

CITY OF MATLOSANA

Date submitted:

Author of the item: LESSEGO MOLOKE

Attached hereto an item for you to consider in terms of the Delegation of Powers and Functions, delegated power serial number

HEAD OF DIVISION: [Signature]
SIGNED: H.S. Rossouw
DATE: 12/06/2024

Received by Deputy Director: Administration

Date and Time: 13/6/2024

Signature: [Signature]

<u>[Signature]</u> Director: Corporate Support	<u>18/6/2024</u> Date	COMMENTS: <u>Report noted.</u>
<u>[Signature]</u> Chief Financial Officer	<u>12/06/2024</u> Date	COMMENTS: <u>SFI</u>
Director: Planning & Human Settlements	Date	COMMENTS:
Director: Technical and Infrastructure	Date	COMMENTS:
Director: Community Development	Date	COMMENTS:
Director: Public Safety	Date	COMMENTS:
Director: Local Economic Development	Date	COMMENTS:

MUNICIPAL MANAGER
[Signature]
SIGNATURE
19/06/2024
DATE

Items will not be considered by the Municipal Manager unless the following signatures are reflecting: Director of Relevant department, Chief Financial Officer and Director: Corporate Services

PROVINCIAL EXECUTIVE REPRESENTATIVE
[Signature]
SIGNATURE
19.06.2024
DATE
Report was not been fully reviewed.
due to the time factor. Review notes will be submitted in due course

MONTHLY BUDGET STATEMENT FOR THE MONTH ENDED ON 31 MAY 2024

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PART 1: IN-YEAR REPORT

1. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL PERFORMANCE OF THE MUNICIPALITY FOR THE PERIOD ENDED ON 31 MAY 2024

1.1 Performance summary

Table 1: Performance summary

Summary statement of Financial Performance					
Description	YTD Budget 2023/24	May 2024 Actual	YTD Actual 2023/24	Variance Favourable (Unfavourable)	YTD Variance %
Total Revenue by Source	3,792,075,915	288,136,101	3,721,530,186	(70,545,730)	-2%
Total Operating Expenditure	3,642,360,925	184,061,400	2,700,976,321	(941,384,604)	-26%
SURPLUS/ (DEFICIT).	149,714,990	104,074,701	1,020,553,865	(870,838,875)	

Revenue

The revenue for the month ending 31 May 2024 amounts to R 288 million, and the year to date actual revenue amounts to R 3,722 billion and reflects unfavourable outcome of 2% when compared with the year to date budget of R 3,792 billion.

The unfavourable outcome on the year to date can be attributed to the following:

- **Property Rates (-6%):** The reconciliation between the valuation roll and the financial system is conducted on a monthly basis. However, the anticipated revenue has not yet been reached as budgeted at the beginning of the financial year. Finance Department and Housing Development Department have devised a plan to fast track the correction of properties that are incorrectly zoned. This should improve the revenue on properties.
- **Service charges – Electricity revenue (-9%):** Less revenue billed on electricity than initially anticipated. The reduction on this line item can be attributed to the current implementation of load shedding by ESKOM and the acceleration of customers converting to solar. The municipality is also enforcing the measures to reduce illegal connections and ensure that all properties consuming electricity are billed. The budget on this line item was reduced during the Adjustment Budget.
- **Service charges – Refuse revenue (-12%):** Less revenue billed as the anticipated increase on the refuse revenue has not materialised. Process of reconciling the valuation roll and the financial system on an ongoing basis to ensure that all properties within City of Matlosana are correctly billed for refuse collection.

- **Interest earned from receivables (17%) more:** The variance is as a result of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charges.
- **Other Revenue (-8%):** The budgeted amount consists of numerous items (e.g. Commission: insurance, Commission: Transaction Handling fees, Plan printing and duplicate, etc.) in this instance under performance was mostly on the Sale of Property and Commission Transaction Handling fees. The reason for under collection is that there has been delays in the issuing of clearance figures for property transfers. Housing Development department has suggested that the current process plan and policies (Rates and Credit Control) be reviewed due to the delay in the process of issuing of clearance figures.

The negative revenue is also affected by the following factors:

- The revenue enhancement strategies as reflected in the budget funding plan has not yet been fully realised the anticipated revenue;
- High illegal connections. Implementation of Smart Metering Programme will address this problem. The municipality has also started the anti-tempering project to curb the electricity distribution loss and improve revenue.
- Debtors' book that is increasing due to non-payment of debtors. The municipality has identified top 200 accounts amounting to R 413, 2 million to be collected over the period of three months, in addition to normal monthly collection.

Expenditure

The operating expenditure for the month ending 31 May 2024 amounts to R 184 million and the year to date actual expenditure amounts to R 2,701 billion and reflects a negative deviation of 26% when compared with the year to date budget amount of R 3,642 billion. The negative deviation is because of cash flow challenges. Spending on most of the items is directly linked with cash flow.

The deviation can be attributed to the following:

- **Interest (-92%):** The underspending is mainly on interest paid on overdue accounts, most of the journals for interest paid on overdue accounts are done at the end of the financial year.
- **Bulk Purchases:** Expenditure is lower due to the outstanding Eskom invoices; it is difficult for the municipality to meet the obligation due to the cash flow challenges.
- **Inventory consumed:** Inventory consumed includes Bulk Water, expenditure is lower due to the outstanding Midvaal invoices, and the Municipality is struggling to meet the obligation due to cash flow challenges.
- **Contracted services (-42%):** Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset Register administration. Low spending than initially planned due to cash flow challenges.

- **Debt Impairment (-100%):** Transactions for debt impairment have been done on the wrong Vote number. Journals will be done at year-end to correct the mistakes.
- **Other Expenditure (-35%):** less spending due to cash flow challenges.

Cash management

Bank Balances	R 10,712,061
Call Investments	R 141,716,530
Cash and Cash Investments	R 152,428,591

Investment Portfolio: 31 May 2024

City of Matlosana

INSTITUTION	INTEREST RATE	MAY 2024	EXPLANATION
Call Investment			
ABSA: 3854	3,73%	31 960 603,88	WSIG
ABSA: 5047	4,70%	2 444 205,68	INEP
ABSA: 6177	6,75%	31 956 393,85	MIG
ABSA: 2264	4,70%	6 929 587,66	own (Eskom)
ABSA: 4682	6,65%	3 730 995,27	NDPG
ABSA: 4063	1,55%	2 799 310,95	EEDSM
ABSA: 1223	6,75%	2 073 198,26	Auction
ABSA: 5203		26 180 261,94	own (Salaries)
INVESTEC	3,30%	8 298 051,23	own
FNB		25 343 920,82	COVID
TOTAL Call Investment		141 716 529,54	

Note: The R98 million Call investment is ring-fenced for Conditional Grants

Collection Rate & Outstanding Debtors

Total Outstanding Debtors	R 9,299,631,199
Debtors: Government	R 98,913,494
Debtors: Business	R 692,770,466
Debtors: Household	R 8,507,947,238

Note: The detailed Debtors Age analysis is outlined on Table 12. The collection rate for the month ending 31 May 2024 is 77%.

Creditors

Total Outstanding Creditors	R 3,850,762,650
ESKOM	R 2,024,733,668
Midvaal	R 1,750,659,417
Trade Creditors	R 74,505,036
Auditor General	R 864,529

Note: The detailed Creditors Age analysis is outlined on Table 13.

Capital Grants Expenditure

CAPITAL GRANTS EXPENDITURE

GRANT DESCRIPTION	ADJUSTMENT BUDGET 2023/24	May Expenditure Incl VAT 2023/24	YTD ACTUALS VAT Incl	YTD BUDGET	YTD % Incl VAT
MIG	122 401 823	1 823 265	68 508 556	112 201 671	55,97
NDPG	21 162 000	1 375 735	17 362 683	19 398 500	82,05
INEP	6 162 725	850 000	6 115 718	5 649 165	99,24
WSIG	46 130 000	3 506 973	28 602 976	42 285 833	62,01
TOTAL	195 856 548	7 555 973	120 589 933	179 535 169	61,57

Total Capital grants budget amounts to R 196 million. Total expenditure for the month ending 31 May 2024 amounts to R 7, 6 million, and the year-to-date actual expenditure amounts to R 121 million representing 62% of the total Capital Grants budget.

Capital Grants spending is low as compared to the 92% of the Year to date budget. The low spending has resulted NT stop the portion of 2023/24 allocation(s).

The detailed reasons for underspending are outlined below Table 8

2. IN – YEAR BUDGET STATEMENT MAIN TABLE

2.1 Monthly budget statement summary. The table below provides a high- level summary of the Municipal’s financial performance, capital expenditure, financial position, cash flow, debtors and creditors analysis

TABLE 2: Monthly Budget Statement Summary

NW403 City Of Matlosana - Table C1 Monthly Budget Statement Summary - M11 May

Description	Budget Year									
	2022/23	2023/24			Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Audited Outcome	Original Budget	Adjusted Budget								
R thousands										
Financial Performance										
Property rates	456 397	561 076	546 004	37 698	469 829	502 262	(32 433)	-6%	546 004	
Service charges	1 949 608	2 305 667	2 110 047	170 602	1 670 558	1 957 032	(86 474)	-4%	2 110 047	
Investment revenue	15 402	-	-	-	-	-	-	-	-	
Transfers and subsidies - Operational	15 402	9 761	9 761	1 025	8 274	8 947	(674)	-8%	9 761	
Other own revenue	1 308 912	1 338 052	1 260 209	67 622	1 266 980	1 164 273	102 707	9%	-	
Total Revenue (excluding capital transfers and contributions)	3 745 722	4 214 556	3 926 021	276 947	3 615 641	3 632 514	(16 874)	-0%	3 926 021	
Employee costs	696 837	785 821	770 975	65 752	708 608	708 462	146		770 975	
Remuneration of Councillors	36 912	41 586	43 497	3 033	36 789	39 650	(2 860)		43 497	
Depreciation and amortisation	382 953	440 000	420 000	31 609	316 085	387 333	(71 248)		420 000	
Interest	237 534	10 711	10 708	55	794	9 816	(9 022)		10 708	
Inventory consumed and bulk purchases	1 430 478	1 645 412	1 664 390	55 077	818 551	1 523 497	(704 946)		1 664 390	
Transfers and subsidies	-	-	-	-	-	-	-		-	
Other expenditure	1 952 982	1 364 177	1 018 086	28 536	820 149	973 603	(153 454)	-16%	1 018 086	
Total Expenditure	4 737 696	4 287 708	3 927 655	184 061	2 700 976	3 642 361	(941 385)	-26%	3 927 655	
Surplus/(Deficit)	(991 975)	(73 152)	(1 634)	92 886	914 664	(9 847)	924 511	-9389%	(1 634)	
Transfers and subsidies - capital (monetary allocations)	107 437	191 469	171 529	11 189	105 890	159 562	(53 672)	-34%	171 529	
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-	
Surplus/(Deficit) after capital transfers & contributions	(884 538)	118 317	169 895	104 075	1 020 554	149 715	870 839	582%	169 895	
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-	
Surplus/ (Deficit) for the year	(884 538)	118 317	169 895	104 075	1 020 554	149 715	870 839	582%	169 895	
Capital expenditure & funds sources										
Capital expenditure	83 952	231 469	216 857	7 285	108 129	200 490	(92 361)	-46%	216 857	
Capital transfers recognised	77 727	191 469	195 857	7 197	106 801	179 023	(72 222)	-40%	195 857	
Borrowing	-	-	-	-	-	-	-		-	
Internally generated funds	6 225	40 000	21 000	89	1 327	21 467	(20 139)	-94%	21 000	
Total sources of capital funds	83 952	231 469	216 857	7 285	108 129	200 490	(92 361)	-46%	216 857	
Financial position										
Total current assets	1 903 959	487 454	1 538 218		3 460 684				1 538 218	
Total non current assets	5 453 531	4 119 658	4 105 045		5 245 574				4 105 045	
Total current liabilities	4 977 029	230 387	1 214 930		5 315 411				1 214 930	
Total non current liabilities	26 576	81 274	81 274		16 430				81 274	
Community wealth/Equity	3 963 559	4 177 134	4 177 134		3 392 817				4 177 134	
Cash flows										
Net cash from (used) operating	1 691 423	218 461	(11 024)	156 934	2 387 282	(527 510)	(2 914 792)	553%	(11 024)	
Net cash from (used) investing	(83 952)	(231 469)	(216 857)	(7 285)	(108 129)	(198 785)	(90 656)	46%	(216 857)	
Net cash from (used) financing	-	(2 300)	(2 300)	-	865	(2 108)	(2 973)	141%	(2 300)	
Cash/cash equivalents at the month/year end	1 832 393	197 692	75 499	-	2 384 791	(422 724)	(2 807 515)	664%	(125 407)	
Debtors & creditors analysis										
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	
Debtors Age Analysis										
Total By Income Source	286 439	185 976	153 380	8 673 836	-	-	-	-	9 299 631	
Creditors Age Analysis										
Total Creditors	242 405	149 001	267 244	3 192 112	-	-	-	-	3 850 763	

2.2 Monthly Budget Statement – Financial Performance (Revenue per department)

Actual operating revenue per source

The actual operating revenue per department is set out in Table 3 below. From table 1 it is clear that year to date actual operating revenue amounts to R 3,722 billion and compares unfavourably with the pro rata budgeted figure of R 3,792 billion a negative variance of R 71 million for the month ending 31 May 2024.

