



Msukaligwa Local Municipality

MULTI-YEAR BUDGET 2024/25 - 2026/27 FINANCIAL YEAR



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**MSUKALIGWA LOCAL MUNICIPALITY MEDIUM TERM REVENUE AND EXPENDITURE
FRAMEWORK WITH TARIFF AND BUDGET RELATED POLICIES (MTREF) FOR 2024/2025 TO
2026/2027**

PART 1 – ANNUAL BUDGET

1 EXECUTIVE SUMMARY

In terms of section 62(1)(a) of the MFMA The Accounting Officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

Sound Financial Viability is key to the provision of sustainable service delivery. Msukaligwa Local Municipality remain focused on development of effective and efficient revenue value chain, recognition of expenditure when incurred, procurement of goods and service in a transparent, competitive, cost-effective manner, promoting sound financial governance and sustaining healthy financial ratios. This budget therefore seeks to give meaning to implementation of these priorities.

As we approached the 2024/25 financial year South African economy is affected by continuous Loadshedding, Load reduction and high unemployment rate and. These challenges are expected to slow the economy recovery. Inflation pressures also affect major markets and revision interest rate. South Africa is expected to follow in the same direction on interest rate trends.

Msukaligwa Local Municipality depends on grants in providing long term funding for infrastructure development. The Municipality continues to explore and engage National Treasury and Development Bank of South Africa to invest more on infrastructure development and capacity building.

The current financial performance has been taken into consideration in preparation for the 2024/25 MTREF. The following were considered:

- Provision of free basic service to registered indigent
- Distribution losses on both water and electricity because of illegal connections, unmetered services
- Inability to pay for municipal services – pressure on collection levels,
- Distribution of municipal accounts

Amongst the challenges faces the Municipality remains committed to:

- The effective and efficient revenue management processes.
- Enforcement of Credit Control and Debt collection policy and By-law
- Implementing cost containment measures
- Ensuring value for money on all procurement process.
- With the TID rollover by 24 November 2024

There is a need to resolve some historical issues that remain unresolved i.e., Eskom and Department Water and Sanitation Debt that affect the fundability of the budget. Collection collections have been stagnant in the past financial years at an average collection rate of between 70% & 75%.

The current administration remains committed to provision of sustainable basic delivery. The SDBIP documents gives full details on the proposed programmes to be implemented to improve the municipal performance.

BUDGET PROCESS OVERVIEW

The mayor of a municipality must co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible;

The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget. An annual budget must be approved before the start of the budget year; is approved by the adoption by the council of a resolution referred to in section 17 (3) (a) (i); and must be approved together with the adoption of resolutions as may be necessary

- imposing any municipal tax for the budget year;
- setting any municipal tariffs for the budget year;
- approving measurable performance objectives for revenue from each source and for each vote in the budget
- approving any changes to the municipality's integrated development plan; and
- approving any changes to the municipality's budget-related policies. The accounting officer of a municipality must submit the approved annual budget to the National Treasury and the relevant provincial treasury.

The budget process for 2024/25 started 10 months before the start of the 2024/25 financial year after the approval of the process plan and budget timetable before the 31st August 2023. The Draft multi-year budget for 2024/25 to 2026/27 were table before Council on the 27th March 2024 in terms of the Section 16 (2) of MFMA for consultation.

After the approval of the budget for consultation in March 2024 the budget was made public in the Municipal Website and social media by the Accounting Officer for communities to make inputs in terms of section 17 of the MFMA. The annual budget was submitted National Treasury and Mpumalanga Provincial Treasury in electronic formats. The annual budget and supporting documentation were submitted in specified Schedule A and included all the required tables, charts and explanatory information. Community inputs submitted in all wards were considered by the Executive Mayor in terms of section 23(2) of the MFMA.

OPERATING BUDGET FRAMEWORK

The operating revenue budget is R1 168 558 billion and the operating expenditure budget is totalling R1 293 647 billion for the 2024/25 financial year. Revenue increased by 7% and expenditure by 6% over the 2023/24 financial year. The table below set out the medium-term revenue and expenditure budget for the 2024/25 - 2026/27 financial years.

MP302 Msukaligwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Revenue (excluding capital transfers and contributions)		801,211	906,577	1,035,997	1,076,878	1,094,863	1,094,863	853,239	1,168,558	1,199,409	1,257,137
Total Expenditure		956,630	987,184	1,156,672	1,161,047	1,228,678	1,228,678	659,663	1,293,647	1,426,789	1,516,921
Surplus/(Deficit)		(155,419)	(80,607)	(120,675)	(84,169)	(133,815)	(133,815)	193,576	(125,089)	(227,380)	(259,784)

The municipal audited and budgeted statement of financial performance over the years is showing a deficit.

Total operating revenue increased by 7% or R73 695 million for the 2024/25 financial year, compared to the 2023/24 Adjustments Budget. For the two outer years, operational revenue increases by 4% and 5% respectively due to the inflation forecast.

Total operating expenditure for the 2024/25 financial year amounts to R1 301 438 billion, resulting in a budgeted deficit of R 125 089 million. Compared to the 2023/24 Adjustments Budget, operational expenditure increased by 6% in the 2024/25 Budget; and increased by 7% and 7% for each of the respective outer years of the MTREF.

To fund the Operating Budget, the following increase in property rates and service charges are being proposed, with effect from 1 July 2024:

Property rates – 4,90%

Water – 4,90%

Sanitation – 4,90%

Refuse – 4,90%

Electricity – 12,72% (Subject to NERSA Approval)

The Capital Budget over the MTREF period will be mainly funded from government grants and subsidies.

It is therefore in line with Section 16(2) of the Municipal Finance Management Act (MFMA), (Act No. 56 of 2003) which stipulates that the Mayor must table the budget to Council, at least 90 days before the start of a budget year.

On 21 February 2024, the Minister of Finance tabled the 2024/25 to 2026/27 Budget in Parliament. The budget as tabled includes various grant allocations to municipalities in terms of the requirements of the Division of Revenue Act (DORA). The municipality's adopted budget includes the following grant allocations:

ALLOCATION OF OPERATING AND CAPITAL GRANTS IN TERMS OF DIVISION OF REVENUE BILL (2024-2025 TO 2026-2027)				
OPERATING GRANTS		2024/25	2025/26	2026/27
EPWP	Conditional	1 285 000,00	-	-
Finance Management Grant	Conditional	3 800 000,00	3 800 000,00	3 800 000,00
Equitable Share (Schedule 3)	Unconditional	270 341 000,00	286 331 000,00	302 260 000,00
PMU (5% of MIG)	Conditional	3 042 750,00	3 188 800,00	3 460 650,00
TOTAL - OPERATING		278 468 750,00	293 319 800,00	309 520 650,00
CAPITAL GRANTS				
Energy Efficiency and Demand-Side Management Grant	Conditional	4 000 000,00	4 000 000,00	4 000 000,00
Integrated National Electrification Programme	Conditional	2 116 000,00	7 205 000,00	6 509 000,00
Municipal Infrastructure Grant	Conditional	57 812 250,00	60 587 200,00	65 752 350,00
Water Services Infrastructure Grant	Conditional	30 000 000,00	45 000 000,00	49 850 000,00
Regional Bulk Infrastructure Grant	Conditional	90 000 000,00	116 598 000,00	130 000 000,00
TOTAL - CAPITAL		183 928 250,00	233 390 200,00	256 111 350,00
TOTAL GRANTS (OPERATING AND CAPITAL)		462 397 000,00	526 710 000,00	565 632 000,00

The key service delivery priorities, as reflected in the Integrated Development Plan (IDP), informed the development of the Budget, including the need to maintain the Municipality's financial sustainability.

Specific revenue collection strategies to improve the collection of outstanding consumer debt are being implemented by the Municipality, albeit during the tough conditions as imposed by high unemployment rate resulting to the low average Collection Rates. Cost containment Regulations and Policy are also being implemented to further curb costs and to improve operational efficiency, in line with

the requirements of the Cost Containment Regulations (Number 42514 dated 7 June 2019), as well as the recently approved Cost Containment Policy of Council.

All National Treasury's MFMA Circulars were used to guide the compilation of the 2024/25 MTREF, including the latest MFMA Circulars 126 and 128. These two MFMA Circulars is tabled to the meetings of the Budget Steering Committee, as well as the EXCO meetings for their awareness.

The Municipality is faced with the following significant challenges during the compilation of the 2024/25

MTREF:

- Inability to budget for a surplus on the Operating Budget, due to various factors including prior year commitments with financial implications to the budget such as ESKOM and DWS.
- Ensuring that electricity and water losses are reduced to acceptable levels.
- Allocation of the required operating budget provision for newly created infrastructure and facilities, with a consequential impact on the level of property rates and tariff increases.
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure, more so due to the rampant vandalization of municipal infrastructure that has recently occurred.
- The need to enhance the municipality's revenue base.

