

## **MORETELE LOCAL MUNICIPALITY**



### **FINAL BUDGET FOR FINANCIAL YEAR**

**2023/2024 to 2025/2026**

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## 1. MAYOR'S REPORT

### **(TO BE ATTACHED REPORT)**

## 2. EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically, and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. The appropriate funds were transferred from low- to high priority programmes to maintain sound financial stewardship.

The Municipality is embarking on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers mainly state owned. Some of these revenue collection strategies are through the new valuation roll which was implemented in the 2019 financial year and is valid until 2024. The implemented valuation roll will assist with new organ of state which were part of the area allocated to Moretele since the last demarcation. The municipality will continue to monitor changes in the property development space to ensure the validity of the valuation roll.

## **BUDGET 2023/2024 MTREF.**

***The main challenges experienced during the compilation of the Budget 2023/2024 MTREF can be summarized as follows:***

- Low revenue collection and growing aging population.
- The ongoing difficulties in the national and local economy is impacting the municipality which impact negatively on revenue strategies which have to be developed as the municipality is highly rural, with 88% of the population residing in traditional areas, about 7,4% residing in urban areas and about 3% residing on smallholdings. The Municipality comprises of 24 wards, which are made up of 66 villages and plots. Most villages are ruled by traditional leaders (Dikgosi) who are recognised by law and who all represent their respective tribes/communities in council. Aging and poorly maintained roads and electricity infrastructure. The municipality is sitting on the unemployment rate of 45% which Impact our revenue collection.
- Aging and poorly maintained roads and electricity infrastructure.
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and with also ensuring the non-declining cash position of the municipality.
  - ❖ Affordability of capital projects – Allocation for MIG was R131.6 million in 2022/2023, it has been increased to R137.7-million in 2023/2024. The municipality has prioritized water and sanitation on new projects and completion of MIG registered projects.
  - ❖ WSIG allocation for 2022/2023 was R65-million, it has been reduced to R30 - million in 2023/2024 financial year. The grant is for Municipal water Infrastructure Grant, the municipality uses this grant mainly for sanitation projects and yard connections whenever there are limitations from MIG conditions. The grant will assist in fast tracking water storage and reticulation projects.

**The following budget principles and guidelines directly informed the compilation of the Final Budget 2023/2024:**

- The 2023/2024 Final Budget priorities and targets, as well as the base line allocations contained in the Final Budget were adopted as the upper limits for the new baselines for the 2022/2023 approved budget.
- Intermediate service level standards were used to inform the measurable objectives, targets, and backlog eradication goals; In view of the following table is a consolidated overview of the proposed 2023/2024 Medium-term Revenue and Expenditure.

MORETELE LOCAL MUNICIPALITY			
DESCRIPTION	MEDIUM TERM REVENUE FRAMEWORK (MTREF)		
	2023/2024	2024/2025	2025/2026
	FINAL	FINAL	FINAL
TOTAL EXPENDITURE	562,149,166	589,542,191	617,291,564
TOTAL OPERATING INCOME	-727,203,366	-789,850,354	-821,786,832
<b>TOTAL OPERATING SURPLUS / DEFICIT</b>	<b>-165,054,199</b>	<b>-200,308,162</b>	<b>-204,495,268</b>

- The total revenue budget for **2022/2023 was R717,3 million** including capital budget revenue when compared with **2023/2024 budget of R727,2 -million** which represents an increase in budget income estimates of **R9,9 -million**.
- The 2023/2024 Financial Year (FY) operating expenditure is **R 562.1 million** compared to **R563.2 million for 2022/2023** which indicates a decrease of **R1.1 million**. This reflects a **surplus of R 165 million** including capital transfers.

**Moretele Municipality is still dependent on grants as a major contributor of revenue. The Gazetted Division of Revenue bill has confirmed the following transfers to the municipality:**

The revenue grants are R617.8 -million for 2023/2024 funded by transfers from National Departments.

## GRANTS

MORETELE LOCAL MUNICIPALITY			
MEDIUM TERM REVENUE FRAMEWORK (MTREF)			
	2023/2024	2024/2025	2025/2026
DESCRIPTION	FINAL	FINAL	FINAL
<b>GOVERNMENT GRANT AND SUBSIDIES</b>			
EQUITABLE SHARE	-443,171,000	-471,840,000	-472,917,000
WATER INFRASTRUCTURE GRANT	-30,000,000	-55,000,000	-73,563,000
MIG/CMIP	-137,728,000	-144,164,000	-150,873,000
EPWP	-2,874,000	-	-
FINANCE MANAGEMENT GRANT	-2,900,000	-2,900,000	-3,038,000
SPORT, ART AND CULTURE	-1,036,000	-1,086,764	-1,137,842
LGSETA	-127,413	-133,656	-139,938
<b>SUB-TOTAL GOVERNMENT GRANT AND SUBSIDIES</b>	<b>-617,836,413</b>	<b>-675,124,420</b>	<b>-701,668,780</b>

The following narrations indicates all revenue to be received and charged in 2023/2024 financial years:

## Service charges

MORETELE LOCAL MUNICIPALITY			
MEDIUM TERM REVENUE FRAMEWORK (MTREF)			
	2023/2024	2024/2025	2025/2026
DESCRIPTION	FINAL	FINAL	FINAL
<b>USER / LEVIED CHARGES</b>			
CHARGES : RATES AND TAXES	-20,099,890	-21,084,785	-22,075,770
CHARGES : REFUSE REMOVAL	-24,761,891	-25,975,223	-27,196,059
CHARGES : WATER SALES	-44,109	-46,271	-48,445
CHARGES : WATER BASIC	-33,918,288	-35,580,284	-37,252,558
CHARGES : YARD CONNECTIONS	-20,289	-21,283	-22,284
	-	-	-
<b>SUB-TOTAL USER / LEVIED CHARGES</b>	<b>-78,844,468</b>	<b>-82,707,847</b>	<b>-86,595,116</b>

## Interest

MORETELE LOCAL MUNICIPALITY			
MEDIUM TERM REVENUE FRAMEWORK (MTREF)			
	2023/2024	2024/2025	2025/2026
DESCRIPTION	FINAL	FINAL	FINAL
<b>INTEREST</b>			
DIVIDENDS RECEIVED	-	-	-
INTEREST ON INVESTMENTS	-12,086,843	-12,679,098	-13,275,015
DAILY INTEREST BANK BALANCE	-602,208	-631,716	-661,406
INTEREST ON OUTSTANDING WATER	-13,671,926	-14,341,850	-15,015,917
INTEREST ON OUTSTANDING REFUSE	-	-	-
INTEREST ON PROPERTY RATES	-	-	-
INTEREST	-26,360,976	-27,652,664	-28,952,339

## Rent and other income

MORETELE LOCAL MUNICIPALITY			
MEDIUM TERM REVENUE FRAMEWORK (MTREF)			
	2023/2024	2024/2025	2025/2026
DESCRIPTION	FINAL	FINAL	FINAL
<b>RENT FACILITIES</b>			
OFFICE RENTAL	-174,450	-182,998	-191,599
SUB-TOTAL RENT FACILITIES AND EQUIPMENT	-174,450	-182,998	-191,599
<b>OTHER INCOME</b>			
TENDER DOCUMENT	-1,074,838	-1,127,505	-1,180,498
SUNDRY INCOME	-104,029	-109,126	-114,255
BUILDING PLANS	-47,170	-49,482	-51,807
FINES & PENALTIES	-1,660,685	-1,742,059	-1,823,936
TRAFFIC INCOME(20%)LICENCE AND PERMITS	-1,096,140	-1,149,851	-1,203,894
SUB-TOTAL OTHER INCOME	-3,982,863	-4,178,023	-4,374,390
<b>SUB-TOTAL OPERATING INCOME GENERATI</b>	<b>-727,203,366</b>	<b>-789,850,354</b>	<b>-821,786,832</b>

Revenue generated from rates and services charges forms an insignificant percentage of the revenue basket for the Municipality, as the municipality is grants dependent. In the 2023/2024 financial year, revenue from rates and trading services charges totaled **R78.8 million or 11%** of the total Budget revenue. The revenue from grants amount to **R617.8 million which is 85%** of the total revenue budget.



Description	2023/24 Medium Term Revenue & Expenditure Framework		
	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>			
<b>Revenue</b>			
<b>Exchange Revenue</b>			
Service charges - Water	33,983	35,648	37,323
Service charges - Waste Management	24,762	25,975	27,196
Sale of Goods and Rendering of Services	1,079	1,132	1,185
Interest earned from Receivables	13,672	14,342	15,016
Interest earned from Current and Non Current Assets	12,689	13,311	13,936
Rental from Fixed Assets	174	183	192
Licence and permits	1,096	1,150	1,204
Operational Revenue	151	159	166
<b>Non-Exchange Revenue</b>			
Property rates	20,100	21,085	22,076
Fines, penalties and forfeits	1,661	1,742	1,824
Licences or permits	-	-	-
Transfer and subsidies - Operational	456,052	482,312	483,928
Transfers and subsidies - capital (monetary allocations)	161,784	192,813	217,741
<b>Total Revenue (Including capital transfers and contributions)</b>	<b>727,203</b>	<b>789,850</b>	<b>821,787</b>

### 3.1. OPERATING REVENUE FRAMEWORK

For Moretele Local Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are facing serious financial difficulties because of low own revenue generation capacity. This will further delay the reduction of backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices must be made in prioritizing projects to be implemented and balancing expenditures against realistically anticipated revenues. The municipality is grants reliant and seeks various methods to augment the financial incapacity.

Some of the mechanisms explored is the grant funds sought from different departments and the alignment of the municipality's strategic objectives to the main conditions of the grants being provided by sister departments.

### 3.2. OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2023/2024 budget and MTREF is informed by the funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA and should there be any operational gains and efficiencies will be directed to funding the capital budget and other core services.

**The following table is a high-level summary of the 2023/2024 budget and MTREF (classified per main type of operating expenditure):**

<b>Expenditure</b>											
Employee related costs	2	133 035	127 758	133 712	164 317	164 161	164 161	-	172 918	181 391	189 916
Remuneration of councillors		4 438	19 956	21 219	22 091	22 154	22 154	-	23 284	24 425	25 573
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	118	-	-	46 168	50 252	50 252	-	52 700	55 283	57 881
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		46 699	124 329	68 034	63 037	63 037	63 037	-	50 000	52 450	54 915
Interest		1 580	349	106 633	-	-	-	-	-	-	-
Contracted services		176 357	162 538	190 867	147 843	150 508	150 508	-	148 528	152 657	159 842
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		57 275	10 562	-	47 110	47 110	47 110	-	51 239	53 750	56 276
Operational costs		53 863	51 353	55 933	62 609	65 986	65 986	-	63 481	69 587	72 889
Losses on disposal of Assets		3 396	4 722	758	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>476 762</b>	<b>501 567</b>	<b>576 156</b>	<b>553 176</b>	<b>563 208</b>	<b>563 208</b>	<b>-</b>	<b>562 149</b>	<b>589 542</b>	<b>617 292</b>
<b>Surplus/(Deficit)</b>		<b>57 958</b>	<b>116 994</b>	<b>(115 395)</b>	<b>(46 513)</b>	<b>(54 984)</b>	<b>(54 984)</b>	<b>-</b>	<b>3 270</b>	<b>7 495</b>	<b>(13 246)</b>
Transfers and subsidies - capital (monetary)	6	75 836	84 358	189 744	190 096	190 096	190 096	-	161 784	192 813	217 741
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>133 794</b>	<b>201 352</b>	<b>74 349</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>133 794</b>	<b>201 352</b>	<b>74 349</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>133 794</b>	<b>201 352</b>	<b>74 349</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	1	<b>133 794</b>	<b>201 352</b>	<b>74 349</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>

### EMPLOYEES COSTS

The budget allocation for employee related costs for the 2023/2024 financial year is R172.9 million, which equals 31 per cent of the total operating expenditure, which is within the norm of 25% to 40%. The Salary and Wage Collective dated 31 March 2023 through the agreement that was approved by the Bargaining Committee of the Central Council in terms of Clause 17.3 of the Constitution was used when budgeting for employee related costs for the 2023/24 MTREF.

## COUNCILLORS COSTS

The budget allocation for Councilors cost for the financial year is R23.2 million. The cost associated with the remuneration of councilors is determined by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been considered in compiling the Municipality's budget, where a percentage increase of 5.4 % was applied based on previous trends.

## DEBT IMPAIRMENT/WRITE-OFF

The provision of debt impairment was determined based on an annual collection rate of 68 per cent and the Debt Write-off Policy of the Municipality, Auditor General issued finding with regards to the policy not being updated to suit the current situation.

## BULK PURCHASES (Water Inventory)

The 2022/2023 budget for bulk purchase was R45.8-million and the budget for 2023/2024 has increased to R48 million, this indicates an increase of R3 million. Bulk water is supplied by Magalies water.

## REPAIRS AND MAINTENANCE

Description	2023/24 Medium Term Revenue & Expenditure Framework		
	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>			
<b><u>Repairs and maintenance expenditure by Asset Class/Sub-class</u></b>			
Roads Infrastructure	1,163	1,220	1,278
Electrical Infrastructure	5,000	5,245	5,492
Water Supply Infrastructure	7,481	7,848	8,217
Sanitation Infrastructure	3,600	3,776	3,954
Information and Communication Infrastructure	1,248	1,309	1,370
<i>Cemeteries/Crematoria</i>	211	221	231
<b><u>Furniture and Office Equipment</u></b>	39	40	42
Furniture and Office Equipment	39	40	42
<b><u>Machinery and Equipment</u></b>	179	188	197
Machinery and Equipment	179	188	197
<b><u>Transport Assets</u></b>	2,089	2,192	2,295
<b>Total Repairs and Maintenance Expenditure</b>	<b>21,010</b>	<b>22,039</b>	<b>23,075</b>

The repairs and maintenance budget are supposed to be aligned to the need required to preserve and maintain the Municipality's current infrastructure. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. During the compilation of the 2023/2024 Final budget, the repairs and maintenance was increased by R3 million when compared to the 2022/2023 Final budget of R18.4 million. The total budget for Repairs and maintenance is R21 million which is 4% of the operational expenditure.

### **GENERAL EXPENDITURE**

The general expenditure budget for 2023/2024 amounts to R63.4 million compared to R65.9 million for 2022/2023 financial year this reflects R2,5 million decrease.

### **CONTRACTED SERVICES**

The contracted services budget for the year 2022/2023 was R150.2 million compared to the R148 million budgeted for the 2023/2024 financial year. This reflects the R2 million decrease when compared to 2022/2023 budget.

### **DEPRECIATION**

The depreciation amount is further affected by the disposal of assets, the removal of a district road from the Fixed Asset Register of the municipality, including the review of the useful life of some of the specified assets, The budget for Depreciation for 2023/2024 FY is R50 million.

