

IN-YEAR MONITORING REPORT FOR THE PERIOD ENDED 30 APRIL 2020

1. Operating Budget

Summary financial performance report **SF1** for the period ending 30 APRIL 2020 shown in Annexure A, Table C4, is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type. The summary report indicates the following:

Table 1

DC22 uMgungundlovu - Table C1 Monthly Budget Statement Summary - M10 April									
Description	2018/19	Budget Year 2019/20							
	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	-	-	-	-	-	-	-	-	-
Service charges	253 282	372 228	335 005	26 741	244 687	279 171	(34 484)	-12%	335 005
Investment revenue	8 090	500	500	-	75	417	(342)	-82%	500
Transfers and subsidies	486 777	557 118	557 568	1 737	375 155	464 640	(89 485)	-19%	557 568
Other own revenue	46 393	6 791	7 849	3 597	39 978	6 541	33 437	511%	7 849
Total Revenue (excluding capital transfers and contributions)	794 541	936 636	900 921	32 075	659 895	750 768	(90 873)	-12%	900 921
Expenditure									
Employee costs	241 305	283 677	252 508	19 547	210 467	210 423	44	0%	252 508
Remuneration of Councillors	11 628	12 941	12 941	961	9 692	10 784	(1 092)	-10%	12 941
Depreciation & asset impairment	46 642	42 500	43 500	3 874	38 583	36 250	2 333	6%	43 500
Finance charges	11 502	27 550	27 550	2	15 129	22 958	(7 830)	-34%	27 550
Materials and bulk purchases	161 412	174 176	192 225	17 552	157 437	160 188	(2 751)	-2%	192 225
Transfers and subsidies	13	6 584	6 584	-	126	5 486	(5 360)	-98%	6 584
Other expenditure	366 685	380 678	290 305	11 803	222 970	241 921	(18 952)	-8%	290 305
Total Expenditure	839 187	928 106	825 613	53 739	654 404	688 011	(33 607)	-5%	825 613
Surplus/(Deficit)	(44 645)	8 530	75 308	(21 664)	5 491	62 757	(57 266)	-91%	75 308
Transfers and subsidies - capital (monetary allocations) (National / Prov)	217 546	184 625	184 625	3 320	128 840	153 854	(25 014)	-16%	184 625
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	172 901	193 155	259 933	(18 343)	134 331	216 611	(82 280)	-38%	259 933
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	172 901	193 155	259 933	(18 343)	134 331	216 611	(82 280)	-38%	259 933

The revenue raised as at 30 April 2020 is R 659.9 million against the adjusted budget of R 900.9 million for the year and R 750.8 million for the period. This reflects a revenue rate of 73% against the adjusted budget and 88% for the year to date budget.

The operating expenditure as at 30 April 2020 was R 654.4 million vs a year to date budget of R 688 million reflecting YTD expenditure of 95% and 79% against the adjusted budget. The operating surplus for the period was R 5.4 million.

The major operating revenue variances against year to date budget are:

- Service charges below target by 12%.
- Transfers and subsidies are 19% below target.
- Investment revenue is 82% below target.
- Other revenue account, the amount is made up of: Tender sales, Rental of facilities and SANBI

The reasons for variances per source group are also cited in Annexure A, Table SC1 of this report.

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2. Capital Expenditure

The Capital expenditure report shown in Annexure A, Table C5 has been prepared on the basis of the format required to be lodged electronically with National Treasury, and is categorised by municipal vote. The summary report indicates the following:

Table 2

Funding Source	Original Budget 2019 /2020	Expenditure as at 30 April 2020	% spent
MIG	101 944 000.00	59 616 918.43	58.48
WSIG	80 000 000.00	67 347 361.67	84.18
RRAMS	2 631 000.00	1 875 758.73	71.29
	184 575 000.00	128 840 038.83	69.80
LESS NON CAPITALISED PROJECTS			
TOTAL CAPITAL EXPENDITURE	184 575 000.00	128 840 038.83	69.80

The total capital budget for the 2019/ 2020 financial year is R 184 625 million including the allocation for the Rural Roads Assets Management Grant of R 2.6 million. The MIG allocation is R 101.9 million and the Water Services Infrastructure Grant is R 80 million. The year to date certified MIG expenditure amounts to R 59.6 million. The total expenditure for the Water Services Infrastructure Grant amount to R 67.3 million or 84.18%.

3. Employee costs and councillor's allowances

- 3.1 Section 66 of the MFMA requires that the accounting officer of a municipality must report to Council in a prescribed format all expenditure incurred by the municipality on staff salaries, wages and benefits in a manner that discloses expenditure per type such as salaries, contributions for pensions etc.
- 3.2 The total salaries budget for councillor's amounts to R12, 941 million while salaries budget for staff amounts to 252.2million. This brings the total salaries budget to 265.449 million, which is 32% of the total operational budget. This is within the norm of 25% - 40% in terms of National Treasury circular 71 of 2014.
- 3.3 In terms of Generally Recognised Accounting Practise (GRAP25), the municipality has to make a provision for employee benefits, which represents a future financial obligation to the Municipality on current and post-employment medical benefits for retired and active employees eligible for early retirement, *ex-gratia* pension liability for a retrenched Technical Director, and a provision for long service awards for all staff members meeting the requirements of clause 7 of the Local Government Bargaining Council collective agreement signed in August 2018.



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- 3.4 The actual staff salaries costs incurred, including Senior Managers, as at 30 April 2020 amounts to R 210 .5 million while the actual salaries cost for Councillors is R 9.7 million. This amounts to a total of R 220.2 million and it represents 83% of the total salaries budget for 2019/2020 financial year.
- 3.5 Remuneration of councillors is spent at 75% of the total remuneration budget for Councillors. While the budget for Councillors' salaries is based on a reasonable estimate, it is not always easy to have an exact figure for budget purposes. This is due to changes in the municipal grades of the local Municipalities thereby affecting the salaries of the Councillors representing their local Municipalities in the district. Also, the number of meetings held during the financial year may not be the same as the number of meetings predicted at the time of the budget process.
- 3.6 The salaries and benefits paid to councillors in the month of April 2020 are still based on the December 2018 promulgation which was effective for payment in the month of July 2018. It is expected that the new determination will be published with an effective date of July 2019. Due to this, councillors' salaries will be underspent until such time that the increases are effected. Salaries for senior managers are underspent due to their cost of living adjustment not being effected, while a council resolution is awaited, on this matter. Further, the performance bonuses of Senior Managers are determined after the conclusion of the performance assessments which have not been conducted at this point. Also the cost of living adjustment for senior managers who were employed before the implementation of the 2014 Regulation which determines the upper limits for Senior Managers has not be effected for 2019/2020 financial year. These factors, collectively, result in the lower expenditure against employee costs related to Senior Managers.
- 3.7 It must be noted that an application has been submitted to the MEC COGTA for consideration of a re-categorisation of the district to a grade 6 municipality for the purposes of determining the upper limits of salary packages payable to Senior Managers appointed after the introduction of the Regulations on the recruitment and conditions of service for Senior Managers and Managers directly accountable to the Municipal Manager. A response is still awaited from the MEC before the submission is made to the National Minister for COGTA as suggested by the Gazette on upper limits of remuneration packages for Senior Managers issued of 10 October 2017.

