

RAMOTSHERE MOILOA LOCAL MUNICIPALITY



MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT

REPORT

2020/2021

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MFMA SECTION 72 REPORT FOR THE MONTH ENDING DECEMBER 2020

PART 1-IN-YEAR REPORT

1.1 EXECUTIVE SUMMARY

1.2 PURPOSE

The purpose of the report is to report on the implementation of the municipal budget and performance assessment during the first half of the 2020/21 financial year as required by Section 72 of the MFMA.

1.3 LEGISLATIVE FRAMEWORK

Municipal Finance Management Act No. 56 of 2003.

Division of Revenue Act

Constitution of the Republic, Act 108 of 1996

Municipal System Act, Act of 2003

Municipal Performance Regulations of 2006

Municipal Budget and Reporting Regulations gazette No 32141.

1.4 LEGAL/STATUTORY REQUIREMENTS

In accordance with Section 72(1) of the MFMA, the Accounting officer must by 25 January of each year, assess the performance of the municipality during the first half of the financial year.

The statement referred to in Section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.

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

1.5 OBJECTIVES OF IN YEAR REPORTING (SECTION 72(1)) OF MFMA

The gathering and reporting of in-year financial performance information is important for the following reasons:

- ✓ It focuses municipal council's attention on the revenue and expenditure trends, which should be considered when making key management decisions.
- ✓ It will facilitate the compilation of annual financial reports, meaning that these processes can be completed sooner and with less effort;
- ✓ It promotes greater transparency and more effective political oversight, and

- ✓ It serves as an early warning system or indicator to measure and detect fiscal stress in the municipality and the need for immediate intervention where necessary.

1.6 BACKGROUND

The C Schedule reflects the financial position and performance of Council, at the end of the month ending December 2020, to assist in making informed decisions. This report clearly shows the revenue and expenditure as at end of December 2020 comparing it with the approved budgeted amounts for the 2020/21 financial year per department, type, and functional area.

The C Schedule is aligned with the municipality's cash flows as an internal tool on reporting on section 72 of the MFMA and assists the management to analyze and scrutinize their budgets versus income and expenditure and reflects on performance variances. This mid-term report is an indication on each directorate performance against the SDBIP. It is also a monitoring tool on operating and capital budgets as well as financial risks to be able to manage them on time.

1.7 IN-YEAR BUDGET STATEMENT TABLES

Mid-year and performance assessment reporting regulated by National Treasury is aimed at assisting municipalities in making sound financial decisions and assisting in the management of cash flows and performance in line with the IDP.

Table C1 Monthly Budget Statement Summary

NW385 Ramotshere Moiloa - Table C1 Monthly Budget Statement Summary - M06 December

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	-	68 932	43 013	3 936	28 135	21 507	6 628	31%	-
Service charges	-	131 610	92 969	6 553	30 073	46 485	(16 411)	-35%	-
Investment revenue	-	188	188	-	0	94	(94)	-100%	-
Transfers and subsidies	-	193 831	238 858	-	124 428	119 429	4 999	4%	-
Other own revenue	-	26 802	19 569	119	5 043	9 785	(4 742)	-48%	-
Total Revenue (excluding capital transfers and contributions)	-	421 362	394 597	10 608	187 679	197 299	(9 620)	-5%	-
Employee costs	-	134 350	134 350	13 343	63 948	67 175	(3 227)	-5%	-
Remuneration of Councillors	194 057	14 255	14 255	1 383	9 145	7 127	2 018	28%	-
Depreciation & asset impairment	-	29 614	29 614	-	-	14 807	(14 807)	-100%	-
Finance charges	11 574	4 500	4 500	52	128	2 250	(2 122)	-94%	-
Materials and bulk purchases	-	80 729	75 466	4 876	19 784	37 733	(17 949)	-48%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	159 335	145 672	129 989	3 460	13 620	64 994	(51 375)	-79%	-
Total Expenditure	364 966	409 121	388 174	23 114	106 624	194 087	(87 463)	-45%	-
Surplus/(Deficit)	(364 966)	12 242	6 423	(12 506)	81 054	3 211	77 843	2424%	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	35 077	35 077	3 825	6 378	14 615	(8 237)	-56%	-
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	(364 966)	47 318	41 500	(8 681)	87 433	17 827	69 606	390%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(364 966)	47 318	41 500	(8 681)	87 433	17 827	69 606	390%	-
Capital expenditure & funds sources									
Capital expenditure	-	35 077	35 377	8 152	24 885	17 688	7 197	41%	-
Capital transfers recognised	-	35 077	35 077	8 152	24 885	17 538	7 347	42%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	300	-	-	150	(150)	-100%	-
Total sources of capital funds	-	35 077	35 377	8 152	24 885	17 688	7 197	41%	-
Financial position									
Total current assets	-	173 955	(19 366)	-	67 636	-	-	-	-
Total non current assets	-	708 828	708 828	-	(3 260)	-	-	-	-
Total current liabilities	-	107 760	107 760	-	5 606	-	-	-	-
Total non current liabilities	-	86 514	86 514	-	2 960	-	-	-	-
Community wealth/Equity	-	621 713	690 230	-	-	-	-	-	-
Cash flows									
Net cash from (used) operating	-	82 884	35 874	13 303	36 903	17 937	(18 966)	-106%	-
Net cash from (used) investing	-	(35 077)	(35 377)	(8 152)	(22 115)	(17 688)	4 427	-25%	-
Net cash from (used) financing	-	(1 000)	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	-	48 311	2 000	-	14 787	1 752	(13 036)	-744%	-
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	14 538	5 789	4 850	5 001	13 309	213 674	-	-	257 160
Creditors Age Analysis									
Total Creditors	7 074	-	1 599	7 844	9 485	10 977	35 058	-	72 037