**Table 2 Summary of revenue classified by main revenue source.**

**NW371 Moretele - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	1	-	-	-	-	-	-	-	-	-
Service charges - Water	2	30 286	30 952	29 089	32 211	32 211	32 211	-	33 983	35 648	37 323
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	21 627	17 559	20 585	22 458	22 458	22 458	-	24 762	25 975	27 196
Sale of Goods and Rendering of Services		1 433	360	219	325	325	325	-	1 079	1 132	1 185
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		9 249	10 570	12 984	11 078	11 078	11 078	-	13 672	14 342	15 016
Interest earned from Current and Non Current Assets		4 828	7 155	10 813	12 050	12 050	12 050	-	12 689	13 311	13 936
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		80	106	172	150	150	150	-	174	183	192
Licence and permits		-	565	648	566	1 766	1 766	-	1 096	1 150	1 204
Operational Revenue		5 427	197	3 599	69	69	69	-	151	159	166
<b>Non-Exchange Revenue</b>											
Property rates	2	-	-	-	-	-	-	-	20 100	21 085	22 076
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		572	-	-	-	-	-	-	1 661	1 742	1 824
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		460 751	551 098	382 652	427 755	428 116	428 116	-	456 052	482 312	483 928
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		466	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-
Discontinued Operations											
<b>Total Revenue (excluding capital transfers and contri</b>		<b>534 720</b>	<b>618 561</b>	<b>460 761</b>	<b>506 663</b>	<b>508 224</b>	<b>508 224</b>	<b>-</b>	<b>565 419</b>	<b>597 038</b>	<b>604 046</b>

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit. Revenue generated from rates and services charges forms an insignificant percentage of the revenue basket for the Municipality, as the municipality is grants dependent. In the 2023/2024 financial year, revenue from rates and services charges totaled R78 million this reflects 13% of the total revenue budget. There are no material changes when compared to the 2022/2023 budget.

**Table 3 Operating Transfers and Grant Receipts**

**NW371 Moretele - Supporting Table SA18 Transfers and grant receipts**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		459 885	550 331	381 695	426 833	427 033	427 033	454 889	481 091	482 650
Local Government Equitable Share		340 463	428 895	376 501	415 351	415 351	415 351	443 171	471 840	472 917
Energy Efficiency and Demand Side Management Grant										
Expanded Public Works Programme Integrated Grant		2 858	2 259	2 344	1 998	1 998	1 998	2 874	-	-
Infrastructure Skills Development Grant										
Local Government Financial Management Grant		2 680	3 000	2 850	2 900	2 900	2 900	2 900	2 900	3 038
Municipal Disaster Relief Grant		170	-	-	-	200	200	-	-	-
Municipal Systems Improvement Grant										
Municipal Disaster Recovery Grant										
Municipal Demarcation Transition Grant										
Integrated City Development Grant										
Municipal Infrastructure Grant		113 715	116 177	-	6 584	6 584	6 584	5 944	6 351	6 695
Water Services Infrastructure Grant										
Neighbourhood Development Partnership Grant										
Public Transport Network Grant										
Rural Road Asset Management Systems Grant										
Urban Settlement Development Grant										
Integrated National Electrification Programme Grant										
Municipal Rehabilitation Grant										
Municipal Emergency Housing Grant										
Regional Bulk Infrastructure Grant										
Metro Informal Settlements Partnership Grant										
Integrated Urban Development Grant										
Programme and Project Preparation Support Grant										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Infrastructure										
Capacity Building										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Infrastructure										
Capacity Building										
<b>Other grant providers:</b>		866	766	957	922	1 083	1 083	1 163	1 220	1 278
Other Grants Received		866	766	957	922	1 083	1 083	1 163	1 220	1 278

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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<b>Capital Transfers and Grants</b>											
<b>National Government:</b>		75 836	84 358	189 744	190 096	190 096	190 096	161 784	192 813	217 741	
Integrated National Electrification Programme Grant											
Municipal Infrastructure Grant		-	-	110 702	125 096	125 096	125 096	131 784	137 813	144 178	
Neighbourhood Development Partnership Grant											
Rural Road Asset Management Systems Grant											
Urban Settlements Development Grant											
Integrated City Development Grant											
Municipal Disaster Recovery Grant											
Energy Efficiency and Demand Side Management Grant											
Water Services Infrastructure Grant		75 836	84 358	79 042	65 000	65 000	65 000	30 000	55 000	73 563	
Public Transport Network Grant											
Regional Bulk Infrastructure Grant											
Infrastructure Skills Development Grant											
Municipal Disaster Relief Grant											
Municipal Emergency Housing Grant											
Metro Informal Settlements Partnership Grant											
Integrated Urban Development Grant											
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-	
Infrastructure											
Capacity Building											
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-	
Infrastructure											
Capacity Building											
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-	
Other Grants Received											
<b>Total Capital Transfers and Grants</b>		5	75 836	84 358	189 744	190 096	190 096	161 784	192 813	217 741	
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>			536 587	635 456	572 397	617 851	618 212	618 212	617 836	675 124	701 669

### 3.2. Operating Expenditure Framework

The Municipality's expenditure framework for the 2023/2024 budget and MTREF is informed by the funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA and should there be any operational gains and efficiencies will be directed to funding the capital budget and other core services.

The following table is a high-level summary of the 2023/2024 budget and MTREF (classified per main type of operating expenditure):

**Table 4 Summary of operating expenditure by standard classification item**

<b>Expenditure</b>											
Employee related costs	2	133 035	127 758	133 712	164 317	164 161	164 161	-	172 918	181 391	189 916
Remuneration of councillors		4 438	19 956	21 219	22 091	22 154	22 154	-	23 284	24 425	25 573
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	118	-	-	46 168	50 252	50 252	-	52 700	55 283	57 881
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		46 699	124 329	68 034	63 037	63 037	63 037	-	50 000	52 450	54 915
Interest		1 580	349	105 633	-	-	-	-	-	-	-
Contracted services		176 357	162 538	190 867	147 843	150 508	150 508	-	148 528	152 657	159 842
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		57 275	10 562	-	47 110	47 110	47 110	-	51 239	53 750	56 276
Operational costs		53 863	51 353	55 933	62 609	65 986	65 986	-	63 481	69 587	72 889
Losses on disposal of Assets		3 396	4 722	758	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>476 762</b>	<b>501 567</b>	<b>576 156</b>	<b>553 176</b>	<b>563 208</b>	<b>563 208</b>	<b>-</b>	<b>562 149</b>	<b>589 542</b>	<b>617 292</b>
<b>Surplus/(Deficit)</b>		<b>57 958</b>	<b>116 994</b>	<b>(115 395)</b>	<b>(46 513)</b>	<b>(54 984)</b>	<b>(54 984)</b>	<b>-</b>	<b>3 270</b>	<b>7 495</b>	<b>(13 246)</b>
Transfers and subsidies - capital (monetary)	6	75 836	84 358	189 744	190 096	190 096	190 096	-	161 784	192 813	217 741
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>133 794</b>	<b>201 352</b>	<b>74 349</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>133 794</b>	<b>201 352</b>	<b>74 349</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>133 794</b>	<b>201 352</b>	<b>74 349</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>133 794</b>	<b>201 352</b>	<b>74 349</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>



#### 4. BUDGET TABLES

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2023/2024 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page.

**4.1 TABLE 6 EXPLANATORY NOTES TO MBRR TABLE A1 - BUDGET**

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
FY

**NW371 Moretele - Table A1 Budget Summary**

Description	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	47 294	44 801	38 945	48 116	19 088	19 088	--	20 100	21 085	22 076
Service charges	51 913	48 511	49 674	54 669	54 669	54 669	--	58 745	61 623	64 519
Investment revenue	4 828	7 155	10 813	12 050	12 050	12 050	--	12 689	13 311	13 936
Transfer and subsidies - Operational	460 751	551 098	382 652	427 755	428 116	428 116	--	456 052	482 312	483 928
Other own revenue	17 227	11 798	17 621	12 189	13 389	13 389	--	17 833	18 707	19 587
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>582 014</b>	<b>663 362</b>	<b>499 706</b>	<b>554 779</b>	<b>527 312</b>	<b>527 312</b>	<b>--</b>	<b>565 419</b>	<b>597 038</b>	<b>604 046</b>
Employee costs	133 035	127 758	133 712	164 317	164 161	164 161	--	172 918	181 391	189 916
Remuneration of councillors	4 438	19 956	21 219	22 091	22 154	22 154	--	23 284	24 425	25 573
Depreciation and amortisation	46 699	124 329	68 034	63 037	63 037	63 037	--	50 000	52 450	54 915
Finance charges	1 580	349	105 633	--	--	--	--	--	--	--
Inventory consumed and bulk purchases	118	--	--	46 168	50 252	50 252	--	52 700	55 283	57 881
Transfers and subsidies	--	--	--	--	--	--	--	--	--	--
Other expenditure	290 892	229 175	247 557	257 562	263 604	263 604	--	263 247	275 994	289 006
<b>Total Expenditure</b>	<b>476 762</b>	<b>501 567</b>	<b>576 156</b>	<b>553 176</b>	<b>563 208</b>	<b>563 208</b>	<b>--</b>	<b>562 149</b>	<b>589 542</b>	<b>617 292</b>
<b>Surplus/(Deficit)</b>	<b>105 253</b>	<b>161 795</b>	<b>(76 450)</b>	<b>1 603</b>	<b>(35 896)</b>	<b>(35 896)</b>	<b>--</b>	<b>3 270</b>	<b>7 495</b>	<b>(13 246)</b>
Transfers and subsidies - capital (monetary allocations)	75 836	84 358	189 744	190 096	190 096	190 096	--	161 784	192 813	217 741
Transfers and subsidies - capital (in-kind)	--	--	--	--	--	--	--	--	--	--
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>181 089</b>	<b>246 153</b>	<b>113 294</b>	<b>191 699</b>	<b>154 200</b>	<b>154 200</b>	<b>--</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Share of Surplus/Deficit attributable to Associate	--	--	--	--	--	--	--	--	--	--
<b>Surplus/(Deficit) for the year</b>	<b>181 089</b>	<b>246 153</b>	<b>113 294</b>	<b>191 699</b>	<b>154 200</b>	<b>154 200</b>	<b>--</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>57 179</b>	<b>97 339</b>	<b>213 976</b>	<b>250 932</b>	<b>228 510</b>	<b>228 510</b>	<b>--</b>	<b>190 134</b>	<b>192 813</b>	<b>214 741</b>
Transfers recognised - capital	57 179	94 124	215 614	192 451	192 601	192 601	--	161 784	192 813	214 741
Borrowing	--	--	--	--	--	--	--	--	--	--
Internally generated funds	--	3 214	(1 638)	58 481	35 909	35 909	--	28 350	--	--
<b>Total sources of capital funds</b>	<b>57 179</b>	<b>97 339</b>	<b>213 976</b>	<b>250 932</b>	<b>228 510</b>	<b>228 510</b>	<b>--</b>	<b>190 134</b>	<b>192 813</b>	<b>214 741</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>57 179</b>	<b>97 339</b>	<b>213 976</b>	<b>250 932</b>	<b>228 510</b>	<b>228 510</b>	<b>--</b>	<b>190 134</b>	<b>192 813</b>	<b>214 741</b>
Transfers recognised - capital	57 179	94 124	215 614	192 451	192 601	192 601	--	161 784	192 813	214 741
Borrowing	--	--	--	--	--	--	--	--	--	--
Internally generated funds	--	3 214	(1 638)	58 481	35 909	35 909	--	28 350	--	--
<b>Total sources of capital funds</b>	<b>57 179</b>	<b>97 339</b>	<b>213 976</b>	<b>250 932</b>	<b>228 510</b>	<b>228 510</b>	<b>--</b>	<b>190 134</b>	<b>192 813</b>	<b>214 741</b>
<b>Financial position</b>										
Total current assets	168 465	268 624	366 368	363 901	446 189	446 189	--	364 940	424 885	489 555
Total non current assets	760 136	1 154 466	1 188 680	1 477 572	1 354 152	1 354 152	--	1 471 864	1 612 227	1 772 053
Total current liabilities	(83 382)	200 237	221 056	136 073	352 030	352 030	--	221 056	221 056	221 056
Total non current liabilities	5 074	5 265	6 468	461	1 674	1 674	--	6 468	6 468	6 468
Community wealth/Equity	910 830	1 222 394	1 327 524	1 513 240	1 446 637	1 446 637	--	1 609 280	1 809 589	2 014 084
<b>Cash flows</b>										
Net cash from (used) operating	16	1 236	445 818	236 837	213 236	213 236	--	196 443	233 235	238 970
Net cash from (used) investing	(97 048)	(165 271)	(171 192)	(250 932)	(228 510)	(228 510)	--	(190 134)	(192 813)	(214 741)
Net cash from (used) financing	--	--	--	--	--	--	--	--	--	--
<b>Cash/cash equivalents at the year end</b>	<b>(97 031)</b>	<b>(164 035)</b>	<b>274 627</b>	<b>(14 095)</b>	<b>(15 274)</b>	<b>(15 274)</b>	<b>--</b>	<b>250 928</b>	<b>291 350</b>	<b>315 579</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	62 115	171 635	256 507	225 863	246 085	246 085	--	250 928	291 350	315 579
Application of cash and investments	(137 437)	107 037	122 406	100 313	273 593	273 593	--	150 057	143 734	137 113
<b>Balance - surplus (shortfall)</b>	<b>199 552</b>	<b>64 598</b>	<b>134 101</b>	<b>125 550</b>	<b>(27 508)</b>	<b>(27 508)</b>	<b>--</b>	<b>100 871</b>	<b>147 617</b>	<b>178 467</b>
<b>Asset management</b>										
Asset register summary (WDV)	1 164 489	1 216 859	1 361 367	1 298 764	1 518 927	1 518 927	--	1 475 083	1 440 579	1 442 013
Depreciation	46 699	124 329	68 034	63 037	63 037	63 037	--	50 000	52 450	54 915
Renewal and Upgrading of Existing Assets	(63 506)	955	69 563	51 487	11 850	11 850	--	--	2 090	--
Repairs and Maintenance	14 797	16 906	22 807	20 214	18 418	18 418	--	21 010	22 039	23 075
<b>Free services</b>										
Cost of Free Basic Services provided	--	6 430	11 574	10 910	10 910	10 910	--	11 488	12 051	12 617
Revenue cost of free services provided	--	6 264	1 443	18 340	7 263	7 263	--	7 648	8 022	8 399
<b>Households below minimum service level</b>										
Water:	--	--	--	--	--	--	--	--	--	--
Sanitation/sewerage:	--	--	--	--	--	--	--	--	--	--
Energy:	--	--	--	--	--	--	--	--	--	--
Refuse:	--	--	--	--	--	--	--	--	--	--

- a. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
- b. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
- c. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF.
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognized is reflected on the Financial Performance Budget;
    - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow budget
    - iii. Internally generated funds are financed from a combination of the current generating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive and is improving indicates that the necessary cash resources are available to fund the Capital Budget.