TABLE 3: ACTUAL REVENUE PER SOURCE FOR THE PERIOD ENDING 31 MAY 2024

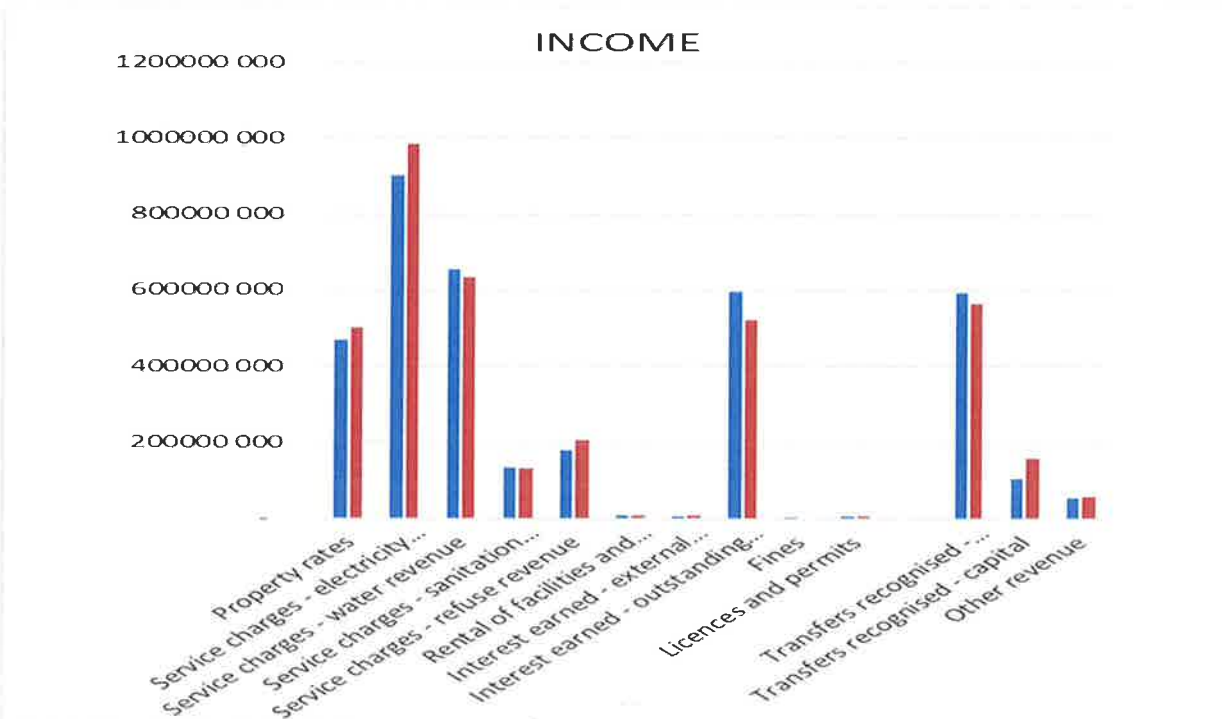
NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		876 124	1 100 940	1 071 668	79 856	901 430	985 778	(84 348)	-9%	1 071 668
Service charges - Water		736 820	787 552	677 106	62 858	654 659	633 566	21 093	3%	677 106
Service charges - Waste Water Management		141 373	162 319	141 273	11 820	133 468	131 956	1 512	1%	141 273
Service charges - Waste management		195 291	254 856	220 000	16 068	181 002	205 733	(24 731)	-12%	220 000
Sale of Goods and Rendering of Services		6 086	8 971	8 971	1 084	9 171	8 223	947	12%	8 971
Agency services		-	-	-	-	-	-	-	-	-
Interest										
Interest earned from Receivables		550 656	558 181	508 181	53 969	549 881	471 666	78 215	17%	508 181
Interest from Current and Non Current Assets		15 402	9 761	9 761	1 025	8 274	8 947			9 761
Dividends										
Rent on Land										
Rental from Fixed Assets		106 775	9 300	9 149	806	8 382	8 404	(22)	0%	9 149
Licence and permits		7 528	8 909	7 409	548	7 168	6 967	201	3%	7 409
Operational Revenue		49 986	77 620	51 910	4 201	46 406	50 584	(4 178)	-8%	51 910
Non-Exchange Revenue										
Property rates		456 397	561 076	546 004	37 698	469 829	502 262	(32 433)	-6%	546 004
Surcharges and Taxes		14	241	241	-	-	221	(221)		241
Fines, penalties and forfeits		8 377	3 104	3 054	431	3 466	2 805	661		3 054
Licence and permits		261	50	50	-	-	46	(46)		50
Transfers and subsidies - Operational		559 520	616 921	616 488	1 794	594 827	565 164	29 663		616 488
Interest		50 406	54 756	54 756	4 789	47 676	50 193	(2 517)		54 756
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets		(16 572)	-	-	-	-	-	-		-
Other Gains		1 276	-	-	-	3	-	3		-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		3 745 722	4 214 556	3 926 021	276 947	3 615 641	3 632 514	(16 874)	0%	3 926 021
Transfers and subsidies - capital (monetary allocations)		107 437	191 469	171 529	11 189	105 890	159 562	(53 672)	(0)	171 529
Total Revenue (including capital transfers and contributions)		3 853 158	4 406 025	4 097 550	288 136	3 721 530	3 792 076	(70 546)		4 097 550

TABLE 4: ACTUAL REVENUE PER DEPARTMENT FOR THE PERIOD ENDING 31 MAY 2024

NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		1 188 283	1 360 784	1 335 164	58 447	1 242 760	1 226 889	15 871	1%	1 335 164
Executive and council		(13 807)	2 661	2 661	963	2 880	2 439	441	18%	2 661
Finance and administration		1 202 091	1 358 123	1 332 503	57 484	1 239 880	1 224 450	15 430	1%	1 332 503
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		143 887	79 168	50 728	3 057	40 764	49 819	(9 055)	-18%	50 728
Community and social services		101 091	4 679	4 442	211	2 288	4 100	(1 811)	-44%	4 442
Sport and recreation		3 783	7 710	7 710	40	5 349	7 068	(1 719)	-24%	7 710
Public safety		31 482	31 778	28 845	1 686	27 222	26 783	439	2%	28 845
Housing		7 531	35 000	9 731	1 120	5 905	11 868	(5 963)	-50%	9 731
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		40 705	59 719	58 400	1 081	37 130	53 687	(16 558)	-31%	58 400
Planning and development		9 987	11 846	11 846	802	8 601	10 858	(2 257)	-21%	11 846
Road transport		30 536	47 652	46 334	269	28 377	42 626	(14 249)	-33%	46 334
Environmental protection		182	221	221	10	151	203	(52)	-26%	221
Trading services		2 451 963	2 883 407	2 628 873	223 204	2 372 295	2 439 496	(67 201)	-3%	2 628 873
Energy sources		964 401	1 167 557	1 129 248	84 627	958 985	1 039 613	(80 627)	-8%	1 129 248
Water management		986 051	1 048 742	937 426	91 844	909 417	872 294	37 123	4%	937 426
Waste water management		155 436	242 313	174 702	14 083	156 163	168 032	(11 868)	-7%	174 702
Waste management		346 074	424 794	387 497	32 650	347 729	359 557	(11 828)	-3%	387 497
Other	4	28 320	22 947	24 385	2 347	28 582	22 185	6 397	29%	24 385
Total Revenue - Functional	2	3 853 158	4 406 025	4 097 550	288 136	3 721 530	3 792 076	(70 546)	-2%	4 097 550



2.3 Monthly Budget Statement – Financial Performance (Expenditure per category)

Actual operating expenditure per category

The actual operating expenditure per vote is set out in Table 5 below. The operating expenditure for the month of May 2024 amounts to R 184 million and the year to date actual operating expenditure amounts to R 2, 701 billion. There is an unfavourable deviation of 26% when the year to date operating expenditure of R 2, 701 billion is compared with year to date budget of R 3, 642 billion.

TABLE 5: ACTUAL OPERATIONAL EXPENDITURE PER CATEGORY FOR THE PERIOD ENDING 31 MAY 2024

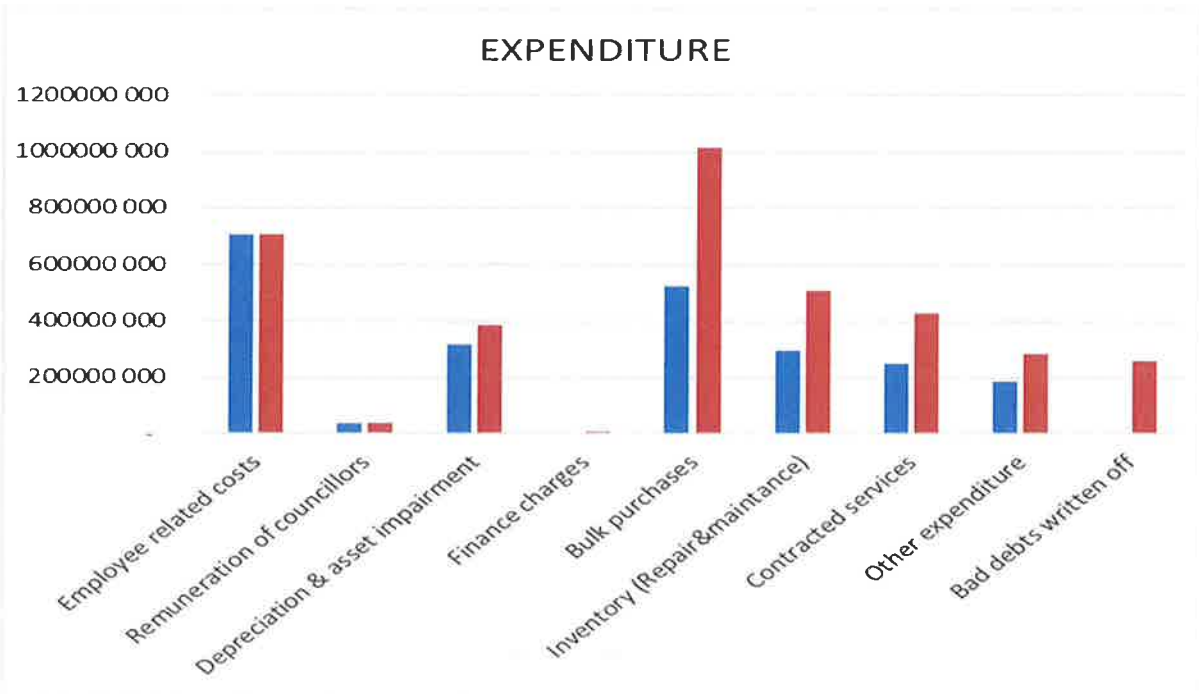
NW403 City Of Matlosana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		696 837	785 821	770 975	65 752	708 608	708 462	146	0%	770 975
Remuneration of councillors		36 912	41 586	43 497	3 033	36 789	39 650	(2 860)	-7%	43 497
Bulk purchases - electricity		848 230	1 109 287	1 109 287	34 783	523 807	1 016 846	(493 039)		1 109 287
Inventory consumed		582 248	536 125	555 103	20 294	294 743	506 651	(211 907)		555 103
Debt impairment		3 750	579 349	239 091	-	-	258 863	(258 863)	-100%	239 091
Depreciation and amortisation		382 953	440 000	420 000	31 609	316 085	387 333	(71 248)	-18%	420 000
Interest		237 534	10 711	10 708	55	794	9 816	(9 022)	-92%	10 708
Contracted services		249 463	465 092	468 366	20 537	248 433	428 940	(180 507)	-42%	468 366
Transfers and subsidies										
Irrecoverable debts written off		1 386 491	-	-	-	385 783	-	385 783		-
Operational costs		312 936	319 737	310 629	7 999	185 933	285 799	(99 866)	-35%	310 629
Losses on Disposal of Assets		-	-	-	-	-	-	-		-
Other Losses		342	-	-	-	-	-	-		-
Total Expenditure		4 737 696	4 287 708	3 927 655	184 061	2 700 976	3 642 361	(941 385)	-26%	3 927 655

TABLE 6: ACTUAL OPERATIONAL EXPENDITURE PER VOTE FOR THE PERIOD ENDING 31 MAY 2024

NW403 City Of Matlosana - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M11 May

Description	Ref	2022/23	Budget Year 2023/24								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
Expenditure - Functional											
Governance and administration		878 192	772 965	694 585	37 862	562 339	645 850	(83 511)	-13%	694 585	
Executive and council		556 627	423 830	434 293	25 807	335 320	397 033	(61 713)	-16%	434 293	
Finance and administration		315 328	342 814	253 973	11 518	221 423	243 024	(21 601)	-9%	253 973	
Internal audit		6 237	6 321	6 319	537	5 595	5 793	(198)	-3%	6 319	
Community and public safety		350 482	434 325	406 585	28 857	306 160	375 919	(69 759)	-19%	406 585	
Community and social services		58 296	128 419	123 048	7 932	73 399	113 417	(40 018)	-35%	123 048	
Sport and recreation		134 837	114 464	114 446	6 889	82 415	104 911	(22 497)	-21%	114 446	
Public safety		140 762	171 880	148 327	13 735	134 221	138 715	(4 493)	-3%	148 327	
Housing		16 555	19 390	20 600	299	16 018	18 725	(2 707)	-14%	20 600	
Health		33	171	163	2	106	151	(44)	-29%	163	
Economic and environmental services		287 347	300 926	318 451	19 623	244 754	289 889	(45 135)	-16%	318 451	
Planning and development		202 030	73 429	68 382	4 552	52 191	63 291	(11 100)	-18%	68 382	
Road transport		74 239	225 168	247 758	14 974	191 437	224 476	(33 039)	-15%	247 758	
Environmental protection		11 078	2 329	2 312	97	1 125	2 121	(996)	-47%	2 312	
Trading services		3 192 533	2 751 769	2 481 441	96 244	1 571 951	2 306 195	(734 244)	-32%	2 481 441	
Energy sources		1 688 347	1 644 880	1 493 494	46 131	874 695	1 386 725	(512 029)	-37%	1 493 494	
Water management		994 760	666 638	583 171	26 054	381 732	544 286	(162 554)	-30%	583 171	
Waste water management		228 239	240 544	222 085	16 894	169 921	205 732	(35 811)	-17%	222 085	
Waste management		281 187	199 707	182 691	7 165	145 603	169 452	(23 849)	-14%	182 691	
Other		29 142	27 724	26 593	1 476	15 773	24 509	(8 736)	-36%	26 593	
Total Expenditure - Functional	3	4 737 696	4 287 708	3 927 655	184 061	2 700 976	3 642 361	(941 385)	-26%	3 927 655	



2.4 Actual capital expenditure (excluding vat) per vote and funding source

The actual capital expenditure per vote is set out in Table 7 below.

TABLE 7: ACTUAL CAPITAL EXPENDITURE PER VOTE FOR THE PERIOD ENDING 31 MAY 2024

NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 May

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
Governance and administration		0	10 000	6 900	89	1 327	7 407	(6 079)	-82%	6 900
Executive and council		0	2 000	1 300	-	140	1 273	(1 134)	-89%	1 300
Finance and administration		-	8 000	5 600	89	1 188	6 133	(4 946)	-81%	5 600
Internal audit										
Community and public safety		2 950	7 800	11 306	-	4 635	9 235	(4 600)	-50%	11 306
Community and social services		-	800	-	-	-	93	(93)	-100%	-
Sport and recreation		2 950	7 000	11 306	-	4 404	9 142	(4 738)	-52%	11 306
Public safety		-	-	-	-	231	-	231	#DIV/0!	-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		23 808	43 685	40 631	1 538	25 373	37 601	(12 229)	-33%	40 631
Planning and development										
Road transport		23 808	43 685	40 631	1 538	25 373	37 601	(12 229)	-33%	40 631
Environmental protection										
Trading services		52 849	169 985	154 952	5 659	75 731	143 793	(68 062)	-47%	154 952
Energy sources		33 033	19 406	21 337	1 165	5 754	19 334	(13 580)	-70%	21 337
Water management		9 728	56 893	60 297	928	26 498	54 417	(27 919)	-51%	60 297
Waste water management		6 584	53 672	20 568	3 388	7 698	23 174	(15 477)	-67%	20 568
Waste management		3 504	40 014	52 749	178	35 781	46 868	(11 087)	-24%	52 749
Other		4 345	-	3 067	-	1 063	2 454	(1 391)	-57%	3 067
Total Capital Expenditure - Functional Classification	3	83 952	231 469	216 857	7 285	108 129	200 490	(92 361)	-46%	216 857

NOTE: The total capital budget amounts to R 217 million. The expenditure for the month ending 31 May 2024 amounts to R 7 million and the year-to-date expenditure as at 31 May 2024 amounts to R 108 million.

TABLE 8: ACTUAL CAPITAL EXPENDITURE PER FUNDING SOURCE FOR THE PERIOD ENDING 31 MAY 2024

NW403 City Of Matlosana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M11 May

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Funded by:										
National Government		77 727	191 469	195 857	7 197	106 571	179 023	(72 453)	-40%	195 857
Provincial Government		-	-	-	-	231	-	231	#DIV/0!	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov		-	-	-	-	-	-	-	-	-
Departm Agencies, Households, Non-profit Institutions, Private Enterprises,		-	-	-	-	-	-	-	-	-
Public Corporatbns, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		77 727	191 469	195 857	7 197	106 801	179 023	(72 222)	-40%	195 857
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		6 225	40 000	21 000	89	1 327	21 467	(20 139)	-94%	21 000
Total Capital Funding		83 952	231 469	216 857	7 285	108 129	200 490	(92 361)	-46%	216 857

MAY 2024 CAPITAL GRANTS CHALLENGES AND MITIGATIONS

#	Challenges	Mitigation
1.	<p>NDP Grant: Jouberton Taxi Rank</p> <ul style="list-style-type: none"> - Not enough budget to complete the project. - The construction works are behind in comparison with time elapsed and there is poor expenditure. 	<ul style="list-style-type: none"> - Council should consider funding the shortfall to avoid the project being incomplete.
2.	<p>Extension of National Fresh Produce Market in Klerksdorp Phase2:</p> <ul style="list-style-type: none"> - Poor workmanship on the main building roof and side cladding. - There is no enough budget to complete the Works. 	<ul style="list-style-type: none"> - The Directorate Technical and Infrastructure requested Council for additional funding to complete project. - CoGTA approved partial funding of outstanding works
3.	<p>Development of Cell 3 of the Klerksdorp Landfill Site</p> <p>Invoice numbers 3 & 4 of the contractor took longer than 30 days to pay as the Joint Venture company was not registered for VAT with SARS</p>	<ul style="list-style-type: none"> - Contractor to put additional resources and plants on site to increase production on site
4.	<p>Klerksdorp West – Alabama 88kV Loop-In Loop-Out & 20MVA Substation</p> <ul style="list-style-type: none"> - Contractor has terminated the contract due to no payment from the Municipality 	<ul style="list-style-type: none"> - Payments for previous contractor and consultant paid.
5.	<p>Refurbishment of Electrical and Mechanical Equipment in the Water Pump Stations in KOSH</p> <ul style="list-style-type: none"> - Deviation report to appoint new service provider approved and contractor appointed 	<ul style="list-style-type: none"> - Site hand over done on 6 June 2024
6.	<p>Paving of Taxi Routes and Storm Water Drainage in Khuma (Phase 9):</p> <ul style="list-style-type: none"> - Contractor terminated as of the 5 January 2024 due to poor performance. 	<ul style="list-style-type: none"> - Awaiting resolution to appoint new contractor to complete part of outstanding scope.
7.	<p>Projects awaiting appointment by SCM</p> <ul style="list-style-type: none"> - Waterborne Toilets in Kanana 	<ul style="list-style-type: none"> - Memo sent to CFO requesting progress on projects that have not been appointed.
8.	<p>Construction of Outfall sewer line in Khuma.</p> <ul style="list-style-type: none"> - Tender re-advertised and closed on 3 June 2024. 	<ul style="list-style-type: none"> - SCM requested to fast track appointment of the service provider.
9.	<p>Refurbishment of Chlorine Dosing Plants, Reservoirs and Pump Stations in the City of Matlosana.</p> <ul style="list-style-type: none"> - Municipality to supply Chlorine cylinders for Orkney, Kanana, Mooi street (Stilfontein) and Khuma which is hindering handover of the completed Chlorine dosing sites. 	<ul style="list-style-type: none"> - The contractor has submitted variation order for the provision of chlorine cylinders for 2 months. Variation order has been approved and is being implemented.