In view of the above statements, the following table represents a **consolidated overview** of the 2024/25 Medium-term Revenue and Expenditure Framework:

COUNCIL RESOLUTIONS

THE EXECUTIVE MAYOR RECOMMENDATIONS TO COUNCIL THAT:

1. The annual budget report for the financial year 2024/25 and the projected outer years 2025/26 and 2026/27, and the multi-year year capital appropriations, **BE NOTED** for the purpose of complying Municipal Finance Management Act, Act 56 of 2003 (MFMA), read in conjunction with Municipal Budget and Reporting Regulations No.32141 (dated 17 April 2009)
2. That the tariffs increase for the 2024-25 **BE APPROVED** as follows with effect from 1 July 2024:
 - i. Property rates - 4.9% (Average increase on the property rates revenue)
 - ii. Water - 4.9%
 - iii. Sanitation - 4.9%
 - iv. Refuse - 4.9%
 - v. **Electricity - 12,72%** (On average (depending on the various customer categories), subject to NERSA approval).
 - vi. Other Services – 4.9%
3. That Council **NOTES** the contents of National Treasury MFMA **Circulars 126 and 128** (attached to the Budget Report) for guiding the budgeting processes leading up to budget approval by the end of May 2024.
4. That the annual budget for 2024/25-2026/27 Medium-term Revenue and Expenditure Framework is **CASH-BACKED** by R 53 140 million
5. That the annual budget for 2024/25-2026/27 Medium-term Revenue and Expenditure Framework is **UNFUNDED** by R 101 million
6. The annual budget for 2024/25-2026/27 Medium-term Revenue and Expenditure Framework, tabled in accordance with the Municipal Finance Management Act, 2003 (Act 56 of 2003) **BE APPROVED**

7. That the budget related policies be **APPROVED** for the community consultation process.

- i. Tariff policy.
- ii. Property rates policy
- iii. Debt collection and credit control policy
- iv. Provision for debt impairment policy.
- v. Supply chain management policy.
- vi. Budget and virement policy
- vii. Cost containment policy
- viii. Asset management policy
- ix. Long term financial plan
- x. Insurance policy
- xi. Unclaimed money policy
- xii. Investment of surplus fund policy
- xiii. Disposal of Immovable property policy
- xiv. Fleet management policy.
- xv. Indigent policy
- xvi. Travelling and subsistence policy
- xvii. Creditors payment policy
- xviii. Meter reading policy
- xix. Petty cash policy

OPERATING REVENUE FRAMEWORK

Efficient and effective revenue value chain is of critical importance in ensuring the ongoing financial sustainability of the Municipality since the municipality is not grant dependants. Furthermore, in accordance with section 18(1)(a) of the MFMA, expenditure has to be funded by realistically anticipated revenues.

The following macro-economic forecasts were considered when preparing the 2024/25 MTREF municipal budgets as per MFMA circular 128 from National Treasury.

Table 1: Macroeconomic performance and projections, 2022 - 2027

Fiscal year	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Forecast		
CPI Inflation	6.9%	6.0%	4.9%	4.6%	4.5%

Source: Medium Term Budget Policy Statement 2023.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

Municipal Tariffs were increased by 4,9% except electricity tariffs as follows:-

Property rates - 4.9% (Average increase on the property rates revenue)

Water - 4.9%

Sanitation - 4.9%

Refuse - 4.9%

Electricity (Average) – 12,72% (On average depending on various customer categories, subject to NERSA approval).

Section 17(1) of the MFMA requires that the annual budget of the municipality must be in the prescribed format as follows:

- Setting out realistically anticipated revenue for the budget year from each revenue source.
- Appropriating expenditure for the budget year under the different votes of the municipality.
- Setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year.
- Setting out the estimated revenue and expenditure by vote for the current year and actual revenue and expenditure by vote for the financial year.

OPERATING REVENUE FRAMEWORK

Msukaligwa Local Municipality is tabling an operating revenue of R1,168,558 Billion for the 2024/25 financial year. The revenue represents an increase of 7% against the 2024/25 adjustment budget. The operating expenditure amounts to R1,293,647 Billion, an increase of 6% against the 2024/25 adjustment budget, resulting in a deficit of R 125 088 million for the 2024/25 financial year.

The Municipal's funding model continues to rely on revenue generated from own resources revenue followed by grants. Tariff-setting therefore plays a pivotal in funding the budget however the current tariffs are not cost-reflective as some of the trading services are operating at a loss. Msukaligwa Local Municipality is not grant dependent, 76% of the budget is funded through own revenue and 24% of the budget is funded through grants.

MP302 Msukaligwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	217,317	240,824	226,104	300,969	311,792	311,792	219,914	351,451	367,618	384,529
Service charges - Water	2	73,815	64,326	74,237	79,532	82,824	82,824	61,397	86,882	87,837	91,877
Service charges - Waste Water Management	2	48,957	48,774	57,677	61,650	62,061	62,061	50,580	65,102	52,456	54,669
Service charges - Waste Management	2	38,971	40,181	49,300	52,800	53,638	53,638	43,242	56,266	58,854	61,561
Interest		949	1,098	4,854	1,500	5,000	5,000	5,056	5,245	5,486	5,739
Interest earned from Receivables		-	-	-	-	-	-	-	36,561	38,243	40,002
Rental from Fixed Assets		2,500	2,720	2,920	2,741	3,155	3,155	2,359	3,311	3,462	3,622
Operational Revenue		5,571	6,113	117,616	12,896	45,316	45,316	6,916	47,901	47,365	49,544
Non-Exchange Revenue											
Property rates	2	126,006	181,646	202,863	242,332	206,332	206,332	169,914	216,442	226,398	236,812
Fines, penalties and forfeits		5,971	4,771	5,704	5,448	5,457	5,457	148	5,724	5,815	6,082
Licences or permits		3,432	3,666	3,488	3,829	89	89	72	94	98	103
Transfer and subsidies - Operational		226,918	207,661	242,386	260,523	273,535	273,535	254,841	281,627	293,320	309,521
Interest		41,446	29,709	37,111	36,918	45,665	45,665	38,872	11,952	12,502	13,077
Gains on disposal of Assets		2,283	67,088	4,850	-	-	-	130	-	(46)	-
Total Revenue (excluding capital transfers and contributions)		791,935	898,577	1,029,111	1,061,138	1,094,883	1,094,883	853,239	1,168,558	1,199,409	1,257,137

Property Rates

There is an increase of 4,9% in the rate-in-the-rand from for all categories of Property Rates for 2024/25 and property rates contributes 19% of the total municipal revenue. The municipality appointed a Valuer who will compile a New Valuation Roll that will be effective from the 01 July 2025.

Electricity

The electricity was increased with an average of 12,72%. Electricity is the major revenue source for the municipality, 30% of the municipal revenue is generated from electricity.

Water & Sanitation

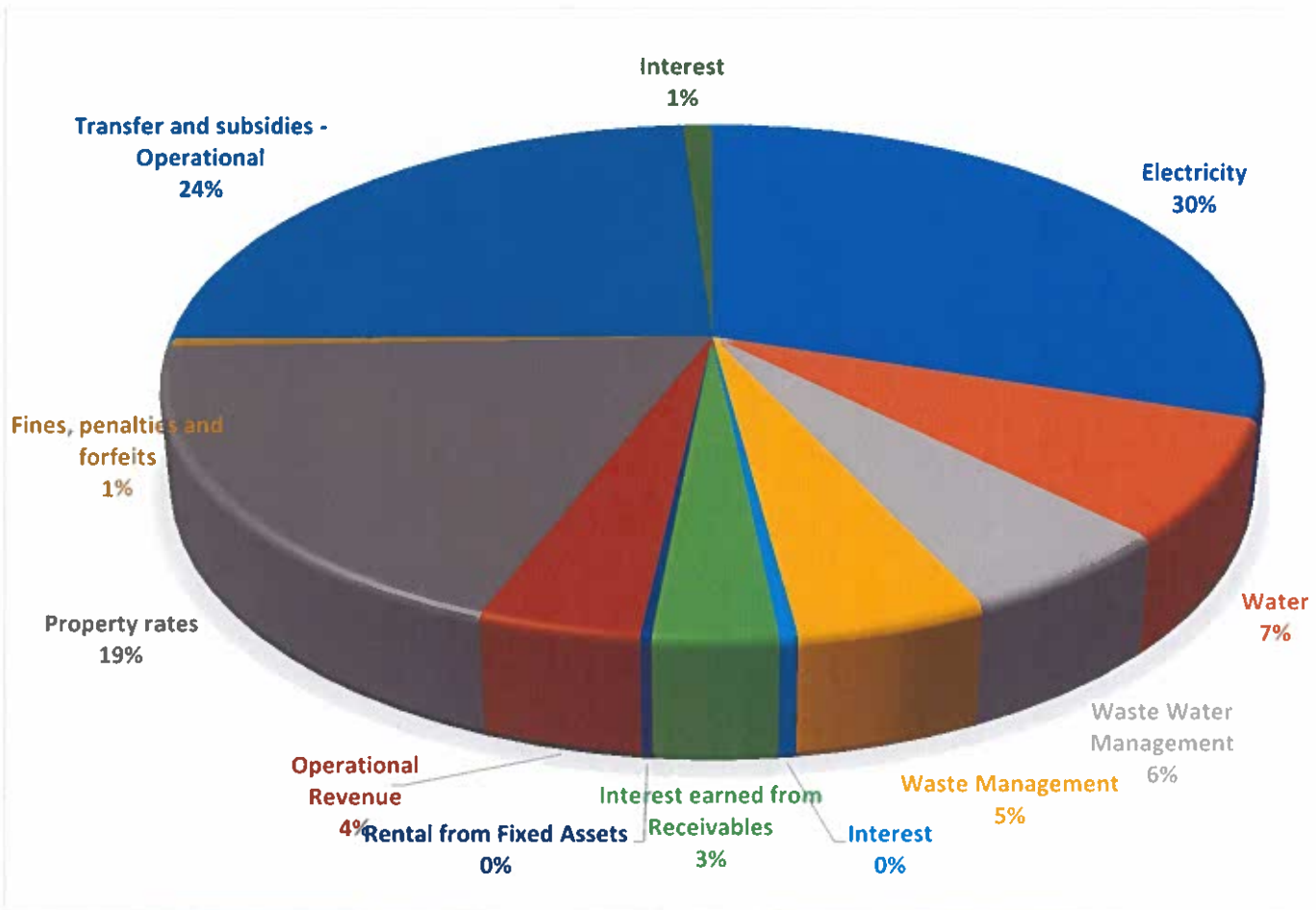
The average increase applied for water and sanitation was 4,9% for 2024/25 which contributes 7% and 6% respectively to the total municipal revenue