**4.2 TABLE 7 MBRR TABLE A2 - BUDGETED FINANCIAL PERFORMANCE  
(REVENUE AND EXPENDITURE BY STANDARD CLASSIFICATION)  
EXPLANATORY NOTES TO MBRR TABLE A2 - BUDGETED  
FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY  
STANDARD CLASSIFICATION)**

NW371 Moretele - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		364 622	450 140	407 284	441 924	442 015	442 015	495 725	526 627	530 490
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		364 622	450 140	407 284	441 924	442 015	442 015	495 725	526 627	530 490
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 039	909	811	922	1 192	1 192	1 036	1 087	1 138
Community and social services		653	766	807	922	1 192	1 192	1 036	1 087	1 138
Sport and recreation		386	142	4	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		114 287	116 743	111 350	132 246	133 446	133 446	138 824	145 314	152 077
Planning and development		113 715	116 177	110 702	131 680	131 680	131 680	137 728	144 164	150 873
Road transport		572	565	648	566	1 766	1 766	1 086	1 150	1 204
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		130 607	135 128	131 060	121 667	121 667	121 667	91 619	116 623	138 082
Energy sources		1	-	-	-	-	-	-	-	-
Water management		130 606	135 128	131 060	121 667	121 667	121 667	91 619	116 623	138 082
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>610 556</b>	<b>702 920</b>	<b>650 505</b>	<b>696 759</b>	<b>698 320</b>	<b>698 320</b>	<b>727 203</b>	<b>789 650</b>	<b>821 787</b>

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		<b>236 459</b>	<b>205 520</b>	<b>217 556</b>	<b>250 544</b>	<b>258 470</b>	<b>258 470</b>	<b>258 026</b>	<b>270 527</b>	<b>283 243</b>
Executive and council		53 156	46 979	60 041	71 275	72 345	72 345	74 955	78 627	82 323
Finance and administration		179 837	155 265	153 490	172 333	179 189	179 189	175 768	184 239	192 900
Internal audit		3 465	3 256	4 025	6 936	6 936	6 936	7 303	7 661	8 021
<b>Community and public safety</b>		<b>9 076</b>	<b>18 920</b>	<b>20 619</b>	<b>25 070</b>	<b>25 524</b>	<b>25 524</b>	<b>26 580</b>	<b>27 883</b>	<b>29 193</b>
Community and social services		3 634	14 224	16 728	20 262	20 501	20 501	21 372	22 419	23 473
Sport and recreation		4 824	4 292	3 524	3 498	3 714	3 714	4 057	4 256	4 456
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		618	404	367	1 310	1 308	1 308	1 152	1 208	1 265
<b>Economic and environmental services</b>		<b>19 485</b>	<b>53 852</b>	<b>58 081</b>	<b>93 720</b>	<b>95 781</b>	<b>95 781</b>	<b>95 506</b>	<b>100 176</b>	<b>104 923</b>
Planning and development		10 845	42 409	47 825	58 009	59 576	59 576	62 074	65 105	68 204
Road transport		8 640	11 444	10 255	35 711	36 205	36 205	33 433	35 071	36 719
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>248 030</b>	<b>251 844</b>	<b>346 061</b>	<b>183 841</b>	<b>183 433</b>	<b>183 433</b>	<b>182 037</b>	<b>190 957</b>	<b>199 932</b>
Energy sources		12 004	11 103	16 914	14 920	12 920	12 920	16 920	17 749	18 583
Water management		173 912	186 043	267 797	167 548	169 210	169 210	163 670	171 690	179 759
Waste water management		62 114	54 597	61 350	-	-	-	-	-	-
Waste management		-	101	-	1 373	1 303	1 303	1 447	1 518	1 589
Other	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>513 049</b>	<b>530 136</b>	<b>642 317</b>	<b>553 176</b>	<b>563 208</b>	<b>563 208</b>	<b>562 149</b>	<b>589 542</b>	<b>617 292</b>
<b>Surplus/(Deficit) for the year</b>		<b>97 507</b>	<b>172 783</b>	<b>8 188</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>165 054</b>	<b>200 306</b>	<b>204 495</b>

Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified mSCOA standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.

4.3 TABLE 8 MBRR TABLE A3 - BUDGETED FINANCIAL PERFORMANCE  
(REVENUE AND EXPENDITURE BY MUNICIPAL VOTE)

NW371 Moretele - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue by Vote</b>	1									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		364 622	450 140	407 284	441 924	442 015	442 015	495 725	526 827	530 490
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		653	766	807	922	1 192	1 192	1 036	1 087	1 138
Vote 5 - Sport and Recreation		386	142	4	-	-	-	-	-	-
Vote 6 - Health		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		113 715	116 177	110 702	131 680	131 680	131 680	137 728	144 164	150 873
Vote 8 - Road Transport		572	565	648	566	1 766	1 766	1 096	1 150	1 204
Vote 9 - Energy Sources		1	-	-	-	-	-	-	-	-
Vote 10 - Water Management		130 606	135 128	131 060	121 667	121 667	121 667	91 619	116 623	138 082
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>610 556</b>	<b>702 920</b>	<b>650 505</b>	<b>696 759</b>	<b>698 320</b>	<b>698 320</b>	<b>727 203</b>	<b>789 850</b>	<b>821 787</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Executive and Council		53 156	50 324	60 041	71 275	72 345	72 345	74 955	78 627	82 323
Vote 2 - Finance and Administration		179 837	149 767	153 490	172 333	179 189	179 189	175 768	184 239	192 900
Vote 3 - Internal Audit		3 465	3 256	4 025	6 936	6 936	6 936	7 303	7 661	8 021
Vote 4 - Community and Social Services		3 634	15 039	16 728	20 262	20 501	20 501	21 372	22 419	23 473
Vote 5 - Sport and Recreation		4 681	4 292	3 524	3 498	3 714	3 714	4 057	4 256	4 456
Vote 6 - Health		618	404	367	1 310	1 308	1 308	1 152	1 208	1 265
Vote 7 - Planning and Development		10 737	43 768	47 825	58 009	59 576	59 576	62 074	65 105	68 204
Vote 8 - Road Transport		8 640	11 444	10 255	35 711	36 205	36 205	33 433	35 071	36 719
Vote 9 - Energy Sources		12 004	11 103	16 914	14 920	12 920	12 920	16 920	17 749	18 583
Vote 10 - Water Management		173 912	186 144	267 797	168 921	170 513	170 513	165 117	173 208	181 348
Vote 11 - Waste Water Management		62 114	54 597	61 350	-	-	-	-	-	-
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>512 799</b>	<b>530 136</b>	<b>642 317</b>	<b>553 176</b>	<b>563 208</b>	<b>563 208</b>	<b>562 149</b>	<b>589 542</b>	<b>617 292</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>97 757</b>	<b>172 783</b>	<b>8 188</b>	<b>143 583</b>	<b>135 112</b>	<b>135 112</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>

**EXPLANATORY NOTES TO MBRR TABLE A3 - BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY MUNICIPAL VOTE)**

Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

**NW371 Moretele - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A**

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue by Vote</b>										
<b>Vote 1 - Executive and Council</b>	1	-	-	-	-	-	-	-	-	-
1.1 - Executive and Council - Mayor and Council										
<b>Vote 2 - Finance and Administration</b>		364 622	450 140	407 284	441 924	442 015	442 015	495 725	526 827	530 490
2.1 - Finance and Administration - Administrative and Corp		359 199	439 537	390 572	441 924	442 015	442 015	495 677	526 777	530 438
2.2 - Finance and Administration - Asset Management										
2.3 - Finance and Administration - Finance		5 424	10 603	16 561	-	-	-	47	49	52
2.4 - Finance and Administration - Human Resources		-	-	151	-	-	-	-	-	-
2.5 - Finance and Administration - Information Technology										
2.6 - Finance and Administration - Supply Chain Management										
<b>Vote 3 - Internal Audit</b>		-	-	-	-	-	-	-	-	-
3.1 - Internal Audit - Governance Function										
<b>Vote 4 - Community and Social Services</b>		653	766	807	922	1 192	1 192	1 036	1 087	1 138
4.1 - Community and Social Services - Cemeteries Funeral Parlours and Crematoriums										
4.2 - Community and Social Services - Community Halls and Facilities										
4.3 - Community and Social Services - Disaster Management		170	-	-	-	200	200	-	-	-
4.4 - Community and Social Services - Libraries and Archives		483	766	807	922	992	992	1 036	1 087	1 138



Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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<b>Vote 5 - Sport and Recreation</b>	386	142	4	-	-	-	-	-	-
5.1 - Sport and Recreation - Sports Grounds and Stadiums	386	142	4	-	-	-	-	-	-
<b>Vote 6 - Health</b>	-	-	-	-	-	-	-	-	-
6.1 - Health - Health Services	-	-	-	-	-	-	-	-	-
<b>Vote 7 - Planning and Development</b>	113 715	116 177	110 702	131 680	131 680	131 680	137 728	144 164	150 873
7.1 - Planning and Development - Economic Development	-	-	-	-	-	-	-	-	-
7.2 - Planning and Development - Project Management Unit	113 715	116 177	110 702	131 680	131 680	131 680	137 728	144 164	150 873
<b>Vote 8 - Road Transport</b>	572	565	648	566	1 766	1 766	1 096	1 150	1 204
8.1 - Road Transport - Public Transport	572	565	648	566	1 766	1 766	1 096	1 150	1 204
8.2 - Road Transport - Roads	-	-	-	-	-	-	-	-	-

NW371 Moretele - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Vote 10 - Water Management</b>		130 606	135 128	131 060	121 667	121 667	121 667	91 619	116 623	138 082
10.1 - Water Management - Water Treatment										
10.2 - Water Management - Water Distribution		130 606	135 128	131 060	121 667	121 667	121 667	91 619	116 623	138 082
10.3 - Water Management - Water Distribution										
<b>Vote 11 - Waste Water Management</b>		-	-	-	-	-	-	-	-	-
11.1 - Waste Water Management - Public Toilets										
11.2 - Waste Water Management - Waste Water Treatment										

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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Vote 15 -		-	-	-	-	-	-	-	-	
<b>Total Revenue by Vote</b>	2	610 556	702 920	650 505	696 759	698 320	698 320	727 203	789 850	821 787

**NW371 Moretele - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A**

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Expenditure by Vote</b>										
<b>Vote 1 - Executive and Council</b>		53 156	50 324	60 041	71 275	72 345	72 345	74 955	78 627	82 323
1.1 - Executive and Council - Mayor and Council		53 156	50 324	60 041	71 275	72 345	72 345	74 955	78 627	82 323
<b>Vote 2 - Finance and Administration</b>		179 837	149 767	153 490	172 333	179 189	179 189	175 768	184 239	192 900
2.1 - Finance and Administration - Administrative and Corp		129 367	66 072	71 260	88 146	89 752	89 752	90 130	94 546	98 990
2.2 - Finance and Administration - Asset Management		3 413	4 722	758	-	-	-	-	-	-
2.3 - Finance and Administration - Finance		18 694	39 218	33 502	31 061	35 632	35 632	30 570	31 926	33 428
2.4 - Finance and Administration - Human Resources		6 939	14 591	22 700	14 534	22 508	22 508	15 610	16 374	17 144
2.5 - Finance and Administration - Information Technology		15 641	15 148	17 569	25 728	24 388	24 388	25 857	27 124	28 398
2.6 - Finance and Administration - Supply Chain Managem		5 784	10 015	7 701	12 864	6 909	6 909	13 602	14 269	14 939
<b>Vote 3 - Internal Audit</b>		3 465	3 256	4 025	6 936	6 936	6 936	7 303	7 661	8 021
3.1 - Internal Audit - Governance Function		3 465	3 256	4 025	6 936	6 936	6 936	7 303	7 661	8 021
<b>Vote 4 - Community and Social Services</b>		3 634	15 039	16 728	20 262	20 501	20 501	21 372	22 419	23 473
4.1 - Community and Social Services - Cemeteries Funera		-	-	531	200	200	200	211	221	231
4.2 - Community and Social Services - Community Halls at		1 281	11 823	12 600	14 017	14 235	14 235	14 671	15 390	16 114
4.3 - Community and Social Services - Disaster Managem		1 423	1 407	1 782	3 150	3 081	3 081	3 374	3 539	3 705
4.4 - Community and Social Services - Libraries and Archi		929	1 809	1 814	2 895	2 985	2 985	3 116	3 268	3 422

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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<b>Vote 4 - Community and Social Services</b>	<b>3 634</b>	<b>15 039</b>	<b>16 728</b>	<b>20 262</b>	<b>20 501</b>	<b>20 501</b>	<b>21 372</b>	<b>22 419</b>	<b>23 473</b>
4.1 - Community and Social Services - Cemeteries Funerals	-	-	531	200	200	200	211	221	231
4.2 - Community and Social Services - Community Halls and Centres	1 281	11 823	12 600	14 017	14 235	14 235	14 671	15 390	16 114
4.3 - Community and Social Services - Disaster Management	1 423	1 407	1 782	3 150	3 081	3 081	3 374	3 539	3 705
4.4 - Community and Social Services - Libraries and Archives	929	1 809	1 814	2 895	2 985	2 985	3 116	3 268	3 422
<b>Vote 5 - Sport and Recreation</b>	<b>4 681</b>	<b>4 292</b>	<b>3 524</b>	<b>3 498</b>	<b>3 714</b>	<b>3 714</b>	<b>4 057</b>	<b>4 256</b>	<b>4 456</b>
5.1 - Sport and Recreation - Sports Grounds and Stadiums	4 681	4 292	3 524	3 498	3 714	3 714	4 057	4 256	4 456
<b>Vote 6 - Health</b>	<b>618</b>	<b>404</b>	<b>367</b>	<b>1 310</b>	<b>1 308</b>	<b>1 308</b>	<b>1 152</b>	<b>1 208</b>	<b>1 265</b>
6.1 - Health - Health Services	618	404	367	1 310	1 308	1 308	1 152	1 208	1 265
<b>Vote 7 - Planning and Development</b>	<b>10 737</b>	<b>43 768</b>	<b>47 825</b>	<b>58 009</b>	<b>59 576</b>	<b>59 576</b>	<b>62 074</b>	<b>65 105</b>	<b>68 204</b>
7.1 - Planning and Development - Economic Development	4 820	37 776	40 024	51 725	53 455	53 455	56 130	58 880	61 648
7.2 - Planning and Development - Project Management Unit	5 917	5 992	7 802	6 284	6 121	6 121	5 944	6 225	6 557
<b>Vote 8 - Road Transport</b>	<b>8 640</b>	<b>11 444</b>	<b>10 255</b>	<b>35 711</b>	<b>36 205</b>	<b>36 205</b>	<b>33 433</b>	<b>35 071</b>	<b>36 719</b>
8.1 - Road Transport - Public Transport	1 771	2 484	1 605	4 117	4 153	4 153	4 576	4 800	5 026
8.2 - Road Transport - Roads	6 868	8 960	8 650	31 594	32 052	32 052	28 857	30 271	31 693
<b>Vote 9 - Energy Sources</b>	<b>12 004</b>	<b>11 103</b>	<b>16 914</b>	<b>14 920</b>	<b>12 920</b>	<b>12 920</b>	<b>16 920</b>	<b>17 749</b>	<b>18 583</b>
9.1 - Energy Sources - Electricity	12 004	11 103	16 914	14 920	12 920	12 920	16 920	17 749	18 583
9.2 - Energy Sources - Street Lighting and Signal Systems									

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
FY

**NW371 Moretele - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A**

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Vote 10 - Water Management</b>		173 912	186 144	267 797	168 921	170 513	170 513	165 117	173 208	181 348
10.1 - Water Management - Water Treatment		173 912	186 043	267 797	167 548	169 210	169 210	163 670	171 690	179 759
10.2 - Water Management - Water Distribution		-	101	-	1 373	1 303	1 303	1 447	1 518	1 589
10.3 - Water Management - Water Distribution										
<b>Vote 11 - Waste Water Management</b>		62 114	54 597	61 350	-	-	-	-	-	-
11.1 - Waste Water Management - Public Toilets		62 114	54 597	61 350	-	-	-	-	-	-
11.2 - Waste Water Management - Waste Water Treatment										
<b>Vote 12 - Waste Management</b>		-	-	-	-	-	-	-	-	-
12.1 - Solid Waste Removal		-	-	-	-	-	-	-	-	-
<b>Vote 14 -</b>		-	-	-	-	-	-	-	-	-
<b>Vote 15 -</b>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	512 799	530 136	642 317	553 176	563 208	563 208	562 149	589 542	617 292
<b>Surplus/(Deficit) for the year</b>	2	97 757	172 783	8 188	143 583	135 112	135 112	165 054	200 308	204 495

