

FINANCE COMMITTEE

REPORT TO FINANCE COMMITTEE ON SEC 71 REPORTS AS PER MFMA – December 2023

Date : 05 January 2024

Levels : 1st Level: Finance Committee – 11 January 2024

1. Author : CFO

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 billed as a percentage of total budgeted revenue is as follows.

Rates	51%
Refuse	54%
Traffic fines	36%
Drivers Licences	83%
Licence Commission	54%
Interest on Investment	78%

Actual Expenditure

Electrification Expenditure	80%
Internal Funded	27%
Overall Capital Expenditure	56%
Operating Expenditure	52%

Actual Borrowings

There are no borrowings.

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 December 2023

Monthly Budget Monitoring Report – December 2023

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 December 2023.

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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M.E Mkhize
Municipal Manager
11 January 2024