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Table 3

DC22 uMgungundlovu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April										
Summary of Employee and Councillor remuneration	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		7 054	8 081	8 081	590	9 692	6 734	2 958	44%	8 081
Pension and UIF Contributions		679	505	505	58	-	421	(421)	-100%	505
Medical Aid Contributions		190	317	317	16	-	264	(264)	-100%	317
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		822	869	869	69	-	724	(724)	-100%	869
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		2 882	3 169	3 169	229	-	2 641	(2 641)	-100%	3 169
Sub Total - Councillors		11 628	12 941	12 941	961	9 692	10 784	(1 092)	-10%	12 941
% increase	4		11.3%	11.3%						11.3%
Senior Managers of the Municipality										
Basic Salaries and Wages		3 144	5 961	5 961	342	3 500	4 967	(1 467)	-30%	5 961
Pension and UIF Contributions		181	9	9	15	151	7	144	1931%	9
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		391	900	900	44	446	750	(304)	-41%	900
Cellphone Allowance		63	108	108	7	72	90	(18)	-20%	108
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		156	-	-	0	0	-	0	#DIV/0!	-
Payments in lieu of leave		478	-	-	-	-	-	-	-	-
Long service awards		17	-	-	1	14	-	14	#DIV/0!	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4 431	6 978	6 978	409	4 183	5 815	(1 632)	-28%	6 978
% increase	4		57.5%	57.5%						57.5%
Other Municipal Staff										
Basic Salaries and Wages		132 101	157 241	141 741	11 341	114 278	118 117	(3 839)	-3%	141 741
Pension and UIF Contributions		27 556	34 514	30 450	2 453	24 653	25 375	(722)	-3%	30 450
Medical Aid Contributions		14 168	17 524	18 312	955	9 930	15 260	(5 330)	-35%	18 312
Overtime		7 042	10 594	10 164	682	6 163	8 470	(2 308)	-27%	10 164
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		19 113	22 213	18 213	1 664	16 323	15 178	1 145	8%	18 213
Cellphone Allowance		45	1 837	787	3	34	656	(622)	-95%	787
Housing Allowances		989	1 381	1 173	85	864	978	(114)	-12%	1 173
Other benefits and allowances		30 113	29 447	22 738	1 441	30 608	18 948	11 659	62%	22 738
Payments in lieu of leave		56	-	-	80	80	-	80	#DIV/0!	-
Long service awards		1 454	1 949	1 953	124	1 257	1 627	(370)	-23%	1 953
Post-retirement benefit obligations	2	4 236	-	-	310	2 096	-	2 096	#DIV/0!	-
Sub Total - Other Municipal Staff		236 874	276 699	245 530	19 137	206 284	204 608	1 676	1%	245 530
% increase	4		16.8%	3.7%						3.7%
Total Parent Municipality		252 932	296 618	265 449	20 508	220 159	221 207	(1 048)	0%	265 449
			17.3%	4.9%						4.9%
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS		252 932	296 618	265 449	20 508	220 159	221 207	(1 048)	0%	265 449
% increase	4		17.3%	4.9%						4.9%
TOTAL MANAGERS AND STAFF		241 305	283 677	252 508	19 547	210 467	210 423	44	0%	252 508

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4. Conditional Grants

As at the end of April 2020 a total of R 192 million of conditional grants was received since 1 July 2019, whilst an additional R 23 million was available and was received in the previous financial year. R 133.6 million was spent as at end of April 2020. The operating grant utilisation is at 31.47% and the capital grant utilisation was 65.66% of allocations received. Overall grant utilisation is at 63.22%.

Table 4

Description	Opening Balance	Receipts	Roll Over Repayments	Total receipts	Expenditure	Balance	Percentage
Operating Grants							
FMG	0	1 000 000		1 000 000	806 012	193 988	80.60
PTP	308 817	0		308 817	0	308 817	0.00
EPWP	1 955 102	3 368 000		5 323 102	3 368 000	1 955 102	63.27
Camperdown WWW	4 000 095	0		4 000 095	0	4 000 095	0.00
SETA Grants	0	0		0	0	0	0.00
RASET GRANT	0	0		0	0	0	0.00
DGDS GRANT	126 989	0		126 989	0	126 989	0.00
DPSS GRANT	0	550 000		550 000	550 000	0	0.00
GEOPlanning	1 300 000	1 500 000		2 800 000	30 176	2 769 824	1.08
IDP SPATIAL DEVELOPMENT FRAMEWORK		1 000 000		1 000 000		1 000 000	
Total Operating Grants	7 691 003	7 418 000		15 109 003	4 754 188	10 354 815	31.47
Capital Grants							
WSIG	3 843 255	80 000 000	3 800 000	80 043 255	67 347 362	12 695 893	84.14
Drought Relief Initiatives	0	0		0	0	0	0.00
MIG	0	101 944 000		101 944 000	59 616 918	42 327 082	58.48
Orio	11 550 860	0		11 550 860	0	11 550 860	0.00
RRAMS	0	2 681 000		2 681 000	1 875 759	805 241	69.96
Total Capital Grants	15 394 115	184 625 000		196 219 115	128 840 039	67 379 076	65.66
Total Grants	23 085 118.30	192 043 000.00		211 328 118.30	133 594 226.73	77 733 891.57	63.22

5. Cash and cash equivalents

An amount of R 25 468 was accrued in investment interest income for the month of April 2020. The cash in bank as at 30 April 2020 amounted to **R 196.8 million** and investments amounted to **R3.9 million** bringing a total cash and cash equivalents of **R 200.8 million**. The average interest rate on investment is at **8%**. The cash coverage ratio as at 30 April 2020 is 0.59 based on average of R 70 million per month fixed operating expenditure. This indicates that the municipality as at 30 April 2020 has sufficient cash to run its operations for 18 days based on a 30 day calendar month. The norm as set out in the uniform financial ratios and norms circular 71 is 1 to 3 months. See below extract from SC 5.

Table 5

Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
1 year	Long term	2020 Sept Seven	25	8.0%	3 920	25	3 945
			25	0	3 920	25	3 945

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Table 6

Account Name	Account Number	Feb-20	Mar-20	Apr-20
Main Account	50940026773	14 182 942.16	60 961 984.09	70 805 470.00
Salaries Account	50940092196	27 270 213.82	90 314 378.06	78 906 281.79
Water Services Account	62023616462	29 341 211.10	42 037 502.38	39 268 254.72
NSTD Call Account	62215748289	545 925.10	548 445.33	550 522.66
Mandela Race Account	62411577193	790 412.37	792 975.97	795 236.29
UMDM MIG (Dbsa) Account	62400041985	0.00	0.00	0.00
Corporate Cheque Account	62597807125	1 652 425.78	6 481 398.88	6 498 232.85
Public Sector Cheque Account	62243484417	-200.94	0.00	0.00
Total		73 782 929.39	201 136 684.71	196 823 998.31
INVESTMENTS				
FNB	71101199555	3 894 657.53	3 920 136.98	3 944 794.51
Total		3 894 657.53	3 920 136.98	3 944 794.51
Total Balances as at 30 April 2020		77 677 586.92	77 677 586.92	200 768 792.82

Table 6 above excludes an investment of R3.9 million held with FNB as a security for the Long Term Borrowings (DBSA Loan).

