

4.6 RECOMMENDATION

It is recommended that:

1. Council notes the report on the statement of financial performance and the implementation of the 2010/11 budget for the period ending 31 March 2011.
2. Council considers the financial state of affairs of the Municipality as reflected in this report and takes note of the low collection rate of 91.1% as compared to the National Treasury set target of 97%.
3. Council notes that the current collection rate is decreasing the Municipality's cash reserves to the level where the Municipality cannot afford to fund capital infrastructure in the 2011/12 MTREF period.
4. Council notes the low spending rate on the conditional grants (current allocations 33%; carry overs 17%) as reflected in table 10 and 11 of this report.
5. Council notes the low spending rate of 26% on capital budget as reflected on tables 7 to 9 of this report.
6. Council notes the low spending rate of 52% on operating projects as reflected on table 6 of this report.


Mr. A. Fani
ACTING MUNICIPAL MANAGER

DATE: 26 / 04 / 2011