Waste Removal

An average increase of 4,9% has been applied on the consumptive tariffs for collections and disposal

Grants and Subsidies

Operational grants contributes 24% of the total operational revenue. All the grants are as per DoRA



EXPENDITURE ANALYSIS

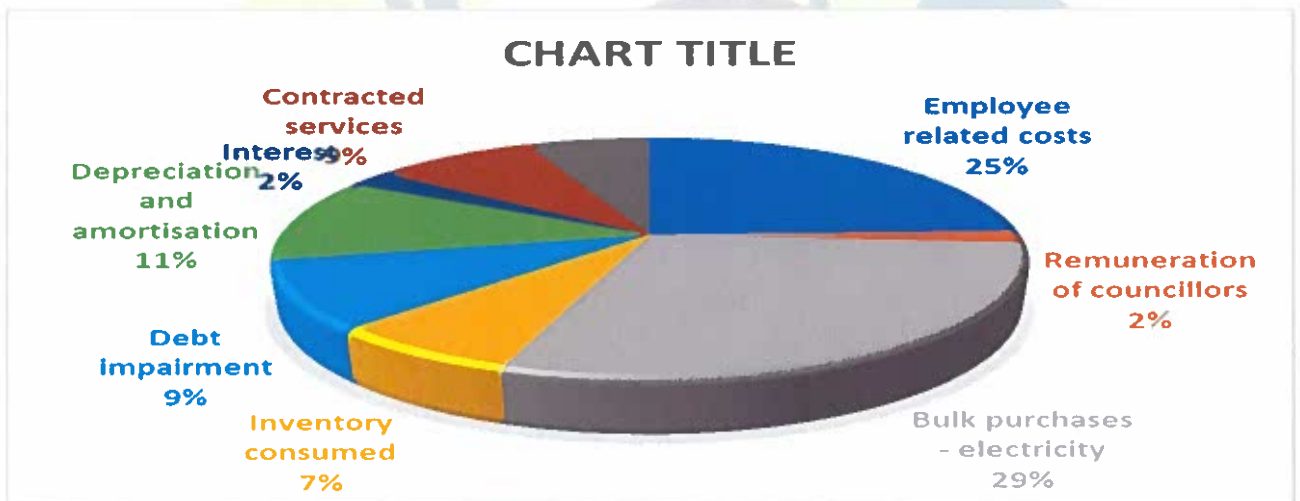
The municipal expenditure budget increase to R1,293,647 from the adjusted operating budget which represents 4% from the adjusted figures.

MP302 Msukaligwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand											
Expenditure											
Employee related costs	2	244,257	248,969	265,422	301,679	301,680	301,680	243,881	316,462	322,052	336,866
Remuneration of councillors		16,056	15,485	17,362	19,454	19,454	19,454	9,693	20,450	21,350	22,374
Bulk purchases - electricity	2	264,680	232,985	317,779	336,039	336,039	336,039	268,621	378,783	426,965	481,275
Inventory consumed	8	18,473	9,049	16,380	87,812	87,812	87,812	20,329	92,115	125,992	131,788
Debt impairment	3	49,764	121,120	148,238	114,044	114,344	114,044	11	119,080	124,557	130,287
Depreciation and amortisation		137,048	141,732	144,109	138,589	138,589	138,589	-	145,379	152,939	159,810
Interest		103,372	87,000	99,032	8,484	27,664	27,664	-	29,041	30,376	21,603
Contracted services		63,101	54,722	79,261	84,368	104,457	104,457	61,394	109,451	135,975	142,231
Transfers and subsidies		-	-	-	-	12,450	12,450	3,257	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	552	46	604
Operational costs		50,120	41,752	57,123	70,538	86,428	86,428	52,477	82,335	86,450	90,084
Losses on disposal of Assets		9,759	34,367	11,965	-	-	-	0	-	46	-
Other Losses		-	-	-	-	-	-	-	-	-	-
Total Expenditure		956,630	987,184	1,156,672	1,161,047	1,228,678	1,228,678	659,663	1,293,647	1,426,789	1,516,921
Surplus/(Deficit)		(164,695)	(88,608)	(127,561)	(99,909)	(133,819)	(133,819)	193,576	(125,088)	(227,380)	(259,784)
Transfers and subsidies - capital (monetary allocations)	6	169,259	303,435	258,080	146,349	159,791	159,791	8,000	183,928	233,390	256,111
Transfers and subsidies - capital (in-kind)	6	1,430	-	238	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		6,044	214,827	130,757	46,439	25,976	25,976	201,576	58,840	6,011	(3,672)
Income Tax		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		6,044	214,827	130,757	46,439	25,976	25,976	201,576	58,840	6,011	(3,672)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		6,044	214,827	130,757	46,439	25,976	25,976	201,576	58,840	6,011	(3,672)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	1	6,044	214,827	130,757	46,439	25,976	25,976	201,576	58,840	6,011	(3,672)

The total operating expenditure increased from R1 228 678 (million) to R1 293 647 (million) in the 2024/25 financial year.

- Employee related costs is 25% of the total operating expenditure which is within the National Treasury norm of 35%
- The remuneration of Councillors is as per the determination by the Minister of Co-operative Governance and Traditional Affairs in accordance with the remuneration of Public-Office Bearers
- On Inventory consumed, there is a provision of R10 million on roads resurfacing.
- In response to the service delivery challenges, the Municipality prioritised roads resurfacing, ICT (Computer Equipment) and LDV Bakkie.
- The net deficit of R (125,089) is below the non-cash of debt impairment and depreciation R 264 459 059 million (R 119 079 567 and R 145 379 492) respectively The total operating expenditure increased from R1 228 678 (Billion) to R1 293 647 (Billion) in the 2024/25 financial year.



MP302 Msukaliqwa - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
<i>Governance and administration</i>		382,343	502,049	515,139	517,403	534,531	534,531	580,244	624,971	658,824
Executive and council		241,587	241,446	269,524	255,220	269,721	269,721	301,638	337,030	357,812
Finance and administration		140,756	260,602	225,615	262,183	264,810	264,810	278,606	287,941	301,012
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		12,989	10,465	18,135	12,633	25,428	25,428	15,837	18,565	17,327
Community and social services		890	907	929	1,017	1,112	1,112	1,167	1,220	1,276
Sport and recreation		141	160	178	214	314	314	330	345	361
Public safety		6,723	6,418	7,644	8,223	10,722	10,722	11,247	11,764	12,306
Housing		552	2,980	2,597	2,847	2,949	2,949	3,093	3,235	3,384
Health		4,683	-	6,787	332	10,332	10,332	-	-	-
<i>Economic and environmental services</i>		17,663	16,750	123,315	18,451	6,199	6,199	6,258	3,840	3,932
Planning and development		5,023	5,094	5,033	5,714	5,788	5,788	5,827	3,189	3,461
Road transport		12,639	11,656	118,281	12,736	411	411	431	451	472
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		558,832	680,602	637,576	667,940	688,338	688,338	749,985	793,183	838,674
Energy sources		226,189	256,356	236,782	323,045	342,381	342,381	366,968	388,656	405,322
Water management		229,147	325,434	277,336	200,561	197,527	197,527	246,102	276,954	300,111
Waste water management		53,759	53,758	63,857	76,305	78,149	78,149	73,058	60,779	63,374
Waste management		49,737	45,055	59,601	68,029	70,281	70,281	63,857	66,794	69,867
Other	4	123	145	151	-	158	158	185	173	181
Total Revenue - Functional	2	971,950	1,210,012	1,294,315	1,216,427	1,254,654	1,254,654	1,352,488	1,438,532	1,518,938
Expenditure - Functional										
<i>Governance and administration</i>		248,784	271,025	302,324	185,380	232,108	232,108	238,562	269,364	280,725
Executive and council		69,077	59,773	74,192	56,495	71,929	71,929	73,594	74,260	77,674
Finance and administration		179,706	211,252	228,132	128,885	160,179	160,179	184,968	195,104	203,051
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		102,244	119,583	121,471	128,197	138,126	138,126	138,782	140,930	147,777
Community and social services		49,366	61,449	66,615	70,027	77,658	77,658	74,710	77,101	80,648
Sport and recreation		22,078	28,510	22,194	21,187	21,730	21,730	22,387	23,417	24,495
Public safety		28,165	25,220	28,490	29,944	30,646	30,646	31,777	32,141	33,984
Housing		4,046	3,917	4,142	6,675	7,728	7,728	7,655	8,007	8,376
Health		588	486	30	364	364	364	252	263	275
<i>Economic and environmental services</i>		95,958	94,358	99,267	113,835	118,987	118,987	114,170	110,482	115,535
Planning and development		18,331	14,996	18,304	22,219	19,058	19,058	19,379	11,331	11,823
Road transport		77,627	79,362	80,962	91,616	99,929	99,929	94,790	99,151	103,712
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		589,039	585,697	727,041	733,526	811,145	811,145	804,074	856,566	941,754
Energy sources		331,878	300,337	409,963	422,841	440,041	440,041	466,413	523,009	581,737
Water management		145,150	160,149	180,771	122,125	168,094	168,094	127,692	113,926	139,710
Waste water management		48,483	61,568	78,321	150,834	153,234	153,234	159,172	166,497	174,152
Waste management		63,526	63,643	57,986	37,726	49,776	49,776	50,797	53,133	46,154
Other	4	83	101	75	110	110	110	116	121	126
Total Expenditure - Functional	3	1,036,108	1,070,763	1,250,177	1,181,047	1,300,477	1,300,477	1,293,702	1,377,462	1,485,917
Surplus/(Deficit) for the year		(64,158)	139,248	44,137	55,379	(45,823)	(45,823)	58,786	61,069	33,021

