



MATATIELE
LOCAL MUNICIPALITY

2020/2021
MONTHLY MAYORS
SECTION 71
REPORT

MONTH ENDED
31ST JANUARY 2021

TABLE OF CONTENTS

	PAGE
Glossary	3
Legislative Framework	4
SECTION 1	
Resolutions	5
Executive summary	6-7
In-year budget statement tables	8-17
SECTION 2	
Debtors Analysis	18
Creditors Analysis	19
Investment Portfolio	20
Grants Management	21-22
Employee Related Costs & Remuneration of Councillors	23
Municipal Manager's quality certificate	24

GLOSSARY

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

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

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

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

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

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

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

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

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

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

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

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

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

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

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

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

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

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

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

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

Virement – A transfer of funds within a vote.

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

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

LEGISLATIVE FRAMEWORK

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

The municipal Finance Management Act No. 56 of 2003

Section 71: Monthly budget Statements

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

PART 1-IN-YEAR REPORT

Section 1-Resolutions

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

Regulation 28 of the Municipal Budget and Reporting Regulations states:

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

Recommendations:

- That, Council takes note of the monthly budget statement and supporting documentation for the month 31st January 2021.
- That, the submission of section 71 reports and to Provincial and National Treasuries 10 days after the end of each month be noted by Council.

Section 2-Executive summary

2.1 Introduction

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

2.2 Consolidated Performance (Revenue & Expenditure)

Revenue by source

The total revenue received for the month ended 31st January 2021 amounted to **R 26,864,920** which represents **5%** of the total annual approved budget figure of **R509,920,764** (including grants) and **5%** of the adjusted budget figure of **R 539,701,764**, revenue recognised to date represents **72%** of the adjusted budget. The majority of the revenue recognised of **R2,710,156** related to service charges.

Operating Expenditure by type

Operating expenditure for the month ended 31st January 2021 amounted to **R 22,278,386** which represents **5%** of total approved operating expenditure budget figure of **R408,392,856** and **5%** of the adjusted budget amount of **R 435,074,576**, of this expenditure the majority relates to Council and employee related cost and payment of monthly contracted services.

Capital Expenditure

The approved annual capital budget for the financial year amounts to **R174,313,680**, this was adjusted to **R 177,313,684**. Capital expenditure incurred for the month ended 31st January 2021 amounted to **R 233,780**. This represents less **1%** of the approved capital expenditure budget and **less than 1%** of the adjusted capital budget. Capital expenditure incurred to date represents **48%** of the total capital expenditure budget.

2.3 Material variances from the SDBIP

Variances and deficiencies are identified in terms of the SDBIP. These are reported on and monitored by the Performance Management Unit, situated in the Office of the Municipal Manager, as applicable.

2.4 Remedial or corrective steps

HODs and unit managers are sent monthly income and expenditure reports to monitor expenditure and revenue performance of each department, ensure spending is within budget and is aligned to the IDP's Strategic Goals.