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
FY

**4.4 TABLE 9 MBRR TABLE A4 - BUDGETED FINANCIAL PERFORMANCE**

**NW371 Moretele - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue</b>											
<b>Exchange Revenue</b>											
Service charges - Electricity	2	1	-	-	-	-	-	-	-	-	-
Service charges - Water	2	30 286	30 952	29 089	32 211	32 211	32 211	-	33 983	35 648	37 323
Service charges - Waste Water Management	2	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Management	2	21 627	17 559	20 585	22 458	22 458	22 458	-	24 762	25 975	27 196
Sale of Goods and Rendering of Services		1 433	360	219	325	325	325	-	1 079	1 132	1 185
Agency services		-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		9 249	10 570	12 984	11 078	11 078	11 078	-	13 672	14 342	15 016
Interest earned from Current and Non Current Assets		4 828	7 155	10 813	12 050	12 050	12 050	-	12 689	13 311	13 936
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		80	106	172	150	150	150	-	174	183	192
Licence and permits		-	565	648	566	1 766	1 766	-	1 096	1 150	1 204
Operational Revenue		5 427	197	3 599	69	69	69	-	151	159	166
<b>Non-Exchange Revenue</b>											
Property rates	2	47 294	44 801	38 945	48 116	19 088	19 088	-	20 100	21 085	22 076
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		572	-	-	-	-	-	-	1 661	1 742	1 824
Licences or permits		-	-	-	-	-	-	-	-	-	-
Transfer and subsidies - Operational		460 751	551 096	382 652	427 755	428 116	428 116	-	456 052	482 312	483 928
Interest		-	-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		466	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contri</b>		<b>582 014</b>	<b>663 362</b>	<b>499 706</b>	<b>554 779</b>	<b>527 312</b>	<b>527 312</b>	<b>-</b>	<b>565 419</b>	<b>597 038</b>	<b>604 046</b>
<b>Expenditure</b>											
Employee related costs	2	133 035	127 758	133 712	164 317	164 161	164 161	-	172 918	181 391	189 916
Remuneration of councillors		4 438	19 956	21 219	22 091	22 154	22 154	-	23 284	24 425	25 573
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	118	-	-	46 168	50 252	50 252	-	52 700	55 283	57 881
Debt impairment	3	-	-	-	-	-	-	-	-	-	-
Depreciation and amortisation		46 699	124 329	68 034	63 037	63 037	63 037	-	50 000	52 450	54 915
Interest		1 580	349	105 633	-	-	-	-	-	-	-
Contracted services		176 357	162 538	190 867	147 843	150 508	150 508	-	148 528	152 657	159 842
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		57 275	10 562	-	47 110	47 110	47 110	-	51 239	53 750	56 276
Operational costs		53 863	51 353	55 933	62 609	65 986	65 986	-	63 481	69 587	72 889
Losses on disposal of Assets		3 396	4 722	758	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>476 762</b>	<b>501 567</b>	<b>576 156</b>	<b>553 176</b>	<b>563 208</b>	<b>563 208</b>	<b>-</b>	<b>562 149</b>	<b>589 542</b>	<b>617 292</b>
<b>Surplus/(Deficit)</b>		<b>105 253</b>	<b>161 795</b>	<b>(76 450)</b>	<b>1 603</b>	<b>(35 896)</b>	<b>(35 896)</b>	<b>-</b>	<b>3 270</b>	<b>7 495</b>	<b>(13 246)</b>
Transfers and subsidies - capital (monetary)	6	75 836	84 358	189 744	190 096	190 096	190 096	-	161 784	192 813	217 741
Transfers and subsidies - capital (in-kind)	6	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>181 089</b>	<b>246 153</b>	<b>113 294</b>	<b>191 699</b>	<b>154 200</b>	<b>154 200</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Income Tax		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>181 089</b>	<b>246 153</b>	<b>113 294</b>	<b>191 699</b>	<b>154 200</b>	<b>154 200</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>181 089</b>	<b>246 153</b>	<b>113 294</b>	<b>191 699</b>	<b>154 200</b>	<b>154 200</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>1</b>	<b>181 089</b>	<b>246 153</b>	<b>113 294</b>	<b>191 699</b>	<b>154 200</b>	<b>154 200</b>	<b>-</b>	<b>165 054</b>	<b>200 308</b>	<b>204 495</b>

Total operating revenue is R725 million in 2023/2024 and Revenue to be generated from property rates is R20 million in the 2023/2024.

1. The original budget for services charges water is R33.9 million and for refuse is R24.7 million.
2. Transfers recognized – operational transfers include the local government equitable share and other operating grants from national and provincial government is R456.1 million and the capital transfer is 161.7 million.
3. Bulk purchases (Inventory Water) for 2023/2024 budget are R48-million.
4. The original budgeted allocation for employee-related costs for the 2023/2024 financial year is R172.9 million, which equals 30 per cent of the total operating expenditure.
5. The original budgeted allocation for Councillors remuneration for the 2023/2024 financial year is R23 million.
6. Contracted Services- Budget for contracted services for 2022/2023 was R 150 million as compared to the budget for 2023/2024 amounting to R148 million which reflects decrease of R2 million.
7. Repairs and maintenance- The budget for 2022/2023 was R18 million and for 2023/24 R21million, which indicates an increase of R3 million.
8. Fuel and Lubricant- The budget for Fuel and Lubricant for 2023/2024 is R3.4 million.  
(Other materials)

**4.5TABLE 10 MBRR TABLE A5 - BUDGETED CAPITAL EXPENDITURE BY VOTE, STANDARD CLASSIFICATION AND FUNDING SOURCE**

Vote Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Executive and Council		-	-	606	-	4 500	4 500	-	-	-	-
Vote 2 - Finance and Administration		-	-	3 135	53 927	(30 697)	(30 697)	-	250	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	8 800	9 140	9 140	-	800	-	-
Vote 5 - Sport and Recreation		-	-	-	1 200	(1 200)	(1 200)	-	1 000	-	-
Vote 6 - Health		-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	3 700	7 440	7 440	-	2 600	-	-
Vote 8 - Road Transport		1 464	-	21 497	38 730	88 899	88 899	-	12 569	8 010	42 756
Vote 9 - Energy Sources		-	11 637	14 900	20 342	17 368	17 368	-	4 329	16 243	8 200
Vote 10 - Water Management		0	18 773	25 555	102 709	64 423	64 423	-	73 066	141 469	113 074
Vote 11 - Waste Water Management		(28 627)	42 472	61 250	21 523	46 214	46 214	-	25 000	27 090	40 211
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	(27 163)	72 881	126 943	250 932	206 088	206 088	-	119 614	192 813	204 241
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Executive and Council		-	976	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	258	52	-	-	-	-	5 950	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		151	5 842	6 451	-	-	-	-	50	-	10 500
Vote 5 - Sport and Recreation		-	1 729	-	-	-	-	-	-	-	-
Vote 6 - Health		-	-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	(29)	-	-	-	-	2 500	-	-
Vote 8 - Road Transport		-	-	22 336	-	-	-	-	4 200	-	-
Vote 9 - Energy Sources		-	-	11 860	-	-	-	-	6 000	-	-
Vote 10 - Water Management		60 462	11 975	18 362	-	-	-	-	51 820	-	-
Vote 11 - Waste Water Management		24 011	3 678	(50 050)	-	-	-	-	-	-	-
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	78 051	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		84 624	24 458	87 033	-	-	-	-	70 520	-	10 500
<b>Total Capital Expenditure - Vote</b>		57 462	97 339	213 976	250 932	206 088	206 088	-	190 134	192 813	214 741

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
FY

<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>											
Executive and council	-	1 234	(1 638)	53 927	13 865	13 865	-	6 200	-	-	
Finance and administration	-	976	606	-	2 250	2 250	-	-	-	-	
Internal audit	-	258	(2 244)	53 927	11 615	11 615	-	6 200	-	-	
<b>Community and public safety</b>	151	7 571	6 451	10 000	8 970	8 970	-	1 850	-	10 500	
Community and social services	151	5 842	6 451	8 800	8 970	8 970	-	850	-	10 500	
Sport and recreation	-	1 729	-	1 200	-	-	-	1 000	-	-	
Public safety											
Housing											
Health											
<b>Economic and environmental services</b>	1 464	(0)	28 455	42 430	69 385	69 385	-	21 869	8 010	42 756	
Planning and development	-	-	-	3 700	5 570	5 570	-	5 100	-	-	
Road transport	1 464	(0)	28 455	38 730	63 815	63 815	-	16 769	8 010	42 756	
Environmental protection											
<b>Trading services</b>	55 564	88 534	180 707	144 574	136 290	136 290	-	160 215	184 802	161 485	
Energy sources	-	11 637	42 138	20 342	18 855	18 855	-	10 329	16 243	8 200	
Water management	60 180	30 747	127 370	102 709	83 566	83 566	-	124 887	141 469	113 074	
Waste water management	(4 616)	46 150	11 200	21 523	33 869	33 869	-	25 000	27 090	40 211	
Waste management											
<b>Other</b>											
<b>Total Capital Expenditure - Functional</b>	3	57 179	97 339	213 976	250 932	228 510	228 510	-	190 134	192 813	214 741
<b>Funded by:</b>											
National Government		57 179	94 124	215 614	192 451	192 601	192 601	-	161 784	192 813	214 741
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)											
<b>Transfers recognised - capital</b>	4	57 179	94 124	215 614	192 451	192 601	192 601	-	161 784	192 813	214 741
<b>Borrowing</b>	6										
<b>Internally generated funds</b>		-	3 214	(1 638)	58 481	35 909	35 909	-	28 350	-	-
<b>Total Capital Funding</b>	7	57 179	97 339	213 976	250 932	228 510	228 510	-	190 134	192 813	214 741

**Table A5 is a breakdown** of the capital projects in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

The Capital budget allocation for 2023/2024 is R190.1 million. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality.



The capital projects are funded from National capital and provincial grants and transfers and internally generated funds from current year surpluses. These funding sources are further discussed in detail in Overview of Budget Funding

4.6 TABLE 11 STATEMENT OF FINANCIAL POSITION A

NW371 Moretele - Table A6 Budgeted Financial Position

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>ASSETS</b>											
<b>Current assets</b>											
Cash and cash equivalents		62 115	171 635	256 507	225 863	246 085	246 085	-	250 928	291 350	315 579
Trade and other receivables from exchange transactions	1	30 720	86 370	78 037	8 777	61 264	61 264	-	77 805	84 811	92 148
Receivables from non-exchange transactions	1	88 991	8 138	(609)	31 665	8 729	8 729	-	3 774	16 290	29 395
Current portion of non-current receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	339	1 320	4 905	305	6 281	6 281	-	4 905	4 905	4 905
VAT		(13 712)	1 097	27 445	97 225	123 746	123 746	-	27 445	27 445	27 445
Other current assets		12	65	83	65	83	83	-	83	83	83
<b>Total current assets</b>		<b>168 465</b>	<b>268 624</b>	<b>366 368</b>	<b>363 901</b>	<b>446 189</b>	<b>446 189</b>	<b>-</b>	<b>364 940</b>	<b>424 885</b>	<b>469 555</b>
<b>Non current assets</b>											
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		5 717	5 717	5 717	5 717	5 717	5 717	-	5 717	5 717	5 717
Property, plant and equipment	3	762 268	1 142 792	1 180 801	1 463 698	1 344 004	1 344 004	-	1 459 046	1 599 408	1 759 234
Biological assets		-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-
Heritage assets		-	206	206	206	206	206	-	206	206	206
Intangible assets		(7 848)	5 751	1 955	7 951	4 225	4 225	-	6 895	6 895	6 895
Trade and other receivables from exchange transactions		-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>760 136</b>	<b>1 154 466</b>	<b>1 188 680</b>	<b>1 477 572</b>	<b>1 354 152</b>	<b>1 354 152</b>	<b>-</b>	<b>1 471 864</b>	<b>1 612 227</b>	<b>1 772 053</b>
<b>TOTAL ASSETS</b>		<b>928 601</b>	<b>1 423 091</b>	<b>1 555 048</b>	<b>1 841 473</b>	<b>1 800 341</b>	<b>1 800 341</b>	<b>-</b>	<b>1 836 804</b>	<b>2 037 112</b>	<b>2 241 608</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft		-	-	-	-	-	-	-	-	-	-
Financial liabilities		(5 157)	4 794	-	4 794	4 794	4 794	-	-	-	-
Consumer deposits		0	0	0	0	0	0	-	0	0	0
Trade and other payables from exchange transactions	4	(50 350)	128 701	162 402	116 519	293 811	293 811	-	162 402	162 402	162 402
Trade and other payables from non-exchange transactions	5	(87 069)	3 271	14 077	3 271	13 272	13 272	-	14 077	14 077	14 077
Provision		55 212	54 993	3 612	3 936	112	112	-	3 612	3 612	3 612
VAT		3 982	8 477	40 966	7 553	40 041	40 041	-	40 966	40 966	40 966
Other current liabilities		-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>(83 382)</b>	<b>200 237</b>	<b>221 056</b>	<b>136 073</b>	<b>352 030</b>	<b>352 030</b>	<b>-</b>	<b>221 056</b>	<b>221 056</b>	<b>221 056</b>
<b>Non current liabilities</b>											
Financial liabilities	6	-	-	-	(4 794)	(4 794)	(4 794)	-	-	-	-
Provision	7	5 074	5 255	6 468	5 255	6 468	6 468	-	6 468	6 468	6 468
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		-	-	-	-	-	-	-	-	-	-
<b>Total non current liabilities</b>		<b>5 074</b>	<b>5 255</b>	<b>6 468</b>	<b>461</b>	<b>1 674</b>	<b>1 674</b>	<b>-</b>	<b>6 468</b>	<b>6 468</b>	<b>6 468</b>
<b>TOTAL LIABILITIES</b>		<b>(78 308)</b>	<b>205 492</b>	<b>227 524</b>	<b>136 534</b>	<b>353 704</b>	<b>353 704</b>	<b>-</b>	<b>227 524</b>	<b>227 524</b>	<b>227 524</b>
<b>NET ASSETS</b>		<b>1 006 909</b>	<b>1 217 599</b>	<b>1 327 524</b>	<b>1 704 938</b>	<b>1 446 637</b>	<b>1 446 637</b>	<b>-</b>	<b>1 609 280</b>	<b>1 809 589</b>	<b>2 014 084</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated surplus/(deficit)	8	1 076 577	1 222 394	994 056	1 513 240	1 308 688	1 308 688	-	1 609 280	1 809 589	2 014 084
Reserves and funds	9	(165 747)	-	333 468	-	137 949	137 949	-	(0)	(0)	(0)
Other		-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	10	<b>910 830</b>	<b>1 222 394</b>	<b>1 327 524</b>	<b>1 513 240</b>	<b>1 446 637</b>	<b>1 446 637</b>	<b>-</b>	<b>1 609 280</b>	<b>1 809 589</b>	<b>2 014 084</b>

4.7 TABLE 12 CASH FLOW STATEMENT A7

NW371 Moretele - Table A7 Budgeted Cash Flows

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		-	22 608	10 396	24 589	9 750	9 750	-	8 168	8 569	8 971
Service charges		-	1 866	1 717	24 264	24 264	24 264	-	14 498	15 208	15 923
Other revenue		16	441	52 893	1 111	2 311	2 311	-	4 162	4 365	4 571
Transfers and Subsidies - Operational	1	-	94 554	257 292	427 755	427 825	427 825	-	456 052	482 312	483 928
Transfers and Subsidies - Capital	1	-	64 480	200 558	190 096	190 096	190 096	-	161 784	192 813	217 741
Interest		-	-	-	12 050	12 050	12 050	-	12 689	13 311	13 936
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		-	(182 713)	(77 039)	(443 028)	(453 061)	(453 061)	-	(460 910)	(483 343)	(506 101)
Interest		-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>16</b>	<b>1 236</b>	<b>445 818</b>	<b>236 837</b>	<b>213 236</b>	<b>213 236</b>	<b>-</b>	<b>196 443</b>	<b>233 235</b>	<b>238 970</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(97 048)	(165 271)	(171 192)	(250 932)	(228 510)	(228 510)	-	(190 134)	(192 813)	(214 741)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(97 048)</b>	<b>(165 271)</b>	<b>(171 192)</b>	<b>(250 932)</b>	<b>(228 510)</b>	<b>(228 510)</b>	<b>-</b>	<b>(190 134)</b>	<b>(192 813)</b>	<b>(214 741)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(97 031)</b>	<b>(164 035)</b>	<b>274 627</b>	<b>(14 095)</b>	<b>(15 274)</b>	<b>(15 274)</b>	<b>-</b>	<b>6 309</b>	<b>40 422</b>	<b>24 229</b>
Cash/cash equivalents at the year begin:	2	-	-	-	-	-	-	-	244 619	250 928	291 350
Cash/cash equivalents at the year end:	2	<b>(97 031)</b>	<b>(164 035)</b>	<b>274 627</b>	<b>(14 095)</b>	<b>(15 274)</b>	<b>(15 274)</b>	<b>-</b>	<b>250 928</b>	<b>291 350</b>	<b>315 579</b>