6. Borrowings

As at 30 April 2020 the loans book was sitting at R 201.8 million. The average interest rate on remaining loans is 11%. The debt to revenue ratio at 30.59% as projected which is below the treasury norm of below 45%. This indicates that the debt books is funded by 0.27% of the internally generated operating income.

Table 7

LOANS REGISTER : DEVELOPMENT BANK OF SOUTH AFRICA (DBSA) APRIL 2020						
Agreement Number	Project Description	Interest Rate %	Opening Balance at 01/04/2020	Add: Interest Accrued	Less :Capital Repayments	Closing Balance at 30/04/2020
12007869	uMgungundlovu Various Water Projects	10.889	200 094 496.12	1 758 651.18	0.00	201 853 147.30
			200 094 496.12	1 758 651.18	0.00	201 853 147.30

7. Creditors Age Analysis

The balance of trade payables as at 30 April 2020 was **R77.6 million**.

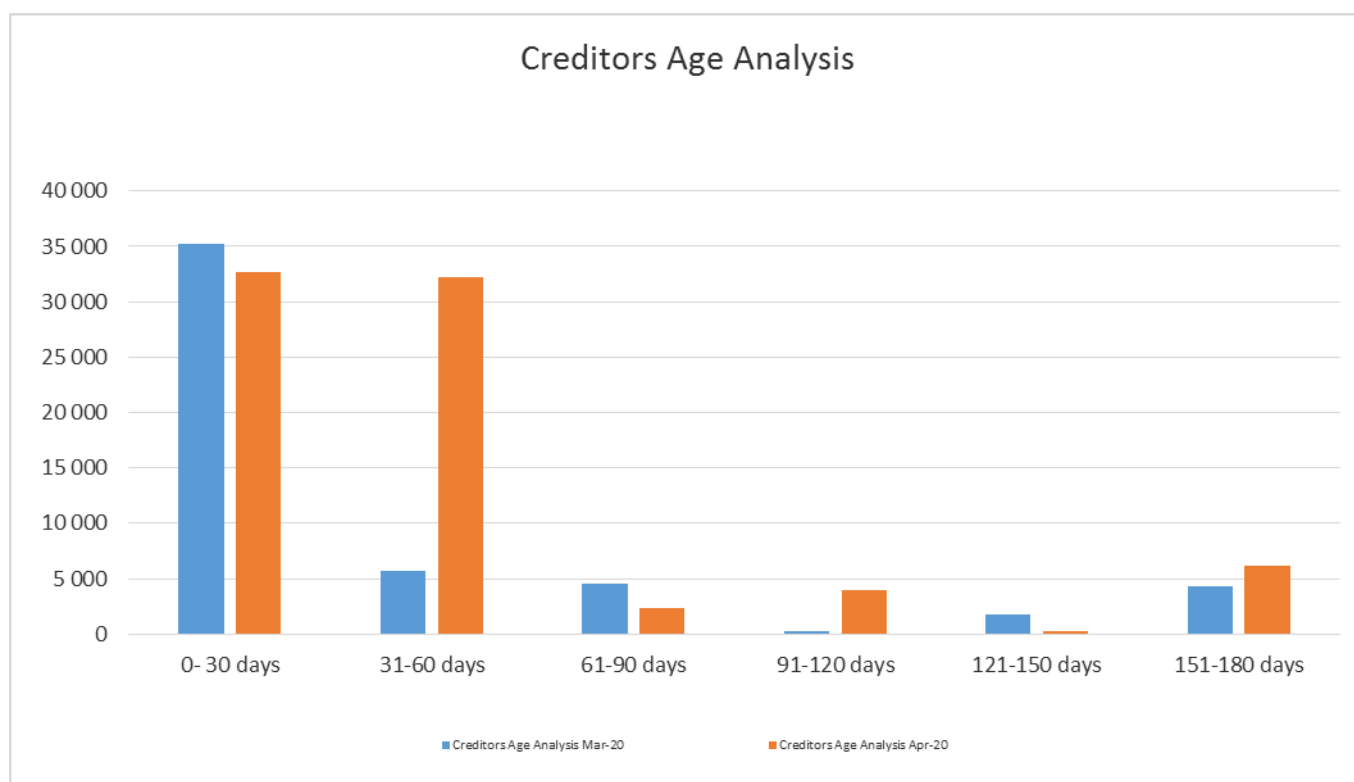
Total R 44.9 million or 58% of invoices remained outside the compliance period of 30 days as at 30 April 2020. None of the bulk services, 3rd party and statutory invoices were outstanding for longer than 30 days as at 30 April 2020.

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Table 8

Creditors Age Analysis		
	Mar-20	Apr-20
0- 30 days	35 274	32 706
31-60 days	5 708	32 229
61-90 days	4 567	2 392
91-120 days	249	3919
121-150 days	1810	224
151-180 days	4 350	6 149
	51 958	77 619

Graph 1



8. Billing Revenue and Debtors

8.1 Billing Summary: January 2020 to April 2020

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Table 9

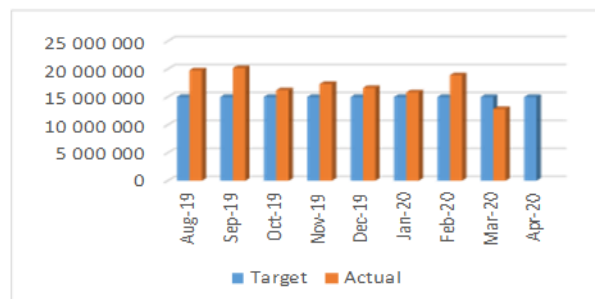
Area	January 2020	February 2020	March 2020	April 2020
uMshwathi	1,918,335.61	2,296,832.86	2,670,156.01	2,262,254.85
uMngeni	12,221,000.94	11,487,360.70	12,685,104.36	10,533,157.82
Mpofana	2,396,460.93	3,446,254.60	3,171,673.49	2,825,612.00
iMpendle	285,344.51	314,244.24	300,884.76	263,097.91
Mkhambathini	1,642,034.34	623,806.97	773,412.27	525,943.59
Richmond	1,603,238.34	1,413,490.12	1,410,492.49	1,153,866.60
Water Schemes	2,504,536.25	2,321,379.18	2,221,238.47	2,469,821.64
Bulk Customers	8,241,633.55	6,958,578.47	7,574,678.91	9,221,425.64
Total	R30,812,584.47	R28,861,974.14	R30,807,640.76	R29,255,181.05

8.2 Credit Control and Debt

Collection target against actual collection for April 2020

Table 10

Month	Target	Actual
Jul-19	15 000 000	14 087 481
Aug-19	15 000 000	19 766 487
Sep-19	15 000 000	20 172 485
Oct-19	15 000 000	16 183 942
Nov-19	15 000 000	17 306 074
Dec-19	15 000 000	16 615 682
Jan-20	15 000 000	15 819 524
Feb-20	15 000 000	18 871 228
Mar-20	15 000 000	12 852 663
Apr-20	15 000 000	



The table below details financial year to date monthly billing and receipts for the 2019/2020 financial year.