Revenue allocated from National and Provincial government forms a significant percentage of the revenue basket for the Municipality. In the sixth month of 2020/21 financial year, revenue from grants and operating revenue amounted to

R 187.68 million excluding capital grants which is 47.5% of the adjusted budget.

Total operating expenditure amounted to R106.62 million and the main cost drivers are salary related and other expenditures. The operating surplus as of December 2020 is R 81.05m

Table C2 – Financial Performance (Standard Classification)

NW385 Ramotshere Moiloa - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M 06 December

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										
Governance and administration		-	209 109	213 935	5 760	112 073	106 968	5 105	5%	-
Executive and council		-	38 351	80 434	-	28 812	40 217	(11 405)	-28%	-
Finance and administration		-	161 567	124 309	5 760	79 824	62 155	17 669	28%	-
Internal audit		-	9 192	9 192	-	3 437	4 596	(1 158)	-25%	-
Community and public safety		-	25 357	25 357	13	6 971	12 678	(5 708)	-45%	-
Community and social services		-	16 342	16 342	13	1 226	8 171	(6 945)	-85%	-
Sport and recreation		-	7 681	7 681	-	5 745	3 840	1 904	50%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	1 334	1 334	-	-	667	(667)	-100%	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	77 713	80 997	3 921	27 758	40 498	(12 741)	-31%	-
Planning and development		-	49 990	45 991	15	6 278	22 995	(16 718)	-73%	-
Road transport		-	27 723	35 006	3 906	21 480	17 503	3 977	23%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	144 260	109 386	4 739	47 256	54 693	(7 437)	-14%	-
Energy sources		-	91 886	64 785	2 797	34 202	32 393	1 810	6%	-
Water management		-	23 693	23 225	710	4 826	11 613	(6 787)	-58%	-
Waste water management		-	2 757	4 414	85	426	2 207	(1 781)	-81%	-
Waste management		-	25 924	16 961	1 146	7 802	8 481	(679)	-8%	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	456 439	429 674	14 433	194 057	214 837	(20 780)	-10%	-
Expenditure - Functional										
Governance and administration		-	202 725	179 335	9 951	51 194	89 667	(38 473)	-43%	-
Executive and council		-	38 351	34 970	2 721	17 514	17 485	30	0%	-
Finance and administration		-	155 183	136 713	7 016	32 350	68 356	(36 006)	-53%	-
Internal audit		-	9 192	7 652	213	1 329	3 826	(2 497)	-65%	-
Community and public safety		-	25 241	28 986	862	4 869	14 493	(9 624)	-66%	-
Community and social services		-	16 926	21 401	262	1 296	10 700	(9 405)	-88%	-
Sport and recreation		-	6 981	6 251	490	3 132	3 125	6	0%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	1 334	1 334	110	442	667	(225)	-34%	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	68 336	100 454	4 201	27 863	50 227	(22 364)	-45%	-
Planning and development		-	27 522	59 008	1 071	5 787	29 504	(23 717)	-80%	-
Road transport		-	40 814	41 446	3 130	22 076	20 723	1 353	7%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	112 819	114 476	8 099	63 083	57 238	5 844	10%	-
Energy sources		-	78 260	77 083	5 028	36 582	38 541	(1 959)	-5%	-
Water management		-	10 340	10 300	728	7 285	5 150	2 135	41%	-
Waste water management		-	12 781	13 826	1 382	10 846	6 913	3 934	57%	-
Waste management		-	11 438	13 268	961	8 369	6 634	1 735	26%	-
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	409 121	423 251	23 114	147 009	211 625	(64 616)	-31%	-
Surplus/ (Deficit) for the year		-	47 318	6 423	(8 681)	47 048	3 211	43 837	1365%	-