**4.8 TABLE 13 CASH BACK RESERVE/ ACCUMULATED SURPLUS RECONCILIATION A8**

NW371 Moretele - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	(97 031)	(164 035)	274 627	(14 095)	(15 274)	(15 274)	-	250 928	291 350	315 579
Other current investments > 90 days		159 146	335 670	(18 120)	239 958	261 359	261 359	-	-	-	-
Non current investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>62 115</b>	<b>171 635</b>	<b>256 507</b>	<b>225 863</b>	<b>246 085</b>	<b>246 085</b>	<b>-</b>	<b>250 928</b>	<b>291 350</b>	<b>315 579</b>
<b>Application of cash and investments</b>											
Unspent conditional grants		(87 069)	3 271	14 077	3 271	13 272	13 272	-	14 077	14 077	14 077
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(50 368)	103 766	108 329	97 042	260 321	260 321	-	135 980	129 657	123 036
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>(137 437)</b>	<b>107 037</b>	<b>122 406</b>	<b>100 313</b>	<b>273 593</b>	<b>273 593</b>	<b>-</b>	<b>150 057</b>	<b>143 734</b>	<b>137 113</b>
<b>Surplus(shortfall)</b>		<b>199 552</b>	<b>64 598</b>	<b>134 101</b>	<b>125 550</b>	<b>(27 508)</b>	<b>(27 508)</b>	<b>-</b>	<b>100 871</b>	<b>147 617</b>	<b>178 467</b>

4.9 TABLE 14 A9 ASSETS MANAGEMENT

NW371 Moretele - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	276 086	3 174	146 260	199 445	216 639	216 639	190 134	190 723	214 741
Roads Infrastructure		98 661	(0)	43 833	38 226	50 711	50 711	16 569	6 010	42 756
Storm water Infrastructure		-	-	-	-	4 000	4 000	-	-	-
Electrical Infrastructure		-	-	26 760	20 342	18 855	18 855	10 329	16 243	8 200
Water Supply Infrastructure		96 665	3 504	61 452	102 709	83 566	83 566	119 887	141 469	113 074
Sanitation Infrastructure		12 603	(0)	10 457	17 291	29 822	29 822	25 000	25 000	40 211
Solid Waste Infrastructure		-	-	-	1 500	1 800	1 800	2 500	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>207 330</b>	<b>3 504</b>	<b>142 502</b>	<b>180 068</b>	<b>188 754</b>	<b>188 754</b>	<b>174 284</b>	<b>190 723</b>	<b>204 241</b>
Community Facilities		8 134	1 729	5 458	10 000	8 800	8 800	1 800	-	10 500
Sport and Recreation Facilities		16 160	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>24 294</b>	<b>1 729</b>	<b>5 458</b>	<b>10 000</b>	<b>8 800</b>	<b>8 800</b>	<b>1 800</b>	-	<b>10 500</b>
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	950	950	50	-	-
Housing		-	-	-	7 012	-	-	800	-	-
<b>Other Assets</b>		-	-	-	<b>7 012</b>	<b>950</b>	<b>950</b>	<b>850</b>	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	(5 402)	2 200	2 270	2 270	2 600	-	-
<b>Intangible Assets</b>		-	-	<b>(5 402)</b>	<b>2 200</b>	<b>2 270</b>	<b>2 270</b>	<b>2 600</b>	-	-
Computer Equipment		43 862	-	3 135	15	6 015	6 015	450	-	-
Furniture and Office Equipment		-	-	23	150	450	450	150	-	-
Machinery and Equipment		-	-	-	-	170	170	-	-	-
Transport Assets		-	(2 059)	544	-	9 250	9 250	10 000	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	<b>(3 074)</b>	<b>855</b>	<b>69 563</b>	<b>46 300</b>	<b>5 000</b>	<b>5 000</b>	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		4 635	-	-	-	-	-	-	-	-
Water Supply Infrastructure		(7 700)	807	69 503	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>(2 074)</b>	<b>807</b>	<b>69 503</b>	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	258	-	46 300	5 000	5 000	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	<b>258</b>	-	<b>46 300</b>	<b>5 000</b>	<b>5 000</b>	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Services		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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NW371 Moretele - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Total Upgrading of Existing Assets</b>	6	(60 512)	-	-	5 187	6 850	6 850	-	2 090	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		(60 663)	-	-	4 233	4 046	4 046	-	2 090	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	1 500	1 500	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		(60 663)	-	-	4 233	5 546	5 546	-	2 090	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		151	-	-	954	1 304	1 304	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		151	-	-	954	1 304	1 304	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<b>Living Resources</b>		-	-	-	-	-	-	-	-	-

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<b>Total Capital Expenditure</b>	4	212 500	4 129	215 824	250 932	228 510	228 510	190 134	192 813	214 741
Roads Infrastructure		98 661	(0)	43 833	38 226	50 711	50 711	16 569	8 010	42 756
Storm water Infrastructure		-	-	-	-	4 000	4 000	-	-	-
Electrical Infrastructure		4 635	-	26 780	20 342	18 855	18 855	10 329	16 243	8 200
Water Supply Infrastructure		28 293	4 201	131 015	106 942	87 612	87 612	119 887	143 559	113 074
Sanitation Infrastructure		12 603	(0)	10 457	17 291	29 822	29 822	25 000	25 000	40 211
Solid Waste Infrastructure		-	-	-	1 500	3 300	3 300	2 500	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>144 192</b>	<b>4 201</b>	<b>212 065</b>	<b>184 301</b>	<b>194 301</b>	<b>194 301</b>	<b>174 284</b>	<b>192 813</b>	<b>204 241</b>
Community Facilities		8 134	1 729	5 458	10 000	8 800	8 800	1 800	-	10 500
Sport and Recreation Facilities		16 160	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>24 294</b>	<b>1 729</b>	<b>5 458</b>	<b>10 000</b>	<b>8 800</b>	<b>8 800</b>	<b>1 800</b>	<b>-</b>	<b>10 500</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		151	258	-	47 254	7 254	7 254	50	-	-
Housing		-	-	-	7 012	-	-	800	-	-
<b>Other Assets</b>		<b>151</b>	<b>258</b>	<b>-</b>	<b>54 266</b>	<b>7 254</b>	<b>7 254</b>	<b>850</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	(5 402)	2 200	2 270	2 270	2 600	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>(5 402)</b>	<b>2 200</b>	<b>2 270</b>	<b>2 270</b>	<b>2 600</b>	<b>-</b>	<b>-</b>
Computer Equipment		43 862	-	3 135	15	6 015	6 015	450	-	-
Furniture and Office Equipment		-	-	23	150	450	450	150	-	-
Machinery and Equipment		-	-	-	-	170	170	-	-	-
Transport Assets		-	(2 059)	544	-	9 250	9 250	10 000	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		<b>212 500</b>	<b>4 129</b>	<b>215 824</b>	<b>250 932</b>	<b>228 510</b>	<b>228 510</b>	<b>190 134</b>	<b>192 813</b>	<b>214 741</b>

NW371 Moretele - Table A9 Asset Management

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	1 164 489	1 216 859	1 361 367	1 298 764	1 518 927	1 518 927	1 475 083	1 440 579	1 442 013
Roads Infrastructure		339 979	335 235	362 404	390 237	423 834	423 834	453 109	453 109	468 109
Storm water Infrastructure		50 744	48 210	49 300	48 210	49 300	49 300	49 300	49 300	49 300
Electrical Infrastructure		26 429	46 085	78 102	68 363	96 957	96 957	101 470	101 470	101 470
Water Supply Infrastructure		362 280	416 048	519 878	437 522	576 530	576 530	534 475	516 506	512 410
Sanitation Infrastructure		14 545	13 794	13 002	77 652	27 019	27 019	37 913	50 003	60 003
Solid Waste Infrastructure		-	-	-	-	3 300	3 300	5 100	5 100	5 100
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>793 978</b>	<b>859 372</b>	<b>1 022 696</b>	<b>1 021 984</b>	<b>1 176 940</b>	<b>1 176 940</b>	<b>1 181 366</b>	<b>1 175 488</b>	<b>1 196 391</b>
<b>Community Assets</b>		<b>248 938</b>	<b>253 412</b>	<b>246 092</b>	<b>249 780</b>	<b>267 600</b>	<b>267 600</b>	<b>270 259</b>	<b>270 259</b>	<b>280 759</b>
<b>Heritage Assets</b>		<b>-</b>	<b>206</b>	<b>206</b>	<b>206</b>	<b>206</b>	<b>206</b>	<b>206</b>	<b>206</b>	<b>206</b>
<b>Investment properties</b>		<b>5 717</b>	<b>5 717</b>	<b>5 717</b>	<b>5 717</b>	<b>5 717</b>	<b>5 717</b>	<b>5 717</b>	<b>5 717</b>	<b>5 717</b>
<b>Other Assets</b>		<b>64 321</b>	<b>62 145</b>	<b>59 254</b>	<b>(17 863)</b>	<b>28 881</b>	<b>28 881</b>	<b>(45 369)</b>	<b>(73 994)</b>	<b>(103 964)</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible Assets</b>		<b>14 330</b>	<b>5 751</b>	<b>1 955</b>	<b>7 951</b>	<b>4 225</b>	<b>4 225</b>	<b>6 895</b>	<b>6 895</b>	<b>6 895</b>
Computer Equipment		233	15 891	12 243	15 889	12 243	12 243	12 693	12 693	12 693
Furniture and Office Equipment		25 655	2 469	1 966	2 610	2 416	2 416	3 167	3 167	3 167
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		11 316	11 905	11 248	12 509	20 698	20 698	40 148	40 148	40 148
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>1 164 489</b>	<b>1 216 859</b>	<b>1 361 367</b>	<b>1 298 764</b>	<b>1 518 927</b>	<b>1 518 927</b>	<b>1 475 083</b>	<b>1 440 579</b>	<b>1 442 013</b>

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<b>EXPENDITURE OTHER ITEMS</b>		<b>61 495</b>	<b>141 235</b>	<b>90 940</b>	<b>83 251</b>	<b>81 456</b>	<b>81 456</b>	<b>71 010</b>	<b>74 489</b>	<b>77 990</b>
Depreciation	7	46 699	124 329	68 034	63 037	63 037	63 037	50 000	52 450	54 915
<b>Repairs and Maintenance by Asset Class</b>	<b>3</b>	<b>14 797</b>	<b>16 906</b>	<b>22 807</b>	<b>20 214</b>	<b>18 418</b>	<b>18 418</b>	<b>21 010</b>	<b>22 039</b>	<b>23 075</b>
Roads Infrastructure		-	-	-	-	-	-	1 163	1 220	1 278
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	5 000	5 245	5 492
Water Supply Infrastructure		-	-	-	-	-	-	7 481	7 848	8 217
Sanitation Infrastructure		-	-	-	-	-	-	3 600	3 776	3 954
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		14 797	16 906	22 807	20 214	18 418	18 418	1 248	1 309	1 370
<b>Infrastructure</b>		<b>14 797</b>	<b>16 906</b>	<b>22 807</b>	<b>20 214</b>	<b>18 418</b>	<b>18 418</b>	<b>18 492</b>	<b>19 398</b>	<b>20 316</b>
Community Facilities		-	-	-	-	-	-	211	221	231
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>211</b>	<b>221</b>	<b>231</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	39	40	42
Machinery and Equipment		-	-	-	-	-	-	179	188	197
Transport Assets		-	-	-	-	-	-	2 089	2 192	2 295
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Living Resources		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>61 495</b>	<b>141 235</b>	<b>90 940</b>	<b>83 251</b>	<b>81 456</b>	<b>81 456</b>	<b>71 010</b>	<b>74 489</b>	<b>77 990</b>
Renewal and upgrading of Existing Assets as % of total capex		-29.9%	23.1%	32.2%	20.5%	5.2%	5.2%	0.0%	1.1%	0.0%
Renewal and upgrading of Existing Assets as % of deprecn		-136.2%	0.8%	102.2%	61.7%	18.8%	18.8%	0.0%	4.0%	0.0%
R&M as a % of PPE		1.5%	1.5%	1.9%	1.4%	1.4%	1.4%	0.0%	1.5%	1.4%
Renewal and upgrading and R&M as a % of PPE		-4.0%	1.0%	7.0%	6.0%	2.0%	2.0%	1.0%	2.0%	2.0%



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Table 15 A10 Basic Service Delivery Measurements

NW371 Moretele - Table A10 Basic service delivery measurement										
Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)	2	-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)		-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
<i>Informal Settlements</i>		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>										
Water (6 kilolitres per indigent household per month)		-	6 430	6 407	6 039	6 039	6 039	6 359	6 671	6 984
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	5 167	4 871	4 871	4 871	5 129	5 380	5 633
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
<b>Total cost of FBS provided</b>	8	-	6 430	11 574	10 910	10 910	10 910	11 488	12 051	12 617
<b>Highest level of free service provided per household</b>										
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)		-	-	-	-	-	-	-	-	-
<b>Revenue cost of subsidised services provided (R'000)</b>	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)		-	-	-	-	-	-	7 648	8 022	8 399
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)		-	5 186	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total revenue cost of subsidised services provided</b>	6	-	5 186	-	-	-	-	7 648	8 022	8 399

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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NW371 Moretele - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>REVENUE ITEMS:</b>											
<b>Non-exchange revenue by source</b>											
<b>Exchange Revenue</b>											
Total Property Rates	6								27 747	29 107	30 475
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	7 648	8 022	8 399
<b>Net Property Rates</b>		-	-	-	-	-	-	-	<b>20 100</b>	<b>21 085</b>	<b>22 076</b>
<b>Exchange revenue service charges</b>											
<b>Service charges - Electricity</b>											
Total Service charges - Electricity	6										
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Less Cost of Free Basis Services (30 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-	-
<b>Net Service charges - Electricity</b>		-	-	-	-	-	-	-	-	-	-
<b>Service charges - Water</b>											
Total Service charges - Water	6	30 286	37 382	35 495	38 250	38 250	38 250		40 342	42 319	44 308
Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-	-
Less Cost of Free Basis Services (8 kilolitres per indigent household per month)		-	6 430	6 407	6 039	6 039	6 039	-	6 359	6 671	6 984
<b>Net Service charges - Water</b>		<b>30 286</b>	<b>30 952</b>	<b>29 089</b>	<b>32 211</b>	<b>32 211</b>	<b>32 211</b>	<b>-</b>	<b>33 983</b>	<b>35 648</b>	<b>37 323</b>
<b>Service charges - Waste Water Management</b>											
Total Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Less Revenue Foregone (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
Less Cost of Free Basis Services (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-	-
<b>Net Service charges - Waste Water Management</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Service charges - Waste Management</b>											
Total refuse removal revenue	6	21 627	22 745	25 753	27 328	27 328	27 328	-	29 891	31 355	32 829
Total landfill revenue		-	-	-	-	-	-	-	-	-	-
Less Revenue Foregone (in excess of one removal a week to indigent households)		-	5 186	-	-	-	-	-	-	-	-
Less Cost of Free Basis Services (removed once a week to indigent households)		-	-	5 167	4 871	4 871	4 871	-	5 129	5 380	5 633
<b>Net Service charges - Waste Management</b>		<b>21 627</b>	<b>17 559</b>	<b>20 585</b>	<b>22 458</b>	<b>22 458</b>	<b>22 458</b>	<b>-</b>	<b>24 762</b>	<b>25 975</b>	<b>27 196</b>