TABLE 9: FINANCIAL POSITION

NW403 City Of Matlosana - Table C6 Monthly Budget Statement - Financial Position - M11 May

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		104 773	197 692	522 893	497 269	522 893
Trade and other receivables from exchange transactions		(900 930)	(44 544)	559 999	37 615	559 999
Receivables from non-exchange transactions		1 376 535	47 081	168 101	1 487 002	168 101
Current portion of non-current receivables		0	29	29	(17)	29
Inventory		52 414	55 129	55 129	58 996	55 129
VAT		1 230 782	195 040	195 040	1 339 959	195 040
Other current assets		40 384	37 026	37 026	39 859	37 026
Total current assets		1 903 959	487 454	1 538 218	3 460 684	1 538 218
Non current assets						
Investments						
Investment property		345 682	257 100	257 100	345 682	257 100
Property, plant and equipment		5 724 841	3 851 286	3 836 674	5 516 884	3 836 674
Biological assets						
Living and non-living resources						
Heritage assets		(618 290)	9 941	9 941	(618 290)	9 941
Intangible assets		1 297	1 297	1 297	1 297	1 297
Trade and other receivables from exchange transactions		-	33	33	-	33
Non-current receivables from non-exchange transactions						
Other non-current assets						
Total non current assets		5 453 531	4 119 658	4 105 045	5 245 574	4 105 045
TOTAL ASSETS		7 357 489	4 607 112	5 643 263	8 706 258	5 643 263
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		(622)	(2 800)	(2 800)	(622)	(2 800)
Consumer deposits		67 916	97 430	97 430	69 374	97 430
Trade and other payables from exchange transactions		3 370 254	(530 429)	474 787	3 358 135	474 787
Trade and other payables from non-exchange transactions		56 275	93 816	73 143	123 924	73 143
Provision		554 291	572 371	572 371	554 480	572 371
VAT		928 916	-	-	1 210 121	-
Other current liabilities		-	-	-	-	-
Total current liabilities		4 977 029	230 387	1 214 930	5 315 411	1 214 930
Non current liabilities						
Financial liabilities		26 576	81 274	81 274	16 430	81 274
Provision		-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
Total non current liabilities		26 576	81 274	81 274	16 430	81 274
TOTAL LIABILITIES		5 003 605	311 661	1 296 204	5 331 841	1 296 204
NET ASSETS	2	2 353 884	4 295 451	4 347 059	3 374 416	4 347 059
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		3 963 559	4 177 134	4 177 134	3 392 817	4 177 134
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	3 963 559	4 177 134	4 177 134	3 392 817	4 177 134

Note: The financial position as indicated in Table 9 above shows that the Net Assets of the City of Matlosana as at 31 May 2024 amounts to R 3, 4 billion.

The Current Liabilities exceeds the Current Assets with R 2 billion. This is a serious liquidity problem.

2.5 Monthly Budget Statement - Cash Flow Statement

Collection rate – collection rate for the month ending 31 May 2024 is 77%.

TABLE 10: ACTUAL CASH FLOW FOR THE PERIOD ENDING 31 MAY 2024

NW403 City Of Matlosana - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		340 348	448 861	327 603	34 149	393 655	(167 430)	561 085	-335%	327 603
Service charges		1 056 634	1 868 568	1 266 062	105 246	1 014 242	1 160 557	(146 315)	-13%	1 266 062
Other revenue		3 341 579	107 954	80 543	166 072	2 571 281	73 831	#####	3383%	80 543
Transfers and Subsidies - Operational		554 939	611 134	610 701	-	595 525	559 809	35 716	6%	610 701
Transfers and Subsidies - Capital		150 412	197 256	177 016	-	172 541	162 265	10 276	6%	177 016
Interest		1 067	9 761	9 761	11	(401)	8 948	(9 349)	-104%	9 761
Dividends								-		
Payments										
Suppliers and employees		(3 753 555)	(3 025 072)	(2 482 710)	(148 544)	(2 359 561)	(2 325 490)	34 071	-1%	(2 482 710)
Interest								-		
Transfers and Subsidies								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 691 423	218 461	(11 024)	156 934	2 387 282	(527 510)	#####	553%	(11 024)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(83 952)	(231 469)	(216 857)	(7 285)	(108 129)	(198 785)	(90 656)	46%	(216 857)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(83 952)	(231 469)	(216 857)	(7 285)	(108 129)	(198 785)	(90 656)	46%	(216 857)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits		-	2 500	2 500	-	865	2 292	(1 427)	-62%	2 500
Payments										
Repayment of borrowing		-	(4 800)	(4 800)	-	-	(4 400)	(4 400)	100%	(4 800)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(2 300)	(2 300)	-	865	(2 108)	(2 973)	141%	(2 300)
NET INCREASE/ (DECREASE) IN CASH HELD		1 607 471	(15 308)	(230 180)	149 649	2 280 018	(728 403)			(230 180)
Cash/cash equivalents at beginning:		224 921	213 000	305 679	2 230 044	104 773	305 679			104 773
Cash/cash equivalents at month/year end:		1 832 393	197 692	75 499		2 384 791	(422 724)			(125 407)

NOTE: The cash and call Investments for the month ending 31 May 2024 amounts to R 152, 4 million that consists of the following:

- Bank balances: R 10,7 million
- Call investments: R 141,7 million

2.6 Actual borrowings

The municipality's position on external loans is set out in Table 11 below. The municipality started the 2023/24 financial year with borrowing debt of R 9, 4 million and after repayments of R 3,5 million were made, the total outstanding borrowings as at 31 May 2024 amounts to R 5,8 million.

TABLE 11: ACTUAL BORROWING FOR THE PERIOD ENDING 31 MAY 2024

Borrowing Reference No	Start Date	End Date	Lender	% Interest Rate (2 dec) Per Annum	Interest Paid This quarter	Opening Balance 01/07/2023	Debt Repaid or Re-deemed	Balance at 31/05/2024
Monthly Payments								
103677/1	01/11/2010	01/11/2025	Development Bank of SA		83 990,19	9 363 330,99	307 424,93	9 055 906,06
103677/1	01/11/2010	01/11/2025	Development Bank of SA		81 232,97	9 055 906,06	310 182,15	8 745 723,91
103677/1	01/11/2010	01/11/2025	Development Bank of SA		75 920,34	8 745 723,91	315 494,78	8 430 229,13
103677/1	01/11/2010	01/11/2025	Development Bank of SA		75 847,91	8 430 229,13	315 567,21	8 114 661,92
103677/1	01/11/2010	01/11/2025	Development Bank of SA		70 443,07	8 114 661,92	320 972,05	7 793 689,87
103677/1	01/11/2010	01/11/2025	Development Bank of SA		69 912,45	7 793 689,87	321 502,67	7 472 187,20
103677/1	01/11/2010	01/11/2025	Development Bank of SA		67 255,44	7 472 187,20	324 159,68	7 148 027,52
103677/1	01/11/2010	01/11/2025	Development Bank of SA		59 984,77	7 148 027,52	331 430,35	6 816 597,17
103677/1	01/11/2010	01/11/2025	Development Bank of SA		61 149,13	6 816 597,17	330 266,00	6 486 331,17
103677/1	01/11/2010	01/11/2025	Development Bank of SA		56 536,54	6 486 331,17	334 878,59	6 151 452,58
103677/1	01/11/2010	01/11/2025	Development Bank of SA		55 183,60	6 151 452,58	336 231,53	5 815 221,05
103677/1	01/11/2010	01/11/2025	Development Bank of SA			5 815 221,05		5 815 221,05
TOTAL ANNUITIES					757 456,41	9 363 330,99	3 548 109,94	5 815 221,05

PART 2: SUPPORTING DOCUMENTATION

3. IN -YEAR BUDGET STATEMENT SUPPORTING TABLES AND DOCUMENTATIONS

3.1 Debtor's age analysis

Debtors age analysis per service

The municipality's total outstanding debtors amounted to R 9,299,631,199 as at 31 May 2024 compared to R 9,177,787,847 as at 30 April 2024.

Current to 30 days debt amounted to R 286,438,792 as at 31 May 2024 and has increased with R 7,652,916 compared to R 278,785,877 as at 30 April 2024.

31 to 60 days debt increased with R 7,180,464; 61 to 90 days decreased with R 40,273,628 and 91 days and older debt as at 31 May 2024 amounted to R 8,673,836,386 and has increased with R 147,283,600 compared to R 8,526,552,786 as at 30 April 2024.

Interest on debtors is also included in total debtors' book.

Debtors age analysis per debtor type

Government Debt: R 98,913,494 (1%)

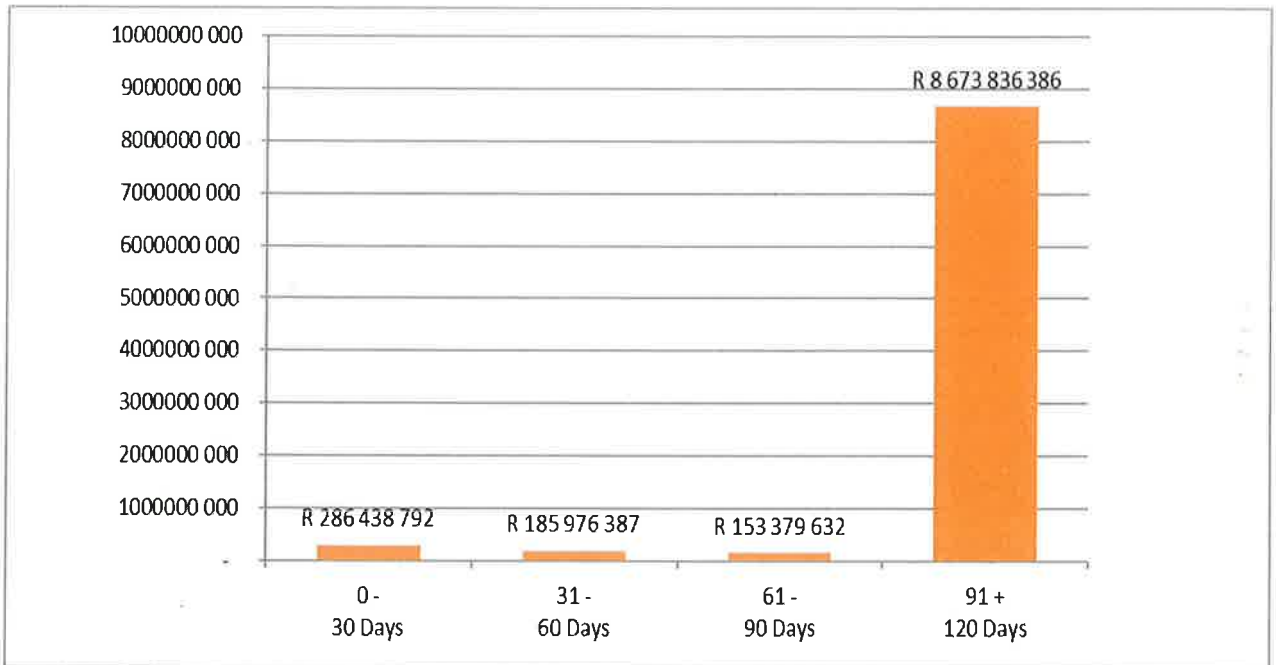
Business debtors: R 692,770,466 (7%)

Domestic debtors': R 8,507,947,238 (92%)

TABLE 12: OUTSTANDING DEBTORS AS AT 31 MAY 2024

DEBTOR'S AGE ANALYSIS - 31 May 2024

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total
Debtors Age Analysis By Income Source					
Water Tariffs	77 862 324	59 215 695	54 305 706	3 121 839 244	3 313 222 969
Electricity Tariffs	81 568 709	27 068 465	19 496 763	568 465 618	696 599 555
Rates (Property Rates)	33 645 490	15 402 891	11 899 718	449 610 676	510 558 775
Sewerage/ Sanitation	9 127 818	6 831 946	6 275 734	411 140 852	433 376 350
Refuse Removal Tariffs	17 646 077	13 884 652	13 091 074	834 512 506	879 134 310
Other	66 588 374	63 572 737	48 310 638	3 288 267 491	3 466 739 240
Total By Income Source	286 438 792	185 976 387	153 379 632	8 673 836 386	9 299 631 199
Debtors Age Analysis By Customer Group					
Government	14 530 408	6 212 383	2 537 154	75 633 548	98 913 494
Business	70 884 466	25 054 929	18 724 897	578 106 173	692 770 466
Households	201 023 918	154 709 075	132 117 581	8 020 096 665	8 507 947 238
Other	-	-	-	-	-
Total By Customer Group	286 438 792	185 976 387	153 379 632	8 673 836 386	9 299 631 199



Note: According to the Debtors Age Analysis, it is clear that the Household owes 92% of the total outstanding debt.

The Municipality should prioritise data cleansing to analyse the debtors on the debtors book, it is believed that some debtors might be deceased.