The table above indicates the revenue and expenditure per function. The revenue for trading services for mid-year is R47.26m and the expenditure is R 36.08m. The revenue for month for Governance

and Administration is R112.07m and the expenditure is R51.19m. The overall revenue per standard classification is R194.05m and expenditure of R147.01m yielding a surplus of R47.05m

Table C3 – Financial Performance (Revenue and expenditure by Municipal vote)

NW385 Ramotshere Moiloa - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06

Vote Description	Ref	Budget Year 2020/21								
		2019/20 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		-	38 351	76 434	-	28 313	38 217	(9 904)	-25.9%	-
Vote 2 - Finance and Administration		-	135 535	109 616	5 760	81 872	54 808	27 063	49.4%	-
Vote 3 - Internal Audit		-	9 192	9 192	-	3 437	4 596	(1 158)	-25.2%	-
Vote 4 - Community and Social Services		-	16 342	26 702	13	1 213	13 351	(12 138)	-90.9%	-
Vote 5 - Sport and Recreation		-	7 681	7 681	-	5 745	3 840	1 904	49.6%	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	1 334	1 334	-	499	667	(168)	-25.2%	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	49 990	49 990	15	6 266	24 995	(18 729)	-74.9%	-
Vote 10 - Road Transport		-	53 755	39 340	3 906	21 402	19 670	1 732	8.8%	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	91 886	64 785	2 797	34 202	32 393	1 810	5.6%	-
Vote 13 - Water Management		-	23 693	23 225	710	4 115	11 613	(7 497)	-64.6%	-
Vote 14 - Waste Water Management		-	2 757	4 414	85	340	2 207	(1 867)	-84.6%	-
Vote 15 - Waste Management		-	25 924	16 961	1 146	6 653	8 481	(1 828)	-21.6%	-
Total Revenue by Vote	2	-	456 439	429 674	14 433	194 057	214 837	(20 780)	-9.7%	-
Expenditure by Vote	1									
Vote 1 - Executive and Council		-	38 351	35 770	2 721	17 300	17 885	(585)	-3.3%	-
Vote 2 - Finance and Administration		-	143 400	125 743	7 016	32 350	62 871	(30 521)	-48.5%	-
Vote 3 - Internal Audit		-	9 192	7 652	213	1 329	3 826	(2 497)	-65.3%	-
Vote 4 - Community and Social Services		-	16 926	21 401	262	1 339	10 700	(9 361)	-87.5%	-
Vote 5 - Sport and Recreation		-	6 981	6 251	490	3 132	3 125	6	0.2%	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	1 334	1 334	110	546	667	(121)	-18.1%	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	27 522	59 008	1 071	5 787	29 504	(23 717)	-80.4%	-
Vote 10 - Road Transport		-	52 596	51 616	3 130	22 142	25 808	(3 666)	-14.2%	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	78 260	77 083	5 028	36 582	38 541	(1 959)	-5.1%	-
Vote 13 - Water Management		-	10 340	10 300	728	7 285	5 150	2 135	41.5%	-
Vote 14 - Waste Water Management		-	12 781	13 826	1 382	10 846	6 913	3 934	56.9%	-
Vote 15 - Waste Management		-	11 438	13 268	961	8 369	6 634	1 735	26.2%	-
Total Expenditure by Vote	2	-	409 121	423 251	23 114	147 009	211 625	(64 616)	-30.5%	-
Surplus/ (Deficit) for the year	2	-	47 318	6 423	(8 681)	47 048	3 211	43 837	1365.0%	-

The table above shows revenue and expenditure per vote. The revenue raised for the sixth month of the financial year is R194.06m and the total expenditure is R147.01m and shows a surplus of R47.05m including the revenue recognised from capital grants. The overall year-to-date variance for revenue is (R20.78m) and for expenditure is R43.84m. Equitable share tranche of R56 119m was withheld by National Treasury due to the submission of the UIFW Reduction Strategy.