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Table 11

BILLING VS RECEIPTS				
Month	Billing	Receipts	Collection %	Comment
July 2019	27,705,888.20	19,766,487.28	71%	
August 2019	28,637,962.59	20,172,485.21	70%	
September 2019	29,839,421.93	16,183,941.51	54%	
October 2019	28,500,729.81	15,875,195.66	56%	
November 2019	26,992,463.54	17,306,074.34	64%	
December 2019	28,331,306.63	16,615,682.00	59%	
January 2020	30,812,584.47	15,819,523.00	51%	
February 2020	28,861,974.00	18,871,228.06	65%	
March 2020	30,807,640.76	12,852,663.00	43%	
April 2020	29,255,181.05			
Total	<u>289,744,152.70</u>	<u>167,550,760.50</u>	<u>58%</u>	

BILLING VS RECEIPTS

Graph 2



The table below details the Classification of Receipts – January 2020 to April 2020

Table 12

Basis of Receipts	January Receipts	February Receipts	March Receipts	April Receipts
Direct Bank Deposits	15,086,550.40	14,399,296.41	17,959,888.46	12,852,663.00
Easy Pay	847,988.58	762,343.14	418,559.12	
Post Office	198,667.27	174,385.50	125,053.78	
Customer Care Centre	418,205.32	420,739.34	308,386.67	
Manual Receipts	64,270.43	63,265.52	59,339.83	
Total	R16,615,682.00	R15,819,523.93	R18,871,228.06	R12,852,663.00

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The table below details Customer Category Receipts- January 2020 to April 2020

Table 13

Customer Classification	January Receipts	February Receipts	March 2020	April 2020
Government	2,375,031.88	2,684,059.74	4,794,766.60	2,065,255.63
Business	9,485,988.01	8,051,281.80	9,789,605.38	7 685 737.61
Households	4,639,139.47	4,956,574.47	4,177,915.36	3,0665,906.91
Indigent Households	103,491.12	96,646.42	79 957.89	19 007.22
Church	10,784.85	22,620.38	24 900.01	14 966.76
Councillors	1,246.67	8,340.19	4082.82	1 788.87
Total	R16,615,682.00	R15,819,523.00	R18,871,228.06	R12,852,663.00

The table below indicates the comparison of collection rate between 2018/19 financial year and 2019/20 financial year

Table 14

2018/2019 Financial Year				2019/2020 Financial Year			
Month	Billing	Receipts	Collections %	Month	Billing	Receipts	Collections %
Jul-18	28 854 786	12 563 279	44%	Jul-19	27 705 888	19 766 487	71%
Aug-18	25 712 911	14 257 450	55%	Aug-19	28 637 963	20 172 485	70%
Sep-18	23 123 105	21 962 806	95%	Sep-19	29 839 422	16 183 942	65%
Oct-18	24 456 642	16 139 701	69%	Oct-19	31 132 730	15 875 196	51%
Nov-18	24 456 642	14 310 808	59%	Nov-19	26 992 464	17 306 074	64%
Dec-18	23 370 089	13 720 598	59%	Dec-19	28 331 307	16 615 682	59%
Jan-19	23 794 673	12 194 994	51%	Jan-20	30 812 584	15 819 523	51%
Feb-19	23 355 768	15 682 284	67%	Feb-20	28 861 947	18 871 228	65%
Mar-19	23 739 351	13 843 076	58%	Mar-20	30 807 641	12 852 663	43%
Average Collection Rate for 2018/2019			62%	Average Collection Rate for 2019/2020			60%

The table below details the percentage of collection per customer classification – March 2020

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Table 15

AREA	Jan-20			Feb-20			Mar-20		
	BILLING	RECEIPTS	% COLLECTION	BILLING	RECEIPTS	% COLLECTION	BILLING	RECEIPTS	% COLLECTION
Howick	7 273 097.64	4 110 514.30	57%	6 853 190.83	5 880 481.54	86%	7 548 779.02	3 869 802.58	51%
Tumbleweed	197 412.96	1 500.00	2%	179 296.29	2 400.00	1%	178 404.56	100.00	0%
Lidgeton	139 944.68	6 140.00	1%	139 294.44	1 012.07	1%	133 014.79	1 880.94	1%
Hilton	2 141 090.50	2 051 200.10	96%	2 319 933.75	2 135 220.59	92%	2 413 942.19	1 880 817.33	78%
Mpophomeni	2 364 815.45	51 890.47	2%	2 085 965.47	112 745.42	5%	2 143 793.19	9 078.63	0%
Bulk	8 099 092.42	5 845 795.90	72%	6 958 578.47	6 239 541.25	90%	7 574 340.63	5 762 068.25	76%
Mpofana	2 104 954.29	592 808.67	28%	2 169 662.52	810 136.56	37%	1 940 868.33	149 542.94	8%
Mpofana-Bruntville	1 187 620.08	21 899.56	2%	1 222 757.91	1 722.76	0%	1 222 757.00	950.00	0%
Richmond	1 332 103.14	696 112.43	52%	1 413 036.75	755 334.85	53%	1 341 446.94	283 934.05	21%
uMshwathi	2 009 629.60	1 018 720.73	51%	2 295 339.35	2 127 737.47	93%	2 651 182.84	541 199.58	20%
uMkhambathini	1 190 511.05	226 125.79	19%	492 925.35	179 917.39	36%	772 250.73	212 485.23	28%
iMpendle	212 409.70	26 051.24	12%	314 244.24	187 226.55	60%	296 319.84	1 070.00	0%
Water Schemes	2 559 902.96	1 170 764.74	46%	2 417 721.77	437 751.48	18%	1 894 990.12	139 760.26	7%
Total	30 812 584.47	15 819 524	51%	28 861 947.14	18 871 228	65%	30 112 090.18	12 852 689.79	43%

The table below details a breakdown of March 2020 billing and April 2020 receipts for Water Schemes taken over from Umgeni Water.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

Table 16

Water Schemes	Sales Raised	Receipts	% Collection	Comment
Hopewell	96 939.93	-	0%	Rural Scheme
Manyavu	218 601.70	-	0%	Rural Scheme
Intermidiate Cross	125 008.43	7 118.46	6%	Farm Scheme
Swayimana	279 923.19	173.83	0%	Rural Scheme
Table Mountain	180 131.65	-	0%	Rural Scheme
Whispers	189 612.42	12 169.07	6%	Farm Scheme
Camperdown	179 184.43	59 899.01	33%	Farm Scheme
Birnoum Wood	94 066.44	16 226.05	17%	Farm Scheme
Claridge	89 959.69	1 779.78	2%	Farm Scheme
Efaye	104 775.07	-	0%	Rural Scheme
Cuphulaka	111 478.04	-	0%	Rural Scheme
Mayizekanye	55 274.37	-	0%	Rural Scheme
Mpolweni	170 034.73	42 394.06	25%	Rural Scheme
Total	1 894 990.09	139 760.26	7%	

The table below details a breakdown of March 2020 billing and April 2020 receipts for Rural Water Schemes.