Section 3

IN-YEAR BUDGET STATEMENT TABLES

3.1 Monthly budget statements

3.1.1 Table C1 Monthly Budget Statement Summary

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	44,904	48,190	48,190	848	42,014	28,111	13,903	49%	48,190
Service charges	58,434	68,817	68,817	2,710	30,547	40,143	(9,596)	-24%	68,817
Investment revenue	12,973	14,650	14,650	679	4,757	8,546	(3,789)	-44%	14,650
Transfers and subsidies	244,441	256,212	305,993	1,029	240,978	178,496	62,482	35%	305,993
Other own revenue	19,092	20,525	20,525	1,180	11,485	11,973	(488)	-4%	20,525
Total Revenue (excluding capital transfers and contributions)	379,844	408,394	458,175	6,446	329,781	267,269	62,512	23%	458,175
Employee costs	115,402	125,231	125,231	9,588	66,728	73,051	(6,323)	-9%	125,231
Remuneration of Councillors	20,834	21,537	21,537	1,454	11,399	12,563	(1,164)	-9%	21,537
Depreciation & asset impairment	47,731	33,110	33,110	-	-	19,314	(19,314)	-100%	33,110
Finance charges	3	-	-	-	-	-	-	-	-
Materials and bulk purchases	44,131	53,567	53,717	3,591	33,843	31,335	2,508	8%	53,717
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	129,629	174,949	201,480	7,645	60,081	117,530	(57,449)	-49%	201,480
Total Expenditure	357,729	408,393	435,075	22,278	172,052	253,794	(81,741)	-32%	435,075
Surplus/(Deficit)	22,114	1	23,100	(15,833)	157,728	13,475	144,253	1071%	23,100
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	124,782	101,527	81,527	20,419	57,393	47,557	9,835	21%	81,527
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)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	146,896	101,528	104,627	4,587	215,121	61,033	154,088	252%	104,627
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	146,896	101,528	104,627	4,587	215,121	61,033	154,088	252%	104,627
Capital expenditure & funds sources									
Capital expenditure	155,644	174,314	177,314	234	84,465	103,433	(18,968)	-18%	177,314
Capital transfers recognised	95,417	99,340	79,340	391	48,422	46,282	2,141	5%	79,340
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	60,228	74,974	97,974	(158)	36,043	57,151	(21,108)	-37%	97,974
Total sources of capital funds	155,644	174,314	177,314	234	84,465	103,433	(18,968)	-18%	177,314
Financial position									
Total current assets	266,693	232,526	232,475	-	405,622	-	-	-	232,475
Total non current assets	1,094,663	1,143,450	1,146,450	-	1,194,922	-	-	-	1,146,450
Total current liabilities	63,077	97,388	97,238	-	129,901	-	-	-	97,238
Total non current liabilities	29,028	27,398	27,398	-	28,370	-	-	-	27,398
Community wealth/Equity	1,269,250	1,251,190	1,254,289	-	1,442,273	-	-	-	1,254,289
Cash flows									
Net cash from (used) operating	201,441	140,489	158,238	26,878	411,118	92,305	(318,812)	-345%	158,238
Net cash from (used) investing	(155,644)	(174,314)	(177,314)	(31,372)	(73,401)	(103,433)	(30,032)	29%	(177,314)
Net cash from (used) financing	5	13	(1,268)	(0)	(1,416)	(740)	676	-91%	(1,268)
Cash/cash equivalents at the month/year end	169,799	9,248	22,716	-	339,080	31,192	(307,887)	-987%	(17,566)
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	13,054	3,614	2,978	3,650	3,048	23,386	25,532	95,914	171,176
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

3.1.2 Table C2: Monthly Budget Statement –Financial Performance (Standard Classification)

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		309,200	325,819	375,600	1,301	292,303	34,794	257,509	740%	375,600
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		309,200	325,819	375,600	1,301	292,303	34,794	257,509	740%	375,600
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		7,125	11,958	11,958	2,297	6,121	6,976	(855)	-12%	11,958
Community and social services		3,469	5,719	5,719	2,362	3,845	3,336	509	15%	5,719
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3,655	6,239	6,239	(65)	2,276	3,640	(1,364)	-37%	6,239
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		59,075	49,081	49,081	13,036	43,592	28,631	14,961	52%	49,081
Planning and development		481	145	145	3	74	85	(10)	-12%	145
Road transport		58,594	48,936	48,936	13,032	43,518	28,546	14,972	52%	48,936
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		129,225	123,062	103,062	10,232	45,158	60,120	(14,962)	-25%	103,062
Energy sources		118,306	107,474	87,474	9,245	38,355	51,027	(12,672)	-25%	87,474
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		10,919	15,588	15,588	987	6,803	9,093	(2,290)	-25%	15,588
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	504,625	509,921	539,702	26,865	387,173	130,520	256,654	197%	539,702
Expenditure - Functional										
<i>Governance and administration</i>		181,281	212,044	229,625	11,310	89,971	133,948	(43,976)	-33%	229,625
Executive and council		31,048	37,214	28,964	1,722	14,371	16,895	(2,524)	-15%	28,964
Finance and administration		147,900	174,830	196,586	9,433	73,954	114,675	(40,722)	-36%	196,586
Internal audit		2,333	-	4,075	155	1,647	2,377	(730)	-31%	4,075
<i>Community and public safety</i>		29,228	36,223	38,073	2,504	16,885	22,209	(5,324)	-24%	38,073
Community and social services		12,048	15,351	17,201	1,006	6,659	10,034	(3,375)	-34%	17,201
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		17,180	20,873	20,873	1,498	10,226	12,176	(1,949)	-16%	20,873
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		82,373	78,862	85,462	2,652	20,267	49,853	(29,586)	-59%	85,462
Planning and development		15,981	25,584	31,084	1,388	8,589	18,132	(9,544)	-53%	31,084
Road transport		66,392	53,278	54,378	1,264	11,678	31,720	(20,042)	-63%	54,378
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		64,848	81,265	81,915	5,813	44,929	47,784	(2,855)	-6%	81,915
Energy sources		46,926	57,506	58,006	3,897	34,894	33,837	1,058	3%	58,006
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		17,922	23,759	23,909	1,916	10,035	13,947	(3,912)	-28%	23,909
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	357,729	408,394	435,075	22,278	172,052	253,794	(81,741)	-32%	435,075
Surplus/ (Deficit) for the year		146,896	101,527	104,627	4,587	215,121	(123,274)	338,395	-275%	104,627