MP302 Msukaligwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

R thousand	Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote											
1	Vote 01 - Executive & Council		241,587	241,446	289,286	255,220	255,220	255,220	301,637	331,343	352,123
	01.1 - Municipal Manager		-	-	-	-	-	-	-	-	-
	01.2 - Idp & Internal Audit		-	-	-	-	-	-	-	-	-
	01.3 - Council General		241,587	241,446	289,286	255,220	255,220	255,220	300,352	331,343	352,123
	01.4 - Marketing / Customer Rel; Publ & Media		-	-	-	-	-	-	-	-	-
	01.5 - Councillors		-	-	-	-	-	-	-	-	-
	01.6 - Expanded Public Works Projects		-	19	-	1,511	1,511	1,511	1,265	-	-
	01.7 - Integrated Development Planning		-	-	-	-	-	-	-	-	-
	Vote 02 - Finance & Administration		140,756	260,602	238,853	262,183	278,310	278,310	278,604	287,841	301,612
	02.1 - Director Corporate Services		0	0	238	0	14,500	14,500	0	0	0
	02.2 - Administration		-	-	-	-	-	-	-	-	-
	02.3 - Human Resources		167	452	311	-	3,011	3,011	3,159	-	-
	02.4 - Occupational Health & Safety And Youth		-	-	-	-	-	-	-	-	-
	02.5 - Itc Division		-	-	-	-	-	-	-	-	-
	02.6 - Risk Management		-	-	-	-	-	-	-	-	-
	02.7 - Director Finance		-	-	-	-	-	-	-	-	-
	02.8 - Assessment Rates		134,859	188,077	211,866	201,130	217,725	217,725	220,304	238,900	249,690
	02.9 - Municipal Store		-	-	-	-	-	-	-	-	-
	02.10 - Finance		5,731	69,073	10,438	8,423	10,452	10,452	11,783	12,150	12,534
	02.11 - Credit Control		-	-	-	4,620	33,620	33,620	35,266	36,690	38,587
	02.12 - Financial Management Grant		-	3,000	3,000	-	-	-	-	-	-
	Vote 03 -		-	-	-	-	-	-	-	-	-
	Vote 04 - Sport And Recreation		98	112	128	214	299	299	272	284	298
	04.1 - Sport & Recreation		12	3	3	133	133	133	139	148	152
	04.2 - Sport Fields General		20	37	42	-	45	45	47	49	52
	04.3 - Golf Course		66	72	83	-	62	62	66	69	74
	Vote 05 - Public Safety		6,723	8,418	7,444	5,293	10,722	10,722	11,247	11,718	12,308
	05.1 - Fire Brigade Services		952	1,829	2,110	2,956	5,454	5,454	5,722	5,985	6,260
	05.2 - Traffic		5,770	4,589	5,334	2,337	5,267	5,267	5,525	5,734	6,048
	Vote 06 - Housing		-	-	-	-	-	-	-	-	-
	Vote 07 - Health		-	-	-	-	-	-	-	-	-
	Vote 08 - Planning And Development		2,997	6,293	4,828	5,427	5,603	5,603	5,677	3,236	3,384
	08.1 - Housing		552	2,980	2,987	2,847	2,849	2,849	3,093	3,236	3,384
	08.2 - Integrated Management Information System		2,405	2,312	2,031	2,580	2,754	2,754	-	(0)	(0)
	08.3 - Local Economic Development		-	-	-	-	-	-	-	-	-
	08.4 - Integrated Development Planning		-	-	-	-	-	-	-	-	-
	Vote 09 - Community & Social Services		5,617	958	7,768	1,348	11,499	11,499	1,238	1,288	1,338
	09.1 - Disaster Management		-	-	-	-	-	-	-	-	-
	09.2 - Director Community And Health		-	-	-	-	-	-	-	-	-
	09.3 - Cemetery		816	803	771	986	986	986	1,034	1,082	1,132
	09.4 - Caravan Park		44	48	53	-	55	55	58	60	63
	09.5 - Parks And Grounds		-	-	-	-	-	-	-	-	-
	09.6 - Libraries		32	39	26	30	33	33	35	36	38
	09.7 - Covid-19 Disaster		4,683	-	5,787	332	10,332	10,332	-	-	-
	09.8 - Civic Centre		43	68	131	1	93	93	97	102	107
	Vote 10 - Electricity		226,189	256,356	236,782	323,045	342,381	342,381	368,968	388,656	408,322
	10.1 - Electricity		226,189	256,356	236,782	323,045	342,381	342,381	368,968	388,656	408,322
	10.2 - Street Lights		-	-	-	-	-	-	-	-	-
	Vote 11 - Water Management		229,147	325,434	277,328	305,881	187,827	187,827	248,102	278,954	306,111
	11.1 - Water Income		84,571	71,900	83,258	91,012	96,036	96,036	96,200	99,769	104,389
	11.2 - Water Network		144,575	253,435	194,050	109,549	101,491	101,491	147,812	177,185	195,752
	11.3 - Water Purification		-	-	-	-	-	-	-	-	-
	Vote 12 - Waste Water Management		53,769	53,758	83,857	76,308	78,149	78,149	73,098	80,778	83,374
	12.1 - Sewerage Income		53,758	53,758	83,857	76,308	78,149	78,149	73,098	80,778	83,374
	12.2 - Sewerage Network		-	-	-	-	-	-	-	-	-
	12.3 - Sewerage Purification		-	-	-	-	-	-	-	-	-
	Vote 13 - Waste Management		49,737	45,055	89,891	85,029	70,281	70,281	83,887	88,784	88,887
	13.1 - Refuse / Sanitary		49,737	45,055	89,891	85,029	70,281	70,281	83,887	88,784	88,887
	Vote 14 - Road Transport		2,623	2,813	348	3,148	3,648	3,648	3,474	3,640	3,932
	14.1 - Director Town Engineer		-	-	-	-	-	-	-	-	-
	14.2 - Public Works		-	-	-	-	-	-	-	-	-
	14.3 - Technical Department		-	-	-	-	-	-	-	-	-
	14.4 - Pmu		2,618	2,783	3,003	3,134	3,135	3,135	3,043	3,189	3,461
	14.5 - Workshop		-	-	-	-	-	-	-	-	-
	14.6 - Roads Reporting Function		5	31	(2,755)	15	411	411	431	451	472
	Vote 15 - Other		12,757	11,770	131,188	12,721	168	168	168	173	181
	15.1 - Airport		123	145	151	-	158	158	163	173	181
	15.2 - Licensing		12,534	11,625	131,037	12,721	-	-	-	-	-
2	Total Revenue by Vote		971,950	1,210,612	1,284,318	1,216,487	1,284,884	1,284,884	1,382,487	1,432,799	1,513,249
Expenditure by Vote											
1	Vote 01 - Executive & Council		53,951	55,116	88,854	88,954	78,997	79,987	82,584	93,891	87,447
	01.1 - Municipal Manager		14,027	10,160	15,591	13,729	14,042	14,042	14,322	14,881	15,670
	01.2 - Idp & Internal Audit		4,808	1,813	2,310	3,136	3,136	3,100	3,243	3,392	3,392
	01.3 - Council General		16,604	17,995	22,680	13,235	24,586	24,586	26,075	24,655	26,685
	01.4 - Marketing / Customer Rel; Publ & Media		-	-	-	-	-	-	-	-	-
	01.5 - Councillors		18,514	17,748	19,059	26,890	26,890	26,890	28,164	29,459	30,814
	01.6 - Expanded Public Works Projects		-	2,042	209	1,919	1,919	1,919	2,013	2,106	2,202
	01.7 - Integrated Development Planning		-	2,798	2,987	3,426	3,372	3,372	3,505	3,698	3,868
	Vote 02 - Finance & Administration		186,830	208,642	230,348	191,480	173,996	173,996	173,893	207,766	217,244
	02.1 - Director Corporate Services		17,686	6,533	14,727	13,493	17,257	17,257	16,410	17,171	17,061
	02.2 - Administration		16,303	13,837	14,965	17,320	33,320	33,320	33,627	35,070	36,683
	02.3 - Human Resources		11,441	12,513	12,991	13,994	26,474	26,474	14,648	16,321	16,026
	02.4 - Occupational Health & Safety And Youth		31	26	1	124	4,884	4,884	2,051	283	275
	02.5 - Itc Division		-	-	-	-	8,111	8,111	8,508	8,899	9,309
	02.6 - Risk Management		-	1,310	1,361	1,638	1,638	1,638	1,684	1,971	2,061
	02.7 - Director Finance		933	1,776	657	1,544	1,544	1,544	1,620	1,694	1,772
	02.8 - Assessment Rates		(2,130)	33,141	35,465	4,502	4,502	4,502	4,723	4,840	5,187
	02.9 - Municipal Store		-	68	62	585	585	585	614	642	672
	02.10 - Finance		142,078	119,581	135,022	57,614	60,701	60,701	67,310	69,419	69,670
	02.11 - Credit Control		-	8,402	9,276	10,880	10,880	10,880	10,893	26,825	27,850
	02.12 - Financial Management Grant		-	3,167	(798)	1,467	3,497	3,497	2,630	2,751	2,877
	Vote 03 -		-	-	-	-	-	-	-	-	-
	Vote 04 - Sport And Recreation		11,898	20,590	13,461	15,189	13,880	13,880	13,882	13,883	14,381
	04.1 - Sport & Recreation		19,270	19,756	14,243	10,251	10,251	10,251	10,783	11,247	11,785
	04.2 - Sport Fields General		1,461	1,494	1,953	1,737	2,228	2,228	2,079	2,174	2,274
	04.3 - Golf Course		187	189	196	211	211	211	221	232	242
	Vote 05 - Public Safety		26,814	26,119	28,027	28,667	30,388	30,388	31,431	31,882	33,868
	05.1 - Fire Brigade Services		13,793	12,854	14,789	16,136	19,294	19,294	19,811	20,722	21,676
	05.2 - Traffic		12,922	13,265	13,238	12,531	11,074	11,074	11,610	11,160	11,990
	Vote 06 - Housing		-	-	-	-	-	-	-	-	-
	Vote 07 - Health		-	-	-	-	-	-	-	-	-
	Vote 08 - Planning And Development		10,708	10,372	13,378	22,097	20,658	20,658	20,965	12,969	13,483
	08.1 - Housing		3,763	3,354	3,591	5,776	6,820	6,820	6,712	7,021	7,344
	08.2 - Integrated Management Information System		3,147	3,604	4,557	2,778	8,574	8,574	8,937	381	398
	08.3 - Local Economic Development		1,783	1,978	2,400	1,029	2,267	2,267	2,360	2,489	2,583
	0										

