

MIDVAAL LOCAL MUNICIPALITY
MINUTES OF THE 2ND ORDINARY MEETING OF 2010 OF THE MIDVAAL LOCAL MUNICIPALITY
HELD ON MONDAY, 29 MARCH 2010 AT 18:00

C 548/03/2010

9.A.2 [FS]: IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY – 1ST QUARTER

5/1/1 2009/10

COMPETENCY: COUNCIL

RESOLVED:

That the report regarding the implementation of the budget (2009/10) and the financial state of affairs of the Midvaal Local Municipality up to the end of the 1st quarter (July 2009 – September 2009), be noted.

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COMPETENCY: COUNCIL

PURPOSE

The aim of this report is to submit the implementation of the budget and the financial state of affairs of the Midvaal Local Municipality up to the end of the 1st quarter (July 2009 – September 2009) in terms of Section 52(d) of the MFMA (Act 56 of 2003).

RECOMMENDATION:

That the report regarding the implementation of the budget (2009/10) and the financial state of affairs of the Midvaal Local Municipality up to the end of the 1st quarter (July 2009 – September 2009) be noted.

REPORT

BACKGROUND

The income (billed) and actual expenditure (I & E) for the 1st quarter (July 2009 – September 2009) in comparison with the 2009/10 budget, is as follows:

1. Income and expenditure (Commitments excluded)

	EXPENDITURE			REVENUE		
	BUDGET	ACTUAL	%	BUDGET	ACTUAL	%
Municipal Manager	1 412 636	310 518	22.0	-	-	-
Support Services	28 212 052	5 497 948	19.5	2 232 113	393 292	17.6
Community Services	59 324 483	8 172 606	13.8	47 132 940	7 312 848	15.5
Development & Planning	15 510 967	4 125 289	26.6	2 900 000	385 661	13.3
Engineering Services	229 511 226	43 765 793	19.1	255 232 691	58 483 786	22.9
Financial Services	27 496 000	5 336 932	19.4	88 297 244	27 957 072	31.7
Management Services	7 357 480	1 430 693	19.4	420 000	149 353	35.6
Protection Services	31 126 555	6 300 853	20.2	5 391 100	2 175 376	40.4
	399 951 399	74 940 632	18.7	401 606 088	96 857 388	24.1

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2. Capital

	EXPENDITURE			SOURCE					
	BUDGET	ACTUAL	%	CRR	EXP.	GRANT	EXP.	LOAN	EXP.
Municipal Manager	-	-	-						
Support Services	390 000	11 386	2.9	390 000	11 386	-	-	-	-
Community Services	10 470 850	478 123	4.6	150 000	-	10 320 850	478 123	-	-
Development & Planning	-	-	-	-	-	-	-	-	-
Engineering Services	66 825 000	8 254 291	12.4	375 000	45 032	22 750 000	3 346 816	43 700 000	4 862 443
Financial Services	-	-	-	-	-	-	-	-	-
Management Services	-	-	-	-	-	-	-	-	-
Protection Services	-	-	-	-	-	-	-	-	-
TOTAL	77 685 850	8 743 800	11.3	915 000	56 418	33 070 850	3 824 939	43 700 000	4 862 443

3. Long-term liabilities

The long-term liabilities (external loans) as at 30 September 2009 amounts to R101 096 817.51 which amount consists of the following:

Opening balance (01.07.2009)	R101 181 084.55
<u>Plus:</u> Additions:	R Nul
<u>Less:</u> Redemption:	- R 84 267.04

TOTAL LIABILITY (LONG-TERM)	R101 096 817.51

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4. Investments

The total amount invested as at 30 September 2009 amounts to Zero.

5. Debtors

	Government	Business	Household	Other	Total
30 days	R 444 573	R 6 215 604	R14 943 983	R 7 471 991	R29 076 151
60 days	R 317 933	R 1 256 858	R 5 521 077	R 2 760 538	R 9 856 406
90 days	R 240 881	R 411 725	R 2 272 204	R 1 136 101	R 4 060 911
120 days	R 232 365	R 229 379	R 1 533 594	R 766 799	R 2 762 137
120 + days	R4 330 125	R 3 424 977	R22 372 257	R11 186 128	R41 313 487
TOTAL	R5 565 877	R11 538 543	R46 643 115	R23 321 657	R87 069 092
%	6.4	13.3	53.5	26.8	100.00

Percentage wise households represent more than 50% of all outstanding debt whilst the second highest stands at 26.8% in respect of other.

6. Asset Value

The total asset value at 30 September 2009 amounts to:

Opening balance 01.07.2009	R589 963 492
Additional (July 2009 – September 2009)	R 8 743 800

SUB-TOTAL	R598 707 292
Less: Depreciation	R 7 874 152

TOTAL	R590 833 140

7. Conclusion

The excess revenue (surplus) over actual expenditure as at 30 September 2009 amounts to R21 916 756 calculated as follows:

Total Revenue	R96 857 388
<u>Less: Expenditure</u>	R74 940 632

SURPLUS	R21 916 756

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The result above is inclusive of billing revenue at 100% and expenditure at 18.7%. If it is assumed that expenditure should have been at 25% of the approved budget, the total expenditure would be R99 987 850. This will result in a nett deficit of R3 130 462.

**COMMENTS: MEETING OF THE MUNICIPAL MANAGER AND HEADS OF
DEPARTMENT: 24 NOVEMBER 2009**

Resolved to Recommend

That the item be referred to the Mayoral Committee.

**COMMENTS: SECTION 80 SUPPORT SERVICES PORTFOLIO COMMITTEE: 02
MARCH 2010**

The recommendations are supported.