This table reflects the operating budget (Financial Performance) in standard classification, the main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services.

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

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		308,729	325,469	375,250	2,669	292,214	34,589	257,625	744.8%	375,250
Vote 3 - Corporate		471	350	350	(1,369)	88	204	(116)	-56.9%	350
Vote 4 - Development and Planning		481	145	145	3	74	85	(10)	-12.0%	145
Vote 5 - Community		18,044	27,546	27,546	3,284	12,924	16,069	(3,145)	-19.6%	27,546
Vote 6 - Infrastructure		176,900	156,410	136,410	22,277	81,872	79,573	2,300	2.9%	136,410
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	504,625	509,921	539,702	26,865	387,173	130,520	256,654	196.6%	539,702
Expenditure by Vote	1									
Vote 1 - Executive and council		31,048	37,214	28,964	1,722	14,371	16,895	(2,524)	-14.9%	28,964
Vote 2 - Finance and Admin		88,195	100,989	121,321	4,745	39,132	70,771	(31,639)	-44.7%	121,321
Vote 3 - Corporate		59,705	73,840	75,265	4,687	34,822	43,904	(9,083)	-20.7%	75,265
Vote 4 - Development and Planning		15,981	25,584	31,084	1,388	8,589	18,132	(9,544)	-52.6%	31,084
Vote 5 - Community		47,150	59,983	61,983	4,420	26,920	36,156	(9,237)	-25.5%	61,983
Vote 6 - Infrastructure		113,317	110,783	112,383	5,161	46,572	65,557	(18,985)	-29.0%	112,383
Vote 7 - Internal Audit		2,333	-	4,075	155	1,647	2,377	(730)	-30.7%	4,075
Total Expenditure by Vote	2	357,729	408,394	435,075	22,278	172,052	253,794	(81,741)	-32.2%	435,075
Surplus/ (Deficit) for the year	2	146,896	101,527	104,627	4,587	215,121	(123,274)	338,395	-274.5%	104,627

Reporting per municipal vote provides details on the spread of spending over the various function of council. Revenue is mainly budgeted under the Executive and Council function and therefore the majority of the revenue will be reflected under this function.

3.1.4 Table C4: Monthly Budget Statement –Financial Performance (revenue by source and expenditure by type)

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		44,904	48,190	48,190	848	42,014	28,111	13,903	49%	48,190
Service charges - electricity revenue		47,645	53,291	53,291	1,752	23,868	31,086	(7,218)	-23%	53,291
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		10,790	15,526	15,526	958	6,679	9,057	(2,378)	-26%	15,526
Rental of facilities and equipment		803	500	500	65	844	292	552	189%	500
Interest earned - external investments		12,973	14,650	14,650	679	4,757	8,546	(3,789)	-44%	14,650
Interest earned - outstanding debtors		11,555	11,799	11,799	1,068	7,907	6,883	1,024	15%	11,799
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1,398	2,094	2,094	(377)	21	1,221	(1,201)	-98%	2,094
Licences and permits		2,557	4,525	4,525	314	2,276	2,639	(363)	-14%	4,525
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		244,441	256,212	305,993	1,029	240,978	178,496	62,482	35%	305,993
Other revenue		2,779	1,608	1,608	109	438	938	(500)	-53%	1,608
Gains		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		379,844	408,394	458,175	6,446	329,781	267,269	62,512	23%	458,175
Expenditure By Type										
Employee related costs		115,402	125,231	125,231	9,588	66,728	73,051	(6,323)	-9%	125,231
Remuneration of councillors		20,834	21,537	21,537	1,454	11,399	12,563	(1,164)	-9%	21,537
Debt impairment		13,884	5,000	5,000	-	-	2,917	(2,917)	-100%	5,000
Depreciation & asset impairment		47,731	33,110	33,110	-	-	19,314	(19,314)	-100%	33,110
Finance charges		3	-	-	-	-	-	-	-	-
Bulk purchases		39,938	48,000	48,000	3,328	30,454	28,000	2,454	9%	48,000
Other materials		4,192	5,567	5,717	263	3,390	3,335	55	2%	5,717
Contracted services		81,078	101,279	125,861	5,185	43,479	73,419	(29,940)	-41%	125,861
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Other expenditure		33,957	68,670	70,620	2,460	16,602	41,195	(24,592)	-60%	70,620
Losses		711	-	-	-	-	-	-	-	-
Total Expenditure		357,729	408,393	435,075	22,278	172,052	253,794	(81,741)	-32%	435,075
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		22,114	1	23,100	(15,833)	157,728	13,475	144,253	0	23,100
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		124,782	101,527	81,527	20,419	57,393	47,557	9,835	0	81,527
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		146,896	101,528	104,627	4,587	215,121	61,033			104,627
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		146,896	101,528	104,627	4,587	215,121	61,033			104,627
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		146,896	101,528	104,627	4,587	215,121	61,033			104,627
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		146,896	101,528	104,627	4,587	215,121	61,033			104,627