CAPITAL BUDGET

The capital budget of the Msukaligwa Local Municipality projects is R183 928 000 funded from grants and own revenue, 92% of the budget is funded from grants and 8% is funded through own revenue. The following table provides breakdown for capital projects from the Conditional grants.

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital expenditure - Vote	1										
Multi-year expenditure to be appropriated	2										
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Finance & Administration		-	-	-	-	-	-	-	3,700	3,870	4,048
Vote 03 -		-	-	-	-	-	-	-	-	-	-
Vote 04 - Sport And Recreation		-	-	-	-	-	-	-	-	-	-
Vote 05 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 06 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-
Vote 09 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 10 - Electricity		-	-	-	2,063	2,063	2,063	1,454	-	-	-
Vote 11 - Water Management		-	-	-	2,500	1,225	1,225	1,065	30,000	45,000	49,850
Vote 12 - Waste Water Management		-	-	-	4,800	24,496	24,496	16,192	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	352	-	17,269	23,426	23,426	16,134	-	13	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	352	-	26,632	51,208	51,209	34,646	33,700	48,883	53,898
Single-year expenditure to be appropriated	2										
Vote 01 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Finance & Administration		(2,999)	759	-	7,100	11,377	11,377	9,713	2,000	2,092	2,188
Vote 03 -		-	-	-	-	-	-	-	-	-	-
Vote 04 - Sport And Recreation		-	193	-	-	-	-	-	-	-	-
Vote 05 - Public Safety		1,230	1,175	-	-	-	-	-	-	-	-
Vote 06 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 07 - Health		-	-	-	-	-	-	-	-	-	-
Vote 08 - Planning And Development		-	-	-	-	-	-	-	-	-	-
Vote 09 - Community & Social Services		5,211	464	-	13,000	13,000	13,000	2,184	90,000	116,598	130,000
Vote 10 - Electricity		-	-	-	4,737	9,604	9,604	4,402	6,116	11,205	10,509
Vote 11 - Water Management		-	-	-	66,000	58,335	58,335	34,099	-	-	-
Vote 12 - Waste Water Management		-	-	-	38,586	19,191	19,191	14,234	-	-	-
Vote 13 - Waste Management		-	2,147	-	-	-	-	-	-	-	-
Vote 14 - Road Transport		-	292	-	10,393	10,944	10,944	8,306	67,812	71,047	77,693
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		3,442	5,031	-	139,816	122,450	122,450	72,938	165,928	209,942	220,390
Total Capital Expenditure - Vote		3,442	5,383	-	166,448	173,659	173,659	107,784	199,628	249,825	274,289
Capital Expenditure - Functional											
Governance and administration		(2,999)	1,052	-	7,100	11,377	11,377	9,713	5,700	5,962	6,236
Executive and council		2,171	-	-	-	-	-	-	5,000	5,230	5,471
Finance and administration		(5,170)	1,052	-	7,100	11,377	11,377	9,713	700	732	766
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		8,441	1,832	-	13,000	13,000	13,000	2,184	90,000	116,598	130,000
Community and social services		41	130	-	13,000	13,000	13,000	2,184	-	-	-
Sport and recreation		-	527	-	-	-	-	-	-	-	-
Public safety		1,230	1,175	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		5,170	-	-	-	-	-	-	90,000	116,598	130,000
Economic and environmental services		-	352	-	27,663	34,369	34,369	24,440	67,812	71,060	77,693
Planning and development		-	-	-	27,663	34,369	34,369	24,440	10,000	10,473	10,941
Road transport		-	352	-	-	-	-	-	57,812	60,587	66,752
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	2,147	-	118,888	114,913	114,913	71,447	36,116	56,265	60,359
Energy sources		-	-	-	6,800	11,667	11,667	5,836	6,116	11,205	10,509
Water management		-	-	-	68,500	59,560	59,560	35,164	30,000	45,000	49,850
Waste water management		-	-	-	43,386	43,686	43,686	30,427	-	-	-
Waste management		-	2,147	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	3,442	5,383	-	166,448	173,659	173,659	107,784	199,628	249,825	274,289
Funded by:											
National Government		5,170	2,147	-	146,348	142,915	142,915	95,015	183,928	233,390	257,111
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov)		-	-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	5,170	2,147	-	146,348	142,915	142,915	95,015	183,928	233,390	257,111
Borrowing											
Internally generated funds	6	(1,728)	3,236	-	20,100	30,744	30,744	12,769	15,700	16,435	17,178
Total Capital Funding	7	3,442	5,383	-	166,448	173,659	173,659	107,784	199,628	249,825	274,289

CASH AND CASH EQUIVALENT

The table shows the cash and cash equivalents for the municipality during the 2024/2027 MTREF. The budget has been prepared to ensure adequate levels of working capital representing cash and cash equivalents over the medium-term is adequate to provide minimum level of service with the available limited resources. Assumptions used in the preparation of the cash flow budget is at a collection rate as follows:-

- Property rates - 80%
- Electricity - 80%
- Water - 80%
- Sanitation - 80%
- Solid waste - 80%

The municipality is working on target approach in terms of debt collection which amongst others include;

- Ensure completeness of billing
- Reconciliation of valuation roll
- Cleansing of consumer data
- Timeous sending of Municipal bills
- Strict implementation of credit control and debt collection policies.