Table C4- Financial Performance (Revenue and Expenditure)

NW385 Ramotshere Moiloa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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											
Revenue By Source											
Property rates			68 932	43 013	3 936	28 135	21 507	6 628	31%		
Service charges - electricity revenue			89 971	63 740	4 611	20 394	31 870	(11 476)	-36%		
Service charges - water revenue			18 105	13 000	711	4 154	6 500	(2 346)	-36%		
Service charges - sanitation revenue			1 571	3 229	60	324	1 615	(1 290)	-80%		
Service charges - refuse revenue			21 963	13 000	1 172	5 201	6 500	(1 299)	-20%		
Rental of facilities and equipment			9	9		25	5	21	440%		
Interest earned - external investments			188	188		0	94	(94)	-100%		
Interest earned - outstanding debtors			880	880	7	22	440	(418)	-95%		
Dividends received											
Fines, penalties and forfeits			4 408	4 408	78	328	2 204	(1 876)	-85%		
Licences and permits			4 237	4 237		298	2 119	(1 821)	-86%		
Agency services											
Transfers and subsidies			193 831	238 858		124 428	119 429	4 999	4%		
Other revenue			9 430	6 197	33	4 370	3 098	1 272	41%		
Gains			7 838	3 838			1 919	(1 919)	-100%		
Total Revenue (excluding capital transfers and contributions)			-	421 362	394 597	10 608	187 679	197 299	(9 620)	-5%	-
Expenditure By Type											
Employee related costs			134 350	134 350	13 343	63 948	67 175	(3 227)	-5%		
Remuneration of councillors			14 255	14 255	1 383	9 145	7 127	2 018	28%		
Debt impairment			40 864	40 864			20 432	(20 432)	-100%		
Depreciation & asset impairment			29 614	29 614			14 807	(14 807)	-100%		
Finance charges			4 500	4 500	52	128	2 250	(2 122)	-94%		
Bulk purchases			58 611	58 611	4 365	33 664	29 306	4 358	15%		
Other materials			22 118	16 855	511	1 568	8 428	(6 860)	-81%		
Contracted services			43 050	30 300	1 596	4 056	15 150	(11 094)	-73%		
Transfers and subsidies											
Other expenditure			61 759	58 825	1 863	9 563	29 412	(19 849)	-67%		
Losses											
Total Expenditure			-	409 121	388 174	23 114	122 072	194 087	(72 015)	-37%	-
Surplus/(Deficit)											
Transfers and Subsidies - Capital (monetary allocations) (National / Provincial and District)			-	12 242	6 423	(12 506)	65 607	3 211	62 395	0	-
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)				35 077	35 077	3 825	6 378	14 615	(8 237)	(0)	-
Transfers and subsidies - capital (in-kind - all)											-
Surplus/(Deficit) after capital transfers & contributions			-	47 318	41 500	(8 681)	71 985	17 827			-
Taxation											-
Surplus/(Deficit) after taxation			-	47 318	41 500	(8 681)	71 985	17 827			-
Attributable to minorities											-
Surplus/(Deficit) attributable to municipality			-	47 318	41 500	(8 681)	71 985	17 827			-
Share of surplus/ (deficit) of associate											-
Surplus/ (Deficit) for the year			-	47 318	41 500	(8 681)	71 985	17 827			-

Financial Performance

The table above shows an analysis of Operating and Capital income and expenditure against budget. The statement of financial performance is used to measure performance of the institution and monitor the cash flow projections in comparison with actual expenditure and revenue for a specific period.

This statement summarizes the revenue realised and expenditure incurred by the municipality on cash and non-cash items that affect performance of resources.

The actual revenue received or billed is below the anticipated projected revenue by 5%. The main contributors to this underperformance are service charges and other revenue (License and permits, fines and penalties).

Mid-year accumulated year to date revenue performance is as follows:

Property rates

Property rates is favourable by R6,6 million (31%) which is indicative of positive exercise in ensuring completeness of rateable properties.

Services Charges

Electricity charges: Actual year to date billed electricity revenue is at R20.394 million. It is below the projected revenue by R11.4 million (36%). The performance of this revenue source has been influenced by electricity losses and possible tempering and illegal collections. As these factors are being addressed, performance is expected to improve.

Water revenue is unfavourable by R2.3 million (36%) to the projected revenue for the period. This is indicative on incomplete billing and water losses.

Sanitation charges is unfavourable by R1.2 million (80%) to the projected revenue for the period.

Refuse revenue are unfavourable by R1.3 million (20%) mainly on waste removal services. The projected revenue needs to be assessed and possibly revised based on number of households that are serviced or incompleteness of billing be addressed.

Other Revenue

Rental of Facilities

Revenue realised from Rental of Facilities as of 31st December 2020 is above the half yearly projected revenue by R21 thousand (440%). The revenue must be investigated to ensure that there is no misallocation of revenue.

Interest on Long Outstanding Debtors

The performance to date is below the anticipated revenue to date by R418 thousand (95%). This revenue source is influenced by revenue collection/receivable balance at every billing period. The performance will be investigated to ensure that interest is levied on outstanding debtors.

Fines, Penalties and Forfeits

The performance is unfavourable by R1.8 million (86%) which can most possibly be to incorrect allocation or unallocated revenue charges and unrealistic projections. The projections need to be reassessed.

Transfers and Subsidies.