Revenue by Source

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

Property Rates

Property rates revenue is the major part of the municipal own revenue.

The municipality bills both annual and monthly rates at the beginning of the financial year i.e. July. The total property rates revenue for the month of January 2021 amounted To R 847,914.

Services Charges

Revenue from service charges includes electricity sales and revenue from waste removal. The income from services charges amounted to R2,709,156 for the month ended 31st January 2021.

Interest earned on Investments

Reflects the interest in respect funds not immediately needed in the operations of the municipality, these short-term investments made with financial institutions include conditional grants. Interest on investments for the month ended 31st January 2021 amounted to R678,702.

Interest on Outstanding Debtors

Interest on overdue accounts for the month ended 31st January 2021 amounts to R1,068,482, the majority of the debtors are the government departments.

Fines, penalties and Forfeits

Revenue from fines, penalties and forfeits has an annual budget of R2,094,000 for the month ended 31st January 2020 an amount revenue of R 376,590 has been recognised for this category and represents 18%

Licences and permits

The budget for licences and permits amounts to R4,524,696 for the 2020/21 budget year. For the month ended 31st January 2021 an amount of R314,094 was recognised and represents 7% of the total revenue budget for this category.

Transfers and Subsidies-Operational

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenue Acts respectively. Revenue of R 3,790,500 was recognised for operational transfers and subsidies for the month ended 31st January 2021, the amount received relates to funding received from DEDEAT for Alien plant clearing.

Other Revenue

Other revenue consists mostly skills development refund, sale of tender documents, insurance refund and other revenue. Other revenue amounted to R 108,932 for the month ended 31st January 2021

Operating Expenditure by typeEmployee related costs/ Remuneration of Councillors

Remuneration related expenditure for the month ended 31st January 2021 amounted to R 11,042,316 of the expenditure R 1,453,860 relates to Remuneration of Councillors and R 9,588,456 to Managers and staff, that represents 8% of the budgeted amount for this category.

Debt Impairment /Depreciation and Asset impairment

Currently the municipality accounts for Debt impairment at the end of the financial year, no expenditure is reflected for the month for this category.

The municipality is in a process of utilising the financial system (Munsoft) for the fixed asset register to allow for depreciation to be reported on a, monthly basis.
No depreciation was recorded for the month of January 2021.

Bulk Purchases

Expenditure relating to bulk electricity purchases of R 3,328,274 was incurred during the month ended 31st January 2021.

Other Materials

Other material consists of inventory purchases for material and supplies and amounted to R263 063 for the month ended 31st January 2020. The procurement of Covid related PPE is also included under this category.

Contracted Services

Expenditure under this category consists of repairs and maintenance of municipal fleet, repairs and maintenance of buildings and facilities, debt collection contract, waste removal, grass cutting, accounting and auditing contracts and all municipal and financial systems utilised by the municipality. The contracted services for the month ended 31st January 2021 amounted to R5,185,175.

Other Expenditure

Other expenditure reflects all other expenses not specifically mentioned and consists of the following:

- Skills development levy
- Remuneration of ward committee
- Telephone expenses
- Fuel and Oil
- Travel and subsistence expenses.