MP302 Msukaigwa - Table A7 Budgeted Cash Flows

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		118,519	207,796	155,331	181,749	154,748	154,748	126,279	245,063	181,118	189,490
Service charges		601,825	360,887	300,958	394,529	386,162	386,162	292,614	462,050	453,413	474,109
Other revenue		243,671	206,751	563,898	75,140	99,676	99,676	401,849	59,920	73,102	74,615
Transfers and Subsidies - Operational	1	-	289,167	239,364	260,523	270,523	270,523	221,814	261,627	293,320	309,521
Transfers and Subsidies - Capital	1	-	62,913	128,056	146,349	159,791	159,791	119,791	183,928	233,390	256,111
Interest		949	171	600	20,305	23,805	23,805	2,014	5,245	46,670	48,817
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(713,218)	(220,481)	(237,926)	(900,447)	(915,616)	(915,616)	(542,679)	(1,034,729)	(1,087,739)	(1,137,776)
Interest		-	-	-	(8,484)	(29,484)	(29,484)	-	(29,041)	(30,376)	(31,774)
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		251,747	927,205	1,150,281	169,863	149,606	149,606	621,683	174,064	162,898	183,074
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		(1,824)	399	(173)	-	-	-	95	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(3,442)	(5,383)	-	(156,448)	(169,990)	(169,990)	(106,687)	(199,628)	(249,812)	(274,289)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(5,266)	(4,984)	(173)	(166,448)	(169,990)	(169,990)	(106,592)	(199,628)	(249,812)	(274,289)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		20	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	(1,500)	(56,000)	(56,000)	(56,000)	(485)	-	-	-
Payments											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		20	-	(1,500)	(56,000)	(56,000)	(56,000)	(485)	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		246,501	922,221	1,148,608	(52,785)	(76,384)	(76,384)	514,606	(25,564)	(86,914)	(91,215)
Cash/cash equivalents at the year begin:	2	(22,016)	(6,175)	(9,674)	(1,200)	(76,353)	(76,353)	-	78,705	53,141	(33,773)
Cash/cash equivalents at the year end:	2	224,485	916,045	1,138,934	(53,985)	(152,737)	(152,737)	514,606	53,141	(33,773)	(124,989)



BUDGET STATEMENT OF FINANCIAL POSITION

Statement of financial position presents Assets less Liabilities as Community Wealth. Assets readily converted to cash to meet short term liabilities.



Table A8 Cash Backed Reserves/Accumulated Surplus Reconciliation

The cash backed reserves/accumulated surplus reconciliation determine whether the municipal budget is funded or not funded. The table assesses the funding levels of the budget by forecasting the cash and equivalents and Investment at year-end with total liabilities that existed whether the municipality will be able to meet the short term liabilities.

MP302 Msukaligwa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Cash and investments available											
Cash/cash equivalents at the year end	1	224,485	916,045	1,138,934	(53,985)	(152,737)	(152,737)	514,606	53,141	(33,773)	(124,989)
Other current investments > 90 days		(218,282)	(915,674)	(1,061,067)	58,400	207,077	207,077	(426,982)	(9)	(17,974)	(17,974)
Non-current investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		6,203	371	77,867	4,415	54,340	54,340	87,624	53,140	(51,747)	(142,962)
Application of cash and investments											
Unspent conditional transfers		1,741	1,338	44,724	700	40,000	40,000	219,255	700	700	700
Unspent borrowing											
Statutory requirements	2	(237,356)	(102,545)	(131,215)	(84,021)	(84,021)	(84,021)	(100,259)	-	-	-
Other working capital requirements	3	1,430,155	1,393,196	1,478,604	1,069,366	258,312	258,312	1,218,223	153,795	95,850	19,436
Other provisions		108,354	66,110	66,850	102,454	102,454	102,454	68,005	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		1,302,894	1,358,100	1,458,963	1,088,499	316,745	316,745	1,405,224	154,495	96,550	20,136
Surplus(shortfall) - Excluding Non-Current Creditors Trf to Debt Relief Benefits		(1,296,691)	(1,357,728)	(1,381,096)	(1,084,084)	(262,405)	(262,405)	(1,317,601)	(101,354)	(148,297)	(163,098)
Creditors transferred to Debt Relief - Non-Current portion		-	-	-	-	-	-	-	-	-	-
Surplus(shortfall) - including Non-Current Creditors Trf to Debt Relief Benefits		(1,296,691)	(1,357,728)	(1,381,096)	(1,084,084)	(262,405)	(262,405)	(1,317,601)	(101,354)	(148,297)	(163,098)

Table A9 - Asset Management

The table capital investment into new assets and renewal of existing assets; and also reflects the relevant asset categories. It also makes provision for repairs and maintenance and depreciation.

Table A10 - Basic Service Delivery Measurement

Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services(Electricity, Water, Sanitation & Refuse Removal)

MP302 Msukaligwa - Table A10 Basic service delivery measurement

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Household service targets	1									
Water:										
Piped water inside dwelling		--	--	--	44,362	44,362	44,362	25,543	--	--
Piped water inside yard (but not in dwelling)		--	--	--	3,633	3,633	3,633	17,320	--	--
Using public tap (at least min.service level)	2	--	--	--	2,127	2,127	2,127	--	--	--
Other water supply (at least min.service level)	4	--	--	--	--	--	--	8,226	--	--
<i>Minimum Service Level and Above sub-total</i>					50,122	50,122	50,122	51,089	--	--
Using public tap (< min.service level)	3	--	--	--	875	875	875	--	--	--
Other water supply (< min.service level)	4	--	--	--	3,151	3,151	3,151	--	--	--
No water supply		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>					4,026	4,026	4,026	--	--	--
Total number of households	5				54,148	54,148	54,148	51,089	--	--
Sanitation/sewage:										
Flush toilet (connected to sewerage)		--	--	--	46,499	46,499	46,499	37,969	--	--
Flush toilet (with septic tank)		--	--	--	429	429	429	429	--	--
Chemical toilet		--	--	--	--	--	--	497	--	--
Pit toilet (ventilated)		--	--	--	2,006	2,006	2,006	2,006	--	--
Other toilet provisions (> min.service level)		--	--	--	5,190	5,190	5,190	2,451	--	--
<i>Minimum Service Level and Above sub-total</i>					54,124	54,124	54,124	43,352	--	--
Bucket toilet		--	--	--	--	--	--	--	--	--
Other toilet provisions (< min.service level)		--	--	--	--	--	--	--	--	--
No toilet provisions		--	--	--	--	--	--	1,295	--	--
<i>Below Minimum Service Level sub-total</i>					--	--	--	1,295	--	--
Total number of households	5				54,124	54,124	54,124	44,647	--	--
Energy:										
Electricity (at least min.service level)		--	--	--	3,070	3,070	3,070	3,131	--	--
Electricity - prepaid (min.service level)		--	--	--	25,870	25,870	25,870	--	--	--
<i>Minimum Service Level and Above sub-total</i>					28,940	28,940	28,940	3,131	--	--
Electricity (< min.service level)		--	--	--	--	--	--	--	--	--
Electricity - prepaid (< min.service level)		--	--	--	--	--	--	--	--	--
Other energy sources		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>					--	--	--	--	--	--
Total number of households	5				28,940	28,940	28,940	3,131	--	--
Refuse:										
Removed at least once a week		--	--	--	36,749	36,749	36,749	31,814	--	--
<i>Minimum Service Level and Above sub-total</i>					36,749	36,749	36,749	31,814	--	--
Removed less frequently than once a week		--	--	--	--	--	--	809	--	--
Using communal refuse dump		--	--	--	--	--	--	4,524	--	--
Using own refuse dump		--	--	--	--	--	--	6,974	--	--
Other rubbish disposal		--	--	--	1	1	1	3,176	--	--
No rubbish disposal		--	--	--	--	--	--	3,792	--	--
<i>Below Minimum Service Level sub-total</i>					1	1	1	19,275	--	--
Total number of households	5				36,750	36,750	36,750	51,089	--	--
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		--	--	--	8,324	8,324	8,324	3,641	--	--
Sanitation (free minimum level service)		--	--	--	8,324	8,324	8,324	3,641	--	--
Electricity/other energy (50kwh per household per month)		--	--	--	8,203	8,203	8,203	2,368	--	--
Refuse (removed at least once a week)		--	--	--	8,324	8,324	8,324	3,641	--	--
Informal Settlements										
Water (6 kilolitres per indigent household per month)		2,355	2,092	1,718	1,779	1,386	1,386	1,407	(1,472)	(1,539)
Sanitation (free sanitation service to indigent households)		7,745	8,408	4,139	3,407	3,407	3,407	3,221	(3,369)	(3,524)
Electricity/other energy (50kwh per indigent household per month)		4	4	5	9,167	5	5	5	6	6
Refuse (removed once a week for indigent households)		6,571	9,294	4,634	3,720	3,720	3,720	3,427	(3,584)	(3,749)
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)					--	--	--	1,056,780	--	--
Total cost of FBS provided	8	18,675	19,799	10,497	18,073	8,518	8,518	1,064,840	(8,419)	(8,806)
Highest level of free service provided per household										
Property rates (R value threshold)		--	--	--	--	--	--	--	--	--
Water (kilolitres per household per month)		--	--	--	--	--	--	--	--	--
Sanitation (kilolitres per household per month)		--	--	--	--	--	--	--	--	--
Sanitation (Rand per household per month)		--	--	--	--	--	--	--	--	--
Electricity (kwh per household per month)		--	--	--	--	--	--	--	--	--
Refuse (average litres per week)		--	--	--	--	--	--	--	--	--
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		--	--	--	--	--	--	--	--	--
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		12,012	19,009	10,963	9,232	39,232	39,232	(28,990)	(30,416)	(31,615)
Water (in excess of 6 kilolitres per indigent household per month)		--	--	--	--	--	--	--	--	--
Sanitation (in excess of free sanitation service to indigent households)		--	--	--	--	--	--	--	--	--
Electricity/other energy (in excess of 50 kwh per indigent household per month)		--	--	--	--	--	--	--	--	--
Refuse (in excess of one removal a week for indigent households)		--	--	--	--	--	--	--	--	--
Municipal Housing - rental rebates		--	--	--	--	--	--	--	--	--
Housing - top structure subsidies		--	--	--	--	--	--	--	--	--
Other		--	--	--	--	--	--	--	--	--
Total revenue cost of subsidised services provided	6	12,012	19,009	10,963	9,232	39,232	39,232	(28,990)	(30,416)	(31,615)

