		–
Government Motor Transport		–	–	–	–	–	–	–		–
Households		–	–	–	–	–	–	–		–
Human Settlement Re-development Programme		–	–	–	–	–	–	–		–
Production		601	–	–	–	–	–	–		–
South Africa Sport Commission		–	–	–	–	–	–	–		–
South Africa Tourism		–	3,000	3,000	–	–	1,500	(1,500)	-100.0%	3,000
Unspecified		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		42,605	118,970	117,490	9,561	9,561	59,224	(49,663)	-83.9%	117,490
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		79,331	145,769	146,498	23,673	23,673	73,176	(49,503)	-67.6%	146,498

8. Councillor allowance and employee benefit

FS204 Metsimaholo - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-year December

Summary of Employee and Councillor remuneration	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Councillors (Political Office Bearers plus Other)	4 3 4 2 4									
Basic Salaries and Wages		14,106	15,325	15,325	6,962	6,962	7,662	(700)	-9%	15,325
Pension and UIF Contributions		-	-	-	-	-	-	-		-
Medical Aid Contributions								-		
Motor Vehicle Allowance								-		
Cell phone Allowance		1,714	2,124	2,124	857	857	1,062	(205)	-19%	2,124
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		3,561	3,598	3,598	1,899	1,899	1,799	100	6%	3,598
Sub Total - Councillors		19,380	21,047	21,047	9,718	9,718	10,523	(806)	-8%	21,047
% increase			8.6%	8.6%						8.6%
Senior Managers of the Municipality										
Basic Salaries and Wages		4,471	13,001	13,001	1,264	1,264	6,500	(5,237)	-81%	13,001
Pension and UIF Contributions		2	19	19	1	1	10	(9)	-89%	19
Medical Aid Contributions		-	-	-	-	-	-	-		-
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	2,423	2,423	-	-	1,211	(1,211)	-100%	2,423
Motor Vehicle Allowance		240	341	341	120	120	170	(50)	-30%	341
Cell phone Allowance		36	204	204	18	18	102	(84)	-82%	204
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		93	12	12	2	2	6	(4)	-68%	12
Payments in lieu of leave	-	115	115	-	-	57	(57)	-100%	115	
Long service awards	-	-	-	-	-	-	-		-	
Sub Total - Senior Managers of Municipality	4,842	16,114	16,114	1,404	1,404	8,057	(6,653)	-83%	16,114	
% increase		232.8%	232.8%						232.8%	
Other Municipal Staff										
Basic Salaries and Wages	169,901	212,715	211,874	92,228	92,228	106,063	(13,835)	-13%	211,874	
Pension and UIF Contributions	29,366	31,291	31,291	16,265	16,265	15,646	620	4%	31,291	
Medical Aid Contributions	18,401	19,627	19,627	9,691	9,691	9,814	(122)	-1%	19,627	
Overtime	-	-	-	-	-	-	-		-	
Performance Bonus	13,520	14,738	14,738	7,508	7,508	7,369	139	2%	14,738	
Motor Vehicle Allowance	19,786	21,384	21,664	10,871	10,871	10,762	108	1%	21,664	
Cell phone Allowance	1,326	1,425	1,534	750	750	767	(17)	-2%	1,534	
Housing Allowances	2,544	2,681	2,681	1,348	1,348	1,340	7	1%	2,681	
Other benefits and allowances	32,654	38,211	38,102	16,961	16,961	19,051	(2,090)	-11%	38,102	
Payments in lieu of leave	2,055	2,584	2,584	1,783	1,783	1,292	490	38%	2,584	
Long service awards	4,728	9,315	9,315	1,319	1,319	4,658	(3,338)	-72%	9,315	
Post-retirement benefit obligations	8,702	9,621	9,621	1,097	1,097	4,811	(3,713)	-77%	9,621	
Sub Total - Other Municipal Staff	302,983	363,592	363,030	159,821	159,821	181,573	(21,752)	-12%	363,030	
% increase		20.0%	19.8%						19.8%	
Total Parent Municipality		327,204	400,753	400,191	170,943	170,943	200,154	(29,211)	-15%	400,191
			22.5%	22.3%						22.3%
TOTAL SALARY, ALLOWANCES & BENEFITS		327,204	400,753	400,191	170,943	170,943	200,154	(29,211)	-15%	400,191
% increase	4		22.5%	22.3%						22.3%
TOTAL MANAGERS AND STAFF		307,824	379,706	379,145	161,226	161,226	189,630	(28,405)	-15%	379,145

11. Material variances to the Service Delivery and Budget Implementation Plan

11.1 Actual revenue must be at least at 50% of the budget and expenditure cannot exceed 50% of the budget. Not all the transactions for the year, especially on expenditure have been processed.

If there is no budget amount on revenue, it means that revenue was received that was not anticipated.

	Revenue less than 50% by end of December 2020						
Vote number	Description	Budget	Curr Mth Exp	YTD Movement	Unspent Bud	Perc	Reasons
	MUNICIPAL MANAGER						
12001040530000000000	PENALTIES: TENDER WITHDRAWAL	-600,000.00	-1,680.00	-11,669.55	-588,330.45	1.94	
12001178970000000000	TS_O_M_NG_MIG GRANT	-2,352,250.00	-938,047.18	-938,047.18	-1,414,202.82	39.87	Journal for allocation of funds outstanding
	CORPORATE SERVICES						
13001385170000000000	STAFF RECOVERIES	-250,000.00	-28,960.27	-117,721.95	-132,278.05	47.08	
13001420010000000000	ACADDEMIC SERVICES: COURSE MATERIAL	-1,000,000.00	0.00	-87,825.75	-912,174.25	8.78	
13001424500000000000	PARKING FEES	-57,000.00	-9,186.96	-27,265.20	-29,734.80	47.83	
	SOCIAL SERVICES						
14001040080000000000	FINES: TRAFFIC - COURT FINES	-3,320,100.00	-17,565.00	-146,200.00	-3,173,900.00	4.4	
14001040100000000000	FINES: TRAFFIC - MUNICIPAL	-6,500,000.00	-38,650.00	-155,827.99	-6,344,172.01	2.39	
14001060110000000000	TRADING	-210,930.00	-485.00	-3,490.00	-207,440.00	1.65	
14001179100000000000	TS_O_M_NRF_EQUITABLE SHARE	-21,852,710.00	-1,326,280.23	-6,460,766.01	-15,391,943.99	29.56	
14001322030000000000	WASTE MANGEMENT: REFUSE REMOVAL	-36,490,510.00	-2,839,480.20	-17,217,897.59	-19,272,612.41	47.18	
14001341120000000000	INTER: RECEIV - WASTE MANAGEMENT	-2,240,000.00	-204,947.35	-804,755.73	-1,435,244.27	35.92	