Other expenditure amounted to R2,459,559 for the month ended 31st January 2021.

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

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate		-	-	-	-	-	-	-	-	-
Vote 4 - Development and Planning		-	-	-	-	-	-	-	-	-
Vote 5 - Community		-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure		71,334	-	-	-	-	-	-	-	-
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4.7	71,334	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		3,013	6,029	6,029	-	188	3,517	(3,328)	-95%	6,029
Vote 3 - Corporate		1,246	3,130	3,130	-	685	1,826	(1,141)	-63%	3,130
Vote 4 - Development and Planning		43	480	480	-	-	280	(280)	-100%	480
Vote 5 - Community		1,601	6,190	6,190	-	86	3,611	(3,525)	-98%	6,190
Vote 6 - Infrastructure		78,408	158,485	161,485	234	83,506	94,200	(10,693)	-11%	161,485
Vote 7 - Internal Audit		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	84,310	174,314	177,314	234	84,465	103,433	(18,968)	-18%	177,314
Total Capital Expenditure		155,644	174,314	177,314	234	84,465	103,433	(18,968)	-18%	177,314
Capital Expenditure - Functional Classification										
Governance and administration		4,259	9,159	9,159	-	873	5,342	(4,470)	-84%	9,159
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		4,259	9,159	9,159	-	873	5,342	(4,470)	-84%	9,159
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1,601	3,260	3,260	-	57	1,902	(1,845)	-97%	3,260
Community and social services		1,479	1,560	1,560	-	57	910	(853)	-94%	1,560
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		122	1,700	1,700	-	-	992	(992)	-100%	1,700
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		87,749	80,724	92,224	558	57,342	53,797	3,545	7%	92,224
Planning and development		43	480	480	-	-	280	(280)	-100%	480
Road transport		87,706	80,244	91,744	558	57,342	53,517	3,825	7%	91,744
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		62,036	81,171	72,671	(325)	26,194	42,391	(16,198)	-38%	72,671
Energy services		62,036	78,241	69,741	(325)	26,164	40,682	(14,518)	-36%	69,741
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	2,930	2,930	-	30	1,709	(1,680)	-98%	2,930
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	155,644	174,314	177,314	234	84,465	103,433	(18,968)	-18%	177,314
Funded by:										
National Government		95,416	99,080	79,080	391	48,366	46,130	2,236	5%	79,080
Provincial Government		1	260	260	-	57	152	(95)	-63%	260
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		95,417	99,340	79,340	391	48,422	46,282	2,141	5%	79,340
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		60,228	74,974	97,974	(158)	36,043	57,151	(21,108)	-37%	97,974
Total Capital Funding		155,644	174,314	177,314	234	84,465	103,433	(18,968)	-18%	177,314

The approved annual capital budget for the financial year amounts to **R174,313,680**, this was adjusted to **R 177,313,684**. Capital expenditure incurred for the month ended 31st January 2021 amounted to **R 233,780**. This represents less than **1%** of the approved capital expenditure budget and less than **1%** of the adjusted capital budget. Capital expenditure incurred to date represents **48%** of the total capital expenditure budget.

3.1.6 C6 Monthly Budget Statement –Financial Position

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		153,085	23,886	23,985	20,667	23,985
Call investment deposits		–	93,822	93,822	198,734	93,822
Consumer debtors		8,258	65,910	66,534	112,631	66,534
Other debtors		103,648	47,924	47,299	71,871	47,299
Current portion of long-term receivables		–	–	–	–	–
Inventory		1,703	984	834	1,656	834
Total current assets		266,693	232,526	232,475	405,558	232,475
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		35,575	35,947	35,947	35,575	35,947
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1,058,068	1,107,177	1,110,177	1,159,004	1,110,177
Biological		–	–	–	–	–
Intangible		333	326	326	333	326
Other non-current assets		688	–	–	–	–
Total non current assets		1,094,663	1,143,450	1,146,450	1,194,911	1,146,450
TOTAL ASSETS		1,361,356	1,375,976	1,378,926	1,600,469	1,378,926
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		345	1,268	1,268	1,412	1,268
Trade and other payables		50,733	81,679	81,529	116,359	81,529
Provisions		11,998	14,440	14,440	12,131	14,440
Total current liabilities		63,077	97,388	97,238	129,901	97,238
Non current liabilities						
Borrowing		–	–	–	8,363	–
Provisions		29,028	27,398	27,398	20,007	27,398
Total non current liabilities		29,028	27,398	27,398	28,370	27,398
TOTAL LIABILITIES		92,106	124,787	124,637	158,271	124,637
NET ASSETS	2	1,269,250	1,251,190	1,254,289	1,442,198	1,254,289
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,038,804	793,988	797,087	1,340,810	797,087
Reserves		230,446	457,202	457,202	101,387	457,202
TOTAL COMMUNITY WEALTH/EQUITY	2	1,269,250	1,251,190	1,254,289	1,442,198	1,254,289