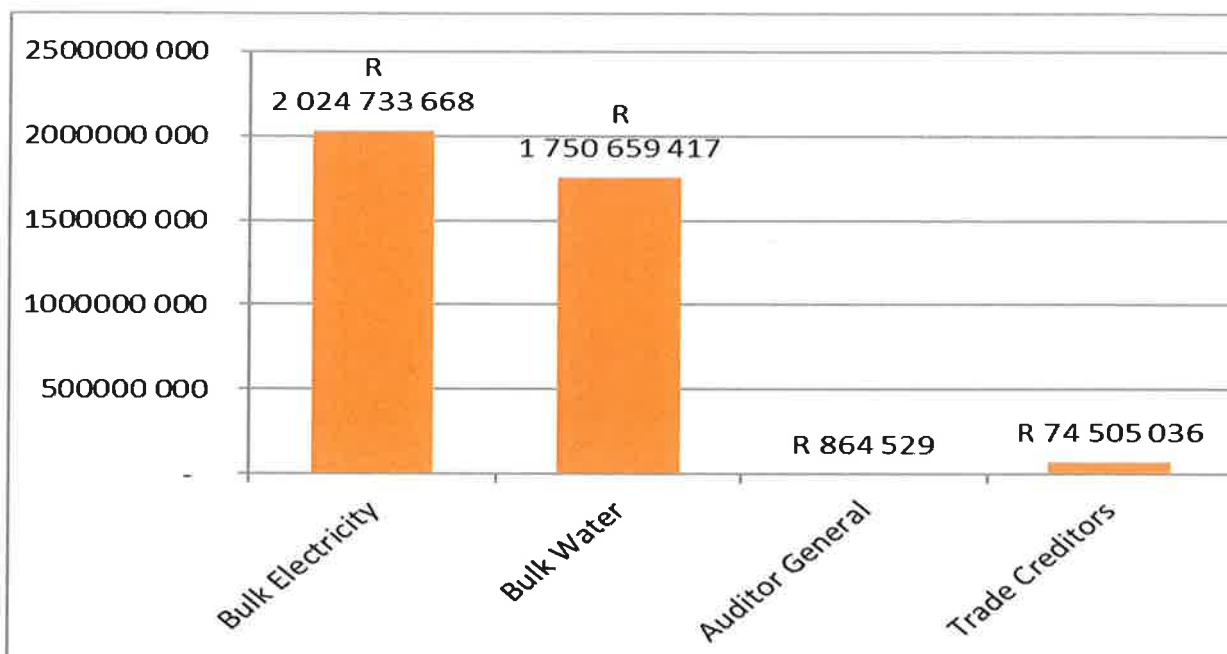
3.2 Creditors age analysis

The municipality's total outstanding creditors amounted to R 3,851 billion as at 31 May 2024 compared with R 3,859 billion as at 30 April 2024 and has decreased with R 8,4 million.

TABLE 13: CREDITOR'S AGE ANALYSIS AS AT 31 MAY 2024

CREDITORS AGE ANALYSIS - 31 May 2024

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Total
Bulk Electricity	90 674 536	83 740 666	81 991 535	1 768 326 931	2 024 733 668
Bulk Water	129 767 644	58 987 861	184 802 886	1 377 101 026	1 750 659 417
Auditor General	21 034	341 918	450 076	51 501	864 529
Trade Creditors	21 941 699	5 930 888	-	46 632 449	74 505 036
Total	242 404 913	149 001 333	267 244 497	3 192 111 907	3 850 762 650



Note: According to the above information, the Municipality's highest outstanding creditor is ESKOM with the total outstanding amount of R 2,025 billion followed by Midvaal with the total outstanding amount of R 1,751 billion.

3.3 Investment

Surplus cash is invested on a daily basis depending on the commitment of funds. The municipality's investments as at 31 May 2024 is as set out in Table 14 below.

TABLE 14: INVESTMENTS AS AT 31 MAY 2024

NW403 City Of Matlosana - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment		Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs	Months									
Municipality												
ABSA		-		daily call	yes	Variable		112 473	866	(96 964)	91 700	108 074
INVESTEC		-		daily call	yes	Variable		8 242	56	-		8 298
SANLAM		2yrs		Policy	yes	Variable	2024/08/01	12 094		-		12 094
FNB		12months		Long term	yes	Variable	2023/06/30	71		-		71
FNB		-		daily call	yes	Variable		25 171	173	-		25 344
NEDBANK												
Municipality sub-total								158 051	1 095	(96 964)	91 700	153 882
Entities												
Entities sub-total												
TOTAL INVESTMENTS AND INTEREST	2							158 051	1 095	(96 964)	91 700	153 882

Note: The municipality started the beginning of the month with total investments of R 158 million and after investment made of R 92 million and withdrawals of R 97 million closed with an investment balance of R 154 million that includes collateral and long-term investment at the five listed local banks.

3.4 Allocations received and Actual expenditure on allocations received

The municipality's position with regard to grant allocation received and the actual expenditure on the grant allocations received are set out in Table 15 and 16 below.

TABLE 15: TRANSFER AND GRANT RECEIPTS

NW403 City Of Matlosana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		558 483	615 503	615 307	1 789	594 266	564 054	30 212	5,4%	615 307
Energy Efficiency and Demand Side Management Grant		2 997	4 000	4 000	32	1 686	3 667	(1 981)	-54,0%	4 000
Equitable Share		545 270	599 104	599 104	-	584 455	549 179	35 276	6,4%	599 104
Expanded Public Works Programme Integrated Grant		2 181	3 512	3 316	269	2 763	3 063	(300)	-9,8%	3 316
Local Government Financial Management Grant		3 007	3 100	3 100	1 070	1 620	2 842	(1 222)	-43,0%	3 100
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	5 028	5 787	5 787	417	3 743	5 304	(1 562)	-29,4%	5 787
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		1 037	1 418	1 181	5	561	1 110	(549)	-49,5%	1 181
Capacity Building and Other Grants		1 037	1 418	1 181	5	561	1 110	(549)	-49,5%	1 181
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	559 520	616 921	616 488	1 794	594 827	565 164	29 663	5,2%	616 488
Capital Transfers and Grants										
National Government:		107 437	191 469	171 229	10 889	105 590	159 322	(53 732)	-33,7%	171 229
Integrated National Electrification Programme Grant		24 633	1 732	1 732	-	4 778	1 588	3 191	201,0%	1 732
Municipal Infrastructure Grant		62 977	109 945	102 205	9 464	65 257	94 591	(29 334)	-31,0%	102 205
Neighbourhood Development Partnership Grant		12 921	31 162	21 162	1 316	14 359	20 565	(6 206)	-30,2%	21 162
Water Services Infrastructure Grant		6 905	48 630	46 130	109	21 195	42 578	(21 383)	-50,2%	46 130
Provincial Government:		-	-	300	300	300	240	60	25,0%	300
Capacity Building and Other Grants		-	-	300	300	300	240	60	25,0%	300
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Developers Contribution		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	107 437	191 469	171 529	11 189	105 890	159 562	(53 672)	-33,6%	171 529
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	666 957	808 390	788 017	12 983	700 717	724 726	(24 009)	-3,3%	788 017

Note: The table reflect the YTD actual revenue amounts to R 701 million, against the YTD budget of R 725 million as at 31 May 2024. Revenue on Grants can only be recognized when conditions are met.

TABLE 16: TRANSFER AND GRANT EXPENDITURE

NW403 City Of Matlosana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		98 226	109 706	111 582	6 333	94 243	102 065	(7 822)	-7,7%	111 582
Energy Efficiency and Demand Side Management Grant		3 186	4 000	4 000	-	3 684	3 667	17	0,5%	4 000
Equitable Share		77 894	93 855	95 644	5 481	81 234	87 465	(6 231)	-7,1%	95 644
Expanded Public Works Programme Integrated Grant		1 982	3 512	3 512	324	3 140	3 219	(80)	-2,5%	3 512
Local Government Financial Management Grant		9 910	3 100	3 100	59	1 536	2 842	(1 305)	-45,9%	3 100
Municipal Disaster Relief Grant		141	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		5 113	5 239	5 326	469	4 649	4 872	(223)	-4,6%	5 326
Provincial Government:		1 374	3 308	3 338	318	2 400	3 053	(653)	-21,4%	3 338
Capacity Building and Other Grants		1 374	3 308	3 338	318	2 400	3 053	(653)	-21,4%	3 338
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		99 600	113 014	114 920	6 651	96 643	105 118	(8 475)	-8,1%	114 920
Capital expenditure of Transfers and Grants										
National Government:		77 727	191 469	195 857	7 197	106 571	179 023	(72 453)	-40,5%	195 857
Integrated National Electrification Programme Grant		23 032	1 732	6 163	739	5 328	5 132	196	3,8%	6 163
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		37 455	109 945	122 402	1 749	60 487	110 748	(50 261)	-45,4%	122 402
Neighbourhood Development Partnership Grant		11 236	31 162	21 162	1 320	15 449	20 565	(5 116)	-24,9%	21 162
Water Services Infrastructure Grant		6 004	48 630	46 130	3 388	25 306	42 578	(17 272)	-40,6%	46 130
Provincial Government:		-	-	-	-	231	-	231	#DIV/0!	-
Capacity Building and Other Grants		-	-	-	-	231	-	231	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Developers Contribution		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		77 727	191 469	195 857	7 197	106 801	179 023	(72 222)	-40,3%	195 857
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		177 327	304 483	310 777	13 847	203 444	284 141	(80 697)	-28,4%	310 777

Note: The table reflect the YTD actual expenditure incurred amounting to R 203 million against the YTD budget of R 284 million as at 31 May 2024.

3.5 COUNCILORS AND EMPLOYEE BENEFITS

- Employees related cost – R 709 million spent as at 31 May 2024
- Council Remuneration – R 37 million spent as at 31 May 2024

TABLE 17: COUNCILORS AND EMPLOYEE BENEFIT

NW403 City Of Matlosana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May

Summary of Employee and Councillor remuneration	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C					D	
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		23 751	25 884	25 884	1 919	22 677	23 727	(1 049)	-4%	25 884
Pension and UIF Contributions		1 782	2 368	2 368	139	1 574	2 170	(596)	-27%	2 368
Medical Aid Contributions		-	19	19	-	-	18	(18)	-100%	19
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 867	3 013	4 924	290	4 456	4 290	165	4%	4 924
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		8 511	10 303	10 303	684	8 082	9 445	(1 363)	-14%	10 303
Sub Total - Councillors		36 912	41 586	43 497	3 033	36 789	39 650	(2 860)	-7%	43 497
% increase	4		12,7%	17,8%						17,8%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 914	11 387	3 283	-	(6 350)	3 955	(10 305)	-261%	3 283
Pension and UIF Contributions		5	17	17	-	1	15	(14)	-94%	17
Medical Aid Contributions		33	53	53	-	-	48	(48)	-100%	53
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		192	1 438	909	-	-	895	(895)	-100%	909
Cellphone Allowance		-	222	222	-	-	204	(204)	-100%	222
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	8	37	-	17	31	(14)	-45%	37
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2 144	13 124	4 521	-	(6 332)	5 148	(11 480)	-223%	4 521
% increase	4		512,2%	110,9%						110,9%
Other Municipal Staff										
Basic Salaries and Wages		439 677	486 850	465 200	41 646	459 006	428 959	30 047	7%	465 200
Pension and UIF Contributions		89 792	103 620	101 533	7 944	86 842	93 316	(6 474)	-7%	101 533
Medical Aid Contributions		39 568	46 423	46 004	3 671	38 695	42 220	(3 525)	-8%	46 004
Overtime		69 475	30 224	51 339	5 086	60 764	44 598	16 166	36%	51 339
Performance Bonus		33 962	40 102	39 709	2 215	32 715	36 446	(3 732)	-10%	39 709
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		1 450	1 486	2 003	138	1 505	1 776	(271)	-15%	2 003
Housing Allowances		6 312	8 525	8 360	534	5 774	7 683	(1 909)	-25%	8 360
Other benefits and allowances		18 977	40 503	37 634	3 451	19 987	34 903	(14 917)	-43%	37 634
Payments in lieu of leave		16 297	14 964	14 671	1 068	9 653	13 413	(3 760)	-28%	14 671
Long service awards		(1 095)	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	(19 722)	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		694 693	772 697	766 454	65 752	714 940	703 314	11 626	2%	766 454
% increase	4		11,2%	10,3%						10,3%
Total Parent Municipality		733 749	827 408	814 472	68 785	745 397	748 112	(2 715)	0%	814 472

Overtime

The total overtime budget for the 2023/24 financial year amounts to R 51, 3 million. The actual expenditure for the month ending 31 May 2024 amounted to R 5, 1 million and Year to date actual expenditure amounted to R60, 8 million that is 118% of the total budget.

OVERTIME 31 MAY 2024

DEPARTMENT	Description	Budget/OpenBal	Curr Mth Expend	YTD Movement	Balance	% Exp
Public Safety	MS: OVERTIME - NON STRUCTURED	3 732 203	314 360	4 122 911	- 390 708	110.46
Community Services	MS: OVERTIME - NON STRUCTURED	2 135 017	70 978	1 416 034	718 983	66.32
Planning & human Settlement	MS: OVERTIME - NON STRUCTURED	9 065		3 860	5 205	42.58
SAC	MS: OVERTIME - NON STRUCTURED	917 250	1 941	1 089 411	- 172 161	118.76
Council General	MS: OVERTIME - NON STRUCTURED	264 916		94 561	170 355	35.69
Civil Engineering	MS: OVERTIME - NON STRUCTURED	1 039 985	61 025	896 170	143 815	86.17
Water	MS: OVERTIME - NON STRUCTURED	9 917 832	1 226 471	12 864 312	-2 946 480	129.70
Electrical Engineering	MS: OVERTIME - NON STRUCTURED	1 178 147	153 777	1 368 977	- 190 830	116.19
Electrical	MS: OVERTIME - NON STRUCTURED	7 120 376	749 812	7 891 573	- 771 197	110.83
Corporate	MS: OVERTIME - NON STRUCTURED	731 382	100 333	923 370	- 191 988	126.25
Finance	MS: OVERTIME - NON STRUCTURED	3 509 755	478 162	5 274 504	-1 764 749	150.28
Cleansing	MS: OVERTIME - NON STRUCTURED	10 590 067	940 186	12 816 863	-2 226 796	121.02
Sewerage	MS: OVERTIME - NON STRUCTURED	9 902 309	988 503	11 734 693	-1 832 384	118.50
Market	MS: OVERTIME - NON STRUCTURED	283 245		260 091	23 154	91.82
LED	MS: OVERTIME - NON STRUCTURED	7 566		6 728	838	88.91
		51 339 115	5 085 547	60 764 061	-9 424 946	118%

Note: The cost of employment needs to be closely monitored during 2023/24 financial year specifically expenditure item like overtime to ensure that these costs remain within the allocated budget.

TABLE: 18 MATERIAL VARIANCES

NW403 City of Matlosana - Supporting Table SC1 Material variance explanations – M1.1 May 2024					
Ref	Description	Variance	%	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source				
	Property Rates	(32 433 089)	-6%	The reconciliation between the valuation roll and the financial system is conducted on a monthly basis. However, the anticipated revenue has not yet been reached as budgeted at the beginning of the financial year.	Finance Department and Housing Development Department have devised a plan to fast track the correction of properties that are incorrectly zoned. This should improve the revenue on properties.
	Service Charges: Electricity	(84 347 849)	-9%	Less revenue billed on electricity than initially anticipated. The reduction on this line item can be attributed to the current implementation of load shedding by Eskom and the acceleration of customers converting to solar. The municipality is also enforcing the measures to reduce illegal connections and ensure that all properties consuming electricity are billed. The budget on this line item was reduced during the Adjustment Budget.	The municipality is also enforcing the measures to reduce illegal connections and ensure that all properties consuming electricity are billed. The budget on this line item was reduced during the Adjustment Budget.
	Service Charges: Refuse	(24 731 267)	-12%	Less revenue billed as the anticipated increase on the refuse revenue has not materialised.	The municipality has to ensure that the process of reconciling the valuation roll and the financial system is accelerated to ensure that all properties within City of Matlosana are billed for refuse collection.
	Other revenue	(3 230 829)	-8%	The budgeted amount consists of numerous items (e.g. Commission: insurance, Commission: Transaction Handling fees, Plan printing and duplicate, etc.) in this instance under performance was mostly on the Sale of Property and Commission Transaction Handling fees. The reason for under collection is that there has been delays in the issuing of clearance figures for property transfers.	Housing Development department has suggested that the current process plan and policies (Rates and Credit Control) be reviewed due to the delay in the process of issuing of clearance figures.
	Interest earned from Receivables	78 215 414	17%	The variance is as a result of the debtors' book that is increasing due to non-payment of debtors. The increase in the debtors result in an increase interest charges.	The enhancement of revenue and increasing of payment rate should be accelerated, as the financial stability of the municipality is dependent on them.