15001400880000000000	N-M-R PPE: S/LINE-COMMUNITY ASSETS	-307,540.00	-1,869.57	-9,048.70	-298,491.30	2.94	
15001401100000000000	N-M-R PPE: AD HOC-OTHER ASSETS	-37,300.00	0.00	-210.00	-37,090.00	0.56	
15001420610000000000	CEMETERY & BURIAL	-495,000.00	-14,343.27	-230,742.67	-264,257.33	46.61	
15001421210000000000	ENTRANCE FEES	-310,000.00	-3,741.30	-46,471.23	-263,528.77	14.99	
	TECHNICAL SERVICES						
16001179100000000000	TS_O_M_NRF_EQUITABLE SHARE	-43,141,870.00	-3,931,909.92	-19,454,900.58	-23,686,969.42	45.09	
16001219400000000000	PRIV ENT: SUBS N-FIN ENTPR - PRODUCTION	-49,685,000.00	0.00	0.00	-49,685,000.00	0	Capital grants. Revenue reflects only when assets are capitalised
16001258910000000000	TS_C_M_NG_INEP GRANT	-5,000,000.00	0.00	0.00	-5,000,000.00	0	Capital grants. Revenue reflects only when assets are capitalised
16001258940000000000	TS_C_M_NG_MIG GRANT	-23,885,280.00	0.00	0.00	-23,885,280.00	0	Capital grants. Revenue reflects only when assets are capitalised
16001259030000000000	TS_C_M_NG_WSIG GRANT	-20,000,000.00	0.00	0.00	-20,000,000.00	0	Capital grants. Revenue reflects only when assets are capitalised
16001321030000000000	ELEC: CONNEC NEW FEES NON-GOVERN HOUSING	-600,000.00	-1,673.52	-244,832.74	-355,167.26	40.8	
16001321040000000000	ELEC: CONNEC/RECON DISCONN/RECONN FEES	-13,500,000.00	-480,916.69	-3,032,741.10	-10,467,258.90	22.46	
16001321080000000000	ELEC: METER READING FEES	-30,000.00	-3,255.00	-12,345.00	-17,655.00	41.15	

16001321120000000000	ELEC SALES: COMMERC CONVEN SINGLE PHASE	-57,079,740.00	-3,481,388.11	-21,695,189.15	-35,384,550.85	38	
16001321160000000000	ELEC SALES: DOMESTI LOW HOME LIGHT 1 60A	-27,744,620.00	-1,800,495.70	-12,925,809.54	-14,818,810.46	46.58	
16001321270000000000	ELEC SALES: INDUSTR 11 000 VOLTS (HIGH)	-2,503,550.00	-99,869.42	-806,959.95	-1,696,590.05	32.23	
16001321310000000000	ELEC SALES: SPORT/CHURCH/HOLIDAY/OLD-AGE	-10,552,070.00	-391,991.19	-2,067,843.75	-8,484,226.25	19.59	
16001321330000000000	ELEC SALES: WATER PUMPS	-4,879,130.00	-55,860.91	-174,978.97	-4,704,151.03	3.58	
16001321380000000000	ELEC: AVAILABILITY CHARGES	-13,030,800.00	-968,510.04	-5,848,074.53	-7,182,725.47	44.87	
16001323020000000000	WASTE WATER MANG: SANITATION CHARGES	-29,546,410.00	-2,009,817.83	-12,263,720.24	-17,282,689.76	41.5	
16001323060000000000	WASTE WATER MANG: AVAILABILITY CHARGES	-7,167,140.00	-363,661.43	-2,201,918.99	-4,965,221.01	30.72	
16001324000000000000	WATER: CONNECTION/RECONNECTION	-257,070.00	-11,034.00	-91,951.27	-165,118.73	35.76	
16001324060000000000	WATER: INDUSTRIAL WATER	300,279,340.00	12,658,809.74	-65,850,082.79	234,429,257.21	21.92	
16001341010000000000	INTER: RECEIV - ELECTRICITY	-2,917,000.00	-336,538.23	-1,342,682.09	-1,574,317.91	46.02	
16001341130000000000	INTER: RECEIV - WASTE WATER MANAGEMENT	-1,250,000.00	-128,053.94	-503,009.48	-746,990.52	40.24	
16001341140000000000	INTER: RECEIV - WATER	-20,834,000.00	-2,290,767.75	-9,284,977.07	-11,549,022.93	44.56	
16001424540000000000	PLAN & DEV: BUILDING PLAN APPROVAL	-5,840.00	0.00	-44.35	-5,795.65	0.75	
	FINANCIAL SERVICES						
17001022400000000000	INDUSTRIAL PROPERTIES	-70,376,900.00	-5,696,555.32	-33,413,923.77	-36,962,976.23	47.47	
17001025110000000000	RESIDENTIAL PROPERTIES: VACANT LAND	-3,252,170.00	-184,882.20	-1,112,765.50	-2,139,404.50	34.21	
17001341090000000000	INTER: RECEIV - SERVICE CHARGES	-3,584,000.00	-318,315.61	-1,241,487.90	-2,342,512.10	34.63	
17001351200000000000	INT DIV & RENT LAND -INT: REC-PROP RATES	-7,900,000.00	-642,730.04	-3,539,473.26	-4,360,526.74	44.8	
17001380010000000000	ADMINISTRATIVE HANDLING FEES	-30,000.00	0.00	-9,409.45	-20,590.55	31.36	
17001425660000000000	SALE OF: CONSUMABLES	-30,000.00	-1,969.17	-11,951.68	-18,048.32	39.83	