3.1.7 C7 Monthly Budget Statement –Cash Flow

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		-	49,807	49,807	848	42,014	29,054	12,960	45%	49,807
Service charges		86,333	82,700	82,700	2,710	30,547	48,242	(17,695)	-37%	82,700
Other revenue		4,149	8,726	8,726	111	3,579	5,090	(1,512)	-30%	8,726
Transfers and Subsidies - Operational		242,957	256,212	305,993	1,029	240,978	178,496	62,482	35%	305,993
Transfers and Subsidies - Capital		124,782	101,527	81,527	20,419	57,393	47,557	9,835	21%	81,527
Interest		24,528	11,799	26,449	1,747	12,663	15,428	(2,765)	-18%	26,449
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(281,152)	(370,283)	(396,965)	13	6,372	(231,563)	(237,934)	103%	(396,965)
Finance charges		(5)	-	-	-	-	-	-		-
Transfers and Grants		(150)	-	-	-	17,573	-	(17,573)	#DIV/0!	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		201,441	140,489	158,238	26,878	411,118	92,305	(318,812)	-345%	158,238
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(155,644)	(174,314)	(177,314)	(31,372)	(73,401)	(103,433)	(30,032)	29%	(177,314)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(155,644)	(174,314)	(177,314)	(31,372)	(73,401)	(103,433)	(30,032)	29%	(177,314)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		5	13	(1,268)	(0)	(1,416)	(740)	(676)	91%	(1,268)
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		5	13	(1,268)	(0)	(1,416)	(740)	676	-91%	(1,268)
NET INCREASE/ (DECREASE) IN CASH HELD		45,801	(33,812)	(20,344)	(4,494)	336,301	(11,868)			(20,344)
Cash/cash equivalents at beginning:		123,997	43,060	43,060		2,779	43,060			2,779
Cash/cash equivalents at month/year end:		169,799	9,248	22,716		339,080	31,192			(17,566)

PART 2 –SUPPORTING DOCUMENTATION

SECTION 4 _DEBTORS' ANALYSIS

Supporting Table SC3

Description	NT Code	Budget Year 2020/21										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.L.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	6,152	1,136	610	1,307	606	506	1,783	506	12,606	4,708	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2,659	695	595	579	731	21,620	1,248	42,434	70,560	66,611	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	1,738	632	502	472	452	435	1,495	15,780	21,506	18,635	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	2,282	1,139	1,271	1,291	880	818	4,069	23,522	35,272	30,580	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	224	12	0	2	379	6	16,936	13,672	31,231	30,995	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-
Total By Income Source	2000	13,054	3,614	2,978	3,650	3,048	23,386	25,532	95,914	171,176	151,529	-	-
2019/20 - totals only		17032509	3188608	2829239	2254205	2657880	1762753	31321363	83737170	144784	121,733	-	-
Debtors Age Analysis By Customer Group													
Organs of State	2200	5,192	1,879	1,664	2,422	1,490	22,213	4,644	46,246	85,751	77,016	-	-
Commercial	2300	7,828	1,727	1,307	1,221	1,555	1,169	20,874	49,560	85,241	74,378	-	-
Households	2400	34	8	7	6	4	4	14	108	185	136	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	13,054	3,614	2,978	3,650	3,048	23,386	25,532	95,914	171,176	151,529	-	-

The total debt book for January 2021 is R 167 365 312,09 has increased by R318 769 from the previous month balance of R167 046 543,22 Debt is made up of the following:

Residential debt:

R 60 448 490,99

Commercial debt

R 22 792 490,91

Government debt

R 81 887 022,85

Other

R 2 243 026,34

The municipality implements the credit control and debt collection policy, there are two areas in which the municipality is not able to collect and the debt totals to

Maluti

R41 565 730,62(including current)

Cedarville

R 3 504 143,83(including current)

The municipality makes use of debt collectors in implementing the credit and debt collection policy. A new service provider has been appointed to start looking at debt that is older than 90 days. The municipality makes use of debt collectors in implementing the credit and debt collection policy. There is no handover made in quarter 2 as the contract expired. The new service provider has been appointed to start with the collections.