2	Expenditure by Type				
	Contracted services	(180 507 126)	-42%	Mainly on Security service, repair and maintenance of fleet, repair and maintenance of buildings and equipment and Asset Register administration. Low spending than initially planned due to cash flow challenges.	
	Interest	(9 022 036)	-92%	The underspending is mainly on interest paid on overdue accounts, most of the journals for interest paid on overdue accounts are done at the end of the financial year	
	Debt Impairment	(258 863 495)	-100%	Transactions for debt impairment have been done on the wrong Vote number. Journals will be done at year-end to correct the mistakes.	Journals have to be done to correct the mistakes.
	Operational Cost	(99 866 477)	-35%	Less spending due to cash flow challenges	
	Bulk Purchases	(493 038 770)		Expenditure is lower due to the outstanding Eskom invoices; it is difficult for the municipality to meet the obligation due to the cash flow challenges.	
	Inventory consumed	(211 907 415)		Inventory consumed includes Bulk Water, expenditure is lower due to the outstanding Midvaal invoices, and the Municipality is struggling to meet the obligation due to cash flow challenges.	

TABLE 19: FINANCIAL PERFORMANCE

NW403 City Of Matlosana - Supporting Table SC2 Monthly Budget Statement - performance indicators - M11 May

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		5,0%	10,5%	11,0%	0,0%	1,4%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0,0%	0,0%	0,0%	0,0%	0,0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		87,1%	-8,6%	15,0%	103,1%	15,0%
Gearing	Long Term Borrowing/ Funds & Reserves		0,0%	0,0%	0,0%	0,0%	0,0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	38,3%	211,6%	126,6%	65,1%	126,6%
Liquidity Ratio	Monetary Assets/Current Liabilities		2,1%	85,8%	43,0%	9,4%	43,0%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		13,8%	0,0%	0,0%	0,0%	0,0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	0,0%	19,0%	19,0%	0,0%	19,0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	0,0%	15,0%	15,0%	0,0%	15,0%
Employee costs	Employee costs/Total Revenue - capital revenue		18,6%	18,6%	19,6%	19,6%	19,6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		7,3%	13,2%	15,6%	10,6%	15,6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		16,6%	10,7%	11,0%	0,0%	1,4%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

TABLE: 20 CAPITAL EXPENDITURE PERFORMANCE

NW403 City Of Matlosana - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M11 May

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	6 996	19 289	19 289	246	246	19 289	19 044	98,7%	0%
August	6 996	19 289	19 289	1 370	1 370	38 578	37 209	96,4%	1%
September	6 996	19 289	19 289	2 482	2 482	57 867	55 385	95,7%	1%
October	6 996	19 289	19 289	9 533	9 533	77 157	67 623	87,6%	4%
November	6 996	19 289	19 289	4 160	4 160	96 446	92 286	95,7%	2%
December	6 996	19 289	19 289	32 673	32 673	115 735	83 062	71,8%	14%
January	6 996	19 289	19 289	6 503	6 503	135 024	128 521	95,2%	3%
February	6 996	19 289	16 367	31 087	31 087	151 390	120 303	79,5%	13%
March	6 996	19 289	16 367	2 047	2 047	167 757	165 710	98,8%	1%
April	6 996	19 289	16 367	10 743	10 743	184 124	173 380	94,2%	0
May	6 996	19 289	16 367	7 285	10 743	200 490	189 747	94,6%	0
June	6 996	19 289	16 366	-	-	216 857	216 857	100,0%	-
Total Capital expenditure	83 952	231 469	216 857	108 129					

3.6 OTHER SUPPORTING DOCUMENTS

- SC13a: Capital expenditure on new assets by assets class
- SC 13b: Capital expenditure on renewal of existing assets
- SC 13c: Expenditure On repairs and maintenance by assets class
- SC 13d: Depreciation by assets class
- SC 13e: Expenditure on upgrading of existing assets by asset
- Progress on Municipal Debt Relief
- Collection Rate per Ward
- Summary of collections
- Credit Control actions
- Indigent report
- Financial Plan

SUPPORTING TABLE SC13a:

NW403 City Of Matlosana - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M11 May

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure	1	72 053	178 183	131 331	3 382	56 752	125 853	69 101	54,9%	131 331
Roads Infrastructure		23 808	43 685	40 631	1 538	25 373	37 601	12 229	32,5%	40 631
Roads		23 808	43 685	40 631	1 538	25 373	37 601	12 229	32,5%	40 631
Electrical Infrastructure		29 978	14 200	14 431	739	3 848	13 201	9 354	70,9%	14 431
Power Plants										
HV Substations		6 225	14 200	10 000	-	-	9 657	9 657	100,0%	10 000
HV Switching Station										
HV Transmission Conductors										
MV Substations		-	-	-	-	-	-	-		-
MV Switching Stations										
MV Networks		21 362	-	4 431	739	3 848	3 545	(303)	-8,5%	4 431
LV Networks		2 391	-	-	-	-	-	-		-
Capital Spares										
Water Supply Infrastructure		8 186	45 475	39 642	928	12 041	36 561	24 520	67,1%	39 642
Bulk Mains		6 660	19 000	28 167	928	7 083	24 292	17 209	70,8%	28 167
Distribution		1 526	26 475	11 475	-	4 958	12 269	7 310	59,6%	11 475
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		6 584	39 352	12 568	-	3 859	15 104	11 245	74,5%	12 568
Pump Station		2 799	-	1 386	-	717	1 567	851	54,3%	1 386
Reticulation		2 688	8 935	-	-	-	1 042	1 042	100,0%	-
Waste Water Treatment Works										
Outfall Sewers		-	19 000	5 182	-	1 090	6 362	5 272	82,9%	5 182
Toilet Facilities		1 097	11 418	6 000	-	2 052	6 132	4 080	66,5%	6 000
Capital Spares										
Solid Waste Infrastructure		3 496	35 471	24 059	178	11 632	23 386	11 754	50,3%	24 059
Landfill Sites										
Waste Transfer Stations		3 496	35 471	24 059	178	11 632	23 386	11 754	50,3%	24 059
Community Assets		2 950	7 000	8 906	-	4 404	7 942	3 538	44,5%	8 906
Sport and Recreation Facilities		2 950	7 000	8 906	-	4 404	7 942	3 538	44,5%	8 906
Indoor Facilities		-	-	-	-	-	-	-		-
Outdoor Facilities		2 950	7 000	8 906	-	4 404	7 942	3 538	44,5%	8 906
Computer Equipment		-	8 000	5 600	89	1 188	6 133	4 946	80,6%	5 600
Computer Equipment		-	8 000	5 600	89	1 188	6 133	4 946	80,6%	5 600
Furniture and Office Equipment		0	1 800	800	-	38	850	812	95,5%	800
Furniture and Office Equipment		0	1 800	800	-	38	850	812	95,5%	800
Machinery and Equipment		-	1 000	500	-	101	517	415	80,4%	500
Machinery and Equipment		-	1 000	500	-	101	517	415	80,4%	500
Transport Assets		7	4 543	31 090	-	24 380	24 682	302	1,2%	31 090
Transport Assets		7	4 543	31 090	-	24 380	24 682	302	1,2%	31 090
Total Capital Expenditure on new assets	1	75 010	200 526	178 228	3 471	86 863	165 977	79 114	47,7%	178 228

SUPPORTING TABLE SC13b

NW403 City Of Matlosana - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure	1	3 055	19 526	13 206	3 814	5 746	12 843	7 097	55,3%	13 206
Electrical Infrastructure		3 055	5 206	5 206	426	1 907	4 772	2 866	60,0%	5 206
Power Plants								-		
HV Substations		1 670	1 732	1 732	-	1 481	1 588	107	6,7%	1 732
HV Switching Station								-		
HV Transmission Conductors								-		
MV Substations								-		
MV Switching Stations								-		
MV Networks								-		
LV Networks		1 385	3 474	3 474	426	426	3 185	2 759	86,6%	3 474
Sanitation Infrastructure		-	14 320	8 000	3 388	3 839	8 071	4 231	52,4%	8 000
Pump Station								-		
Reticulation								-		
Waste Water Treatment Works		-	14 320	8 000	3 388	3 839	8 071	4 231	52,4%	8 000
Total Capital Expenditure on renewal of existing ass	1	3 055	19 526	13 206	3 814	5 746	12 843	7 097	55,3%	13 206

SUPPORTING TABLE SC13c

NW403 City Of Matlosana - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M11 May

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure	1	106 663	196 887	231 179	14 023	167 244	207 914	40 670	19,6%	231 179
Roads Infrastructure		18 695	56 998	79 792	2 874	66 885	70 483	3 598	5,1%	79 792
Roads		18 070	56 065	79 034	2 863	66 546	69 768	3 221	4,6%	79 034
Road Structures										
Road Furniture		625	933	758	12	339	716	377	52,6%	758
Capital Spares										
Storm water Infrastructure		-	10 000	10 000	-	2 098	9 167	7 069	77,1%	10 000
Drainage Collection		-	10 000	10 000	-	2 098	9 167	7 069	77,1%	10 000
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		72 297	91 719	97 219	4 879	72 771	88 476	15 705	17,8%	97 219
MV Substations		261	823	823	-	-	755	755	100,0%	823
MV Switching Stations		165	122	122	-	-	112	112	100,0%	122
MV Networks										
LV Networks		71 871	90 774	96 274	4 879	72 771	87 610	14 838	16,9%	96 274
Capital Spares										
Water Supply Infrastructure		11 580	16 679	19 679	2 366	13 441	17 689	4 249	24,0%	19 679
Dams and Weirs										
Boreholes										
Reservoirs		1 044	3 697	3 697	644	1 419	3 389	1 970	58,1%	3 697
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution		10 536	12 982	15 982	1 721	12 021	14 300	2 279	15,9%	15 982
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		4 091	21 490	24 489	3 904	12 048	22 099	10 050	45,5%	24 489
Pump Station										
Reticulation		2 716	11 281	14 279	3 068	10 137	12 740	2 603	20,4%	14 279
Waste Water Treatment Works		1 375	10 210	10 210	836	1 912	9 359	7 447	79,6%	10 210
Community Assets		5 742	18 730	19 421	819	7 324	17 723	10 399	58,7%	19 421
Community Facilities		3 113	10 612	11 588	665	4 324	10 508	6 184	58,9%	11 588
Museums		81	1 064	564	1	22	576	554	96,2%	564
Galleries										
Theatres										
Libraries		619	1 911	3 092	655	1 219	2 696	1 478	54,8%	3 092
Cemeteries/Crematoria		2 253	6 030	6 130	6	2 766	5 608	2 842	50,7%	6 130
Police										
Parks										
Public Open Space		-	130	30	-	-	39	39	100,0%	30
Nature Reserves		104	729	739	3	123	676	553	81,8%	739
Public Ablution Facilities										
Markets		55	748	1 032	-	195	913	719	78,7%	1 032
Sport and Recreation Facilities		2 630	8 119	7 834	153	3 000	7 214	4 215	58,4%	7 834
Indoor Facilities		1 359	2 505	2 305	25	293	2 136	1 843	86,3%	2 305
Outdoor Facilities		1 271	5 614	5 529	128	2 707	5 078	2 372	46,7%	5 529
Capital Spares										
Heritage assets		136	199	99	-	38	102	64	63,2%	99
Monuments										
Historic Buildings										
Works of Art		-	-	-	-	-	-	-		-
Conservation Areas		136	199	99	-	38	102	64	63,2%	99

Other assets		4 604	10 626	9 257	(30)	1 832	8 677	6 845	78,9%	9 257
Operational Buildings		4 604	10 626	9 257	(30)	1 832	8 677	6 845	78,9%	9 257
Municipal Offices		4 576	10 566	9 207	(30)	1 801	8 630	6 828	79,1%	9 207
Pay/Enquiry Points								-		
Building Plan Offices								-		
Workshops		28	51	41	-	30	38	8	22,2%	41
Yards								-		
Stores		-	10	10	-	1	9	8	92,0%	10
Intangible Assets		5 072	4 583	9 541	109	3 354	7 915	4 561	57,6%	9 541
Servitudes								-		
Licences and Rights		5 072	4 583	9 541	109	3 354	7 915	4 561	57,6%	9 541
Computer Software and Applications								-		
Load Settlement Software Applications								-		
Unspecified		5 072	4 583	9 541	109	3 354	7 915	4 561	57,6%	9 541
Computer Equipment		1 847	4 300	4 385	149	631	4 010	3 379	84,3%	4 385
Computer Equipment		1 847	4 300	4 385	149	631	4 010	3 379	84,3%	4 385
Furniture and Office Equipment		2 356	3 068	3 375	-	1 550	3 058	1 508	49,3%	3 375
Furniture and Office Equipment		2 356	3 068	3 375	-	1 550	3 058	1 508	49,3%	3 375
Machinery and Equipment		10 911	25 639	26 443	259	10 146	24 133	13 987	58,0%	26 443
Machinery and Equipment		10 911	25 639	26 443	259	10 146	24 133	13 987	58,0%	26 443
Transport Assets		194	14 390	2 464	-	31	3 650	3 619	99,1%	2 464
Transport Assets		194	14 390	2 464	-	31	3 650	3 619	99,1%	2 464
Total Repairs and Maintenance Expenditure	1	137 526	278 402	306 165	15 329	192 150	277 181	85 032	30,7%	306 165

SUPPORTING TABLE SC13d

NW403 City Of Matlosana - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M11 May

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		-	322 692	322 692	24 719	247 189	295 801	48 612	16,4%	322 692
Roads Infrastructure		-	96 260	103 260	7 976	79 756	93 838	14 082	15,0%	103 260
Roads		-	96 260	103 260	7 976	79 756	93 838	14 082	15,0%	103 260
Electrical Infrastructure		-	59 997	59 997	4 520	45 203	54 997	9 794	17,8%	59 997
MV Networks		-	59 997	59 997	4 520	45 203	54 997	9 794	17,8%	59 997
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	93 480	78 480	5 747	57 469	73 690	16 221	22,0%	78 480
Distribution		-	93 480	78 480	5 747	57 469	73 690	16 221	22,0%	78 480
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	72 956	80 956	6 476	64 761	73 276	8 515	11,6%	80 956
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	72 956	80 956	6 476	64 761	73 276	8 515	11,6%	80 956
Other assets		136 154	79 263	79 263	6 399	63 986	72 657	8 671	11,9%	79 263
Operational Buildings		136 154	79 263	79 263	6 399	63 986	72 657	8 671	11,9%	79 263
Municipal Offices		136 154	79 263	79 263	6 399	63 986	72 657	8 671	11,9%	79 263
Computer Equipment		-	1 763	1 763	109	1 089	1 616	527	32,6%	1 763
Computer Equipment		-	1 763	1 763	109	1 089	1 616	527	32,6%	1 763
Furniture and Office Equipment		3 651	2 617	2 617	123	1 234	2 399	1 165	48,6%	2 617
Furniture and Office Equipment		3 651	2 617	2 617	123	1 234	2 399	1 165	48,6%	2 617
Transport Assets		243 149	33 666	13 666	259	2 588	14 860	12 272	82,6%	13 666
Transport Assets		243 149	33 666	13 666	259	2 588	14 860	12 272	82,6%	13 666
Total Depreciation	1	382 953	440 000	420 000	31 609	316 085	387 333	71 248	18,4%	420 000

SUPPORTING TABLE SC13e

NW403 City Of Matlosana - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class.