Table 17

Water Schemes	Sales Raised	Receipts	% Collection	Comment
Gomane	63 483.73	0.00	0%	Rural Scheme
Emakholweni	123 178.75	0.00	0%	Rural Scheme
Inzinga	28 176.42		0%	Rural Scheme
Swapo	89,653.22	0.00	0%	Rural Scheme
Total	R304,492.12	R0.00	0%	

The percentage of collection for Water Schemes is low as consumers in these areas refuse to pay for water services rendered. Certain rural schemes have constant interruption of water supply and it is therefore difficult to implement the Credit Control Policy in these areas.

Customers in rural areas such as Gomane and Swampo at iMpendle are appealing to the Municipality to write off their debts as they assist by providing water to other sections within the area when there is an interruption of water supply. The customers advised that they will commence with payment once the interruption of water supply is resolved and the write-off is approved

UMGUNGUNDOLOU DISTRICT MUNICIPALITY



8.3 Debtors Age Analysis

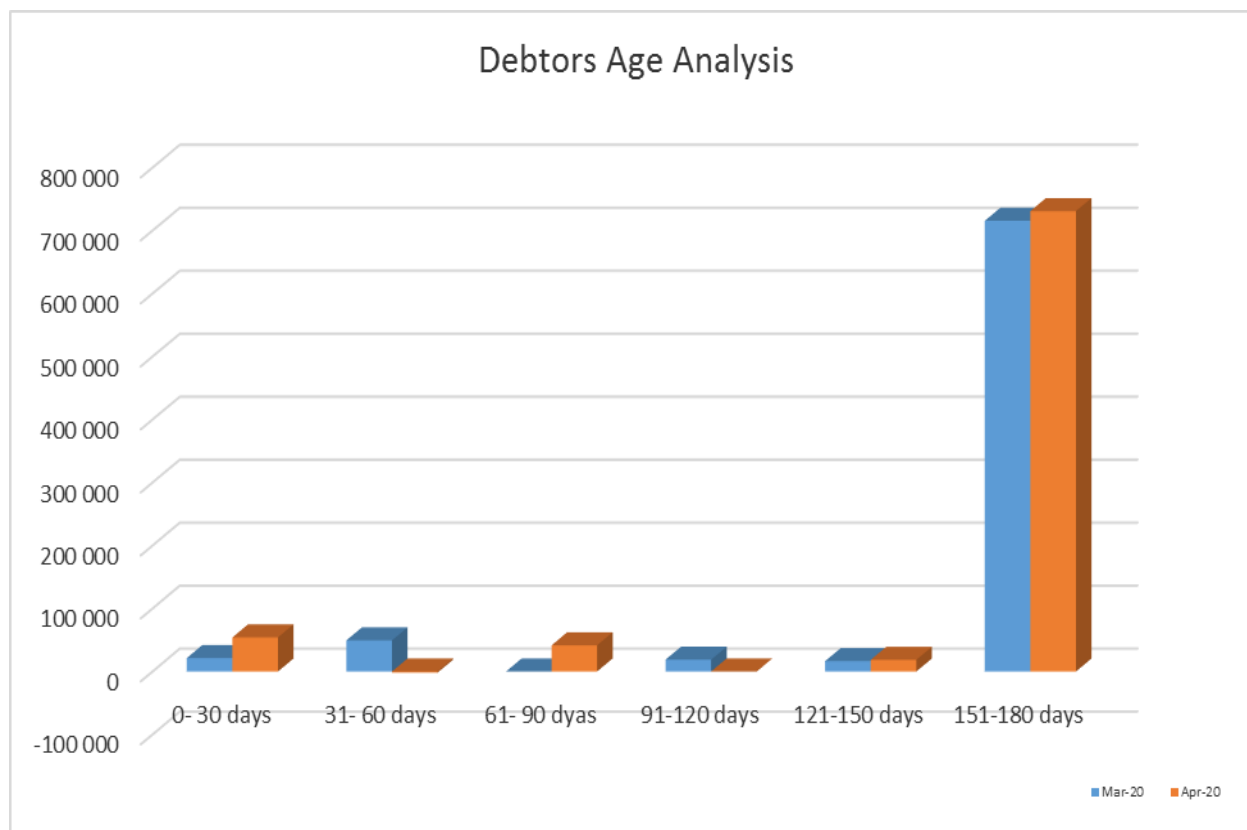
The debtor book value as at 30 April 2020 amounted to **R 843.1 million**. The collection rate in the month of April was 43%. The average collection rate to date is **64%**.

Table 18

DC22 uMgungundlovu - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April											
Description	NT Code	Budget Year 2019/20								Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr		
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	46 230	(1 457)	29 226	(86)	12 299	10 393	60 535	410 138	567 278	493 279
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	3 913	(4)	3 399	-	1 620	1 289	9 951	76 765	96 932	89 625
Receivables from Exchange Transactions - Waste Management	1600	(2)	-	2	-	(5)	-	(10)	(36)	(51)	(50)
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	739	739	739
Interest on Arrear Debtor Accounts	1810	3 963	-	8 959	-	4 585	4 573	25 790	116 989	164 859	151 937
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	(1)	(357)	(31)	(24)	(15)	(18)	6 531	7 240	13 325	13 714
Total By Income Source	2000	54 101	(1 817)	41 555	(111)	18 484	16 237	102 797	611 836	843 083	749 244
2018/19 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2200	8 005	(861)	3 628	(0)	1 253	1 118	5 566	15 397	34 107	23 334
Commercial	2300	7 520	(52)	2 121	(3)	631	417	2 299	8 187	21 121	11 531
Households	2400	33 965	(766)	32 234	(107)	15 042	13 438	80 310	519 893	694 009	628 576
Other	2500	4 611	(138)	3 571	(0)	1 558	1 262	14 623	68 359	93 845	85 802
Total By Customer Group	2600	54 101	(1 817)	41 555	(111)	18 484	16 236	102 797	611 836	843 083	749 243

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

Graph 3



The table below details the age analysis for customers grouped as Councillors as at 30 April 2020

Table 19

Account/Name	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
Group By Group: COUNCI COUNCILLORS								
5922711459 RAGAVALOO	4 503.39	1 188.49	1 100.20	1 107.14	1 099.08	1 080.72	3 560.23	13 639.25
5922261941 DLADLA			279.21	366.73	367.27	361.94	370.74	1 745.89
5922193491 DLAMINI			186.93	725.98	67.62	708.45	54.76	1 743.74
5922741442 HOLMES						(223.36)	(291.26)	(514.62)
5922111637 KWAZULU-NATAL DEPART MUNGRO	36 657.49	2 184.61	2 200.59	1 085.87	1 146.73	840.45	9 246.85	53 362.59
5922275001 LAKE						(28.63)	192.54	163.91
5922212236 NKUNA	23 569.20	251.46	516.37	518.94	459.04	308.74	424.08	26 047.83
5922212475 NOMUSA MABHIDA	4 871.23	298.74	300.82	302.91	290.08	250.64	104.42	6 210.00
5922111569 INTULI					415.52	361.94	234.31	1 011.77
5922712351 RAGAVALOO	15 871.82	763.37	664.50	668.96	669.25	569.53	274.85	19 482.28
5922224497 ZONDI DOLO PHILLIP	78 371.01	7 455.25	4 103.62	7 124.86	6 346.91	5 962.86	1 022.54	110 387.05
Total	163 844.14	12 141.92	9 352.24	11 901.39	10 861.50	10 193.28	14 985.22	233 279.69