PART 2 – SUPPORTING DOCUMENTATION

OVERVIEW OF ANNUAL BUDGET PROCESS

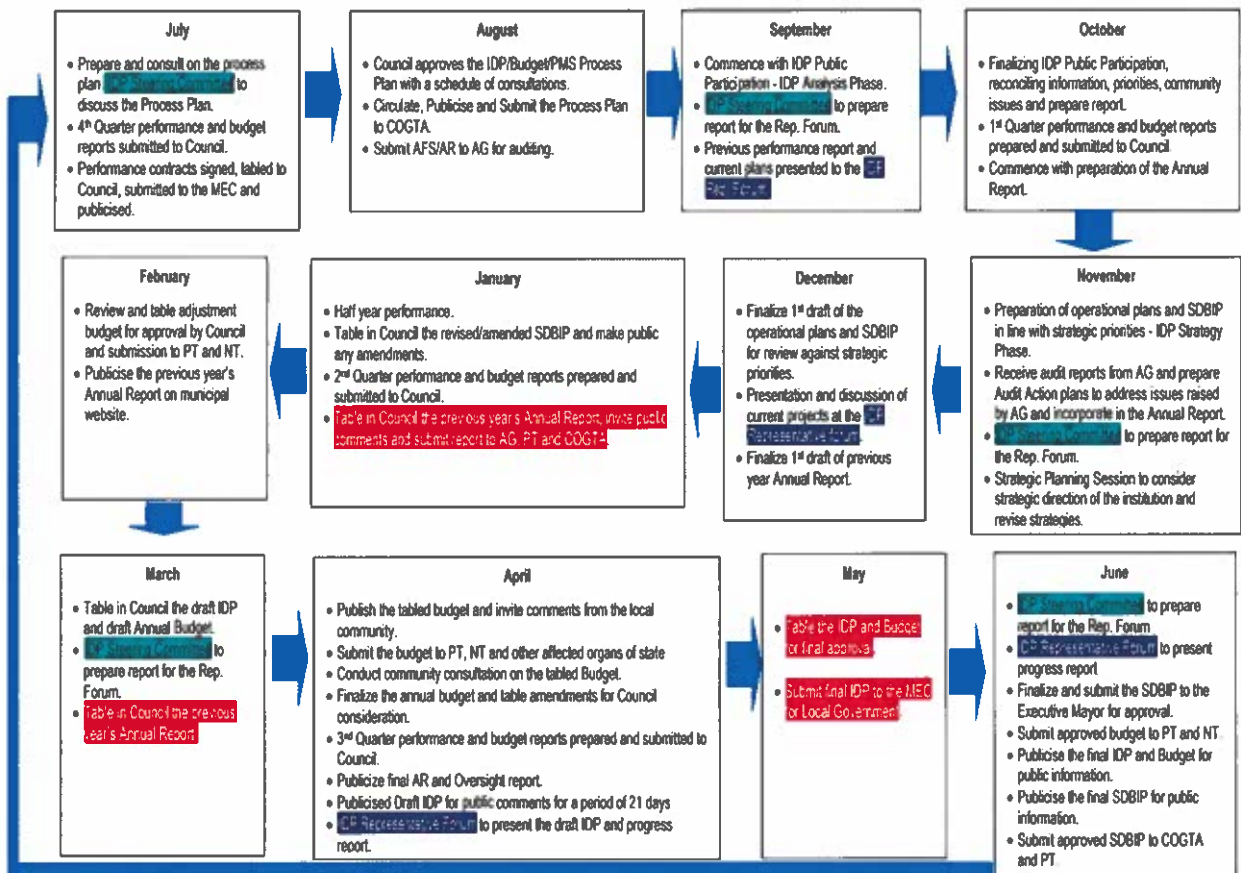
The 2024/25 Budget process started 10 months before the start of the financial year where Council approved the budget timetable. The Multi-Year timetable prepared provides timeframes for the IDP and Budget preparation process. It allows for consultation with all stakeholders. The main aim of the timetable is to ensure that a revised IDP and Budget are tabled to Council on or before end March 2024 for public participation and approval of the budget on or before end May 2024. The approved budget will be published on the municipality's website on www.msukaliqwa.gov.za

Regulation 4 of the Municipal Budget and Reporting Regulations (MBRR) states that the mayor of a municipality must establish a budget steering committee to provide technical assistance to the mayor in discharging the responsibilities set out in section 53 of the Act and the steering committee must consist of at least the following persons:

- a) the councillor responsible for financial matters;
- b) the municipal manager;
- c) the chief financial officer;
- d) All Senior managers responsible for at least the three largest votes in the municipality;
- e) the manager responsible for budgeting;
- f) the manager responsible for planning;

IDP & BUDGET TIMETABLE 2024/25

6.1. IDP, BUDGET AND PMS PLANNING CYCLE



The preparation of the 2024/25 IDP and Budget was guided by the following Multi-Year Time Schedule of key deadlines.

INTEGRATED DEVELOPMENT PLAN ALIGNMENT WITH APPROVED BUDGET

The Integrated Development Plan (IDP) determines and prioritises the needs of the community. The 2024/25 Operating and Capital Budgets were prepared in accordance with the IDP. The key strategic focus areas of the IDP are as follows:

- Municipal transformation and development
- Service delivery and infrastructure development
- Local economic development
- Financial sustainability and viability
- Good governance and public participatio

GRANTS RECEIVED IN TERMS OF DORA

The municipality is allocated conditional and unconditional grants in terms of DoRA, the municipality will report monthly in terms of spending on all grants as required by DoRA

MP302 Msukaligwa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		226,751	207,210	235,289	260,523	260,524	260,524	278,469	293,320	309,521
Local Government Equitable Share		219,070	199,442	227,520	252,878	252,878	252,878	270,341	286,331	302,260
Expanded Public Works Programme Integrated Grant		2,062	1,986	1,766	1,511	1,511	1,511	1,285	-	-
Local Government Financial Management Grant		3,000	3,000	3,000	3,000	3,000	3,000	3,800	3,800	3,800
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		2,618	2,782	3,003	3,134	3,135	3,135	3,043	3,189	3,461
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	6,787	-	10,000	10,000	-	-	-
Specify (Add grant description)		-	-	6,787	-	10,000	10,000	-	-	-
Other grant providers:		167	452	311	-	3,011	3,011	3,159	-	-
Education Training and Development Practices SETA		167	452	311	-	3,011	3,011	3,159	-	-
State Information Technology Agency (SITA)		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	226,918	207,661	242,386	260,523	273,535	273,535	281,627	293,320	309,521
Capital Transfers and Grants										
National Government:		159,258	303,435	255,887	146,349	159,791	159,791	183,928	233,390	257,111
Energy Efficiency and Demand Side Management Grant		-	-	4,000	-	7,000	7,000	4,000	4,000	4,000
Integrated National Electrification Programme Grant		-	10,000	-	6,800	6,800	6,800	2,116	7,205	6,509
Municipal Disaster Relief Grant		4,683	-	-	-	14,500	14,500	-	-	-
Municipal Infrastructure Grant		69,105	92,856	117,052	89,549	88,491	88,491	57,812	60,587	66,752
Regional Bulk Infrastructure Grant		85,470	200,579	134,814	50,800	43,000	43,000	90,000	116,598	130,000
Water Service Infrastructure Grants		-	-	-	-	-	-	30,000	45,000	49,850
Provincial Government:		-	-	-	-	-	-	-	-	-
Capacity Building and Other Grants		-	-	-	-	-	-	-	-	-
Infrastructure Grant		-	-	-	-	-	-	-	-	-
District Municipality:		11,481	-	2,214	-	-	-	-	-	-
Specify (Add grant description)		11,481	-	2,214	-	-	-	-	-	-
Other grant providers:		-	-	238	-	-	-	-	-	-
Unspecified		-	-	238	-	-	-	-	-	-
Total Capital Transfers and Grants	5	170,739	303,435	258,318	146,349	159,791	159,791	183,928	233,390	257,111
TOTAL RECEIPTS OF TRANSFERS & GRANTS		397,657	511,096	500,704	406,872	433,326	433,326	465,555	526,710	566,632