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure	1	1 542	11 418	20 655	-	14 457	17 856	3 400	19,0%	20 655
Water Supply Infrastructure		1 542	11 418	20 655	-	14 457	17 856	3 400	19,0%	20 655
Dams and Weirs										
Boreholes										
Reservoirs		1 542	11 418	20 655	-	14 457	17 856	3 400	19,0%	20 655
Community Assets		4 345	-	3 067	-	1 063	2 454	1 391	56,7%	3 067
Community Facilities		4 345	-	3 067	-	1 063	2 454	1 391	56,7%	3 067
Markets		4 345	-	3 067	-	1 063	2 454	1 391	56,7%	3 067
Other assets		-	-	1 700	-	-	1 360	1 360	100,0%	1 700
Operational Buildings		-	-	1 700	-	-	1 360	1 360	100,0%	1 700
Capital Spares		-	-	1 700	-	-	1 360	1 360	100,0%	1 700
Total Capital Expenditure on upgrading of existing	1	5 887	11 418	25 423	-	15 520	21 670	6 151	28,4%	25 423

Progress on Municipal Debt Relief

**CITY OF MATLOSANA MONTHLY
MONITORING PLAN 31 MAY 2024**

Monthly Compliance Check List		Responsible Person	Monthly Progress	How are you going to ensure compliance (applicable manager to provide SOP that will be updated and monitored)
6.3	Maintaining the Eskom and bulk water current account – (current account for the purpose of this exercise means the account for a single month's consumption):			
6.3.1	- Has the municipality paid its <i>bulk water current account</i> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)?	Ocilia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org Baganne Choche (Acting MM) 018 487 8012 bchoche@klerksdorp.org	No	The municipality held a meeting on the 6 th of March 2024 with the CEO of Midvaal to revise the current payment plan to a more affordable one. However, partial payments were made as per the current arrangement.
6.3.2	- Has the municipality submitted the supporting evidence of the bulk water current account payment to the National Treasury, the Water Board and/or Water Trading Entity within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://iguploadportal.treasury.gov.za ?	J Makudubele (Accountant) – 018 487 8483 jpapers@klerksdorp.org J Lethoo (Assistant Director Expenditure) – 018 487 8533 gopolang@klerksdorp.org Ocilia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org	Yes	Both Midval and Eskom were partially paid and proof was uploaded.
6.3.3	- Does the amount of the bulk water current account payment as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of the Water Board and/or Water Trading Entity?	J Makudubele (Accountant) – 018 487 8483 jpapers@klerksdorp.org J Lethoo (Assistant Director Expenditure) – 018 487 8533 gopolang@klerksdorp.org Ocilia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org	Yes	
6.3.4	- Has the municipality paid its <i>Eskom bulk current account</i> within 30 days of receiving the relevant invoice (this applies to all municipalities, including metros)?	Ocilia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org Baganne Choche (Acting MM) 018 487 8012 bchoche@klerksdorp.org	No	Due to under collection, The CoM fell short of payments made, but since we have PER who deals with Financial Recovery Plan there is a slightly progress on spending.
6.3.5	- Has the municipality submitted the supporting evidence of the bulk Eskom current account payment to the National Treasury and Eskom within 1 day of making any such payment (in PDF format) via the GoMuni Upload Portal https://iguploadportal.treasury.gov.za ?	J Makudubele (Accountant) – 018 487 8483 jpapers@klerksdorp.org J Lethoo (Assistant Director Expenditure) – 018 487 8533 gopolang@klerksdorp.org Ocilia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org	Yes	

6.3.6	<p>- Does the amount as per the proof of payment reconcile to the amount recorded on the financial system as per the mSCOA data string and the section 41(2) MFMA statement of Eskom?</p>	<p>J Maku bele (Accountant) – 018 487 8483 jpapers@klerksdorp.org J Lethoo (Assistant Director Expenditure) – 018 487 8533 gopolang@klerksdorp.org Ocilia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org</p>	8483	8483	Yes	
6.4	Compliance with a funded MTREF –					
6.4.1	<p>- Has the municipality tabled and adopted a funded 2023/24 MTREF aligning to the National Treasury's Budget Funding Guidelines - http://mfma.treasury.gov.za/Guidelines/Pages/Funding.aspx?</p>	<p>T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org</p>	8040	8040	No	The funding plan was revised during the adjustment budget.
6.4.2	<p>- Has the municipality budgeted for any operating surplus on the A1 Schedule (Table A4 – Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?</p>	<p>T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org</p>	8040	8518	Yes	C4 attached as POE
6.4.3	<p>- Has the municipality made adequate provision for debt impairment (considering the actual collection of revenue and property rates during the 12 months immediately preceding the tabling of the budget) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?</p> <p><i>Note - For example, if the municipality during the preceding 12 months only managed to collect 60 per cent of its revenue (also property rates), the provision for debt impairment aligning with the historic collection trend should align to 40 per cent of the 2023/24 MTREF revenue projections (also property rates). If the municipality merely used the debt impairment to 'balance' the budget and there is no real alignment between the provision for such with the actual collection of revenue, the Provincial Treasury must respond to this item as: "No".</i></p>	<p>T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org</p>	8040	8518	No	The municipality made provision for debt impairment in line with the budgeted expected collection rate for the original budget. This was reviewed during the adjustment budget
6.4.4	<p>- Has the municipality made adequate provision for depreciation and asset impairment (considering its asset register and physical state of assets) on the A1 Schedule (Table A4 - Budgeted Financial Performance) of the Municipal Budget-and Reporting Regulations?</p> <p><i>Note - If the municipality merely used the depreciation and asset impairment to 'balance' the budget and there is no real alignment between the provision for such with the state of assets/asset register, the Provincial Treasury must respond to this item as: "No".</i></p>	<p>T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org</p>	8040	8518	Yes	The figures is based on the 2021/22 audit outcome and take into consideration the budgeted capital acquisitions for the 2023/24 year.

6.4.5	- <i>if the municipality's MTREF is not funded</i> , has it tabled and adopted a credible Budget Funding Plan as part of the MTREF budget (refer item 9.3 of MFMA Budget Circular no. 122, 09 December 2022)?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	Yes	The funding plan was tabled together with the Adjustment Budget. It will be monitored strictly on a monthly progress. MMC's committed at Mayoral Committee to monitor the progress closely.
6.4.6	- Does the municipality's annual and monthly cash flow projections included on the A1 Schedule (Table A7 - Budgeted Cash Flows and Supporting Table SA 30 - Budgeted Monthly Cash Flows) of the Municipal Budget and Reporting Regulations aligns with and gives effect to the municipality's Budget Funding Plan strategy and related seasonal trends (For example higher winter Eskom tariffs, lower January collection rates, etc.?)	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	Yes	The A7 is currently projecting 12 equal amounts, so this will be corrected on the next MTREF budget 2024/2025 after implementing the BMM.
6.5	Cost reflective tariffs – has the municipality included its completed tariff tool (refer MFMA Circular no. 98 and item 5.2 of MFMA Budget Circular no. 122) as part of the municipality's annual tabled and adopted MTREF submissions with effect the tabling of the 2023/24 MTREF?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No	City of Matlosana has completed the draft tariff tool to Provincial Treasury for inputs. The plan is to table the tariff tool together with the Draft Budget on 29 March 2024.
6.6	Electricity and water as collection tools – has the municipality, with effect from the tabling of the 2023/24 MTREF, demonstrated, through its by-laws and budget related policies that:			
6.6.1	- the municipality issues a consolidated monthly bill to all consumers/property owners in terms of which all partial payments received are allocated in the following order of priority: firstly, to property rates, thereafter to water, wastewater, refuse removal and lastly to electricity?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org	Yes	The current bill allocation is not aligned to Circular 124. The Customer Care, Credit Control and Debt Collection Policy will be reviewed to correct this.
6.6.2	- the municipality disconnects electricity services and/or block the purchasing of pre-paid electricity of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9040	Yes	The 80/20 is applied to defaulting consumers as per credit control policy
6.6.3	- the municipality is restricting and/or interrupting the supply of water of any defaulting consumer/property owner unless the defaulter already registered as an indigent consumer with the municipality?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org	Yes	As per credit control policy

	<p><i>Note: In terms of this condition the municipality must undertake such restriction/ interruption of water together with the municipal engineer(s) to ensure a minimum supply of waste water.</i></p> <p>6.6.4 - If the defaulting consumer/property owner is registered as an indigent consumer with the municipality, is the monthly supply of electricity and water to that consumer/property owner physically restricted to the monthly national basic free electricity- and water limits of 50 Kilowatt electricity and 6 Kilolitres water, respectively?</p>	<p>N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org</p>	<p>No</p>	<p>The municipality is planning to constantly monitor and restrict the indigents who are defaulting. A list of indigent customers who are still on conventional meters was sent to Electrical Department to install prepaid meters.</p>
	<p>6.6 <i>Supporting evidence: The National Treasury and/ or provincial treasury's related budget assessment confirms the municipality's relevant MTREF's related budget policies and by-laws demonstrate compliance with paragraph 6.6.</i></p>			
	<p>6.7 Maintain a minimum average quarterly collection of property rates and services charges –</p>			
	<p>6.7.1 - Has the municipality achieved a minimum of 80 per cent average quarterly collection of property rates and service charges with effect from 01 April 2023 and 85 per cent average quarterly collection with effect from 01 April 2024 during any quarter - demonstrated in the MFMA s.71 monthly and quarterly statement(s) and mSCOA data strings uploaded to the LGDRS?</p>	<p>N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org</p>	<p>No</p>	<p>For the current month the municipality achieved a collection rate of 77%. The following are the reasons for non-achievement:</p> <ul style="list-style-type: none"> • Unresolved disputes • Challenges in Eskom supplied areas • Intimidations at the town ships • Most of the customers are not responding after disconnection due to Solar and borehole • Data cleansing needs to be done • 1200 stolen meters in Jouberton
	<p>6.7.2 <i>Note - although the norm and standard for collection (MFMA Circular No. 71) is a 95 per cent threshold, municipalities under the debt relief support will be exempted for the first two years from adhering to this norm.</i></p> <p>- If the response in 6.7.1 is "No" and the municipality is unable to achieve the minimum average quarterly collection as per paragraph 6.7.1, has the municipality demonstrated to the satisfaction of the National Treasury that –</p> <p>* the underperformance directly relates to Eskom supplied areas where the municipality does not have electricity as a collection tool <u>and</u> that the average quarterly collection of the municipality (excluding Eskom supplied areas) equals the</p>	<p>N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org</p>	<p>No</p>	<p>Municipality has targeted all areas that Municipality is servicing for electricity. Please find attached disconnection and reconnection report for January 2024.</p>
	<p>6.7.2.1</p>		<p>Yes</p>	

	required quarterly average collection set-out in paragraph 6.7.1;				
6.7.2.2	* the municipality for technical engineering reasons is unable to physically restrict and/or limit the supply of water in the Eskom supplied area(s)?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org	No	The Municipality does restrict water in Eskom supplied areas as per credit control policy, the challenge is that the community bridge and break water meters.	
6.7.2.3	* the municipality before 01 February 2024 attempted to enter into a service delivery agreement with Eskom for purposes of municipal revenue collection in the Eskom supplied area(s) as envisaged in sections 76 to 78 of the Municipal Systems Act, 2000 and that such failed and the reason(s) for the failure?	Oclia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org Bagnane Choche (Acting MM) 018 487 8012 bchoche@klerksdorp.org	No	There is a proposal that was sent in the current year for Eskom to assist in areas such as Kanana, Tigane and Khuma, but no response was received from Eskom.	
6.7.3	- The municipality has progressively installed smart pre-paid meters in the municipality supplied areas to improve its collection and only then, on an individual case-by-case basis, considered writing off the debt of its customers, within its normal credit control process?	N Gouwe – Assistant Director Debt Management 018 487 8044/082 956 9537 nsathege@klerksdorp.org	No	Council has approved the project for the installation of smart pre-paid meter, however the installation will start in the new financial year (2024/2025).	
6.7.4	-Has the municipality adopted a policy to install any new electricity connection in the demarcated area with effect the 2023/24 MTREF with a smart pre-paid meter?	J Pilusa (Acting Director Technical) 018 487 8023/072 313 4253tpelesane@klerksdorp.org	No		
6.7.5	-Has the municipality's 2023/24, 2024/25 and 2025/26 tabled and adopted capital budgets and MFMA section 71 statements reflected the approach set-out in 6.7.3 and 6.7.4?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	Yes	C schedule	
6.8	Municipality's Completeness of the revenue base –				

6.8.1	<p>N Kegakilwe (Assistant Director Revenue Management) 018 487 8046/083 254 6573 nkegakilwe@klerksdorp.org</p> <p>O Kgoete (Deputy Director Income and Expenditure) 018 487 8043/072 781 2082 okgoete@klerksdorp.org</p>	Yes	<p>1. The approved GVR was loaded into the municipal financial system (Solar).</p> <p>Status: Was done</p> <ul style="list-style-type: none"> - Was Implemented from the 01st July 2020 until 30th June 2025. <p>2. All SV's (SV01-SV03) are implemented into the financial system.</p> <p>Status: Was done,</p> <p>SV01: Implemented on the 01st July 2021. SV02: Implemented on the 01st July 2022.</p> <p>SV03: Implemented on the 01st July 2023.</p> <ul style="list-style-type: none"> - Seven (7) Objections were received and outcome was communicated to the property owners by the Municipal Valuer. - Out of Seven (7) objections, we received two (2) Appeals, - Those Two (2) Appeals were dealt with by Appeal Board on the 05th March 2024, waiting for outcome for implementation. <p>SV04: Status: In progress,</p> <ul style="list-style-type: none"> - Inspection: 01st May -30 June 2024. - Advert Newspaper: 11 and 18 April 2024 - Promulgation: 23 and 30 April 2024 - Section 49: will be sent to affected property owners, the challenge is that SAPO is under business rescue/administration and in-effective to deliver letters. Alternatively, we are communicating with the Speakers office to assist with the delivery of those letters through ward councillors and ward committees. <p>3. Differences will be addressed as follows:</p>
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- Has the municipality demonstrated through the National Treasury property rates reconciliation tool that the municipality's billing system perfectly aligns to its Council approved General Valuation Roll (GVR) and/ or any subsequent supplementary GVR compiled by the registered municipal valuer and demonstrated the steps taken to correct the variances identified?

<p>-Reconciliation will be done monthly and variances identified will be addressed accordingly.</p> <p>Status: In progress</p> <p>Monthly report will be submitted to Budget Office (Naledi, Meiti and Lesego) for Upload on the portal.</p> <p>+/- 90% variances are addressed and +/- 10% variance will be dealt with as soon as the below are addressed.</p> <p>-The last report sent to Budget was March 2024.</p> <p>- April 2024 report (BP752) was sent to the Municipal Valuer, however we noticed Solar system error which was communicated to BCX to be checked and to be cleared.</p> <p>Challenges</p> <p>About 1872 stands that needs to be addressed on various townships</p> <p>Jouberton</p> <p>Kanana</p> <p>Khuma</p> <p>Alabama</p> <p>Tigane</p> <p>Main because of the following reasons:</p> <ol style="list-style-type: none"> 1.Stands are not yet allocated to the beneficiaries 2.Stands that needs to be de-activated have meter/s installed on it (Verification of meters needs to be done and meter/s be transferred to the correct stand. 3.Duplicate stands that needs Planning and Human settlement to verify. 4.Occupation certificates and Valuation certificates to be sent to the Municipal Valuer to ensure that all properties are updated and billed accurately. <p>Status: Done on monthly basis</p> <p>-Both lists of Occupation Certificates and Valuation Certificates from Planning and Human settlement</p>	
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					are received monthly until the end of December 2023. January to March 2024 Occupations and Valuations are waiting to be signed by Director or Acting-Director Planning and Human Settlement, as soon as signed will be sent to the Valuer for implementation on the Municipal Financial System.
6.8.2	- Has the municipality submitted its completed billing system, GVR and/or interim GVR reconciliations required in terms of paragraph 6.8.1 to the National Treasury quarterly (refer MFMA Circulars no. 93, 98, 107 and 108) to the upload portal on https://iguploadportal.treasury.gov.za?	N Kegakilwe (Assistant Director Revenue Management) 018 487 8046/083 254 6573 nkegakilwe@klerksdorp.org O Kgoete (Deputy Director Income and Expenditure) 018 487 8043/072 781 2082 okgoete@klerksdorp.org	Yes		
6.9	Monitor and report on implementation –				
6.9.1	- MFMA section 71 reporting – has the municipal council and senior management team instituted processes to monitor and enforce accountability for the implementation of the municipality's funded budget and Budget Funding Plan where relevant?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No		BTO identifies votes and line items that are underperforming on a monthly basis and alerts directorates. The Budget Steering Committee also monitors performance and enforce accountability on directors to address the variances on the budgets.
6.9.2	- If progress is slow in terms of paragraph 6.8.3, is the active intervention evident from the narratives supporting the municipality's monthly MFMA section 71 reporting and recorded on the financial system as per the MSCOA data string?	T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org	No		Municipality has resuscitated the MSCOA Steering Committee which seats monthly to address any MSCOA issues. The draft MSCOA Roadmap was presented to the committee. Training is also planned with PT.
6.9.3	- Municipalities with financial recovery plans (FRP) – if the municipality has a FRP as envisaged in the prevailing local government legislative framework, is the municipality reporting monthly its progress in implementing its FRP to the Provincial Executive?	Oclia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org Baganne Choche (Acting MM) 018 487 8012 bchoche@klerksdorp.org	Yes		Two Provincial Exco Representatives started on 1 February 2024 to ensure the implementation of FRP.
6.9.4	- If the municipality that has an FRP, with effect from 01 April 2023, parallel to submitting its monthly FRP progress reports to the Provincial Executive, has the municipality also submitted such FRP progress reports to the National Treasury: Municipal Financial Recovery Service (MFRS) timeously?	Oclia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org Baganne Choche (Acting MM) 018 487 8012 bchoche@klerksdorp.org	No		The monthly progress report is submitted by Provincial Exco Representatives to Provincial Treasury, then Provincial Treasury submit report to National Treasury.