SECTION 5 -CREDITORS' ANALYSIS

Supporting Table SC4

Description R thousands	NT Code	Budget Year 2020/21									Prior year totals for chart (same period)
		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									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700									-	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	-

The municipality paid its creditors within 30 days for the month ended 31st January 2021.

SECTION 6- INVESTMENT POTFOLIO ANALYSIS

Conditional and Unconditional investment monitoring Information

Conditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Municipal Infrastructure Grant	2,570,038.92	13,255.64	-	(13,255.64)	2,583,294.56
INEP	4,459,700.07	23,750.73	-	(23,750.73)	4,483,450.80
EPWP	-	-	-	-	-
Municipal Electrification Intervention	268,071.80	682.94	-	(682.94)	268,754.74
Smart Grid	53,694.78	136.72	-	(136.72)	53,831.50
Establishment Plan	191,880.53	309.63	-	(309.63)	192,190.16
Housing Development Fund	1,951,656.26	3,149.38	-	(3,149.38)	1,954,805.64
Dedea	593,912.55	927.48	-	(927.48)	594,840.03
Total Conditional Investments	10,088,955	42,213	-	42,213	10,131,167

Unconditional Investments -Description	Opening Balance	Deposits	Withdrawals	Interest Earned	Closing Balance
Call Acc STD CRR	34,884,582.18	-	-	-	34,884,582.18
Call Acc STD CRR	10,982,181.53	25,514.77	-	(25,514.77)	11,007,696.30
Call Acc STD CRR	20,710,027.40	100,049.31	-	(100,049.31)	20,810,076.71
Call Acc FNB	20,173,150.68	56,986.30	(20,230,136.98)	(56,986.30)	-
Call ACC FNB Surplus Cash	6,805,395.80	-	-	(10,981.86)	6,805,395.80
Nedbank 32 Days	6,266,553.22	19,958.43	-	(19,958.43)	6,286,511.65
Nedbank relief fund	757,456.93	1,930.05	-	(1,930.05)	759,386.98
Nedbank COV -19 Solidarity	91,586.05	240.95	-	(240.95)	91,827.00
Nedbank call Surplus	56,401,578.59	70,582,114.97	(16,300,000.00)	(73,769.37)	110,683,693.56
Nedbank 91 days-0000014	50,137,369.86	185,150.68	-	(185,150.68)	50,322,520.54
Nedbank 90 days -0000015	50,127,931.51	162,821.91	(50,290,753.42)	(162,821.91)	-
Total Unconditional	257,337,814	70,786,795	- 36,530,137	- 637,404	241,651,691

The municipality invests surplus funds in order to maximise the interest and to have cash readily available when needed and is done in line with the Cash Management and Investments policy.

As at 31st January 2021 the conditional investments amounted to R10,131,167 and unconditional investments amounted to R241,651,691.

Total investments as at 31st January 2021 amounted to R251,782,858.

SECTION 7_ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

7.1 Supporting Table SC6

Description	Ref	2019/20	Budget Year 2020/21							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		240,621	255,022	304,803	–	241,298	177,802	63,496	35.7%	304,803
Local Government Equitable Share		234,919	249,823	299,804	–	237,148	174,769	62,379	35.7%	299,804
Finance Management Grant		1,700	1,700	1,700	–	1,700	992	708	71.4%	1,700
EPWP		3,257	3,499	3,499	–	2,450	2,041	409	20.0%	3,499
Disaster relief grant		745	–	–	–	–	–	–	–	–
Provincial Government:		1,197	930	930	3,791	4,441	543	3,898	718.5%	930
Sport and Recreation		1,197	930	930	–	650	543	108	19.8%	930
DEDEAT		–	–	–	3,791	3,791	–	3,791	#DIV/0!	–
District Municipality: [insert description]		–	–	–	–	–	–	–	–	–
Other grant providers: [insert description]		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	241,818	255,952	305,733	3,791	245,739	178,344	67,394	37.8%	305,733
Capital Transfers and Grants										
National Government:		128,432	101,527	81,527	–	54,819	47,557	3,273	6.9%	81,527
MIG		58,255	48,936	48,936	–	31,819	28,546	3,273	11.5%	48,936
INEP		70,177	52,591	32,591	–	23,000	19,011	–	–	32,591
Other capital transfers [insert description]		–	–	–	–	–	–	–	–	–
Provincial Government:		–	260	260	–	–	152	(152)	-100.0%	260
Sport and Recreation		–	260	260	–	–	152	(152)	-100.0%	260
District Municipality: [insert description]		–	–	–	–	–	–	–	–	–
Other grant providers: [insert description]		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	128,432	101,787	81,787	–	54,819	47,709	3,121	6.5%	81,787
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	370,250	357,739	387,520	3,791	300,558	226,053	70,516	31.2%	387,520

