

FINANCE COMMITTEE

REPORT TO FINANCE COMMITTEE ON SEC 71 REPORTS AS PER MFMA – JANUARY 2017

Date : 06 February 2018

Levels : 1st Level: Finance Committee – 13 February 2018

1. Author : Budget Manager: MP

2. PURPOSE

Report to Finance Committee Sec 71 reports as per MFMA

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act

4. AUTHORITY

Finance Committee

5. BACKGROUND AND REASONING

The Municipal Manager, as Accounting Officer of the Municipality, is required by Section 71(1) of the Municipal Finance Management Act to submit a report in a prescribed format to the Mayor within 10 working days after the end of each month on the state of the Municipality's budget.

This report is a summary of the main budget issues arising from the monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP). Section 54 of the MFMA requires the Mayor to consider the Section 71 report and take appropriate action to ensure that the approved budget is implemented in accordance with the SDBIP.

Actual Revenue

Actual revenue received as a percentage of total budgeted revenue is as follows

Rates	49%
Refuse	45%
Traffic fines	45%

Drivers Licences	40%
Licence Commission	45%
Interest on Investment	88 %

Actual Expenditure

Electrification Expenditure	41 %
Internal Funded	1 %
Overall Capital Expenditure	29 %
Operating Expenditure	54%

Actual Borrowings

There are no borrowings

Debtors

Debtors by customer group as at 31 January 2018 are as follows:

Government	6 612 720
Business	8 853 090
Household	9 694 482
Other	5 348
	<u>25 165 640</u>

Creditors

We have managed to pay creditors within 30 days as per the legislation.

6. STAFF IMPLICATIONS

None

7. FINANCIAL IMPLICATIONS

None

8. OTHER PARTIES CONSULTED

Office of the Municipal Manager

9. RECOMMENDATIONS:

1. That the Finance Committee notes the Section 71 report as per MFMA- report January 2017

Monthly Budget Monitoring Report – January 2017

To The Mayor

In accordance with Section 71(1) of the Municipal Finance Management Act, I submit the required statement on the state of Ubuhlebezwe Municipality's budget reflecting the particulars up until the end of January 2017.

Section 54(1) of the MFMA requires the Mayor of a municipality to take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan.

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G.M. Sineke
Municipal Manager
January 2017