Note - a municipality with a FRP may only benefit from the Municipal Debt Support programme if the FRP progress report was submitted to both the Provincial Executive and MFRS.

	<p><i>Note - if the PT failed to address its failure such non-compliance will be considered as non-compliance by the municipality in terms of paragraph 6.1.1.</i></p>	<p>Limitation on municipality borrowing powers - has the municipality borrowed since its initial or any subsequent benefit in terms of this municipal debt support programme?</p>	<p>T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org</p>	<p>No</p>	<p>There are currently no plans to borrow any money.</p>
	<p><i>Note - there is a prohibition on municipal borrowing for three consecutive municipal financial years from the date of the municipality's initial or any subsequent benefit in terms of this municipal debt support programme</i></p>	<p>For the duration of the Municipal Debt Relief (to ensure proper management of resources):</p>			
<p>6.12.1</p>	<p>- has the municipality apportioned and ring-fenced in a sub-account to its primary bank account – (a) all electricity, water and sanitation revenue the municipality collects in any month; and (b) the component of the Local Government Equitable Share (LGES) the municipality earmarked to provide free basic electricity, water and sanitation?</p>	<p>Oclia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org Baganne Choche (Acting MM) 018 487 8012 bchoche@klerksdorp.org</p>	<p>Partially</p>	<p>The revenue from electricity and water is not entirely ring-fenced only prepaid is ring-fenced and conventional can only be calculated when month-end processes are completed and by this time, the Eskom bill is due and money paid directly without being transferred from the primary bank account.</p>	
<p>6.12.2</p>	<p>- has the municipality during the month first applied the revenue in the sub-account (required per paragraph 6.11.1) to pay its current Eskom account and then secondly its bulk water current account before it applied the revenue in the sub-account for any other purpose?</p>	<p>Oclia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org Baganne Choche (Acting MM) 018 487 8012 bchoche@klerksdorp.org</p>	<p>No</p>	<p>Due to cash flow issues, it is not yet possible to entirely pay Eskom and Midval in full.</p>	
	<p><i>Note: A request will be made to the Minister of Finance immediately succeeding the application to exempt municipalities formally from MFMA s.8(3) to facilitate this condition.</i></p>	<p>Supporting evidence: Has the municipality submitted a copy of the monthly bank statement of its ring-fenced bank account to the National Treasury and provincial treasury aligning to its MFMA s.71 statement collected revenue.</p>	<p>T Sekgala (Deputy Director Budget) 018 487 8040 osekgala@klerksdorp.org D Rossouw (Assistant Director Budget) 018 487 8518 drossouw@klerksdorp.org</p>	<p>Yes</p>	
<p>6.13</p>	<p>Accounting Treatment - has the municipality fully accounted for and correctly reported on the write-off of its Eskom arrear debt (debt existing as on 31 March 2023) as per any written instruction of the National Treasury: Office of the Accountant General issued for Municipal Debt Relief to date?</p>	<p>Oclia Sekgala (Acting CFO) 018 487 8040 osekgala@klerksdorp.org Baganne Choche (Acting MM) 018 487 8012 bchoche@klerksdorp.org</p>	<p>No</p>	<p>Not yet applicable. The write-off will only be implemented after 12 months as per NT guidelines.</p>	
<p>6.14</p>	<p>'NERSA License - has the municipality during the month failed to comply with any condition if the Municipal Debt Relief?</p>		<p>Yes</p>	<p>The current month bill was not paid in full.</p>	

Note: By applying for Municipal Debt Relief as set-out in paragraph 3. of MFMA Circular no. 124, the council of a municipality that during the duration of the Municipal Debt Relief programme fails to comply with any condition of the Relief, agrees to apply to NERSA to revoke the municipality's license in terms of section 18 of the Electricity Regulation Act, 2006 (Act no. 4 of 2006).

Monitoring of progress to ensure compliance: Weekly Management meetings will be held with delegated officials in order to monitor progress and the consolidated monitoring plan will be submitted to the Finance Portfolio committee held on a monthly basis and also reported to Provincial Treasury 10 days after month end.

Approval of information and of the compliance report to be submitted to PT/NT on 14 June 2024


O SEKGALA

ACTING CHIEF FINANCIAL OFFICER


B CHOCHÉ

ACTING MUNICIPAL MANAGER


AM RAMPHÉLE
MMC: FINANCE


SL MONDLANE

SPEAKER OF COUNCIL


NJ TSOLELA

EXECUTIVE MAYOR

MFMA Circular 124 - Monthly MFMA s.71 reporting (condition 6.7)

Average collection rate (MFMA Circular 124 condition 6.7)		APRIL 2024	MAY 2024					
Total average collection		Previous Month actual Collection %	Current Month actual collection %	Rand value of Current Month Billing NOT COLLECTED per ward (R)	Quarter 1 actual Collection %	Quarter 2 actual Collection %	Quarter 3 actual Collection %	Quarter 4 actual Collection %
1. The total average collection of all revenue excluding Equitable Share and conditional grants		55%	58%	141 889 912	56%	49%	57%	0%
1A. The total average collection of all revenue in 1, above - <i>excluding the Eskom supply areas</i>		69%	71%	87 589 977	62%	64%	65%	0%
2. The total average collection of municipal property rates		88%	85%	4 944 408	81%	84%	82%	0%
3. The total average collection of Electricity		88%	109%	6 857 500	76%	82%	108%	0%
4. The total average collection of Water		45%	43%	40 682 951	50%	37%	60%	0%
5. The total average collection of Wastewater		48%	50%	6 442 827	55%	53%	47%	0%
4. The total average collection of Solid Waste		37%	37%	10 517 323	41%	37%	35%	0%
4. The total average collection of VAT		57%	67%	11 370 604	64%	50%	67%	
4. The total average collection of Interest		4%	4%	54 368 238	5%	5%	4%	
4. The total average collection of Sundries		12%	55%	6 706 060	11%	9%	12%	10%

MFMA Circular 124 - condition 6.7.2

COLLECTION RATE - per ward - rates and per service - (Month YYYY) ***Note - the municipality to add rows below to facilitate reporting on all wards within the demarcation*

Wards / Services	Municipal supplied/ Eskom supplied/ Partial Eskom and municipal supplied	Previous Month actual Collection %	Total Movement / Billing for the Month (R)	Total Settlements / Payment for the month (R)	Current Month - actual Collection %	Rand value of Current Month Billing NOT COLLECTED per ward (R)	Quarter 1 actual Collection %	Quarter 2 actual Collection %	Quarter 3 actual Collection %	Quarter 4 actual Collection %
Ward 1		26%	4 809 927,29	1 411 604,50	29%	3 398 323	42%	40%	31%	0%
Property Rates Tax		59%	366 292,53	282 142,27	77%	84 150	35%	106%	81%	0%
Electricity	Eskom Supplied	87%	784 125,78	650 829,46	83%	133 296	77%	95%	84%	0%
Water		19%	1 060 772,56	230 457,78	22%	830 315	74%	39%	25%	0%
Refuse		10%	403 038,14	41 763,79	10%	361 274	19%	11%	11%	0%
Waste Water		16%	236 641,83	38 487,27	16%	198 155	21%	15%	15%	0%
VAT		34%	362 362,24	128 420,87	35%	233 941	67%	44%	38%	0%
Sundries		11%	9 011,70	3 049,83	34%	5 962	2%	5%	4%	0%
Interest		2%	1 587 682,52	36 453,25	2%	1 551 229	27%	7%	3%	0%
Ward 2		1%	2 645 010,84	128 307,36	5%	2 516 703	11%	3%	3%	0%
Property Rates Tax		4%	42 917,68	1 643,71	4%	41 274	0%	3%	6%	0%
Electricity	Partial Eskom and Municipal Supplied	0%	(288,11)		0%	-288	0%	0%	0%	0%
Water		2%	922 656,94	36 748,45	4%	885 908	3%	2%	3%	0%
Refuse		2%	252 044,88	30 427,72	12%	221 617	11%	4%	5%	0%
Waste Water		2%	143 849,01	33 530,66	23%	110 318	40%	26%	7%	0%
VAT		2%	197 739,76	15 076,20	8%	182 664	22%	5%	5%	0%
Sundries		0%		647,16	0%	-647	0%	1%	0%	0%
Interest		0%	1 086 090,68	10 233,46	1%	1 075 857	-5%	0%	1%	0%
Ward 3		37%	36 71324,19	1363175,73	37%	2 308 148	23%	40%	40%	0%
Property Rates Tax		55%	392 992,49	237 770,53	61%	155 222	17%	68%	63%	0%
Electricity	Municipal supplied	47%	628 994,56	294 217,44	47%	334 777	51%	65%	7%	0%
Water		45%	1194975,103	457054,2736	38%	737 921	48%	48%	47%	0%
Refuse		41%	209 058,82	96 465,04	46%	112 594	48%	4%	55%	0%
Waste Water		37%	240 984,34	105 021,41	44%	135 963	45%	4%	45%	0%
VAT		39%	341 479,57	130 189,61	38%	211 290	59%	38%	42%	0%
Sundries		46%	6 368,75	20 399,70	320%	-14 031	5%	4%	8%	0%
Interest		4%	656 470,55	22 057,73	3%	634 413	2%	6%	6%	0%
Ward 4		6%	8520319,77	525381,34	6%	7 994 938	10%	8%	4%	0%
Property Rates Tax		13%	194 751,72	24 292,77	12%	170 459	6%	143%	14%	0%
Electricity	Municipal supplied	9%	882 692,98	149 844,06	17%	732 849	9%	13%	9%	0%
Water		8%	2 493 330,58	166 898,35	7%	2 326 432	5%	5%	6%	0%
Refuse		6%	820 061,79	54 986,01	7%	765 076	4%	4%	5%	0%
Waste Water		7%	401 802,10	26 712,12	7%	375 090	4%	5%	5%	0%
VAT		5%	693 495,21	40 049,83	6%	653 445	14%	4%	4%	0%
Sundries		4%	36 425,54	43 725,14	120%	-7 300	1%	1%	1%	0%
Interest		2%	2 997 759,84	18 873,06	1%	2 978 887	0%	6%	0%	0%
Ward 5		8%	3 481 347,66	170 412,38	5%	3 310 935	2%	5%	4%	0%
Property Rates Tax		19%	33 896,63	7 029,99	21%	26 867	2%	14%	18%	0%
Electricity	Municipal supplied	17%	281 869,65	51 498,85	18%	230 371	16%	23%	19%	0%
Water		2%	1 105 151,75	54 301,40	5%	1 050 850	5%	4%	3%	0%
Refuse		4%	240 318,54	13 160,34	5%	227 158	7%	3%	4%	0%
Waste Water		3%	128 208,58	16 893,97	13%	111 315	5%	9%	5%	0%
VAT		5%	264 083,50	19 380,33	7%	244 703	3%	6%	5%	0%
Sundries		7%	5 028,52	2 140,72	43%	2 888	1%	5%	1%	0%
Interest		14845%	1 422 790,49	6 006,78	0%	1 416 784	1%	1%	1%	0%
Ward 6		7%	5 069 287,45	205 098,32	4%	4 864 189	4%	4%	4%	0%
Property Rates Tax		37%	454411,6203	49164,10968	11%	405 248	16%	42%	40%	0%
Electricity	Municipal supplied	17%	419 553,84	18 628,79	4%	400 925	17%	12%	11%	0%
Water		3%	1879424,737	6737,147945	0%	1 872 688	5%	3%	4%	0%
Refuse		5%	119 426,88	51 969,12	44%	67 458	5%	5%	5%	0%
Waste Water		7%		1 875,59	0%	-1 876	10%	7%	6%	0%
VAT		5%	1 596 988,12	49 861,88	3%	1 547 126	6%	4%	3%	0%
Sundries		19%	399701,52	15432,15	4%	384 269	1%	1%	0%	0%
Interest		2%	199 780,73	11 429,54	6%	188 351	1%	0%	0%	0%
Ward 7		9%	3 129 426,65	250 937,26	8%	2 878 489	6%	6%	6%	0%
Property Rates Tax		17%	201 139,79	30 328,05	15%	170 812	8%	15%	18%	0%
Electricity	Municipal supplied	11%	96 958,57	9 284,70	10%	87 674	10%	12%	16%	0%
Water		6%	281 571,26	36 412,26	13%	245 159	7%	7%	7%	0%
Refuse		8%	1 189 967,60	14 045,66	1%	1 175 922	7%	8%	8%	0%
Waste Water		7%	103 663,34	22 146,29	21%	81 517	7%	22%	8%	0%
VAT		6%		2 305,01	0%	-2 305	6%	7%	7%	0%
Sundries		813%	1 016 488,75	112 228,14	11%	904 261	1%	5%	5%	0%
Interest		3460941%	239 637,35	24 187,14	10%	215 450	3%	1%	1%	0%