**EXPENDITURE ITEMS:**

<b>EXPENDITURE ITEMS:</b>											
<b>Employee related costs</b>											
Basic Salaries and Wages	2	86 458	80 548	86 503	108 768	106 201	106 201	-	114 390	119 995	125 635
Pension and UIF Contributions		14 656	14 490	14 893	16 598	17 025	17 025	-	17 494	18 352	19 214
Medical Aid Contributions		6 013	6 676	6 990	11 522	11 764	11 764	-	12 144	12 739	13 338
Overtime		2 123	422	870	1 016	1 016	1 016	-	1 071	1 124	1 177
Performance Bonus		5 301	6 261	6 405	8 847	9 502	9 502	-	9 304	9 760	10 219
Motor Vehicle Allowance		-	18	-	-	-	-	-	-	-	-
Cellphone Allowance		3 551	1 537	1 583	1 738	1 786	1 786	-	1 832	1 922	2 012
Housing Allowances		885	328	390	3 120	2 856	2 856	-	3 288	3 450	3 612
Other benefits and allowances		11 517	10 565	13 034	12 708	14 010	14 010	-	13 394	14 050	14 711
Payments in lieu of leave		2 709	5 007	1 459	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	4	-	8	1 587	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	1 898	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-	-
<b>sub-total</b>	5	<b>133 213</b>	<b>127 758</b>	<b>133 712</b>	<b>164 317</b>	<b>164 161</b>	<b>164 161</b>	<b>-</b>	<b>172 918</b>	<b>181 391</b>	<b>189 916</b>
Less: Employees costs capitalised to PPF		178	-	-	-	-	-	-	-	-	-
<b>Total Employee related costs</b>	1	<b>133 035</b>	<b>127 758</b>	<b>133 712</b>	<b>164 317</b>	<b>164 161</b>	<b>164 161</b>	<b>-</b>	<b>172 918</b>	<b>181 391</b>	<b>189 916</b>

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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NW371 Moretele - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Depreciation and amortisation</b>											
Depreciation of Property, Plant & Equipment		46 699	124 329	68 034	63 037	63 037	63 037	-	50 000	52 450	54 915
Lease amortisation											
Capital asset impairment											
<b>Total Depreciation and amortisation</b>	1	46 699	124 329	68 034	63 037	63 037	63 037	-	50 000	52 450	54 915
<b>Bulk purchases - electricity</b>											
Electricity bulk purchases											
<b>Total bulk purchases</b>	1	-	-	-	-	-	-	-	-	-	-
<b>Transfers and grants</b>											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
<b>Total transfers and grants</b>	1	-	-	-	-	-	-	-	-	-	-
<b>Contracted Services</b>											
Outsourced Services		112 939	101 813	115 343	65 702	66 339	66 339	-	72 870	73 434	76 894
Consultants and Professional Services		47 482	44 264	51 421	57 881	62 557	62 557	-	58 432	61 153	64 028
Contractors		15 937	16 461	24 103	24 260	21 613	21 613	-	17 226	18 070	18 919
<b>Total contracted services</b>		176 357	162 538	190 867	147 843	150 508	150 508	-	148 528	152 657	159 842
<b>Operational Costs</b>											
Collection costs											
Contributions to 'other' provisions		108	-	-	-	-	-	-	-	-	-
Audit fees		554	4 877	4 771	5 789	6 939	6 939	-	5 024	5 270	5 518
Other Operational Costs		53 201	46 476	51 161	56 820	59 047	59 047	-	58 456	64 317	67 371
<b>Total Operational Costs</b>	1	53 863	51 353	55 933	62 609	65 986	65 986	-	63 481	69 587	72 889
<b>Repairs and Maintenance by Expenditure Item</b>	8										
Employee related costs											
Inventory Consumed (Project Maintenance)											
Contracted Services		14 797	16 906	22 807	20 214	18 418	18 418	-	21 010	22 039	23 075
Other Expenditure											
<b>Total Repairs and Maintenance Expenditure</b>	9	14 797	16 906	22 807	20 214	18 418	18 418	-	21 010	22 039	23 075
<b>Inventory Consumed</b>											
Inventory Consumed - Water		-	-	-	43 000	45 850	45 850	-	48 000	50 352	52 719
Inventory Consumed - Other		118	-	-	3 168	4 402	4 402	-	4 700	4 931	5 162
<b>Total Inventory Consumed &amp; Other Material</b>		118	-	-	46 168	50 252	50 252	-	52 700	55 283	57 881

## 5. OVERVIEW OF ANNUAL BUDGET PROCESS

Section 53 of the MFMA requires the mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition, Chapter 2 of the Municipal Budget, and Reporting Regulations states that the mayor of the 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.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Portfolio Committee for Budget and Treasury

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, considering the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2022) a time schedule that sets out the process to revise the IDP and prepare the budget.

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## **IDP AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN**

The Council's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management, and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to this cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and

The IDP has been taken into a business and financial planning process leading up to the 2023/2024 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

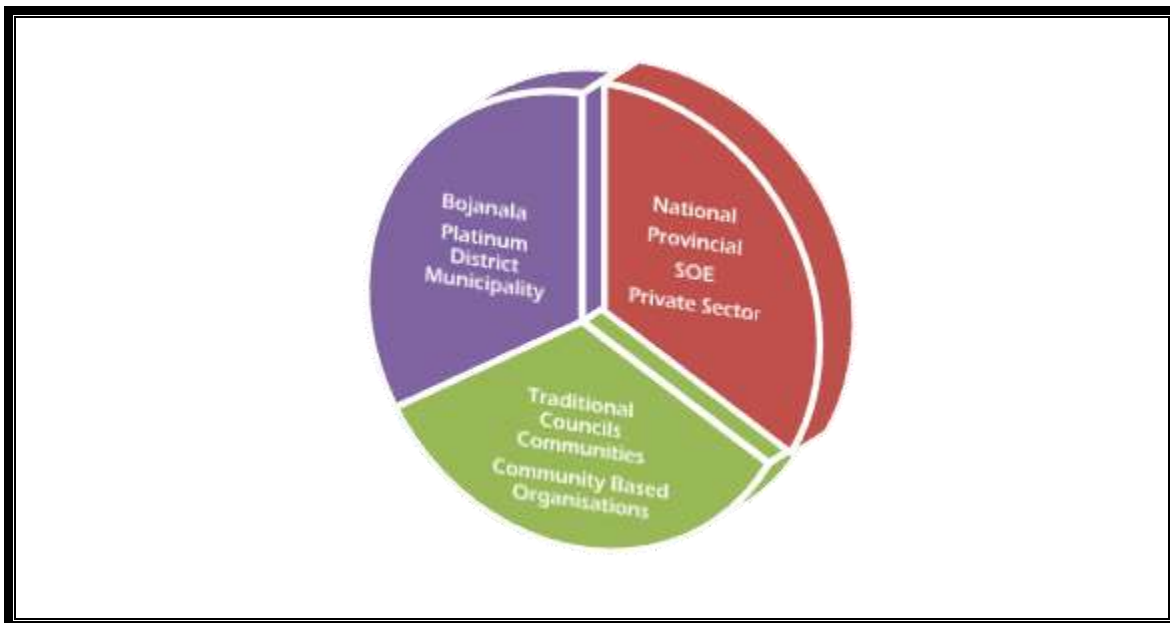
With the compilation of the 2023/2024 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2023/2024 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

### **Financial Modelling and Key Planning Drivers**

As part of the compilation of the 2023/2024 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2023/2024 MTREF:

- Council's growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e. inflation, Eskom increases, and household debt)
- Performance trends
- Cash Flow Management
- Debtor payment levels
- The need for tariff increases versus the ability of the community to pay for services
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 98 has been taken into consideration in the planning and prioritisation process.



Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2023/2024 MTREF.

The following are some of the issues and concerns raised as well as comments received during the consultation process:

- Several complaints were received regarding poor service delivery, especially waste removal backlogs and the state of road infrastructure;
- Poor performance of contractors relating to infrastructure development and maintenance especially in the areas of road construction and maintenance were raised.
- In sufficient budget for roads and high mast lights
- During the community consultation process large sections of the community made it clear that they are not in favor of any further tariff increases to fund additional budget requests.
- They indicated that the municipality must do more to ensure efficiencies and value for money.

## 6. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five-year strategic programme of action aimed at setting short, medium, and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership, and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic

environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to Moretele, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009.
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its



IDP but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2023/2024 MTREF and further planning refinements that have directly informed the compilation of the budget.

**Table 1 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**

NW371 Moretele - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
R thousand													
A comprehensive, responsive and sustainable social protection system				-	(6 430)	(11 574)	(10 910)	(10 910)	(10 910)	(19 136)	(20 073)	(21 017)	
Responsive, accountable, effective and efficient local government				610 556	714 536	662 079	707 669	709 230	709 230	746 339	809 924	842 804	
Allocations to other priorities			2										
<b>Total Revenue (excluding capital transfers and contributions)</b>				1	610 556	708 106	650 505	696 759	698 320	698 320	727 203	789 850	821 787

Table 2 IDP Strategic Objectives



## MBRR RECONCILIATION BETWEEN THE IDP STRATEGIC OBJECTIVES AND BUDGETED CAPITAL EXPENDITURE

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses, and reviews organisational performance which in turn is directly departmental implementation plans.

### **Planning, budgeting and reporting cycle**

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. Municipality has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the City in its integrated performance management system are aligned to the Framework of Managing Programme Performance Information issued by the National Treasury.

7. MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Table 3 MBRR Table SA8 - Performance indicators and benchmarks

NW371 Moretele - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.3%	0.1%	18.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.3%	0.1%	22.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	(0.6)	1.7	1.8	-	1.2	1.2	-	1.4	1.5	1.6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	(0.6)	1.7	1.8	-	1.2	1.2	-	1.4	1.5	1.6
Liquidity Ratio	Monetary Assets/Current Liabilities	(0.7)	1.7	1.7	-	0.9	0.9	-	1.0	1.1	1.2
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	50.1%	24.3%	0.0%	61.9%	61.9%	0.0%	89.8%	89.8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	50.1%	24.3%	0.0%	61.9%	61.9%	0.0%	89.8%	89.8%	89.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	-1.4%	1.3%	8.3%	0.0%	26.8%	26.8%	0.0%	25.1%	22.4%	20.7%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		-305744.7%	70.0%	31.1%	0.0%	44.1%	44.1%	0.0%	177.4%	-17330.1%	-141.2%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kW) technical										
	Total Volume Losses (kW) non technical										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Volumes -System input	Bulk Purchase										
	Water treatment works										
	Natural sources										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	24.9%	20.7%	29.0%	0.0%	32.3%	32.3%	0.0%	30.9%	30.8%	31.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.8%	2.7%	4.9%	0.0%	3.6%	3.6%		3.7%	3.7%	3.9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.0%	20.2%	37.7%	0.0%	12.4%	12.4%	0.0%	11.1%	11.0%	11.4%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	-	-	-	-	-	-	-	42.4	42.8	43.3
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	-24.7%	5.4%	65.5%	0.0%	237.0%	237.0%	0.0%	226.9%	203.5%	181.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.0	6.7	13.2	-	20.9	20.9	-	4.8	(0.0)	(5.5)

### **1. BORROWING MANAGEMENT**

Capital expenditure in local government can be funded by capital grants, own-source revenue and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position.

### **2. REVENUE MANAGEMENT**

As part of the financial sustainability strategy, enhance revenue management strategy has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears more than 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

### **3. OTHER INDICATORS**

The water distribution losses have been managed but not to the satisfaction of the municipality.

## **II.FREE BASIC SERVICES: BASIC SOCIAL SERVICES PACKAGE FOR INDIGENT HOUSEHOLDS**

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality.

## **III.PROVIDING CLEAN WATER AND MANAGING WASTE - WATER**

Municipality is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider.

## 8. OVERVIEW OF BUDGET-RELATED-POLICIES

*The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies, and related policies.*

### **8.1 Review of Credit Control and Indigent-Related Procedures or Policies**

The Credit Control and Debt Collection Policy was reviewed for the 2023/2024 financial year. The approved policy is in line with section 97(1) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) which requires that a credit control and debt collection policy must provide credit control procedures and instructions as well as debt control procedures and mechanisms. It must also make provision for indigent debt that is consistent with its rates and tariff policies and any national indigent policy. There were no material amendments to these policies. The Municipality approved the Indigent Policy and credit control policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.2 Municipal Property Rates Policy**

The property rates policy is reviewed annually during the tabling of the budget. The Municipality Rates policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.3 Asset Management policy**

Section 78(1) of the MFMA requires that the assets and liabilities of the municipality must be managed effectively and that assets must be safeguarded and maintained to the extent necessary. The previously approved asset management policy only included management of immovable asset. The policy has been amended to include the management of movable assets. The Municipality asset management policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.4 Supply Chain Management Policy**

The Supply Chain Management Policy was reviewed in accordance with the municipal Supply chain regulations. The supply chain management has been amended to align with the PPPFA. New insertions into the policy relates to the use of contracts acquired by another organ of state. This insertion is aligned to the 2019 MFMA circular provided in this regard. The Municipality Supply Chain management policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.5 Budget Policy**

The Budget Policy, which includes the Fund Transfer Policy, aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the municipality's system of delegations. The policy has been amended in line with MSCOA requirements. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.6 Cash Management and Investment Policy**

The Municipality's cash management and investment policy was amended to align with the municipal investment regulations. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.7. Tariff policies**

The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) requires municipalities to adopt and implement a tariff policy. The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent, and affordable charges that also promote sustainable service delivery, and it allows for cross-subsidisation between consumer categories. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.8. Impairment of debtors**

To set out a methodology for the impairment of receivables in line with the applicable accounting standards; • To ensure that sufficient provision is made for the impairment of receivables in the annual financial statements; • To ensure that receivables disclosed in the annual financial statements are stated at amounts that are deemed collectable; and • To promote transparency as required by sections 215 and 216 of the Constitution when dealing with debtors and debt. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.9. Leave Management Policy**

The creation of the leave policy is to regulate any application of leave and to differentiate the various forms of leave available. The purpose of this policy is also to ensure alignment to the Basic conditions of Employment Act of 1998, the North West Conditions of Service, the Labour Relations Act of 1995 and any other related legislation governing employment in South Africa as amended from time to time. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.10. Operational Allowances Policy**

To establish common and uniform operational allowance for personnel who due to high demand and inadequate personnel of the Municipality will be working long hours, extended hours, over the weekends and holidays and even during the nights to attend to disasters, emergencies, high demand of specific services and spontaneous need for transportation, their ability to take their annual leave is also impeded by operational requirements, notwithstanding the fact, encashment of leave is discouraged as it has the potential to be abused. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.11. Overtime Policy**

To ensure that clear guidelines are established for all employees of the Municipality for overtime. To promote effective, efficient, and economic use of resources, by ensuring that overtime worked is linked to municipal budget as well as IDP objectives. To provide a framework within which the municipality will administer overtime in a fair and transparent manner. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.12. Travel and Subsistence Policy**

To outline provisions for travelling, subsistence and removal expenses for employees and prospective employees (appointees) as well as councillors. It will regulate internal transfers which may warrant relocation of furniture. Unless, where specified, the policy covers both the employees and Councillors. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

### **8.13. Bursary for Employees and Councillors Policy**

To create opportunities for employees to acquire the relevant qualifications to satisfy the human resource requirements of the municipality as well as the career development needs of the employees. To empower the employees with advanced skills to make meaningful contributions towards the upliftment of their communities in line with the Local Growth and Development Strategy and JIPSA. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)



#### **8.14 Property rates By-laws policy**

To give effect to the implementation of the municipality's Rates Policy as contemplated in section 6 of the Municipal Property Rates Act. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

#### **8.15 Cost containment Policy**

To assist the Accounting Officer to ensure that adequate policies and procedures are in place to ensure an effective system of financial control, the Chief Financial Officer to advise the Accounting Officer and to assist senior managers in the exercising of powers and duties assigned to them in terms of Section 78 or delegated to them in terms of Section 79 of the Act and also provide guidelines to the Accounting Officer and senior managers implement cost containment measures in line with National Treasury Circular 82. The policy can be found on [www.moretele.gov.za](http://www.moretele.gov.za)

## 9. MTREF BUDGET ASSUMPTIONS 2023/2024

The following macro-economic forecasts which were recommended in preparing the 2023/2024 MTREF municipal budgets, and 5.3 CPI was applied in the 2023/2024 financial year.