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

The table below details the age analysis for customers grouped as UMDM staff members as at 30 April 2020

Table 20

Account/Name	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
5922711808 A & R WAHID						0.37	2 039.40	2 039.77
5922411911 CEKWANE LANCELLOTT THULANI	5 618.29	233.39	234.99	236.60	238.20	192.54	230.43	6 984.44
5922272107 DI MADUNA	1 436.93	851.49	553.67	862.94	869.93	839.62	873.97	6 288.55
5922411528 DLUNGWANE M.J.	12 936.32	347.35	349.44	351.52	353.61	250.64	333.71	14 922.59
5922721404 EPHRIAM MHLOPHE	14 024.80	214.29	215.28	216.28	217.27	119.40	196.82	15 204.14
5922316386 FOWLER						79.81	(286.79)	(206.98)
5922111502 GOVENDER SYDNEY	18 107.57	1 165.82	1 865.99	621.53	1 877.65	1 709.03	337.96	25 685.55
5922251794 GUNIRAJH				26.69	1 199.04		1 206.74	2 432.47
5922711631 JONATHAN JIMMY	14 901.64	354.33	356.25	358.16	343.41	229.35	320.75	16 863.89
5922251326 KHUMALO			539.21	1 242.90	862.36	839.62	22.14	3 506.23
5922111593 KWAZULU-NATAL DEPARTMTHEMBU	3 014.63	549.10	553.22	468.94	485.23	450.33	615.77	6 137.22
5922262141 MADUNA	12 282.96	456.88	459.89	462.91	465.92	361.94	447.23	14 937.73
5922193001 MBALI YOUTH HADEBE	1 370.40	288.16	290.47	292.78	295.08	276.93	294.58	3 108.40
5922411939 MBHELE Z welthini.H	9 173.58	315.83	317.92	320.01	322.09	250.64	309.28	11 009.35
5922645000 MBULELO SIBIYA	556.17	281.54	283.85	286.16	288.46	276.93	289.45	2 262.56
5922314131 MITCHELL	61.56	0.44	0.44	0.44	0.44		0.34	63.66
5922232755 MKHWANAZI	4 016.10	280.32	282.41	284.50	80.14	250.64	73.96	5 268.07
5922411620 MPHENDULELWA AMON ZONDI	17 189.13	374.39	376.47	378.56	380.65	250.64	354.67	19 304.51
5922711578 MR M NAIDOO	4 098.71	118.34	165.69	166.45	123.38	44.19	340.06	5 056.82
5922192292 MTSHALI	3 531.04	130.38	131.25	132.13	133.00	104.36	127.91	4 290.07
5922711840 N. P & P. N DLAMINI		(726.47)	(300.00)	(600.00)	(500.00)		361.94	(1 764.53)
5922711660 N T Z NZIMANDE	72 618.59	683.00	840.42	795.54	797.83	1 854.81	736.65	78 326.84
5922262474 NDLOVU	16 417.30	481.71	484.72	487.74	490.75	361.94	466.48	19 190.64
5922226809 NDLOVU	15 612.03	468.91	471.92	474.94	477.95	361.94	456.55	18 324.24
5922192290 NGCOBO	9 082.82	168.83	169.70	170.57	171.44	104.36	157.71	10 025.43
5922411734 NKABINI ERIC BUSANI	16 690.63	365.11	367.20	369.29	371.37	250.64	347.48	18 761.72
5922213319 NTOMBILI NXUMALO	42 721.54	1 225.24	1 232.82	1 240.38	1 227.96	908.72	6 789.26	55 345.92
5922113000 PITOUT L	12 211.39	593.15	597.32	597.34	565.58	465.34	126.23	15 156.35
5922317749 RAMPERSAD	34 114.00	302.83	303.20	2 852.58	2 966.47	2 685.50	3 030.31	46 254.89
5922213198 RAVIN GUNIRAJH		43.65	474.29	478.15	477.91	465.34	477.61	2 416.95
5922251328 RODWELL BALOYI							377.41	377.41
5922741014 SAKUNKA	27 861.25	1 938.89	1 945.95	1 953.02	1 960.99	1 698.80	10 280.64	47 639.54
5922193002 SEDIBA SAMUEL SIBONGAKONKE	1 112.99	286.02	288.33	290.64	292.94	276.93	292.92	2 840.77
5922193000 SHANDU NKOSIYEZWE	1 621.29	290.17	292.48	294.78	297.09	276.93	296.14	3 368.88
5922251800 THABISILE CORNELIA NDLELA					403.51	743.18	22.45	1 169.14
5922213962 ZAKHE V GUMEDE				532.83	539.22	534.80	545.14	2 151.99
Total	372 383.66	12 083.09	14 144.79	16 647.30	19 076.87	17 516.21	33 269.17	485 121.09

All staff members must make payment arrangements for the debt to be deducted from their salaries. This must include current account and a portion of arrears not longer than 36 months.



UMGUNGUNDLOVU DISTRICT MUNICIPALITY

8.4 New Account Created For the Month of April 2020

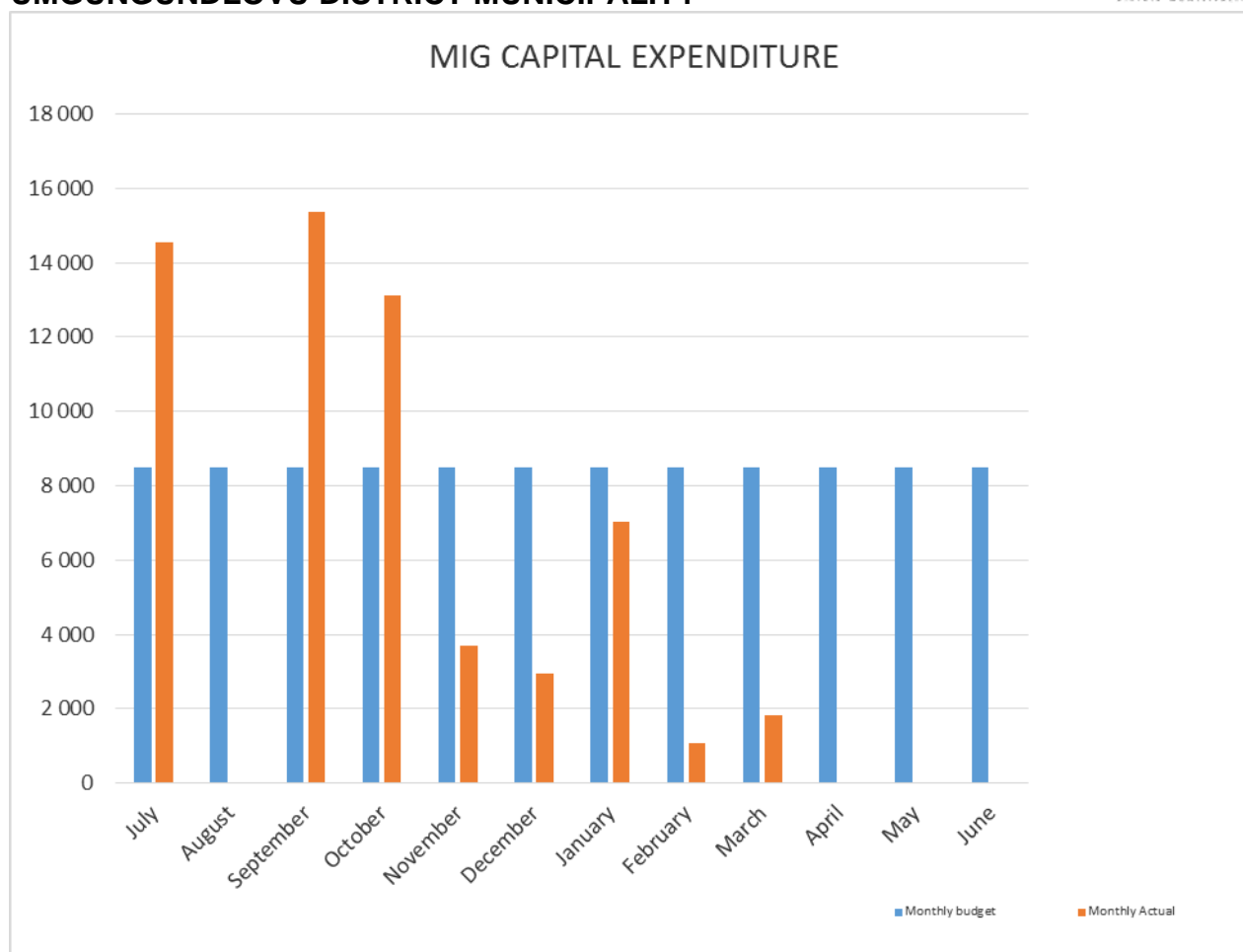
There are no new accounts created for the month of April.