	LED						
18001401100000000000	N-M-R PPE: AD HOC-OTHER ASSETS	-5,937,970.00	-508,056.48	-2,865,567.63	-3,072,402.37	48.25	
18001424610000000000	PLAN & DEV: TOWN PLANNING & SERVITUDES	-130,000.00	-1,043.47	-57,148.49	-72,851.51	43.96	
18001425430000000000	SALE OF: AGRIC PROD - ASSET < CAP THRESH	-14,109,260.00	-74,230.84	-282,018.54	-13,827,241.46	1.99	

	Expenditure more than 50% by end of December 2020						
Vote number	Description	Budget	Curr Mth Exp	YTD Movement	Unspent Bud	Perc	Reasons
	COUNCIL						
11002110010000000000	MS: SAL & ALL: BASIC SALARY & WAGES	11,512,490.00	1,023,857.64	5,998,693.16	5,513,796.84	52.1	
11002110220000000000	MS: ALL - CELLULAR & TELEPHONE	147,820.00	12,828.42	77,993.30	69,826.70	52.76	
11002110260000000000	MS: HB & INC: HOUSING BENEFITS	46,790.00	3,858.04	24,112.75	22,677.25	51.53	
11002110340000000000	MS: ALL - TRAVEL OR MOTOR VEHICLE	2,684,290.00	268,619.67	1,570,181.06	1,114,108.94	58.49	
11002110380000000000	MS: OVERTIME - STRUCTURED	724,530.00	47,106.39	631,632.14	92,897.86	87.17	
11002110440000000000	MS: SRB - ACTING ALLOWANCE	161,080.00	41,123.81	166,137.91	-5,057.91	103.13	
11002110460000000000	MS: SRB - ANNUAL BONUS	899,890.00	65,259.29	953,857.21	-53,967.21	105.99	
11002130010000000000	MS: SOC CONTR - BARGAINING COUNCIL	720.00	69.30	425.70	294.30	59.12	
11002130200000000000	MS: SOC CONTR - MEDICAL	593,890.00	80,257.56	467,767.08	126,122.92	78.76	

11002130300000000000	MS: SOC CONTR - PENSION	1,448,520.00	169,071.08	989,761.12	458,758.88	68.32	
11002210310000000000	WHIP: OFFICE-BEARER ALLOWANCE	544,510.00	56,165.58	336,993.48	207,516.52	61.88	
11002211250000000000	EXCO: TRAVELLING ALLOWANCE	752,820.00	81,005.12	472,064.32	280,755.68	62.7	
11002211550000000000	OTH COUNCIL: TRAVELLING ALLOWANCE	1,123,600.00	115,358.65	618,481.90	505,118.10	55.04	
11002302460000000000	OC: INSUR UNDER - PREMIUMS	5,940.00	570.61	3,668.52	2,271.48	61.75	Budget not sufficient. Amend with adjustment budget.
11002362540000000000	INT PAID: FINANCE LEASES	25,190.00	2,118.17	14,236.41	10,953.59	56.51	Interest decrease monthly
	MUNICIPAL MANAGER						
12002030160000000000	SM MM: SRB - ENTERTAINMENT	2,000.00	0.00	1,899.00	101.00	94.95	
12002110220000000000	MS: ALL - CELLULAR & TELEPHONE	228,340.00	19,735.60	119,230.46	109,109.54	52.21	
12002110260000000000	MS: HB & INC: HOUSING BENEFITS	210,600.00	18,575.69	107,596.10	103,003.90	51.09	
12002110320000000000	MS: ALL - LEAVE PAY	136,300.00	25,424.69	110,195.23	26,104.77	80.84	
12002110340000000000	MS: ALL - TRAVEL OR MOTOR VEHICLE	4,023,300.00	358,349.05	2,143,101.11	1,880,198.89	53.26	
12002110460000000000	MS: SRB - ANNUAL BONUS	958,680.00	210,062.71	660,471.22	298,208.78	68.89	
12002130010000000000	MS: SOC CONTR - BARGAINING COUNCIL	2,580.00	217.80	1,346.40	1,233.60	52.18	
12002130200000000000	MS: SOC CONTR - MEDICAL	994,660.00	88,511.88	539,773.80	454,886.20	54.26	
12002130300000000000	MS: SOC CONTR - PENSION	1,971,180.00	187,148.06	1,071,037.89	900,142.11	54.33	
12002270460000000000	C&PS: B&A FORENSIC INVESTIGATORS	1,700,000.00	217,391.30	1,150,813.85	549,186.15	67.69	
12002301810000000000	OC: EXT COM SERV PROV - SYS DEVELOPMENT	1,330,000.00	0.00	-1,325,340.36	2,655,340.36	-99.64	Journal be done to correct the vote
12002302460000000000	OC: INSUR UNDER - PREMIUMS	158,340.00	15,210.54	97,849.80	60,490.20	61.79	Budget not sufficient. Amend with

							adjustment budget
12002320600000000000	INV - CONSUMABLE STORES - STANDARD RATED	557,610.00	181,597.00	294,695.00	262,915.00	52.84	
12002323600000000000	INVENTORY - MATERIALS & SUPPLIES	353,570.00	103,748.00	193,628.00	159,942.00	54.76	
12002362540000000000	INT PAID: FINANCE LEASES	760.00	0.00	753.83	6.17	99.18	The finance lease is redeemed in full. No more interest to be allocated.
	CORPORATE SERVICES						
13002030980000000000	SM D01: SRB - ACTING & POST RELATE ALLOW	649,190.00	58,702.50	181,287.13	467,902.87	27.92	
13002110260000000000	MS: HB & INC: HOUSING BENEFITS	143,150.00	13,753.14	85,696.00	57,454.00	59.86	
13002110320000000000	MS: ALL - LEAVE PAY	119,750.00	140,292.46	293,041.21	-173,291.21	244.71	
13002110380000000000	MS: OVERTIME - STRUCTURED	142,750.00	8,536.30	238,832.32	-96,082.32	167.3	
13002110440000000000	MS: SRB - ACTING ALLOWANCE	252,530.00	18,751.48	139,620.82	112,909.18	55.28	
13002110460000000000	MS: SRB - ANNUAL BONUS	1,098,660.00	70,728.96	550,980.50	547,679.50	50.15	
13002110560000000000	MS: SRB - STANDBY ALLOWANCE	15,050.00	2,049.18	44,503.23	-29,453.23	295.7	
13002130010000000000	MS: SOC CONTR - BARGAINING COUNCIL	4,140.00	554.40	2,762.10	1,377.90	66.71	
13002130400000000000	MS: SOC CONTR - UNEMPLOYMENT INSUR FUND	71,320.00	7,940.41	40,929.93	30,390.07	57.38	
13002140080000000000	MS: PRB - MED: PAST SERVICE COST	28,450.00	4,843.20	31,372.80	-2,922.80	110.27	
13002260620000000000	OS: CLEANING SERVICES	1,000,000.00	0.00	503,881.50	496,118.50	50.38	
13002273340000000000	C&PS: LEGAL COST ADVICE & LITIGATION	3,000,000.00	1,057,715.93	2,967,118.01	32,881.99	98.9	
13002302460000000000	OC: INSUR UNDER - PREMIUMS	121,370.00	11,659.09	75,000.29	46,369.71	61.79	Budget not sufficient. Amend with