Fiscal year	2023/2024	2024/2025 FORECAST	2025/2026 FORECAST
Consumer Price Inflation (CPI)	5.3%	4.9%	4.7%
Real GDP growth	1.2%	Not provided	Not provided

### THE FOLLOWING BUDGET ASSUMPTIONS WERE USED:

- 2023/2024 Financial Year employee's annual increment provision was still placed at 6.1% however the municipality's cost reprioritization and cash management strategy vacancies have been significantly rationalized downwards and only key position will be appointed in accordance with the Lekgotla resolutions.

### KEY FACTORS WHICH INFLUENCED THE 2022/23 BUDGET ARE AS FOLLOWS:

National Treasury MFMA Budget's Circulars 123 was used to guide the compilation of the municipality's budget and medium-term revenue and expenditure framework (MTREF) for the 2023/2024 financial year.

**MFMA Circular No 123 Municipal Budget Circular for the 2023/2024 MTREF provided that the ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2023/2024**

### **MTREF budgets:**

- Improving the effectiveness of revenue management processes and procedures.
- Cost containment measures to control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82.
- Ensuring value for money through the procurement process.
- The affordability of providing free basic services to all households.
- Not taking on unfunded mandates.

- Strictly control the use of costly water tankers and refurbish the water infrastructure to enable the sustainable provision of water.
- Automate business services where possible to increase efficiencies and lower customer costs.
- Prioritise the filling of critical vacant posts, especially linked to the service delivery, and
- Curbing the consumption of water and electricity of the indigents to ensure that they do not exceed their allocation.

## **REVENUE BUDGET**

- maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality-
- pay careful attention to the differential incidence of tariff increases across all consumer groups.

## **COLLECTION RATE FOR REVENUE SERVICES**

The base assumption is that tariff and rating should not increase beyond the CPI. Therefore, the increase has been curbed to the recommendations as per circular 123.

The performance of arrear collections is considered as a source of additional cash in-flow once the performance has been carefully monitored.

## **IMPACT OF NATIONAL, PROVINCIAL AND LOCAL POLICIES**

Integration of service delivery between national, provincial, and local government is critical to ensure focussed service delivery and, in this regard, various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs.
- Enhancing education and skill development.
- Improving Health services.
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial, and local objectives.

#### **ABILITY OF THE MUNICIPALITY TO SPEND AND DELIVER ON THE PROGRAMMES**

It is estimated that a spending rate of at least 97 per cent is achieved on operating expenditure and 98 per cent on the capital programme for the 2023/2024 MTREF of which performance has been factored into the cash flow budget.

## 10.OVERVIEW OF BUDGET FUNDING

The operational budget is mainly funded by the Equitable Share which accounts for a higher percentage of the grants received. The own revenue has been conservatively increased in accordance with circular 123. The consideration for the collection rate has also been considered. **The collection rate remains below 30% on outstanding debt and is at 68 % against current billing.**

The rural nature of the municipality must be reflected through the indigent support for the poor. The projected increase in indigent subsidies has also been taken into consideration. The indigent management policy has been revised to consider the deemed method of verification.

The proposed tariffs for the 2023/2024 financial year are within reasonable limits. The tariffs consider the property rates levy which are approved in terms of the MPRA. There has been no increase in the land tax for 2023/2024, except the water services.

## 12. EXPENDITURE ON ALLOCATIONS AND GRANTS PROGRAMMES

NW371 Moretele - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year+1 2024/25	Budget Year +2 2025/26
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		427,074	398,996	413,212	373,405	348,749	348,749	454,889	481,091	482,650
Local Government Equitable Share		368,278	381,571	409,007	367,904	343,411	343,411	443,171	471,840	472,917
Energy Efficiency and Demand Side Management Grant										
Expanded Public Works Programme Integrated Grant		57,952	10,562	2,138	1,998	1,998	1,998	2,874	-	-
Infrastructure Skills Development Grant										
Integrated City Development Grant										
Local Government Financial Management Grant		843	1,359	2,050	2,900	2,900	2,900	2,900	2,900	3,038
Municipal Demarcation Transition Grant										
Municipal Disaster Relief Grant										
Municipal Systems Improvement Grant										
Neighbourhood Development Partnership Grant										
Municipal Disaster Recovery Grant										
Rural Road Asset Management Systems Grant										
Municipal Infrastructure Grant		-	5,504	17	603	440	440	5,944	6,351	6,695
Water Services Infrastructure Grant										
Public Transport Network Grant										
Urban Settlement Development Grant										
Integrated National Electrification Programme Grant										
Municipal Rehabilitation Grant										
Regional Bulk Infrastructure Grant										
Municipal Emergency Housing Grant										
Metro Informal Settlements Partnership Grant										
Integrated Urban Development Programme and Project Preparation Support Grant										
<b>Other transfers/grants [insert description]</b>										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Infrastructure										
Capacity Building										
<b>Other transfers/grants [insert description]</b>										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Infrastructure										
Capacity Building										
<b>Other grant providers:</b>		384	-	798	-	-	-	1,163	1,220	1,278
Expenditure on Other Grants		384	-	798	-	-	-	1,163	1,220	1,278
<b>Total operating expenditure of Transfers and Grants:</b>		<b>427,458</b>	<b>398,996</b>	<b>414,011</b>	<b>373,405</b>	<b>348,749</b>	<b>348,749</b>	<b>456,052</b>	<b>482,312</b>	<b>483,928</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		57,179	94,124	215,614	192,451	192,601	192,601	161,784	192,813	214,741
Integrated National Electrification Programme Grant										
Municipal Infrastructure Grant		(2,332)	64,250	57,315	152,451	148,601	148,601	131,784	137,813	144,178
Neighbourhood Development Partnership Grant										
Rural Road Asset Management Systems Grant										
Urban Settlement Development Grant										
Integrated City Development Grant										
Municipal Disaster Recovery Grant										
Energy Efficiency and Demand Side Management Grant										
Local Government Financial Management Grant										
Public Transport Network Grant										
Regional Bulk Infrastructure Grant										
Water Services Infrastructure Grant		58,511	29,875	158,298	40,000	44,000	44,000	30,000	55,000	70,563
Infrastructure Skills Development Grant										
Municipal Disaster Relief Grant										
Municipal Emergency Housing Grant										
Metro Informal Settlements Partnership Grant										
Integrated Urban Development Grant										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Infrastructure										
Capacity Building										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Infrastructure										
Capacity Building										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
Expenditure on Other Grants		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>57,179</b>	<b>94,124</b>	<b>215,614</b>	<b>192,451</b>	<b>192,601</b>	<b>192,601</b>	<b>161,784</b>	<b>192,813</b>	<b>214,741</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>484,637</b>	<b>493,121</b>	<b>629,624</b>	<b>565,856</b>	<b>541,350</b>	<b>541,350</b>	<b>617,836</b>	<b>675,124</b>	<b>698,669</b>

### 13. ALLOCATIONS OR GRANTS MADE BY THE MUNICIPALITY

Not applicable -The municipality does not allocate grants.

### 14 COUNCILLORS ALLOWANCE AND EMPLOYEE'S BENEFITS

NW371 Moretele - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		-	11 259	13 093	12 518	12 581	12 581	13 194	13 841	14 492
Pension and UIF Contributions		-	1 986	1 243	2 350	2 327	2 327	2 477	2 598	2 720
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	1 772	-	-	1 868	1 960	2 052
Cellphone Allowance		-	2 293	2 296	2 312	2 312	2 312	2 437	2 556	2 676
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		4 438	4 418	4 587	3 139	4 934	4 934	3 308	3 470	3 634
<b>Sub Total - Councillors</b>		<b>4 438</b>	<b>19 956</b>	<b>21 219</b>	<b>22 091</b>	<b>22 154</b>	<b>22 154</b>	<b>23 284</b>	<b>24 425</b>	<b>25 573</b>
<b>% increase</b>	4		<b>349.7%</b>	<b>6.3%</b>	<b>4.1%</b>	<b>0.3%</b>	<b>-</b>	<b>5.1%</b>	<b>4.9%</b>	<b>4.7%</b>
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		-	213	2 791	7 550	7 380	7 380	7 958	8 348	8 740
Pension and UIF Contributions		-	8	1 587	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	58	629	536	536	663	696	728
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	18	-	-	-	-	-	-	-
Cellphone Allowance	3	-	1	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	3	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>-</b>	<b>243</b>	<b>4 435</b>	<b>8 179</b>	<b>7 916</b>	<b>7 916</b>	<b>8 621</b>	<b>9 043</b>	<b>9 468</b>
<b>% increase</b>	4		<b>-</b>	<b>1724.2%</b>	<b>84.4%</b>	<b>(3.2%)</b>	<b>-</b>	<b>8.9%</b>	<b>4.9%</b>	<b>4.7%</b>

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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<b>Other Municipal Staff</b>										
Basic Salaries and Wages		77 781	80 334	83 712	101 218	98 821	98 821	106 432	111 648	116 895
Pension and UIF Contributions		14 656	14 490	14 893	16 598	17 025	17 025	17 494	18 352	19 214
Medical Aid Contributions		6 013	6 676	6 990	11 522	11 764	11 764	12 144	12 739	13 338
Overtime		2 123	422	870	1 016	1 016	1 016	1 071	1 124	1 177
Performance Bonus		5 301	6 261	6 347	7 544	8 559	8 559	7 931	8 319	8 710
Motor Vehicle Allowance	3									
Cellphone Allowance	3	1 244	1 536	1 583	1 738	1 786	1 786	1 832	1 922	2 012
Housing Allowances	3	885	328	390	3 120	2 856	2 856	3 288	3 450	3 612
Other benefits and allowances	3	11 517	10 562	13 034	13 382	14 417	14 417	14 104	14 795	15 491
Payments in lieu of leave		2 709	5 007	1 459	-	-	-	-	-	-
Long service awards										
Post-retirement benefit obligations	6									
Entertainment										
Scarcity										
Acting and post related allowance		-	1 898	-	-	-	-	-	-	-
In kind benefits										
<b>Sub Total - Other Municipal Staff</b>		<b>122 228</b>	<b>125 616</b>	<b>129 277</b>	<b>156 138</b>	<b>156 244</b>	<b>156 244</b>	<b>164 297</b>	<b>172 348</b>	<b>180 448</b>
<b>% increase</b>	4		2.8%	2.9%	20.8%	0.1%	-	5.2%	4.9%	4.7%
<b>Total Parent Municipality</b>		<b>126 666</b>	<b>145 816</b>	<b>154 932</b>	<b>186 408</b>	<b>186 314</b>	<b>186 314</b>	<b>196 202</b>	<b>205 816</b>	<b>215 489</b>
			15.1%	6.3%	20.3%	(0.1%)	-	5.3%	4.9%	4.7%
<b>Board Members of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
<b>Sub Total - Board Members of Entities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>% increase</b>	4		-	-	-	-	-	-	-	-



Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
FY

**NW371 Moretele - Supporting Table SA22 Summary councillor and staff benefits**

Summary of Employee and Councillor remuneration	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>										
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
<b>Sub Total - Senior Managers of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4	-	-	-	-	-	-	-	-	-
<b>Other Staff of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Entertainment										
Scarcity										
Acting and post related allowance										
In kind benefits										
<b>Sub Total - Other Staff of Entities</b>		-	-	-	-	-	-	-	-	-
<b>% increase</b>	4	-	-	-	-	-	-	-	-	-
<b>Total Municipal Entities</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		126 666	145 816	154 932	186 408	186 314	186 314	196 202	205 816	215 489
<b>% increase</b>	4		15.1%	6.3%	20.3%	(0.1%)	-	5.3%	4.9%	4.7%
<b>TOTAL MANAGERS AND STAFF</b>	5.7	122 228	125 860	133 712	164 317	164 161	164 161	172 918	181 391	189 916

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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NW371 Moretele - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2021/22			Current Year 2022/23			Budget Year 2023/24		
Number		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>											
Councillors (Political Office Bearers plus Other Councillors)						52		52	52		52
Board Members of municipal entities		4									
<b>Municipal employees</b>											
Municipal Manager and Senior Managers		3				6	-	6	6	1	5
Other Managers		7				40	33	7	40	33	7
Professionals			-	-	-	91	82	9	91	82	9
Finance						19	19		19	19	
Spatial/town planning						9	9		9	9	
Information Technology											
Roads						2	2		2	2	
Electricity											
Water											
Sanitation											
Refuse											
Other						61	52	9	61	52	9
Technicians			-	-	-	8	7	1	8	7	1
Finance											
Spatial/town planning											
Information Technology						6	6		6	6	
Roads						1	1		1	1	
Electricity						1	-	1	1	-	1
Water											
Sanitation											
Refuse											
Other											
Clerks (Clerical and administrative)						16	16		16	16	
Service and sales workers						20	20		20	20	
Skilled agricultural and fishery workers											
Craft and related trades									28	28	
Plant and Machine Operators											
Elementary Occupations						46	46		46	46	
<b>TOTAL PERSONNEL NUMBERS</b>		9	-	-	-	279	204	75	307	233	74
<b>% increase</b>						-	-	-	10.0%	14.2%	(1.3%)
<b>Total municipal employees headcount</b>		6, 10									
Finance personnel headcount		8, 10				39	33	6	39	33	6
Human Resources personnel headcount		8, 10				84		1	84		1

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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15. MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