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenue Acts respectively. An amount of R3,790,500 was received this month from DEDEAT for Alien Plant clearing in 7 wards of Matatiele Local Municipality.

SECTIONS 8_EXPENDITURE ON COUNCILLOR AND EMPLOYEE RELATED COSTS

Supporting Table C8

Summary of Employee and Councillor remuneration		2019/20	Budget Year 2020/21							
R thousands	Ref	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		-	13,114	13,114	921	5,748	6,557	(809)	-12%	13,114
Pension and UIF Contributions		-	739	739	57	355	370	(15)	-4%	739
Medical Aid Contributions		-	142	142	62	148	71	77	108%	142
Motor Vehicle Allowance		-	133	133	11	65	66	(2)	-3%	133
Cellphone Allowance		-	3,140	3,140	235	1,403	1,570	(167)	-11%	3,140
Housing Allowances		-	4,269	4,269	319	1,980	2,134	(154)	-7%	4,269
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		-	21,537	21,537	1,605	9,696	10,769	(1,071)	-10%	21,537
Senior Managers of the Municipality										
Basic Salaries and Wages	3	-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Other Municipal Staff										
Basic Salaries and Wages		1,084	103,247	103,247	7,574	46,029	51,623	(5,594)	-11%	103,247
Pension and UIF Contributions		(3)	988	988	45	272	494	(222)	-45%	988
Medical Aid Contributions		-	5,322	5,322	347	2,052	2,661	(608)	-23%	5,322
Overtime		164	692	692	171	929	346	583	169%	692
Performance Bonus		371	6,197	6,197	574	2,369	3,099	(729)	-24%	6,197
Motor Vehicle Allowance		-	4,114	4,114	402	2,303	2,057	246	12%	4,114
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		31	4,672	4,672	364	2,147	2,336	(188)	-8%	4,672
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		2,523	-	-	-	341	-	341	#DIV/0!	-
Long service awards		161	-	-	31	83	-	83	#DIV/0!	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		4,332	125,231	125,231	9,508	56,526	62,615	(6,089)	-10%	125,231
% increase	4		2790.6%	2790.6%						2790.6%
Total Parent Municipality		4,332	146,768	146,768	11,114	66,224	73,384	(7,160)	-10%	146,768
Unpaid salary, allowances & benefits in arrears:			3287.7%	3287.7%						3287.7%
Board Members of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Board Fees		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Board Members of Entities	2	-	-	-	-	-	-	-	-	-
% increase	4									
TOTAL SALARY, ALLOWANCES & BENEFITS		4,332	146,768	146,768	11,114	66,224	73,384	(7,160)	-10%	146,768
% increase	4		3287.7%	3287.7%						3287.7%
TOTAL MANAGERS AND STAFF		4,332	125,231	125,231	9,508	56,526	62,615	(6,089)	-10%	125,231

Remuneration related expenditure for the month ended 31st January 2021 amounted to R 11,042,316, of the expenditure R1,453,860 relates to Remuneration of Councillors and R 9,588,456 to Managers and staff.

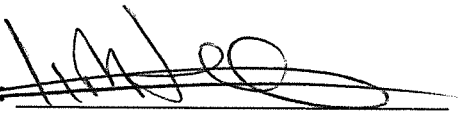
MUNICIPAL MANAGER'S QUALITY CERTIFICATE**QUALITY CERTIFICATE**

I, **Lizo Matiwane**, the Municipal Manager of Matatiele Local Municipality do hereby certify that-

The monthly budget statement (Section 71 Report) on the implementation of the budget and financial state of affairs of the municipality for the month ended 31st January 2021 has been prepared in accordance with the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print Name: Lizo Matiwane

Municipal Manager of Matatiele Local Municipality

Signature: 

Date: 12/02/2021