							adjustment budget
13002303330000000000	OC: LIC - VEHICLE LIC & REGISTRATIONS	3,040.00	0.00	2,212.50	827.50	72.77	
13002304520000000000	OC: PROFESSIONAL BODIES M/SHIP & SUBS	3,443,000.00	684,791.30	4,108,741.30	-665,741.30	119.33	
1300230572F000000000	OC: TOLL GATE FEES FLEET	1,000.00	258.00	561.50	438.50	56.15	
13002305800000000000	OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL	80,000.00	6,203.49	52,408.23	27,591.77	65.51	
1300232061F000000000	INV - CONSUMABL STORES -ZERO RATED FLEET	100,000.00	42,106.95	83,377.71	16,622.29	83.37	
	SOCIAL SERVICES						
14002110260000000000	MS: HB & INC: HOUSING BENEFITS	756,930.00	64,609.17	391,246.28	365,683.72	51.68	
14002110380000000000	MS: OVERTIME - STRUCTURED	8,755,980.00	776,967.42	4,785,557.54	3,970,422.46	54.65	
14002110400000000000	MS: PAYMENTS - SHIFT ADD REMUNERATION	3,832,650.00	381,567.76	2,025,650.06	1,806,999.94	52.85	
14002110440000000000	MS: SRB - ACTING ALLOWANCE	408,290.00	35,524.73	301,343.41	106,946.59	73.8	
							Two traffic officer were appointed as Traffic Superintendent and assistant Superintendent in November 2020. Standby allowance also paid to Disaster officer.
14002110560000000000	MS: SRB - STANDBY ALLOWANCE	1,214,890.00	106,065.42	771,504.78	443,385.22	63.5	
14002302460000000000	OC: INSUR UNDER - PREMIUMS	327,380.00	31,448.95	202,310.72	125,069.28	61.79	

14002303330000000000	OC: LIC - VEHICLE LIC & REGISTRATIONS	319,720.00	22,458.50	367,412.20	-47,692.20	114.91	Lot of traffic vehicles' licenses were renewed in November 2020.
15002110560000000000	MS: SRB - STANDBY ALLOWANCE	89,640.00	7,811.39	49,413.83	40,226.17	55.12	
15002130300000000000	MS: SOC CONTR - PENSION	3,534,500.00	279,871.22	1,775,961.33	1,758,538.67	50.24	
15002265170000000000	OS: PRINTING SERVICES	1,250.00	0.00	1,247.50	2.50	99.8	
							Budget not sufficient. Amend with adjustment budget
15002302460000000000	OC: INSUR UNDER - PREMIUMS	207,510.00	19,933.95	125,841.69	81,668.31	60.64	
15002306100000000000	OC: UNIFORM & PROTECTIVE CLOTHING	850,000.00	339,407.16	426,393.64	423,606.36	50.16	
	TECHNICAL SERVICES						
16002110320000000000	MS: ALL - LEAVE PAY	520,910.00	747,680.14	952,859.88	-431,949.88	182.92	
16002110380000000000	MS: OVERTIME - STRUCTURED	10,856,850.00	777,830.15	5,474,575.65	5,382,274.35	50.42	
16002110400000000000	MS: PAYMENTS - SHIFT ADD REMUNERATION	280,980.00	32,276.13	188,156.98	92,823.02	66.96	
16002130300000000000	MS: SOC CONTR - PENSION	7,579,410.00	624,008.70	3,831,466.10	3,747,943.90	50.55	
							Budget not sufficient. Amend with adjustment budget
16002302460000000000	OC: INSUR UNDER - PREMIUMS	1,031,600.00	99,098.08	637,505.74	394,094.26	61.79	
16002303330000000000	OC: LIC - VEHICLE LIC & REGISTRATIONS	249,000.00	66,296.10	177,835.30	71,164.70	71.41	
16002305800000000000	OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL	30,000.00	0.00	20,793.83	9,206.17	69.31	
16002340010000000000	ESKOM	311,156,600.00	19,476,615.70	157,801,930.77	153,354,669.23	50.71	