Operating grants and subsidies are performing accordingly. Only equitable share tranche of R56 million was withheld by National Treasury due to late submission of Annual Financial Statements.

Other Revenue

Other Revenue is performing above the anticipated revenue, with the year-to-date favourable variance of R1,2 million. The revenue must be investigated to ensure that there is no misallocation of revenue.

Gain on disposal of PPE

The Item is unfavourable by R3.8 million as sale of identified properties has not progressed well. This item needs to be reconsidered during budget adjustment.

Mid-year accumulated year to date expenditure performance is as follows:

Employee related cost

Wages and Salaries are performing favourable and below the projections with 5%. Overtime costs should however be monitored.

Remuneration of councillors

The expenditure item has spent 28% over the projections and could result in unauthorised expenditure. Adjustment should be made to the line item.

Finance charges

The expenditure item has spent 94% below the projections. This is an indication that monthly journals for bank charges are not timeously processed. All journals will be processed to reflect the accurate expenditure incurred.

Bulk Purchases

The expenditure has spent above the projections with 15%. This is a result of the peak season consumption (i.e. July-August) being winter months. Adjustment should be made to the line item.

Repairs and Maintenance

Repairs and maintenance spending remains a concern. Shifting of funds will be done within the votes to ensure that infrastructure assets are maintained

Other Expenditure

Expenditure has spent below the projections. The expenditure is being accelerated and only shifting of funds between votes will be done. COVID-19 related expenditure will also be accelerated as there are pending commitments.

Table C5- Capital Expenditure (Municipal, standard classification and funding)

NW385 Ramotshere Moiloa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06
December

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 Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	300	-	-	150	(150)	-100%	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	35 077	35 077	3 825	6 378	17 538	(11 160)	-64%	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	35 077	35 377	3 825	6 378	17 688	(11 310)	-64%	-
Total Capital Expenditure		-	35 077	35 377	3 825	6 378	17 688	(11 310)	-64%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	300	-	-	150	(150)	-100%	-
Community and social services		-	-	300	-	-	150	(150)	-100%	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	35 077	35 077	3 825	6 378	17 538	(11 160)	-64%	-
Planning and development		-	35 077	35 077	3 825	6 378	17 538	(11 160)	-64%	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	35 077	35 377	3 825	6 378	17 688	(11 310)	-64%	-
Funded by:										
National Government		-	35 077	35 077	3 825	6 378	17 538	(11 160)	-64%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	35 077	35 077	3 825	6 378	17 538	(11 160)	-64%	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	300	-	-	150	(150)	-100%	-
Total Capital Funding		-	35 077	35 377	3 825	6 378	17 688	(11 310)	-64%	-

The table above shows capital expenditure and sources of capital funding, month and year to date compared to budget. The actual expenditure on capital projects as at mid-term amounts to R6.38m from the total allocation of MIG amounting to R35m. The amount transferred to the municipality as of December 2020 is R 8.3 million. R3.8 million which was to be transferred in December 2020 was withheld due to low spending by the municipality. PMU is encouraged to spend on capital projects to avoid applying for roll-over next financial year or forfeiting the allocation.

Table C7- Cash Flow

NW385 Ramotshere Moiloa - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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			44 806	21 507	3 392	10 005	10 753	(748)	-7%		
Service charges			88 002	52 859	5 311	36 708	26 429	10 278	39%		
Other revenue			22 511	14 802	4 832	44 466	7 401	37 065	501%		
Transfers and Subsidies - Operational			193 831	238 858	38 477	125 009	119 429	5 580	5%		
Transfers and Subsidies - Capital			35 077	35 077		3 045	17 538	(14 493)	-83%		
Interest			854	188	54	313	94	220	234%		
Dividends								-			
Payments											
Suppliers and employees			(297 695)	(322 916)	(38 762)	(182 644)	(161 458)	21 186	-13%		
Finance charges			(4 500)	(4 500)			(2 250)	(2 250)	100%		
Transfers and Grants								-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	82 884	35 874	13 303	36 903	17 937	(18 966)	-106%	-
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			(35 077)	(35 377)	(8 152)	(22 115)	(17 688)	4 427	-25%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(35 077)	(35 377)	(8 152)	(22 115)	(17 688)	4 427	-25%	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans								-			
Borrowing long term/refinancing								-			
Increase (decrease) in consumer deposits								-			
Payments											
Repayment of borrowing			(1 000)					-			
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	(1 000)	-	-	-	-	-	-	
NET INCREASE/(DECREASE) IN CASH HELD			-	46 808	497	5 152	14 787	248		-	
Cash/cash equivalents at beginning:			1 503	1 503			1 503			-	
Cash/cash equivalents at month/year end:			48 311	2 000		14 787	1 752			-	

The table highlights the cash flow position of the municipality for the period ending December 2020. The year-to-date cash flow statement of the municipality depicts that the municipality has a favourable cash position. This is indicated below by the operating revenue exceeding expenditures for the period ending December 2020. The cash and cash equivalents to date show positive cash outlay of the municipality. The cash/cash equivalents as at mid-term amounts to R14.78m. These amounts include short-term investments held with ABSA and FNB to the value R13.72m.