EMPLOYEE RELATED COSTS INCLUDING COUNCILORS ALLOWANCES

MP302 Msukaligwa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		3,211	2,994	679	3,930	3,930	3,930	4,122	4,312	4,510
Pension and UIF Contributions		1,368	1,422	1,534	1,737	1,737	1,737	1,822	1,906	1,994
Medical Aid Contributions		287	156	84	314	314	314	329	344	360
Cellphone Allowance		1,662	1,541	1,414	1,925	1,925	1,925	2,019	2,112	2,209
Other benefits and allowances		9,529	9,377	13,651	11,589	11,589	11,589	12,157	12,716	13,301
Sub Total - Councillors		16,058	15,489	17,362	19,494	19,494	19,494	20,450	21,390	22,374
% Increase	4		(3.5%)	12.1%	12.3%	-	-	4.9%	4.6%	4.6%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		4,120	5,157	5,932	6,194	6,194	6,194	6,498	6,797	7,109
Pension and UIF Contributions		768	449	585	1,040	1,040	1,040	1,091	1,141	1,194
Medical Aid Contributions		91	57	104	139	139	139	146	152	159
Performance Bonus		-	-	-	39	39	39	41	43	45
Motor Vehicle Allowance	3	570	456	757	733	733	733	769	805	842
Cellphone Allowance	3	-	-	-	33	33	33	34	36	37
Acting and post related allowance		-	-	-	23	23	23	24	25	26
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5,549	6,119	7,378	8,201	8,201	8,201	8,603	8,997	9,411
% Increase	4		10.3%	20.6%	11.2%	-	-	4.9%	4.5%	4.6%
Other Municipal Staff										
Basic Salaries and Wages		129,012	135,391	142,082	184,532	184,532	184,532	193,574	195,259	204,241
Pension and UIF Contributions		28,875	30,091	32,821	35,573	35,573	35,573	37,316	38,382	40,148
Medical Aid Contributions		12,221	12,487	13,171	14,370	14,370	14,370	15,074	15,546	16,261
Overtime		27,996	25,505	26,234	15,886	15,886	15,886	16,664	17,431	18,233
Performance Bonus		10,494	10,880	11,847	13,228	13,228	13,228	13,876	14,351	15,011
Motor Vehicle Allowance	3	11,634	10,945	10,731	12,664	12,664	12,664	13,284	13,473	14,093
Cellphone Allowance	3	138	222	934	768	768	768	805	819	857
Housing Allowances	3	1,309	660	486	896	896	896	940	984	1,029
Other benefits and allowances	3	9,692	11,171	11,261	6,386	6,386	6,386	6,699	7,006	7,329
Payments in lieu of leave		2,153	481	2,306	1,142	1,142	1,142	1,198	1,254	1,311
Long service awards		1,053	1,167	2,285	3,187	3,187	3,187	3,344	3,497	3,658
Post-retirement benefit obligations	6	2,132	2,610	2,548	2,795	2,795	2,795	2,932	3,067	3,208
Acting and post related allowance		2,001	1,239	1,339	2,050	2,050	2,050	2,150	1,983	2,075
Sub Total - Other Municipal Staff		210,701	212,539	219,934	251,177	251,177	251,177	261,331	262,502	272,411
% Increase	4		1.7%	6.3%	13.7%	-	-	4.9%	1.7%	4.6%
Total Parent Municipality		240,315	244,459	262,784	321,173	321,173	321,173	336,910	343,441	359,239
% Increase			1.6%	6.9%	13.6%	-	-	4.9%	1.9%	4.6%
TOTAL SALARY, ALLOWANCES & BENEFITS		260,315	264,458	282,784	321,173	321,173	321,173	336,910	343,441	359,239
% Increase	4		1.6%	6.9%	13.6%	-	-	4.9%	1.9%	4.6%
TOTAL MANAGERS AND STAFF	5.7	244,257	248,969	265,422	301,679	301,679	301,679	316,461	322,051	336,865

MP302 Msukaligwa - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Unit	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework				
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27		
Revenue																		
Exchange Revenue																		
Service charges - Electricity		29 288	29 288	29 288	29 288	29 288	29 288	29 288	29 288	29 288	29 288	29 288	29 288	29 288	351 451	367 518	384 529	
Service charges - Water		7 240	7 240	7 240	7 240	7 240	7 240	7 240	7 240	7 240	7 240	7 240	7 240	7 240	86 882	87 837	91 877	
Service charges - Waste Water Management		5 425	5 425	5 425	5 425	5 425	5 425	5 425	5 425	5 425	5 425	5 425	5 425	5 425	65 102	52 456	54 689	
Service charges - Waste Management		4 689	4 689	4 689	4 689	4 689	4 689	4 689	4 689	4 689	4 689	4 689	4 689	4 689	56 266	58 854	61 561	
Sale of Goods and Rendering of Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest		437	437	437	437	437	437	437	437	437	437	437	437	437	5 245	5 486	5 739	
Interest earned from Receivables		3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	3 047	36 561	38 243	40 002	
Interest earned from Current and Non-Current Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rent on Land		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rent from Fixed Assets		276	276	276	276	276	276	276	276	276	276	276	276	276	3 311	3 462	3 622	
Licence and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operational Revenue		3 992	3 992	3 992	3 992	3 992	3 992	3 992	3 992	3 992	3 992	3 992	3 992	3 992	47 902	47 366	49 544	
Non-Exchange Revenue																		
Property rates		18 037	18 037	18 037	18 037	18 037	18 037	18 037	18 037	18 037	18 037	18 037	18 037	18 037	216 442	226 398	236 812	
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fees, penalties and forfeits		477	477	477	477	477	477	477	477	477	477	477	477	477	5 724	11 501	11 772	
Licences or permits		8	8	8	8	8	8	8	8	8	8	8	8	8	94	98	103	
Transfer and subsidies - Operational		23 469	23 469	23 469	23 469	23 469	23 469	23 469	23 469	23 469	23 469	23 469	23 469	23 469	281 627	283 320	309 521	
Interest		996	996	996	996	996	996	996	996	996	996	996	996	996	11 952	12 502	13 077	
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Discontinued Operations																		
Total Revenue (including capital transfers and grants)		97 380	97 380	97 380	97 380	97 380	97 380	97 380	97 380	97 380	97 380	97 380	97 380	97 381	1 188 560	1 205 141	1 262 627	
Expenditure																		
Employee related costs		26 372	26 372	26 372	26 372	26 372	26 372	26 372	26 372	26 372	26 372	26 372	26 372	26 372	26 369	316 462	322 052	336 866
Remuneration of councillors		1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	1 704	20 450	21 390	22 374	
Bulk purchases - electricity		31 565	31 565	31 565	31 565	31 565	31 565	31 565	31 565	31 565	31 565	31 565	31 565	31 565	378 783	426 965	481 275	
Inventory consumed		7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	92 115	125 992	131 788	
Debt impairment		9 928	9 928	9 928	9 928	9 928	9 928	9 928	9 928	9 928	9 928	9 928	9 928	9 928	119 135	124 567	130 287	
Depreciation and amortisation		12 115	12 115	12 115	12 115	12 115	12 115	12 115	12 115	12 115	12 115	12 115	12 115	12 115	145 379	152 939	159 810	
Interest		2 420	2 420	2 420	2 420	2 420	2 420	2 420	2 420	2 420	2 420	2 420	2 420	2 420	29 041	30 376	31 803	
Contracted services		9 121	9 121	9 121	9 121	9 121	9 121	9 121	9 121	9 121	9 121	9 121	9 121	9 121	109 451	135 975	142 231	
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Recoverable debts written off		46	46	46	46	46	46	46	46	46	46	46	46	46	552	-	604	
Operational costs		6 861	6 861	6 861	6 861	6 861	6 861	6 861	6 861	6 861	6 861	6 861	6 861	6 860	82 336	86 450	90 084	
Losses on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure		107 809	107 809	107 809	107 809	107 809	107 809	107 809	107 809	107 809	107 809	107 809	107 809	107 804	1 283 702	1 426 743	1 516 921	
Surplus/(Deficit)		(10 429)	(10 429)	(10 429)	(10 429)	(10 429)	(10 429)	(10 429)	(10 429)	(10 429)	(10 429)	(10 429)	(10 429)	(10 423)	(1 295 142)	(221 602)	(254 294)	
Transfers and subsidies - capital (monetary allocations)		15 327	15 327	15 327	15 327	15 327	15 327	15 327	15 327	15 327	15 327	15 327	15 327	15 327	183 928	233 390	256 111	
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions		4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 894	58 786	11 789	2 017	
Income Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after income tax		4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 894	58 786	11 789	2 017	
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share of Surplus/Deficit attributable to Municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality		4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 894	58 786	11 789	2 017	
Share of Surplus/Deficit attributable to Associates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) for the year	1	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 898	4 894	58 786	11 789	2 017	

LEGISLATIVE COMPLIANCE

In compiling the Multi-year budget for 2024/25 to 2026/27 the municipality considered amongst others the following legislation: -

- The Constitution of South Africa, 1996
- Municipal Finance Management Act, Act 56 of 2004
- Local Government: Municipal Systems Act, Act 32.
- Property Rates Act, Act 6 of 2004
- Preferential Procurement Policy Framework Act,

IN-YEAR REPORTING

The municipality is reporting monthly in terms of S71 of the MFMA, Quarterly in terms of S52 and Mid-year performance in terms of S72 of the MFMA

OVERSIGHT COMMITTEES

The municipality has functional Internal Audit Unit, Audit Committee, MPAC & S79

BUDGETED RELATED POLICIES

All Budget Related Policies are reviewed annually

FINANCIAL RECOVERY PLAN (FRP)

The municipality is under mandatory FRP and the plan is currently under review

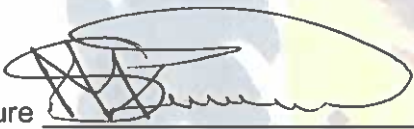


MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, Maqhawe Kunene, municipal manager of Msukaligwa Local Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act, and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan (IDP) of the municipality.

Print Name: Maqhawe Kunene

Municipal Manager of Msukaligwa Local Municipality (MLM)

Signature 

Date 31 / 05 / 2024