	FINANCIAL SERVICES						
17002110010000000000	MS: SAL & ALL: BASIC SALARY & WAGES	28,337,820.00	2,924,264.22	14,246,955.23	14,090,864.77	50.27	Filling of vacancies exceeded the budget.
17002110220000000000	MS: ALL - CELLULAR & TELEPHONE	134,600.00	10,973.88	68,287.21	66,312.79	50.73	
17002110320000000000	MS: ALL - LEAVE PAY	168,620.00	74,007.19	213,117.20	-44,497.20	126.38	Leave pay paid out to staff that did not take leave during the COVID lockdown.
17002110340000000000	MS: ALL - TRAVEL OR MOTOR VEHICLE	2,199,180.00	160,452.37	1,123,564.86	1,075,615.14	51.09	
17002110400000000000	MS: PAYMENTS - SHIFT ADD REMUNERATION	25,230.00	2,104.30	12,625.80	12,604.20	50.04	
17002130010000000000	MS: SOC CONTR - BARGAINING COUNCIL	11,030.00	940.50	5,633.10	5,396.90	51.07	
17002130200000000000	MS: SOC CONTR - MEDICAL	2,654,570.00	224,426.52	1,328,249.88	1,326,320.12	50.03	
17002130300000000000	MS: SOC CONTR - PENSION	4,277,700.00	490,015.26	2,360,482.04	1,917,217.96	55.18	
17002273340000000000	C&PS: LEGAL COST ADVICE & LITIGATION	4,000,000.00	738,305.35	2,360,968.34	1,639,031.66	59.02	Revenue of legal cost recovered from consumers on 64%
17002300900000000000	OC: COMMISSION - THIRD PARTY VENDORS	1,000,000.00	68,285.69	523,425.98	476,574.02	52.34	
17002301120000000000	OC: COMM - POSTAGE/STAMPS/FRANKING MACH	1,650,000.00	194,765.92	871,420.84	778,579.16	52.81	
17002302460000000000	OC: INSUR UNDER - PREMIUMS	1,421,050.00	136,509.64	904,190.80	516,859.20	63.62	Budget not sufficient. Amend with adjustment budget

17002303330000000000	OC: LIC - VEHICLE LIC & REGISTRATIONS	3,200.00	522.00	3,038.50	161.50	94.95	
17002362560000000000	INT PAID: OVERDUE ACCOUNTS	100,000.00	-114,780.56	105,152.34	-5,152.34	105.15	Late payment of services providers – invoices not submitted on time, as well as cash flow restrictions
	LED						
18002110220000000000	MS: ALL - CELLULAR & TELEPHONE	128,120.00	12,471.27	73,408.07	54,711.93	57.29	
18002110260000000000	MS: HB & INC: HOUSING BENEFITS	98,310.00	10,145.10	53,654.52	44,655.48	54.57	
18002110340000000000	MS: ALL - TRAVEL OR MOTOR VEHICLE	2,452,060.00	203,849.47	1,252,019.23	1,200,040.77	51.05	
18002110440000000000	MS: SRB - ACTING ALLOWANCE	175,630.00	33,262.30	141,743.10	33,886.90	80.7	
18002110460000000000	MS: SRB - ANNUAL BONUS	1,083,790.00	28,208.95	659,624.74	424,165.26	60.86	
18002130200000000000	MS: SOC CONTR - MEDICAL	1,153,360.00	95,685.84	577,827.15	575,532.85	50.09	
18002302460000000000	OC: INSUR UNDER - PREMIUMS	362,040.00	34,778.48	223,730.53	138,309.47	61.79	Budget not sufficient. Amend with adjustment budget
18002303330000000000	OC: LIC - VEHICLE LIC & REGISTRATIONS	2,050.00	0.00	1,044.00	1,006.00	50.92	

Variance to monthly target of Cash flow for December 2020 as per SDBIP

Detail	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	December	Actual Dec	Var	Var %	January	February	March	April	May	June
Cash Receipts by Source															
Property rates	13,546,689	10,093,440	14,056,106	16,497,987	13,253,621	14,062,000	15,201,865	-1,139,865	-8	14,992,268	14,992,268	14,992,268	14,992,268	14,992,268	15,176,836
Service charges - electricity revenue	20,584,596	24,973,682	31,381,261	22,664,884	22,754,984	18,000,000	22,243,274	-4,243,274	-24	25,443,443	25,443,443	25,443,443	25,443,443	25,443,443	12,377,390
Service charges - water revenue	25,604,030	13,809,893	22,576,212	27,616,373	23,560,688	37,000,000	26,443,678	10,556,322	29	35,797,568	35,797,568	35,797,568	35,797,568	35,797,568	44,236,662
Service charges - sanitation revenue	1,810,418	1,334,719	2,051,224	2,465,712	2,049,153	3,193,000	2,152,763	1,040,237	33	3,010,736	3,010,736	3,010,736	3,010,736	3,010,736	7,255,996
Service charges - refuse	2,550,297	1,738,190	2,486,452	3,213,731	2,543,169	2,628,000	2,776,927	-148,927	-6	2,777,023	2,777,023	2,777,023	2,777,023	2,777,023	5,301,415
Rental of facilities and equipment	69,636	481,234	503,318	480,630	449,675	524,000	54,150	469,850	90	498,356	498,356	498,356	498,356	498,356	583,044
Interest earned - external investments	447	263,284	455,585	290,895	133,799	180,000	112,000	68,000	38	208,333	208,333	208,333	208,333	208,333	202,373
Interest earned - outstanding debtors	325,421	546,009	3,796,936	3,098,604	4,010,614	3,200,000	410,010	2,789,990	87						0
Dividends received								0	0	8,333	8,333	8,333	8,333	8,333	58,333
Fines, penalties and forfeits	14,260	24,390	40,255	76,080	100,818	500,000	58,000	442,000	88	868,342	868,342	868,342	868,342	868,342	5,764,694
Licences and permits	485	485	1,140	175	1,205	17,500	0	17,500	100	17,578	17,578	17,578	17,578	17,578	119,553
Agency services								0	0						0
Transfer receipts - operating			93,959,000	0	0		62,675,000	-62,675,000	0	20,017,187	20,017,187	20,017,187	20,017,187	20,017,187	34,559,155
Other revenue	13,700,656	12,106,674	-82,173,041	5,498,906	38,512,204	2,500,000		2,500,000	100	1,750,165	1,750,165	1,750,165	1,750,165	1,750,165	82,247,218
Cash Receipts by Source	78,206,935	65,372,000	89,134,448	81,903,977	107,369,929	81,804,500	132,127,667	-50,323,167		105,389,331	105,389,331	105,389,331	105,389,331	105,389,331	207,882,669
Other Cash Flows by Source															
Transfer receipts - capital								0	0	9,724,896	9,724,896	9,724,896	9,724,896	9,724,896	51,324,271
Contributions & Contributed assets	0							0	0						0