IN-YEAR BUDGET STATEMENT CHARTS: 30 APRIL 2020 REPORT

MIG - CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS BUDGET

	Monthly budget	Monthly Actual
July	8 495	14 537
August	8 495	0
September	8 495	15 350
October	8 495	13 127
November	8 495	3 690
December	8 495	2 960
January	8 495	7 041
February	8 495	1 081
March	8 495	1 831
April	8 495	0
May	8 495	
June	8 495	
	101 944	59 617

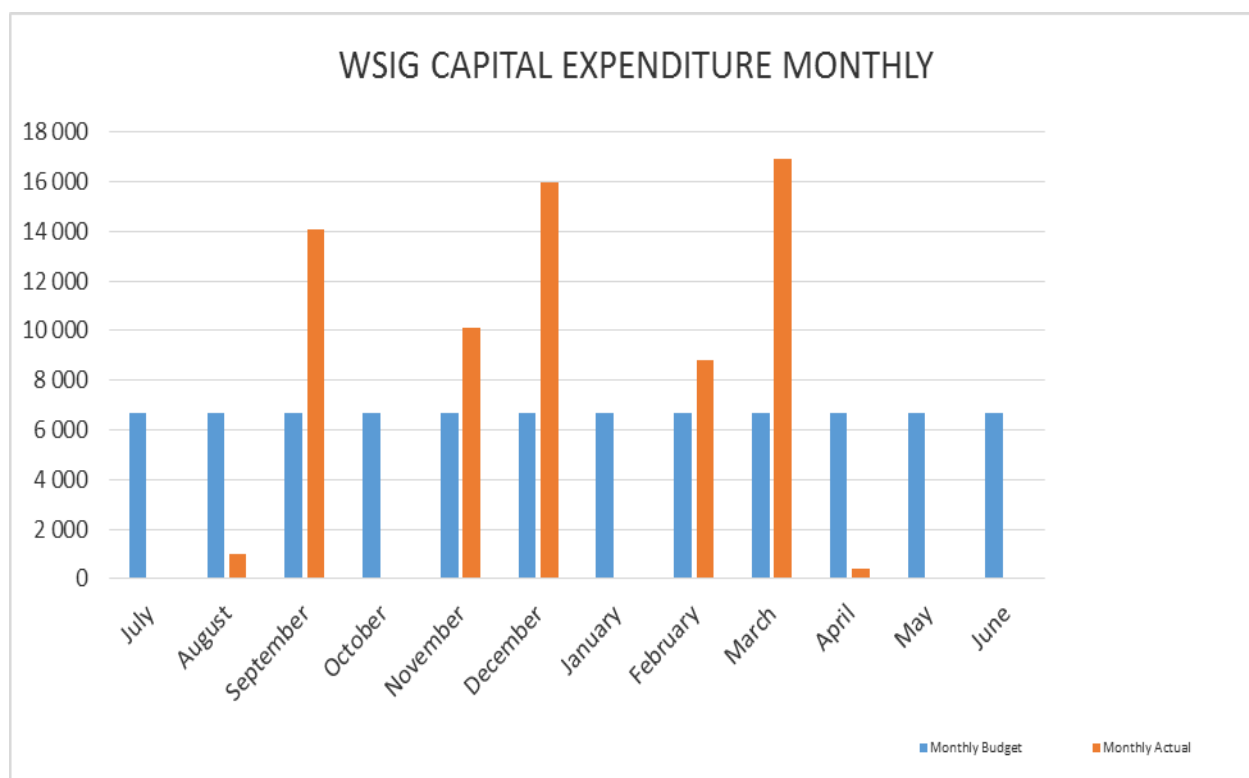
UMGUNGUNDLOVU DISTRICT MUNICIPALITY



WSIG - CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS BUDGET

	Monthly Budget	Monthly Actual
July	6 667	0
August	6 667	982
September	6 667	14 096
October	6 667	0
November	6 667	10 139
December	6 667	15 986
January	6 667	0
February	6 667	8 797
March	6 667	16 939
April	6 667	409
May	6 667	0
June	6 667	0
	80 000	67 348