Investment made with the various financial institutions are strictly in compliance with Municipal Finance Management Act and in terms of the Investment Framework Policy and Guidelines.

The municipality is unable collect money from customers on service charge and property rates due to high level of indigency. The municipality must fully implement Debt and Credit Control Policy, registration and verification of indigent customers and intensify the Revenue Enhancement Strategy.

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtor's Age Analysis

Table SC3 – Aged Debtors

NW385 Ramotshere Moiloa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 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
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	2 493	954	537	862	2 301	31 757			38 905	34 921
Trade and Other Receivables from Exchange Transactions - Electricity	1300	8 065	3 087	1 739	2 789	7 445	102 745			125 870	112 979
Receivables from Non-exchange Transactions - Property Rates	1400	3 079	1 179	664	1 065	2 843	39 230			48 059	43 137
Receivables from Exchange Transactions - Waste Water Management	1500	440	168	95	152	406	5 604			6 866	6 162
Receivables from Exchange Transactions - Waste Management	1600	587	225	126	203	541	7 472			9 154	8 217
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-			-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-			-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-			-	-
Other	1900	(126)	176	1 688	(70)	(228)	26 865			28 306	26 568
Total By Income Source	2000	14 538	5 789	4 850	5 001	13 309	213 674	-	-	257 160	231 983
2019/20 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2200	523	466	378	213	-	32 346			33 927	32 559
Commercial	2300	6 071	1 653	1 128	1 383	914	11 993			23 142	14 289
Households	2400	7 846	3 624	3 584	3 376	3 121	136 614			158 166	143 111
Other	2500	97	46	(241)	29	9 274	32 721			41 926	42 024
Total By Customer Group	2600	14 538	5 789	4 850	5 001	13 309	213 674	-	-	257 160	231 983

The municipality has a total consumer debtor's balance of R257.16 million ranging between 0 days to over a year, detailed above by age of total debtor's balance.

The total debt with a potential to be irrecoverable amounts to R231.98 million, determined based on being more than 90 days in arrears and this is 89.88 % of total debtors balance.

Debt collection and credit control measure need to be intensified to collect all collectable debt and all identified uncollectable debt should be submitted to council for write off consideration.

2.2 Creditors Age Analysis

Table SC4- Aged Creditors

NW385 Ramotshere Moiloa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2020/21								Total
		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	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	5 072	-	-	6 723	8 363	8 931	30 811		59 901
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700									-
Auditor General	0800				30	32	28	2 564		2 654
Other	0900	2 002	-	1 599	1 091	1 091	2 018	1 683		9 483
Total By Customer Type	1000	7 074	-	1 599	7 844	9 485	10 977	35 058	-	72 037

The municipality should strive to pay suppliers within 30 Days to avoid interest payments. In terms of the MFMA s65 (2) (e) all creditors should be paid within 30 days and the municipality has failed to comply in this regard.

Almost 83% of creditors are electricity bulk purchases to the amount of R59.9 million followed by Auditor-General amounting to R2.65m other creditors of R9.48m.

A payment arrangement has been reached with Eskom to settle the outstanding debt for a period of three years.

The outstanding trade creditor balances would attract interest on the overdue accounts, which implies cash out flow that becomes fruitless and wasteful expenditure. The delay in the payment of trade creditors negatively affects the current ratio of the municipality.

2.3 Investment Portfolio Analysis

Table SC5- Investment Portfolio

NW385 Ramotshere Moiloa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 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	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
Municipality														
ABSA										405	1			406
FNB										7 819	53	(33 553)	39 000	13 318
														-
														-
														-
														-
Municipality sub-total										8 223		(33 553)	39 000	13 723
Entities														
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									8 223		(33 553)	39 000	13 723

The municipality has the short-term investments with ABSA and First National Bank to the value of R13.7m. These funds are from both conditional grants and equitable grant received and are invested and ringfenced to earn interest.

These investments are ABSA Bank for R13.3m and FNB for R406, 000.