Proceeds on disposal of PPE								0	0						0
Short term loans								0	0						0
Borrowing long term/refinancing								0	0	4,392,417	4,392,417	4,392,417	4,392,417	4,392,417	30,746,917
Increase in consumer deposits	-360,380	-212,832	-162,448	-2,623,977	-2,623,977	-500,000		-500,000	100	0	0	0	0	0	6,010,500
Receipt of non-current debtors								0	0						
Receipt of non-current receivables								0	0	0	0	0	0	0	45,118
Change in non-current investments						0		0	0	0	0	0	0	0	0
Total Cash Receipts by Source	77,846,555	65,159,168	88,972,000	79,280,000	104,745,952	81,304,500	132,127,667	-50,823,167		119,506,643	119,506,643	119,506,643	119,506,643	119,506,643	296,009,475
Cash Payments by Type															
Employee related costs	25,549,343	24,808,299	27,347,707	28,026,630	26,957,647	30,889,166	28,535,984	2,353,182	8	30,889,166	30,889,166	30,889,166	30,889,166	30,889,166	535,968
Remuneration of councillors	1,614,978	1,614,978	1,614,978	1,658,928	1,614,978	1,753,911	1,598,713	155,198	9	1,753,911	1,753,911	1,753,911	1,753,911	1,753,911	-172
Interest paid	62,111	324,660	18,550	-51,892	23,457	417,061	94,315	322,746	77	417,061	417,061	417,061	417,061	417,061	171,558
Bulk purchases - Electricity	45,936,540	38,142,592	28,987,639	47,818,414	23,376,670	20,930,000		20,930,000	100	16,930,000	24,930,000	25,929,717	25,929,717	25,929,717	-13,282,368
Bulk purchases - Water & Sewer	16,037,540	15,313,747	14,081,520	31,524,476	15,864,481	23,292,000		23,292,000	100	24,292,000	22,292,000	20,472,422	20,472,422	20,472,422	4,631,944
Other materials	530,924	888,499	903,598	321,091	784,314	2,852,410	1,461,693	1,390,717	49	2,852,410	2,852,410	2,852,410	2,852,410	2,852,410	-222,410
Contracted services	136,696	2,424,808	7,680,193	5,213,892	7,048,810	7,027,333	6,700,535	326,798	5	7,027,333	7,027,333	7,027,333	7,027,333	7,027,333	-426
Grants and subsidies paid - other municipalities								0	0						0
Grants and subsidies paid - other		0		9,300		2,625	0	2,625	100	2,625	2,625	2,625	2,625	2,625	319,970
General expenses	56,803,016	40,375,686	126,969,814	193,822	46,863,111	5,493,043		5,493,043	100	10,836,424	4,836,424	5,656,285	5,656,285	5,656,285	-188,086,125
Cash Payments by Type	146,671,148	123,893,268	207,604,000	114,714,661	122,533,468	92,657,549	122,533,468	54,266,309		95,000,930	95,000,930	95,000,930	95,000,930	95,000,930	-195,932,061
Other Cash Flows/Payments by Type															
Capital assets	0		805,707	2,087,032	2,431,445	15,000,000	4,509,111	10,490,889	70	21,023,921	21,023,921	21,023,921	21,023,921	21,023,921	137,334,150
Repayment of borrowing	561,562	271,936	0	-263,918	265,320	812,112	268,312	543,800	67	544,933	544,933	544,933	544,933	544,933	2,183,472
Other Cash Flows/Payments			2,623,293	21,721,224	2,623,977			0	0						
Total Cash Payments by Type	147,232,710	124,165,204	211,033,000	138,258,999	127,854,210	108,469,661	127,310,891	65,300,998	60	116,569,784	116,569,784	116,569,784	116,569,784	116,569,784	-56,414,438

NET INCREASE/(DECREASE) IN CASH HELD	225,079,265	-59,006,036	- 122,061,000	-58,979,000	-23,108,258	-27,165,161	4,816,776	- 116,124,165	427	2,936,860	2,936,860	2,936,860	2,936,860	2,936,860	352,423,913
Cash/cash equivalents at the month/year beginning:	22,586,884	-47,071,170	-81,641,000	182,507,000	-238,861,742	119,876,000	261,970,000	92,710,839		278,408,405	275,471,546	272,534,686	269,597,827	266,660,967	-263,724,108
Cash/cash equivalents at the month/year end:	247,666,149	106,077,207	203,702,000	241,486,000	-261,970,000	92,710,839	257,153,224	-23,413,326		275,471,546	272,534,686	269,597,827	266,660,967	263,724,108	88,699,805

12. Capital programme performance

FS204 Metsimaholo - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class – Mid-yearDecember

[illegible]

Works of Art							-		
Conservation Areas							-		
Other Heritage							-		
Investment properties	-	-	-	-	-	-	-		-
Revenue Generating	-	-	-	-	-	-	-		-
Improved Property							-		
Unimproved Property							-		
Non-revenue Generating	-	-	-	-	-	-	-		-
Improved Property							-		
Unimproved Property							-		
Other assets	-	2,350	2,200	-	-	1,115	1,115	100.0%	2,200
Operational Buildings	-	2,350	2,200	-	-	1,115	1,115	100.0%	2,200
Municipal Offices	-	350	200	-	-	115	115	100.0%	200
Pay/Enquiry Points							-		
Building Plan Offices							-		
Workshops							-		
Yards	-	-	-	-	-	-	-		-
Stores							-		
Laboratories							-		
Training Centres							-		
Manufacturing Plant							-		
Depots							-		
Capital Spares	-	2,000	2,000	-	-	1,000	1,000	100.0%	2,000
Housing	-	-	-	-	-	-	-		-
Staff Housing							-		
Social Housing							-		
Capital Spares							-		
Biological or Cultivated Assets	-	-	-	-	-	-	-		-
Biological or Cultivated Assets							-		
Intangible Assets	-	200	200	-	-	100	100	100.0%	200
Servitudes							-		
Licences and Rights	-	200	200	-	-	100	100	100.0%	200
Water Rights							-		
Effluent Licenses							-		
Solid Waste Licenses							-		
Computer Software and Applications	-	200	200	-	-	100	100	100.0%	200
Load Settlement Software Applications							-		
Unspecified							-		
Computer Equipment	507	1,570	1,570	232	232	785	553	70.5%	1,570
Computer Equipment	507	1,570	1,570	232	232	785	553	70.5%	1,570
Furniture and Office Equipment	11	2,157	2,157	-	-	1,079	1,079	100.0%	2,157
Furniture and Office Equipment	11	2,157	2,157	-	-	1,079	1,079	100.0%	2,157
Machinery and Equipment	250	3,296	3,300	-	-	1,649	1,649	100.0%	3,300
Machinery and Equipment	250	3,296	3,300	-	-	1,649	1,649	100.0%	3,300
Transport Assets	601	18,977	18,977	-	-	9,488	9,488	100.0%	18,977
Transport Assets	601	18,977	18,977	-	-	9,488	9,488	100.0%	18,977
Land	-	50	50	-	-	25	25	100.0%	50
Land	-	50	50	-	-	25	25	100.0%	50

Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals								-		
Total Capital Expenditure on new assets	1	49,527	158,359	167,097	9,793	9,793	82,201	72,408	88.1%	167,097

FS204 Metsimaholo - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class – Mid-year December

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	6 Months actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>										
Infrastructure		3,543	74,066	69,066	40	40	35,033	34,993	99.9%	69,066
Roads Infrastructure		-	30,000	30,000	-	-	15,000	15,000	100.0%	30,000
Roads		-	30,000	30,000	-	-	15,000	15,000	100.0%	30,000
Road Structures								-		
Road Furniture								-		
Capital Spares								-		
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection								-		
Storm water Conveyance								-		
Attenuation								-		
Electrical Infrastructure		-	15,016	15,016	-	-	7,508	7,508	100.0%	15,016
Power Plants								-		
HV Substations								-		
HV Switching Station								-		
HV Transmission Conductors								-		
MV Substations								-		
MV Switching Stations								-		
MV Networks		-	3,916	3,916	-	-	1,958	1,958	100.0%	3,916
LV Networks								-		
Capital Spares		-	11,100	11,100	-	-	5,550	5,550	100.0%	11,100
Water Supply Infrastructure		673	4,000	4,000	40	40	2,000	1,960	98.0%	4,000
Dams and Weirs								-		
Boreholes								-		
Reservoirs		-	-	-	-	-	-	-		-
Pump Stations								-		
Water Treatment Works		49	2,000	2,000	-	-	1,000	1,000	100.0%	2,000
Bulk Mains								-		
Distribution		-	-	-	-	-	-	-		-
Distribution Points								-		
PRV Stations								-		
Capital Spares		624	2,000	2,000	40	40	1,000	960	96.0%	2,000
Sanitation Infrastructure		2,869	25,050	20,050	-	-	10,525	10,525	100.0%	20,050
Pump Station		-	-	-	-	-	-	-		-
Reticulation								-		
Waste Water Treatment Works		2,869	25,000	20,000	-	-	10,500	10,500	100.0%	20,000
Outfall Sewers								-		
Toilet Facilities								-		
Capital Spares		-	50	50	-	-	25	25	100.0%	50

Indoor Facilities							-		
Outdoor Facilities							-		
Capital Spares							-		
Heritage assets	-	-	-	-	-	-	-		-
Monuments							-		
Historic Buildings							-		
Works of Art							-		
Conservation Areas							-		
Other Heritage							-		
Investment properties	-	-	-	-	-	-	-		-
Revenue Generating	-	-	-	-	-	-	-		-
Improved Property							-		
Unimproved Property							-		
Non-revenue Generating	-	-	-	-	-	-	-		-
Improved Property							-		
Unimproved Property							-		
Other assets	-	4,200	4,200	-	-	2,100	2,100	100.0%	4,200
Operational Buildings	-	4,200	4,200	-	-	2,100	2,100	100.0%	4,200
Municipal Offices	-	4,200	4,200	-	-	2,100	2,100	100.0%	4,200
Pay/Enquiry Points							-		
Building Plan Offices							-		
Workshops							-		
Yards							-		
Stores							-		
Laboratories							-		
Training Centres							-		
Manufacturing Plant							-		
Depots							-		
Capital Spares							-		
Housing	-	-	-	-	-	-	-		-
Staff Housing							-		
Social Housing							-		
Capital Spares							-		
Biological or Cultivated Assets	-	-	-	-	-	-	-		-
Biological or Cultivated Assets							-		
Intangible Assets	-	-	-	-	-	-	-		-
Servitudes							-		
Licences and Rights	-	-	-	-	-	-	-		-
Water Rights							-		
Effluent Licenses							-		
Solid Waste Licenses							-		
Computer Software and Applications	-	-	-	-	-	-	-		-
Load Settlement Software Applications							-		
Unspecified							-		
Computer Equipment	-	1	1	-	-	1	1	100.0%	1
Computer Equipment	-	1	1	-	-	1	1	100.0%	1
Furniture and Office Equipment	78	1,342	1,342	-	-	671	671	100.0%	1,342
Furniture and Office Equipment	78	1,342	1,342	-	-	671	671	100.0%	1,342
Machinery and Equipment	-	1,579	1,729	-	-	850	850	100.0%	1,729
Machinery and Equipment	-	1,579	1,729	-	-	850	850	100.0%	1,729

<u>Transport Assets</u>		–	873	873	–	–	437	437	100.0%	873
Transport Assets		–	873	873	–	–	437	437	100.0%	873
<u>Land</u>		–	–	–	–	–	–	–		–
Land								–		
<u>Zoo's, Marine and Non-biological Animals</u>		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals								–		
Total Capital Expenditure on renewal of existing assets	1	3,621	88,428	78,211	40	40	40,932	40,892	99.9%	78,211

FS204 Metsimaholo - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class – Mid-year December

[illegible]

<u>Furniture and Office Equipment</u>		-	-	-	-	-	-	-		-
Furniture and Office Equipment								-		
<u>Machinery and Equipment</u>		-	-	-	-	-	-	-		-
Machinery and Equipment								-		
<u>Transport Assets</u>		-	-	-	-	-	-	-		-
Transport Assets								-		
<u>Land</u>		-	-	-	-	-	-	-		-
Land								-		
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals								-		
Total Capital Expenditure on upgrading of existing assets	1	-	5,500	5,500	-	-	2,750	2,750	100.0%	5,500

Capital expenditure for the six months ended December 2020 totalled R9.8 million
The spending from conditional grants are very low.