NW371 Moretele - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Cash Receipts By Source</b>													1		
Property rates	681	681	681	681	681	681	681	681	681	681	681	681	8 168	8 569	8 591
Service charges - electricity revenue													-		
Service charges - water revenue	714	714	714	714	714	714	714	714	714	714	714	714	8 567	8 967	9 409
Service charges - sanitation revenue													-		
Service charges - refuse revenue	494	494	494	494	494	494	494	494	494	494	494	494	5 931	6 221	6 514
Rental of facilities and equipment	15	15	15	15	15	15	15	15	15	15	15	15	174	183	192
Interest earned - internal investments	1 057	1 057	1 057	1 057	1 057	1 057	1 057	1 057	1 057	1 057	1 057	1 057	12 689	13 311	13 596
Interest earned - outstanding debtors													-		
Dividends received													-		
Fines, penalties and forfeits	136	136	136	136	136	136	136	136	136	136	136	136	1 661	1 742	1 824
Licences and permits	91	91	91	91	91	91	91	91	91	91	91	91	1 096	1 150	1 204
Agency services													-		
Transfers and Subsidies - Operational	38 004	38 004	38 004	38 004	38 004	38 004	38 004	38 004	38 004	38 004	38 004	38 004	456 052	482 312	483 528
Other revenue	103	103	103	103	103	103	103	103	103	103	103	103	1 230	1 291	1 351
<b>Cash Receipts by Source</b>	41 297	41 297	41 297	41 297	41 297	41 297	41 297	41 297	41 297	41 297	41 297	41 298	495 589	523 765	527 536
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)															
Transfers and subsidies - capital (monetary allocations) (Net / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)	13 482	13 482	13 482	13 482	13 482	13 482	13 482	13 482	13 482	13 482	13 482	13 482	161 764	192 813	217 741
Proceeds on Disposal of Fixed and Intangible Assets													-		
Short term loans													-		
Borrowing long term/financing													-		
Increase (decrease) in consumer deposits													-		
Decrease (increase) in non-current receivables													-		
Decrease (increase) in non-current investments													-		
<b>Total Cash Receipts by Source</b>	54 779	54 779	54 779	54 779	54 779	54 779	54 779	54 779	54 779	54 779	54 779	54 780	657 353	716 578	745 070
<b>Cash Payments by Type</b>															
Employee related costs	14 411	14 411	14 411	14 411	14 411	14 411	14 411	14 411	14 411	14 411	14 411	14 411	172 918	181 391	188 916
Remuneration of councillors	1 940	1 940	1 940	1 940	1 940	1 940	1 940	1 940	1 940	1 940	1 940	1 940	23 284	24 425	25 573
Interest													-		
Bulk purchases - electricity													-		
Acquisitions - water & other inventory	4 392	4 392	4 392	4 392	4 392	4 392	4 392	4 392	4 392	4 392	4 392	4 392	52 700	55 293	57 881
Contracted services	12 673	12 673	12 673	12 673	12 673	12 673	12 673	12 673	12 673	12 673	12 673	12 674	152 081	159 408	166 901
Transfers and subsidies - other municipalities													-		
Transfers and subsidies - other													-		
Other expenditure	4 994	4 994	4 994	4 994	4 994	4 994	4 994	4 994	4 994	4 994	4 994	4 995	59 527	62 645	65 829
<b>Cash Payments by Type</b>	38 409	38 409	38 409	38 409	38 409	38 409	38 409	38 409	38 409	38 409	38 409	38 411	468 910	483 343	506 101
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	15 845	15 845	15 845	15 845	15 845	15 845	15 845	15 845	15 845	15 845	15 845	15 845	190 134	192 813	214 741
Repayment of borrowing													-		
Other Cash Flows/Payments													-		
<b>Total Cash Payments by Type</b>	54 254	54 254	54 254	54 254	54 254	54 254	54 254	54 254	54 254	54 254	54 254	54 256	651 044	676 156	720 842
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	526	526	526	526	526	526	526	526	526	526	526	524	6 309	40 422	24 229
Cash/cash equivalents at the month/year begin:	244 619	245 145	245 671	246 197	246 723	247 249	247 775	248 301	248 826	249 352	249 878	250 404	244 619	250 928	257 350
Cash/cash equivalents at the month/year end:	245 145	245 671	246 197	246 723	247 249	247 775	248 301	248 826	249 352	249 878	250 404	250 928	250 928	291 350	315 579

## 15. ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS

### **BACKGROUND**

In term of Section 24(1) of the Municipal Finance Management Act (MFMA) No. 56 of 2003, the council of the municipality must for each year approve an annual budget for the municipality before the start of the financial year. Section 16(1) of MFMA states that, the council of a municipality must for each financial year approve an annual budget as per Section 16(2). In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 30 days before the start of the budget year.

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically, and equitably to all communities. The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high priority programmes to maintain sound financial stewardship.

The Municipality is embarking on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers mainly state owned. Some of these revenue collection strategies are through the 2019-2024 valuation roll which was loaded in the 2022/23 financial year. This new valuation roll will assist with new organ of state which were part of the area allocated in Moretele since the last demarcation.

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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NW371 Moretele - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2023/24												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Revenue by Vote</b>																
Vote 1 - Executive and Council														-	-	-
Vote 2 - Finance and Administration		41 310	41 310	41 310	41 310	41 310	41 310	41 310	41 310	41 310	41 310	41 310	41 310	485 725	526 827	530 490
Vote 3 - Internal Audit														-	-	-
Vote 4 - Community and Social Services		86	86	86	86	86	86	86	86	86	86	86	86	1 036	1 087	1 138
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Health														-	-	-
Vote 7 - Planning and Development		11 477	11 477	11 477	11 477	11 477	11 477	11 477	11 477	11 477	11 477	11 477	11 477	137 728	144 164	150 673
Vote 8 - Road Transport		91	91	91	91	91	91	91	91	91	91	91	91	1 086	1 150	1 204
Vote 9 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Water Management		7 635	7 635	7 635	7 635	7 635	7 635	7 635	7 635	7 635	7 635	7 635	7 635	91 619	116 623	138 082
Vote 11 - Waste Water Management														-	-	-
Vote 12 - Waste Management														-	-	-
Vote 13 -														-	-	-
Vote 14 -														-	-	-
Vote 15 -														-	-	-
<b>Total Revenue by Vote</b>		<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>60 600</b>	<b>727 283</b>	<b>789 850</b>	<b>821 787</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Executive and Council		6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	6 245	74 955	79 627	82 323
Vote 2 - Finance and Administration		14 647	14 647	14 647	14 647	14 647	14 647	14 647	14 647	14 647	14 647	14 647	14 647	175 768	184 239	192 900
Vote 3 - Internal Audit		609	609	609	609	609	609	609	609	609	609	609	609	7 303	7 661	8 021
Vote 4 - Community and Social Services		1 781	1 781	1 781	1 781	1 781	1 781	1 781	1 781	1 781	1 781	1 781	1 781	21 372	22 419	23 473
Vote 5 - Sport and Recreation		338	338	338	338	338	338	338	338	338	338	338	338	4 057	4 256	4 456
Vote 6 - Health		96	96	96	96	96	96	96	96	96	96	96	96	1 162	1 208	1 265
Vote 7 - Planning and Development		5 173	5 173	5 173	5 173	5 173	5 173	5 173	5 173	5 173	5 173	5 173	5 173	62 074	65 105	68 204
Vote 8 - Road Transport		2 786	2 786	2 786	2 786	2 786	2 786	2 786	2 786	2 786	2 786	2 786	2 786	33 433	35 071	36 719
Vote 9 - Energy Sources		1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	1 410	16 920	17 749	18 583
Vote 10 - Water Management		13 760	13 760	13 760	13 760	13 760	13 760	13 760	13 760	13 760	13 760	13 760	13 760	165 117	173 208	181 348
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 -														-	-	-
Vote 14 -														-	-	-
Vote 15 -														-	-	-
<b>Total Expenditure by Vote</b>		<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>46 846</b>	<b>562 148</b>	<b>589 542</b>	<b>617 292</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 755</b>	<b>165 054</b>	<b>200 308</b>	<b>204 485</b>
Income Tax														-	-	-
Share of Surplus/Deficit attributable to Minorities														-	-	-
Intercompany/Parent subsidiary transactions														-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 754</b>	<b>13 755</b>	<b>165 054</b>	<b>200 308</b>	<b>204 485</b>



## 16.ANNUAL BUDGET AND SERVICE DELIVERY AGREEMENTS- ENTITIES AND EXTERNAL MECHANISMS

Not applicable- the municipality does not have an entity

## 17.CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS

### NW371 Moretele - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2023/24 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - Executive and Council		-	-	-				
Vote 2 - Finance and Administration		11 200	-	-				
Vote 3 - Internal Audit		-	-	-				
Vote 4 - Community and Social Services		850	-	10 500				
Vote 5 - Sport and Recreation		1 000	-	-				
Vote 6 - Health		-	-	-				
Vote 7 - Planning and Development		5 100	-	-				
Vote 8 - Road Transport		16 769	8 010	42 756				
Vote 9 - Energy Sources		10 329	16 243	8 200				
Vote 10 - Water Management		119 887	141 469	113 074				
Vote 11 - Waste Water Management		25 000	27 090	40 211				
Vote 12 - Waste Management		-	-	-				
Vote 13 -		-	-	-				
Vote 14 -		-	-	-				
Vote 15 -		-	-	-				
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>190 134</b>	<b>192 813</b>	<b>214 741</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 1 - Executive and Council								
Vote 2 - Finance and Administration								
Vote 3 - Internal Audit								
Vote 4 - Community and Social Services								
Vote 5 - Sport and Recreation								
Vote 6 - Health								
Vote 7 - Planning and Development								
Vote 8 - Road Transport								
Vote 9 - Energy Sources								
Vote 10 - Water Management								
Vote 11 - Waste Water Management								
Vote 12 - Waste Management								
Vote 13 -								
Vote 14 -								
Vote 15 -								
<i>List entity summary if applicable</i>								
<b>Total future operational costs</b>		-	-	-	-	-	-	-
<b>Future revenue by source</b>	3							
Exchange Revenue								
Service charges - Electricity								
Service charges - Water								
Service charges - Waste Water Management								
Service charges - Waste Management								
Agency services								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
<b>Total future revenue</b>		-	-	-	-	-	-	-
<b>Net Financial Implications</b>		<b>190 134</b>	<b>192 813</b>	<b>214 741</b>	-	-	-	-

18. CAPITAL EXPENDITURE DETAILS

NW371 Moretele - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>	<b>1</b>									
<b>Infrastructure</b>		207 930	3 504	142 502	180 068	188 754	188 754	179 284	190 723	204 241
Roads Infrastructure		98 661	(0)	43 833	38 226	50 711	50 711	16 569	8 010	42 756
Roads		98 661	(0)	43 833	38 226	50 711	50 711	16 569	8 010	42 756
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	4 000	4 000	-	-	-
Drainage Collection										
Storm water Conveyance		-	-	-	-	4 000	4 000	-	-	-
Attenuation										
Electrical Infrastructure		-	-	26 760	20 342	18 855	18 855	10 329	16 243	8 200
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks		-	-	26 760	20 342	18 855	18 855	10 329	16 243	8 200
Capital Spares										
Water Supply Infrastructure		96 665	3 504	61 452	102 709	83 566	83 566	124 887	141 469	113 074
Dams and Weirs										
Boreholes		15 893	1 703	7 747	25 000	21 000	21 000	-	857	43 616
Reservoirs										
Pump Stations										
Water Treatment Works		20 666	-	9 787	-	-	-	-	-	-
Bulk Mains										
Distribution		60 106	1 801	43 917	77 709	62 566	62 566	124 887	140 612	69 457
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		12 603	(0)	10 457	17 291	29 822	29 822	25 000	25 000	40 211
Pump Station										
Reticulation		(23 509)	(0)	7 629	8 400	12 109	12 109	-	-	9 648
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities		36 112	(0)	2 828	8 891	17 714	17 714	25 000	25 000	30 563
Capital Spares										
Solid Waste Infrastructure		-	-	-	1 500	1 800	1 800	2 500	-	-
Landfill Sites		-	-	-	1 500	1 800	1 800	2 500	-	-
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		-	-	-	-	-	-	-	-	-



Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
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**NW371 Moretele - Supporting Table SA34a Capital expenditure on new assets by asset class**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>Community Assets</b>	1	24 294	1 729	5 458	10 000	8 800	8 800	1 800	-	10 500
Community Facilities		8 134	1 729	5 458	10 000	8 800	8 800	1 800	-	10 500
Halls		8 134	1 729	5 458	9 200	8 000	8 000	1 000	-	10 500
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria		-	-	-	800	800	800	800	-	-
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities		16 160	-	-	-	-	-	-	-	-
Indoor Facilities										
Outdoor Facilities		16 160	-	-	-	-	-	-	-	-
Capital Spares										
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
<b>Other assets</b>		-	-	-	7 012	950	950	850	-	-
Operational Buildings		-	-	-	-	950	950	50	-	-
Municipal Offices										
Housing		-	-	-	7 012	-	-	800	-	-
Staff Housing		-	-	-	7 012	-	-	800	-	-
Social Housing										
Capital Spares										
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<b>Intangible Assets</b>		-	-	(5 402)	2 200	2 270	2 270	2 600	-	-
Servitudes										
Licences and Rights		-	-	(5 402)	2 200	2 270	2 270	2 600	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		-	-	(5 402)	2 200	2 270	2 270	2 600	-	-
Load Settlement Software Applications										
Unspecified										

Medium Term Revenue and Expenditure Framework (MTREF) Budget for 2023/2024, 2025/2026, 2025/2026  
FY

**NW371 Moretele - Supporting Table SA34a Capital expenditure on new assets by asset class**

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
<b>R thousand</b>	<b>1</b>									
<b>Computer Equipment</b>		43 862	–	3 135	15	6 015	6 015	450	–	–
Computer Equipment		43 862	–	3 135	15	6 015	6 015	450	–	–
<b>Furniture and Office Equipment</b>		–	–	23	150	450	450	150	–	–
Furniture and Office Equipment		–	–	23	150	450	450	150	–	–
<b>Machinery and Equipment</b>		–	–	–	–	170	170	–	–	–
Machinery and Equipment		–	–	–	–	170	170	–	–	–
<b>Transport Assets</b>		–	(2 059)	544	–	9 250	9 250	5 000	–	–
Transport Assets		–	(2 059)	544	–	9 250	9 250	5 000	–	–
<b>Land</b>		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
<b>Zoo's, Marine and Non-biological Animals</b>		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
<b>Living resources</b>		–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>276 086</b>	<b>3 174</b>	<b>146 260</b>	<b>199 445</b>	<b>216 659</b>	<b>216 659</b>	<b>190 134</b>	<b>190 723</b>	<b>214 741</b>

## 19. LEGISLATIVE COMPLIANCE STATUS

***Compliance with the MFMA implementation requirements has been adhered to through the following activities:***

### **IN-YEAR REPORTING**

Reporting to the National Treasury in electronic format is fully complied with monthly. Section 71 reporting to the Executive Mayor (within ten working days). Furthermore, in compliance with the National Treasury regulation published in Government Gazette 32141, the monthly in-year financial reports are submitted to the Executive Mayor and on a quarterly basis to the Council. Internship programme. The Municipality employed 5 Financial Management Interns.

### **BUDGET AND TREASURY OFFICE.**

The Budget and Treasury Office has been established in accordance with the MFMA.

### **AUDIT COMMITTEE:**

An audit committee has been established.

### **SDBIP**

The Final SDBIP document is available as part of the 2023/2024 MTREF Final budget.

### **BUDGET ENGAGEMENTS WITH PROVINCIAL TREASURY**

The municipal had engagement with provincial treasury for annual budget assessment for the year 2023/2024.

### **MFMA Regulations on municipal minimum competency levels**

All subsequent appointments as required to complete the minimum competency requirements were within a specified timeframe as part of their performance agreements.

### **mSCOA**

The Municipality is compliant with MSCOA, a roadmap has been developed to address issues experienced on the Creditors and Cash Flow Module.

## **20. OTHER SUPPORTING DOCUMENTS**

### **20.1. BUDGET TARIFFS**

**(See the attached list of tariffs)**

### **20.2. PROCUREMENT PLAN**

**(See attached procurement plan for financial year 2023/2024)**

## **21. ANNUAL BUDGETS OF THE MUNICIPAL ENTITIES ATTACHED TO THE ANNUAL BUDGET**

Not applicable -the municipality does not have an entity.

## **22. MUNICIPAL MANAGER'S QUALITY CERTIFICATE**

**(TO BE THE ATTACHED)**