2.4 Allocation and grant receipts expenditure

Table SC6- Transfers and Grants Receipt

NW385 Ramotshere Moiloa - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

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										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		-	190 061	228 088	450	125 459	114 044	10 215	9,0%	-
Local Government Equitable Share			187 061	225 088		122 654	112 544	10 110	9,0%	
Finance Management			2 000	2 000		2 000	1 000			
EPWP Incentive			1 000	1 000	450	700	500			
	3							-		
								-		
								-		
								-		
LGSeia						105		105	#DIV/0!	
Provincial Government:		-	770	770	-	-	385	(385)	-100,0%	-
Sport and Recreation			770	770			385	(385)	-100,0%	
	4							-		
								-		
Other transfers and grants [insert description]								-		
District Municipality:		-	10 000	10 000	-	-	5 000	(5 000)	-100,0%	-
Water Grant			10 000	10 000			5 000	(5 000)	-100,0%	
								-		
Other grant providers:		-	-	-	-	-	-	-		-
Municipal Infrastructure Grant (MIG)			-	-			-	-		
								-		
Total Operating Transfers and Grants	5	-	200 831	238 858	450	125 459	119 429	4 830	4,0%	-
Capital Transfers and Grants										
National Government:		-	35 077	36 923	-	8 355	18 462	(10 107)	-54,7%	-
Municipal Infrastructure Grant (MIG)			35 077	36 923		8 355	18 462	(10 107)	-54,7%	
INEP										
								-		
								-		
Other capital transfers [insert description]								-		
Provincial Government:		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
Total Capital Transfers and Grants	5	-	35 077	36 923	-	8 355	18 462	(10 107)	-54,7%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	235 908	275 781	450	133 814	137 891	(5 277)	-3,8%	-

The total grants received as December 2020 amounts to R133.81m including operating and capital grants.

Table SC7 (1) - Transfers and Grants Expenditure

NW385 Ramotshere Moiloa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	190 061	228 088	135	123 637	114 044	9 593	8.4%	-
Local Government Equitable Share			187 061	225 088		122 654	112 544	10 110	9.0%	
Finance Management			2 000	2 000	95	484	1 000	(516)	-51.6%	
EPWP Incentive			1 000	1 000	40	499	500	(1)	-0.2%	
LGSela										
Provincial Government:		-	770	770	161	791	385	406	105.5%	-
Sport and Recreation			770	770	161	791	385	406	105.5%	
Other transfers and grants [insert description]										
District Municipality:		-	10 000	10 000	-	-	5 000	(5 000)	-100.0%	-
Water Grant			10 000	10 000			5 000	(5 000)	-100.0%	
Other grant providers:		-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:		-	200 831	238 858	296	124 428	119 429	4 999	4.2%	-
Capital expenditure of Transfers and Grants										
National Government:		-	35 077	35 077	3 825	6 378	17 538	(11 160)	-63.6%	-
Municipal Infrastructure Grant (MIG)			35 077	35 077	3 825	6 378	17 538	(11 160)	-63.6%	
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	35 077	35 077	3 825	6 378	17 538	(11 160)	-63.6%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	235 908	273 935	4 120	130 806	136 967	(6 161)	-4.5%	-

The table above shows the expenditure incurred on grants received as of December 2020. The total expenditure on grants for the sixth month of the financial year is R130.81m for both operating and capital grants.

2.5 Councillor and Staff Benefits

Table SC8 – Councillor and staff benefits.

NW385 Ramotshere Moiloa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	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		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages			10 867	10 867	835	5 484	5 434	51	1%	
Pension and UIF Contributions			1 630	1 630	169	676	815	(139)	-17%	
Medical Aid Contributions		7 555						-		
Motor Vehicle Allowance						169		169	#DIV/0!	
Cellphone Allowance			1 646	1 646	141	844	823	21	3%	
Housing Allowances								-		
Other benefits and allowances			112	112	238	1 972	56	1 916	3434%	
Sub Total - Councillors		7 555	14 255	14 255	1 383	9 145	7 127	2 018	28%	-
% increase	4		88,7%	88,7%						
Senior Managers of the Municipality										
Basic Salaries and Wages			8 012	8 012	487	3 131	4 006	(875)	-22%	
Pension and UIF Contributions					1	2		2	#DIV/0!	
Medical Aid Contributions								-		
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance					118	591		591	#DIV/0!	
Cellphone Allowance			614	614	10	181	307	(126)	-41%	
Housing Allowances								-		
Other benefits and allowances					6	23		23	#DIV/0!	
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
Sub Total - Senior Managers of Municipality		-	8 626	8 626	622	3 928	4 313	(385)	-9%	-
% increase	4		#DIV/0!	#DIV/0!						
Other Municipal Staff										
Basic Salaries and Wages			89 977	89 977	6 812	30 383	44 989	(14 605)	-32%	
Pension and UIF Contributions			17 471	17 471	1 435	8 616	8 735	(119)	-1%	
Medical Aid Contributions			9 159	9 159	782	5 765	4 580	1 185	26%	
Overtime					1 158	5 251		5 251	#DIV/0!	
Performance Bonus								-		
Motor Vehicle Allowance			4 768	4 768	460	2 613	2 384	229	10%	
Cellphone Allowance			136	136	22	131	68	63	93%	
Housing Allowances			847	847	76	459	423	36	8%	
Other benefits and allowances			3 367	3 367	1 063	6 714	1 683	5 030	299%	
Payments in lieu of leave								-		
Long service awards						87		87	#DIV/0!	
Post-retirement benefit obligations								-		
Sub Total - Other Municipal Staff		-	125 724	125 724	11 808	60 020	62 862	(2 843)	-5%	-
% increase	4		#DIV/0!	#DIV/0!						
Total Parent Municipality		7 555	148 605	148 605	13 812	73 093	74 302	(1 210)	-2%	-