FS204 Metsimaholo - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class – Mid-year December

[illegible]

<i>Water Treatment Works</i>								-		
<i>Bulk Mains</i>								-		
<i>Distribution</i>	674	2,170	2,170	268	268	1,085	818	75.3%	2,170	
<i>Distribution Points</i>							-			
<i>PRV Stations</i>							-			
<i>Capital Spares</i>							-			
Sanitation Infrastructure	14,363	6,301	6,301	840	840	3,151	2,310	73.3%	6,301	
<i>Pump Station</i>	1,356	4,034	4,034	370	370	2,017	1,647	81.6%	4,034	
<i>Reticulation</i>	12,202	1,275	1,275	-	-	638	638	100.0%	1,275	
<i>Waste Water Treatment Works</i>	805	992	992	470	470	496	26	5.3%	992	
<i>Outfall Sewers</i>							-			
<i>Toilet Facilities</i>							-			
<i>Capital Spares</i>							-			
Solid Waste Infrastructure	-	517	517	-	-	258	258	100.0%	517	
<i>Landfill Sites</i>	-	517	517	-	-	258	258	100.0%	517	
<i>Waste Transfer Stations</i>							-			
<i>Waste Processing Facilities</i>							-			
<i>Waste Drop-off Points</i>							-			
<i>Waste Separation Facilities</i>							-			
<i>Electricity Generation Facilities</i>							-			
<i>Capital Spares</i>							-			
Rail Infrastructure	-	-	-	-	-	-	-		-	
<i>Rail Lines</i>							-			
<i>Rail Structures</i>							-			
<i>Rail Furniture</i>							-			
<i>Drainage Collection</i>							-			
<i>Storm water Conveyance</i>							-			
<i>Attenuation</i>							-			
<i>MV Substations</i>							-			
<i>LV Networks</i>							-			
<i>Capital Spares</i>							-			
Coastal Infrastructure	-	-	-	-	-	-	-		-	
<i>Sand Pumps</i>							-			
<i>Piers</i>							-			
<i>Revetments</i>							-			
<i>Promenades</i>							-			
<i>Capital Spares</i>							-			
Information and Communication Infrastructure	-	-	-	-	-	-	-		-	
<i>Data Centres</i>							-			
<i>Core Layers</i>							-			
<i>Distribution Layers</i>							-			
<i>Capital Spares</i>							-			
Community Assets	455	1,570	1,250	-	-	705	705	100.0%	1,250	
Community Facilities	455	963	643	-	-	402	402	100.0%	643	
<i>Halls</i>	455	170	170	-	-	85	85	100.0%	170	
<i>Centres</i>							-			
<i>Crèches</i>							-			
<i>Clinics/Care Centres</i>							-			
<i>Fire/Ambulance Stations</i>							-			
<i>Testing Stations</i>							-			
<i>Museums</i>							-			
<i>Galleries</i>							-			
<i>Theatres</i>							-			
<i>Libraries</i>							-			

<i>Solid Waste Licenses</i>								-		
<i>Computer Software and Applications</i>		997	-	770	478	478	385	(93)	-24.1%	770
<i>Load Settlement Software Applications</i>								-		
<i>Unspecified</i>								-		
Computer Equipment		-	-	-	-	-	-	-		-
Computer Equipment								-		
Furniture and Office Equipment		3,933	5,948	5,948	784	784	2,974	2,190	73.6%	5,948
Furniture and Office Equipment		3,933	5,948	5,948	784	784	2,974	2,190	73.6%	5,948
Machinery and Equipment		5,372	1,470	1,505	29	29	740	710	96.0%	1,505
Machinery and Equipment		5,372	1,470	1,505	29	29	740	710	96.0%	1,505
Transport Assets		4,575	9,080	9,095	564	564	4,556	3,992	87.6%	9,095
Transport Assets		4,575	9,080	9,095	564	564	4,556	3,992	87.6%	9,095
Land		-	-	-	-	-	-	-		-
Land								-		
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals								-		
Total Repairs and Maintenance Expenditure	1	47,374	47,627	48,127	3,819	3,819	24,140	20,321	84.2%	48,127

13. Mid-Year Performance Assessment

- 13.1 The actual Mid- Year Performance of each Directorate/Cluster against the Service Delivery targets contained in the approved 2020/2021 SDBIP is attached as **Annexure A** to this report. Annexure A reflects average performance in terms of achieving quarterly targets set by Directorates and Clusters in the 2020/2021 SDBIP.
- 13.2 In the previous audit, the Auditor General raised findings that some performance indicators and targets were not supported with adequate portfolio of evidence. The latter is being working towards its improvement.
- 13.3 Some of the key performance indicators and targets were reviewed in order for them to be adequately measured and will also be reflected in the revised SDBIP.
- 13.4 Attached as **Annexure B** is the table reflecting the initial predetermined objectives (Key performance indicators and targets) and the revised ones to ensure adequate measurability of targets.

14. PROGRESS REGARDING THE 2019/2020 ANNUAL DRAFT REPORT

The 2019/2020 Draft Annual Report has been compiled and submitted to the Auditor General in compliance with the guidelines issued by the National Treasury as per MFMA Circular No. 63 of September 2012.

The 2019/2020 Draft Annual Report is still in the process of being audited. The audit is expected to be completed by end of February 2021.

The 2019/2020 Draft Annual Report will be tabled by the Executive Mayor in Council before the end of March 2021 to ensure compliance with section 127(2) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) and the National Treasury Ministerial exemption notice of 05 August 2020 which exempted the submissions of the Annual Report from January to March due to Covid19 pandemic.

Subsequent to the tabling of the 2019/2020 Draft Annual Report in Council by the Executive Mayor, the report will then be referred to the Municipal Public Accounts Committee (MPAC) to do Oversight and further processing in accordance with section 129 of the MFMA.

15. Quality Report

Quality Certificate

I, S M Molala, Municipal Manager of Metsimaholo Local Municipality, hereby certify that the Mid-year budget and performance assessment for the financial year 2020/2021 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

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SM Molala
Municipal Manager of
Metsimaholo Local Municipality, FS 204

2020/01/11

(SIGNED COPY IS SENT TO NATIONAL TREASURY)