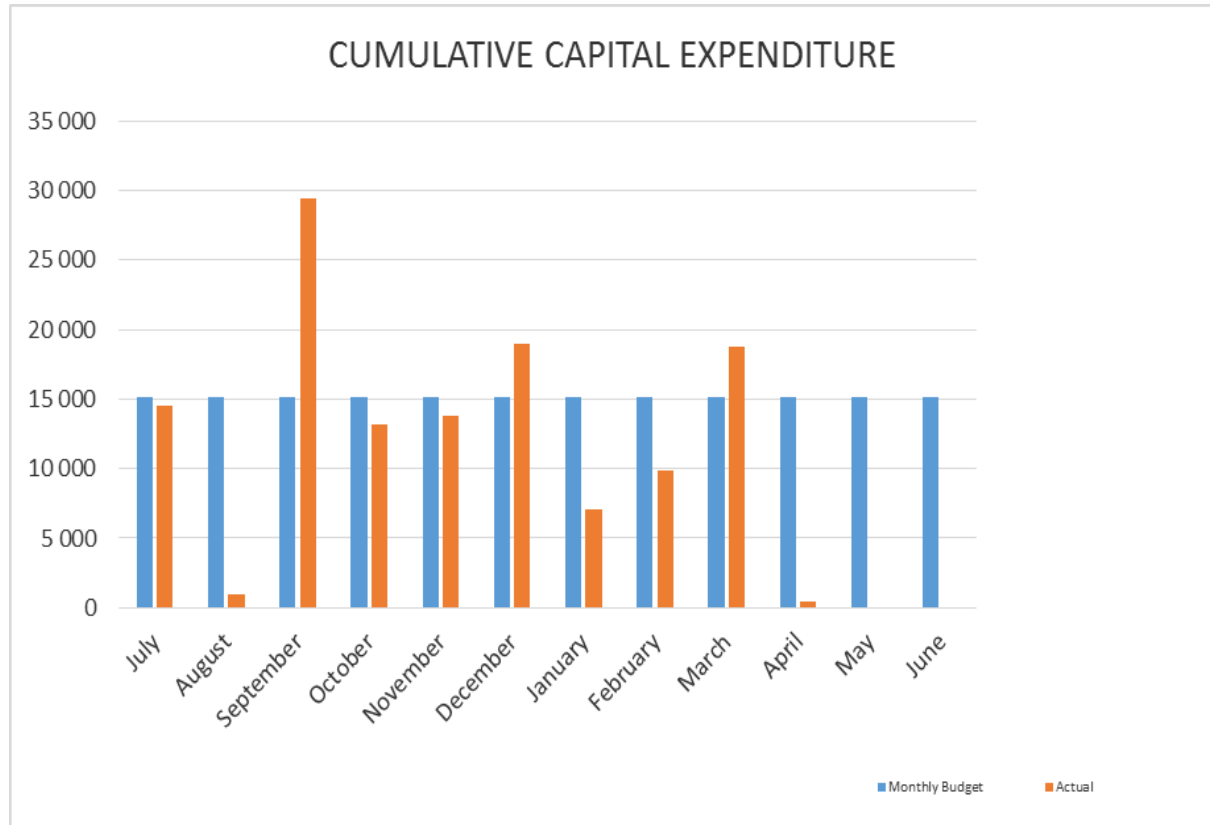
UMGUNGUNDLOVU DISTRICT MUNICIPALITY



CUMULATIVE MIG & WSIG EXPENDITURE: MONTHLY ACTUAL VS MONTHLY BUDGET

	Monthly Budget	Actual
July	15 162	14 537
August	15 162	982
September	15 162	29 446
October	15 162	13 127
November	15 162	13 829
December	15 162	18 946
January	15 162	7 041
February	15 162	9 878
March	15 162	18 770
April	15 162	409
May	15 162	0
June	15 162	0
	181 944	126 965

UMGUNGUNDLOVU DISTRICT MUNICIPALITY





UMGUNGUNDLOVU DISTRICT MUNICIPALITY

9. IN-YEAR BUDGET STATEMENT TABLES: APRIL 2020 REPORT

The preliminary financial results for the period ended 30 APRIL 2020 (i.e. 10th month of the 2019/20 financial year) are attached consisting of the following tables, in Annexure A:

Part 1

- (a) Table C1: Consolidated Monthly Budget Statement – Summary
- (b) Table C2: Consolidated Monthly Budget Statement – Financial Performance (standard Classification)
- (c) Table C3: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure by Municipal vote)
- (d) Table C4: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure)
- (e) Table C5: Consolidated Monthly Budget Statement – Capital Expenditure by vote, standard classification and funding
- (f) Table C6: Consolidated Monthly Budget Statement – Financial Position
- (g) Table C7: Consolidated Monthly Budget Statement – Cash Flow

Part 2

- (a) Table SC1: Material variance explanations
- (b) Table SC2: Monthly Budget Statement – Performance Indicators
- (c) Table SC3: Monthly Budget Statement – Aged Debtors
- (d) Table SC4: Monthly Budget Statement – Aged Creditors
- (e) Table SC5: Monthly Budget Statement – Investment Portfolio
- (f) Table SC6: Monthly Budget Statement – Transfers and grant receipts
- (g) Table SC7: Monthly Budget Statement – Transfers and grant expenditures
- (gb) Table SC7 (1): Monthly Budget Statement-Approved Roll overs

- (h) Table SC8: Monthly Budget Statement – Councillor and Staff Benefits
- (i) Table SC9: Monthly Budget Statement – Actual and Revised targets for cash receipts
- (j) Table SC10: Monthly Budget Statement – Parent Municipality Financial Performance (Revenue and Expenditure)
- (k) Table SC11: Monthly Budget Statement – Summary of Municipal Entities
- (l) Table SC12: Monthly Budget Statement – Capital Expenditure Trend
- (m) Table SC13a: Monthly Budget Statement – Capital expenditure on new assets by asset class
- (n) Table SC13b: Monthly Budget Statement – Capital expenditure on renewal of existing assets by asset class
- (m) Table SC13c: Monthly Budget Statement – Capital expenditure on repairs and maintenance by asset class
- (p) Municipal manager's quality certification

10. CONCLUSION

This report meets with the requirements of the MFMA, Sections 52(d) and 71 by submitting the 'In-year report' to Finance Committee on the implementation of the budget and the financial status of the municipality.



UMGUNGUNDLOVU DISTRICT MUNICIPALITY

ANNEXURES:

Annexure – Schedule C

REPORT – FLOW COMPLIANCE CHECK

FILE: 5/1/1/1

INITIATOR: Linda Africa

HEADING (INCLUSIVE OF NAME OF DIVISION/DEPARTMENT):

FINANCIAL SERVICES DEPARTMENT

PRELIMINARY IN-YEAR FINANCIAL REPORT (MONTHLY BUDGET STATEMENT) FOR THE PERIOD ENDING 30 APRIL 2020

REPORT CHECKED AND PASSED FOR SUBMISSION TO: **Finance Committee**

	COMPREHENSIVENESS (FACTS, COMMENTS, RECOMMENDATIONS ANNEXURES) (√)	CORRECTNESS (√)	QUALITY (√)
MANAGER: BUDGET OFFICE Vacant SIGNATURE:..... DATE:	(√)	(√)	(√)
MANAGER: REVENUE MANAGEMENT SIBONGILE KHUMALO SIGNATURE..... DATE:	(√)	(√)	(√)
MANAGER: EXPENDITURE MANAGEMENT: NOMPUMELELO KHUMALO SIGNATURE..... DATE:	(√)	(√)	(√)
HEAD OF DEPARTMENT: ACTING CHIEF FINANCIAL OFFICER : LINDA AFRICA SIGNATURE: DATE:	(√)	(√)	(√)
MANAGER: INTERNAL AUDIT ADELE DORASAMY SIGNATURE: DATE:	(√)	(√)	(√)



UMGUNGUNDLOVU DISTRICT MUNICIPALITY
Municipal Manager's quality certification

I, **Raymond Ngcobo**, Municipal Manager of the uMgungundlovu District Municipality, hereby certify that the monthly **preliminary** report on the implementation of the budget and financial state affairs of the municipality for the month of **APRIL 2020** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Dr. MRB Ngcobo

Municipal Manager: uMgungundlovu District Municipality

Signature: _____

Date: _____

Print name: Cllr T E Maphumulo

Mayor: uMgungundlovu District Municipality

Signature: _____

Date: _____