The following table above shows Councillor and Staff Benefits as of 31 December 2020. The actual councillors' allowance for mid-term is R9.145 m, for senior Managers the actual as at mid-term is R 3.928 m and the other municipal staff actual is R 60.020 m. The Councillors and staff benefit amount to R 60.020 m. The total Councillor and Staff Benefits at mid-year is R73.093 m from the budget of R148.61m.

2.6 Material Variance to SDBIP

Table SC1 – Material Variance Explanations

NW385 Ramotshere Moiloa - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Electricity Charges	(11 476)	The performance of this revenue source has been influenced by electricity losses and possible tempering and illegal collections.	Meter Audit and maintainance of infrastructure
	Water Charges	(2 346)	Incomplete billing and water losses.	Meter Audit and maintainance of infrastructure
	Refuse Charges	(1 299)	Incompleteness of billing and ov erstatement of budget estimates.	Billing reconciliation
2	Expenditure By Type			
	Other expenditure	(19 849)	Not adhering to procurement plans	Adhere to procurement plans
3	Capital Expenditure			
	Capital Expenditure	7 197	Not adhering to procurement plans	Adhere to procurement plans, should be at 60%
4	Financial Position			
	Debtors	2 772	High level of indigency and non implementation of credit control measures	Intensify credit control policy or indigent registration
5	Cash Flow			
	Property rates	(748)	Low pay ment rate	Intensify credit control policy
6	Measureable performance			
7	Municipal Entities			

2.7 Borrowings

RAMOTSHERE LOCAL MUNICIPALITY					
Schedule of External loans for 2020/21					
Details	Original Loan Amount	Interest Rate	Loan Number	Redeemable	Balance as at 31 December 2020
DBSA	R 1 300 000,00	11,73%	61000135	Tuesday, 30 June 2026	R 675 146,62
DBSA	R 2 928 399,56	5,00%	61000571	Saturday, 30 September 2028	R 1 571 972,82
Total Loans	R 4 228 399,56				R 2 247 119,44

The table below indicates the 2020/21 Loans Repayment Register for both Capital and Interest portion:

LOAN REPAYMENT JULY 2020 TO JUNE 2021				
LOAN DETAILS	REPAYMENT DATES	CAPITAL	INTEREST	TOTAL REPAYMENT
DBSA (61000135) R1,3 M	Thursday, 31 December 2020	42 576,42	42 440,44	85 016,86
	Wednesday, 30 June 2021	45 744,97	39 271,89	85 016,86
DBSA (61000571) R2,9 M	Wednesday, 30 September 2020	78 050,71	40 873,15	118 923,86
	Wednesday, 31 March 2021	80 219,99	38 703,87	118 923,86
		246 592,09	161 289,35	407 881,44

DBSA – The municipality secured structured loans for various purposes. The loans are repayable semi-annually at a fixed rate. The loans are redeemable on 30th June 2026 and 30th September 2028, respectively.

For the 2020/21 financially year, R407 881.44 will be paid towards the loan liability.

Recommendations:

1. The Report on the submission of the Mid-Year Budget Assessment in compliance with Section 72 of the Municipal Finance Management Act No. 56 of 2003, as well as Section 23 of the Local Government: Municipal Budget and Reporting Regulations (MBRR) be noted
2. That an adjustment budget is necessary to address all the mentioned issues in the report.
3. That the Mid-Year report be submitted to both National Treasury and Provincial Treasury.
4. That the Mid-Year report be made public in line with requirements of Section 21(A) of Municipal Systems Act of 2000 within five (5) days of approval by Council.

2.11 Municipal manager's quality certificate

I, **Mosimanegape Ernest Mangope**, the Acting Municipal Manager of Ramotshere Moiloa Local Municipality, hereby certify that the Mid-year budget and performance assessment for the half yearly period ending December 2020 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that act.

Print Name:

Municipal Manager:

Signature:

Date:.....