Ward 8		19%	3 839 826,08	845 496,07	22%	2 994 330	64%	18%	22%	0%
Property Rates Tax		33%	254 036,01	64 432,25	25%	189 604	12%	29%	36%	0%
Electricity	Municipal supplied	24%	162 473,55	52 659,33	32%	109 814	50%	92%	59%	0%
Water		16%	511 239,38	173 608,89	34%	337 630	28%	20%	23%	0%
Refuse		22%	1 129 799,88	58 544,41	5%	1 071 255	32%	23%	27%	0%
Waste Water		15%	252 182,76	147 427,04	58%	104 756	21%	29%	26%	0%
VAT		17%	302,46	5 494,21	1816%	-5 192	68%	20%	20%	0%
Sundries		1%	1 209 257,65	265 882,61	22%	943 375	8%	6%	3%	0%
Interest		5119%	320 534,38	77 447,35	24%	243 087	6%	2%	2%	0%
Ward 9		11%	3 428 031,53	222 173,90	6%	3 205 858	69%	5%	5%	0%
Property Rates Tax		27%	224 167,35	16 944,65	8%	207 223	27%	30%	25%	0%
Electricity	Municipal supplied	25%	95 659,23	8 899,48	9%	86 760	23%	19%	20%	0%
Water		6%	303208,44	49514,54094	16%	253 694	5%	4%	4%	0%
Refuse		10%	1 319 375,74	18 493,10	1%	1 300 883	9%	6%	6%	0%
Waste Water		10%	66 531,65	33 150,68	50%	33 381	10%	7%	6%	0%
VAT		9%	55 320,55	5 050,57	9%	50 270	72%	6%	6%	0%
Sundries		8%	1 104 716,66	70 635,15	6%	1 034 082	0%	3%	3%	0%
Interest		0%	259 051,91	19 485,73	8%	239 566	4%	0%	0%	0%
Ward 10		16%	2502083,84	419547,26	17%	2 082 542	73%	12%	12%	0%
Property Rates Tax		21%	151 553,98	28 291,24	19%	123 263	7%	18%	20%	0%
Electricity	Municipal supplied	26%	82 448,65	26 196,24	32%	56 252	37%	25%	30%	0%
Water		12%	290 032,30	173 698,23	60%	116 334	21%	13%	14%	0%
Refuse		11%	850 816,42	6 568,88	1%	844 248	28%	14%	11%	0%
Waste Water		10%	125 134,51	19 391,88	15%	105 743	23%	31%	12%	0%
VAT		13%	843,25	1 366,71	162%	-523	73%	15%	14%	0%
Sundries		327%	802 740,64	115 753,44	14%	686 487	5%	4%	3%	0%
Interest		0%	199 014,08	48 275,64	24%	150 738	4%	1%	1%	0%
Ward 11		22%	3 094 132,37	595 228,42	19%	2 498 904	57%	20%	15%	0%
Property Rates Tax		27%	193 834,05	38 789,20	20%	155 045	9%	46%	43%	0%
Electricity	Municipal supplied	30%	161 800,85	42 535,00	26%	119 266	45%	38%	36%	0%
Water		21%	369 220,37	95 404,06	26%	273 816	29%	21%	16%	0%
Refuse		15%	999 446,50	11 949,12	1%	987 497	24%	17%	14%	0%
Waste Water		16%	136 039,62	136 919,62	101%	-880	45%	37%	16%	0%
VAT		20%	411,00	2 821,89	687%	-2 411	78%	21%	18%	0%
Sundries		170%	977 905,89	211 561,52	22%	766 344	6%	4%	2%	0%
Interest		0%	255 474,09	55 248,01	22%	200 226	5%	4%	1%	0%
Ward 12		3%	7951 110,99	123 254,87	2%	7 827 856	67%	6%	2%	0%
Property Rates Tax		3%	75033,94673	3306,754413	4%	71 727	1%	207%	4%	0%
Electricity	Municipal supplied	4%	2 455 768,87	48 987,70	2%	2 406 781	3%	3%	4%	0%
Water		2%	642425,6207	16713,13557	3%	625 712	2%	3%	2%	0%
Refuse		2%	270 222,66	7 572,54	3%	262 650	2%	3%	3%	0%
Waste Water		2%	693 356,05	24 166,69	3%	669 189	2%	3%	3%	0%
VAT		2%	609 048,38	12 148,24	2%	596 900	70%	3%	2%	0%
Sundries		403%	0	2741,720212	0%	-2 742	0%	2%	0%	0%
Interest		36%	3 205 255,46	7 618,10	0%	3 197 637	2%	4%	0%	0%
Ward 13		6%	346 778,57	258 762,94	7%	3 209 023	2%	6%	5%	0%
Property Rates Tax		9%	60 608,12	5 955,15	10%	54 653	6%	13%	13%	0%
Electricity	Municipal supplied	16%	315 536,95	67 687,57	21%	247 849	25%	18%	19%	0%
Water		4%	1 078 292,41	84 141,14	8%	994 151	8%	6%	5%	0%
Refuse		4%	230 582,01	26 958,35	12%	203 624	8%	6%	7%	0%
Waste Water		4%	126 161,81	12 088,28	10%	114 074	9%	20%	5%	0%
VAT		5%	262 645,72	25 301,32	10%	237 344	11%	8%	6%	0%
Sundries		185%	415,50	2 596,86	625%	-2 181	0%	1%	3%	0%
Interest		424%	1 393 543,18	34 034,27	2%	1 359 509	2%	1%	1%	0%
Ward 14		3%	3737801,07	110605,83	5%	3 627 195	4%	4%	2%	0%
Property Rates Tax		4%	53 476,94	2 258,68	4%	51 218	7%	5%	4%	0%
Electricity	Municipal supplied	4%	331 092,79	28 637,84	9%	302 455	4%	9%	5%	0%
Water		2%	1 186 937,09	44 545,30	4%	1 142 392	7%	6%	2%	0%
Refuse		3%	244 817,97	6 983,57	3%	237 834	4%	2%	3%	0%
Waste Water		2%	128 083,96	11 731,23	9%	116 353	10%	8%	2%	0%
VAT		2%	283 690,68	11 448,69	4%	272 242	5%	5%	2%	0%
Sundries		270%	361,00	752,63	208%	-392	3%	3%	2%	0%
Interest		85%	1 509 340,64	4 247,89	0%	1 505 093	7%	0%	1%	0%
Ward 15		84%	10 396 085,88	7 828 467,98	75%	2 567 618	70%	89%	81%	0%
Property Rates Tax		86%	1 910 630,82	1 502 773,86	79%	407 857	72%	90%	83%	0%
Electricity	Municipal supplied	90%	3 664 391,26	3 125 048,94	85%	599 342	74%	98%	98%	0%
Water		94%	2180153,411	1510935,362	69%	669 218	88%	82%	83%	0%
Refuse		90%	468 588,05	353 146,89	75%	115 441	79%	85%	82%	0%
Waste Water		78%	487 040,30	360 956,06	74%	126 084	80%	84%	78%	0%
VAT		82%	1 017 655,52	746 086,45	73%	271 569	68%	78%	80%	0%
Sundries		182%	28 192,61	87 923,10	312%	-59 730	33%	13%	14%	0%
Interest		16%	639 433,91	141 597,31	22%	497 837	15%	26%	20%	0%
Ward 16		83%	9 021 857,51	8 126 217,28	90%	895 640	28%	89%	86%	0%
Property Rates Tax		88%	2 254 088,28	2 133 231,62	95%	120 857	86%	95%	89%	0%
Electricity	Municipal supplied	100%	2132489,104	2251859,838	106%	-119 371	82%	97%	97%	0%
Water		100%	2 239 276,90	2 029 321,49	91%	209 955	90%	98%	93%	0%
Refuse		94%	480 482,81	451 496,51	94%	28 986	85%	91%	83%	0%
Waste Water		85%	496 151,46	430 413,56	87%	65 738	80%	88%	82%	0%
VAT		86%	817 731,79	709 509,82	87%	108 222	32%	85%	82%	0%
Sundries		8%	148244,0927	45833,31699	31%	102 411	29%	22%	24%	0%
Interest		13%	453 393,08	74 551,13	16%	378 842	21%	20%	14%	0%
Ward 17		96%	23 918 104,65	25 285 391,36	106%	-1 367 287	54%	64%	200%	0%
Property Rates Tax		104%	7 797 680,60	7 170 368,01	92%	627 313	82%	93%	90%	0%
Electricity	Municipal supplied	97%	6 469 380,24	8 674 471,68	134%	-2 205 091	73%	45%	-228%	0%
Water		108%	870330,2519	828745,0716	95%	41 585	98%	97%	121%	0%
Refuse		98%	964 656,32	913 415,85	95%	51 240	84%	90%	85%	0%
Waste Water		99%	4 673 469,79	5 104 222,81	109%	-430 759	84%	90%	86%	0%
VAT		82%	2 003 512,50	2 160 303,02	108%	-156 791	58%	53%	482%	0%
Sundries		24%	248 371,82	58 203,46	23%	190 168	27%	19%	33%	0%
Interest		25%	890 703,12	375 661,46	42%	515 042	29%	56%	34%	0%
Ward 18		82%	2 715 629,82	1 940 644,35	71%	774 985	12%	68%	73%	0%
Property Rates Tax		100%	58469,9895	50533,70125	86%	7 936	32%	104%	129%	0%
Electricity	Municipal supplied	129%	70 771,46	49 346,44	70%	21 425	76%	88%	83%	0%
Water		129%	766055,8006	830235,477	108%	-64 180	105%	77%	75%	0%
Refuse		110%	640 159,28	35 662,30	6%	604 497	85%	81%	71%	0%
Waste Water		79%	685 789,22	581 617,62	85%	104 172	89%	58%	50%	0%
VAT		86%	39 604,50	7 649,30	19%	31 955	20%	74%	70%	0%
Sundries		7%	276277,4541	227562,5928	82%	48 715	25%	10%	16%	0%
Interest		8%	178 502,11	158 036,92	89%	20 465	22%	7%	7%	0%

Ward 30			95%	7924043,56	6436048,8	81%	1 487 195				
	Property Rates Tax		98%	432 710,00	396 759,77	92%	35 950				
	Electricity		107%	448 570,95	449 478,31	100%	-507				
	Water	Municipal supplied	89%	2 202 725,94	1 985 990,03	86%	316 736				
	Refuse		91%	517 133,43	138 642,90	27%	378 491				
Ward 31			99%	1 554 247,68	1 419 758,65	91%	134 489				
	Waste Water		102%	57 458,93	50 597,31	88%	6 862				
	VAT		-39%	2 001 208,19	1 518 397,46	76%	482 811				
	Sundries		31%	709 988,43	577 224,38	81%	132 764				
	Interest		45%	8 828 465,70	3 306 474,13	37%	5 522 992				
Ward 32			77%	583852,816	194913,2381	33%	388 940				
	Property Rates Tax	Partial Eskom and Municipal Supplied	81%	471 707,72	235 148,68	50%	236 559				
	Electricity		52%	1623388,734	1071651,701	66%	551 737				
	Water		41%	2 173 703,74	44 220,69	2%	2 129 483				
	Refuse		51%	825 222,43	617 916,37	75%	207 306				
Ward 33			55%	16 687,02	19 831,60	119%	-3 145				
	Waste Water		20%	2374026,011	797738,2732	34%	1 576 288				
	VAT		1%	759 877,23	324 053,58	43%	435 824				
	Sundries		8%	3 853 157,26	277 360,26	7%	3 575 797				
	Interest		50%	287 131,84	12 581,71	4%	274 550				
Ward 34			62%	157 485,70	28 490,72	18%	128 995				
	Property Rates Tax	Eskom Supplied	7%	143 804,99	91 952,05	64%	51 853				
	Electricity		5%	1 565 787,05	1 607,43	0%	1 564 180				
	Water		18%	50 256,25	29 714,01	59%	20 542				
	Refuse		13%		3 525,65	0%	-3 526				
Ward 35			1%	1 370 123,92	78 430,73	6%	1 291 693				
	Property Rates Tax		0%	278 567,51	31 057,96	11%	247 510				
	Electricity		2%	4104725,92	101209,52	2%	4 003 516				
	Water		9%	343 593,30	5 889,26	2%	337 704				
	Refuse		0%	155 610,39	1 351,84	1%	154 259				
Ward 36			3%	201,82		0%	202				
	Property Rates Tax		2%	2 146 347,31	2 862,11	0%	2 143 485				
	Electricity		2%	411 984,61	71 466,57	17%	340 518				
	Water		2%	156,00	735,18	471%	-579				
	Refuse		1%	845 129,07	15 534,98	2%	829 594				
Ward 37			0%	201 703,42	3 369,59	2%	198 334				
	Property Rates Tax		2%	2 558 293,60	94 598,29	4%	2 463 695				
	Electricity		5%	269 039,52	14 352,47	5%	254 687				
	Water		0%	137 214,80	15 281,20	11%	121 934				
	Refuse		3%	605,46	0	0%	605				
Ward 38			4%	1 375 514,77	5 792,33	0%	1 369 722				
	Property Rates Tax		2%	125 111,56	6 266,74	5%	118 845				
	Electricity		3%	135,00	3 765,86	2710%	-3 631				
	Water		4%	512 952,34	40 165,13	8%	472 787				
	Refuse		0%	137 720,15	8 974,56	7%	128 746				
Ward 39			1%	4 059 220,88	53 610,63	1%	4 005 610				
	Property Rates Tax		3%	397 119,03	10 963,71	3%	386 155				
	Electricity		0%	188763,33	8464,093409	4%	180 299				
	Water		2%	2 133 592,46	3 243,79	0%	2 130 349				
	Refuse		1%	115 007,98	4 162,73	4%	110 845				
Ward 40			1%		2 914,61	0%	-2 915				
	Property Rates Tax		7%	988 569,59	18 162,12	2%	970 407				
	Electricity		0%	2 36 168,49	5 699,57	2%	230 469				
	Water		56%	6 765 056,89	2 340 726,88	35%	4 424 330				
	Refuse		83%	531 361,50	580 554,96	109%	-49 193				
Ward 41			112%	1 063 360,29	575 051,95	54%	488 308				
	Property Rates Tax		59%	1 678 038,45	459 841,99	27%	1 218 196				
	Electricity		38%	509 815,72	155 346,33	30%	354 469				
	Water		63%	348 992,70	122 886,91	35%	226 106				
	Refuse		71%	541 835,33	187 400,93	35%	354 434				
Ward 42			17%	34 311,70	12 858,59	37%	21 453				
	Property Rates Tax		1%	2 057 341,19	246 785,21	12%	1 810 556				
	Electricity		32%	4 670 092,28	1 356 700,87	29%	3 313 391				
	Water		35%	337 779,65	279 660,69	83%	58 119				
	Refuse		77%	1 066 607,64	830 348,97	78%	236 259				
Ward 43			5%	1 167 045,66	78 371,04	7%	1 088 675				
	Property Rates Tax		8%	219 377,94	14 495,89	7%	204 882				
	Electricity		6%	121 563,19	11 247,33	9%	110 316				
	Water		11%	386 209,48	137 506,86	36%	248 703				
	Refuse		55%	154,89	1005 107323	649%	-850				
Ward 44			3093%	1 371 353,83	4 064,98	0%	1 367 289				
	Property Rates Tax		5%	2 902 803,95	116 662,40	4%	2 786 142				
	Electricity		14%	106 285,54	12 470,69	12%	92 815				
	Water		0%	(359,15)		0%	-359				
	Refuse		6%	740 870,94	69 086,94	9%	671 784				
Ward 45			7%	262 723,13	9 174,75	3%	253 548				
	Property Rates Tax		6%	149 639,89	4 348,88	3%	145 291				
	Electricity		6%	172 765,53	11 564,87	7%	161 201				
	Water		10%		4 094,93	0%	-4 095				
	Refuse		2%	1 471 878,07	5 921,34	0%	1 465 957				
Ward 46			95%	17 152 585,15	16 037 656,65	93%	1 114 929				
	Property Rates Tax		108%	4 713 607,08	4 425 071,30	94%	288 536				
	Electricity		113%	5 809 034,43	5 841 526,37	101%	-32 492				
	Water		123%	2 852 651,61	2 713 869,99	95%	138 782				
	Refuse		87%	753 792,75	700 958,17	93%	52 835				
Ward 47			78%	851 460,66	813 308,01	96%	38 153				
	Property Rates Tax		91%	1 553 708,88	1 395 024,07	90%	158 685				
	Electricity		4%	88 632,63	39 618,44	45%	49 014				
	Water		26%	529 697,11	108 280,30	20%	421 417				
	Refuse		0%	1476,96	0	0%	1 477				
Ward 48			0%	0	0	0%	0				
	Property Rates Tax		0%	0	0	0%	0				
	Electricity		0%	0	0	0%	0				
	Water		0%	0	0	0%	0				
	Refuse		0%	0	0	0%	0				
Ward 49			0%	0	0	0%	0				
	Property Rates Tax		0%	0	0	0%	0				
	Electricity		0%	0	0	0%	0				
	Water		0%	0	0	0%	0				
	Refuse		0%	0	0	0%	0				
Ward 50			0%	0	0	0%	0				
	Property Rates Tax		0%	1 476,96	0	0%	1 477				
	Electricity		0%	0	0	0%	0				
	Water		0%	0	0	0%	0				
	Refuse		0%	0	0	0%	0				
Ward 51			107%	586 877,11	447 334,62	76%	139 542				
	Property Rates Tax		0%	0	0	0%	0				
	Electricity		0%	0	0	0%	0				
	Water		0%	0	0	0%	0				
	Refuse		0%	0	0	0%	0				
Ward 52			0%	0	0	0%	0				
	Property Rates Tax		170%	19 858,88	25 025,86	126%	-5 167				
	Electricity		149%	450 014,30	377 399,76	84%	72 615				
	Water		26%	117 003,93	44 909,00	38%	72 095				
	Refuse		0%	0	0	0%	0				
Ward 53			0%	0	0	0%	0				
	Property Rates Tax		0%	0	0	0%	0				
	Electricity		0%	0	0	0%	0				
	Water		0%	0	0	0%	0				
	Refuse		0%	0	0	0%	0				
Ward 54			0%	0	0	0%	0				
	Property Rates Tax		0%	0	0	0%	0				
	Electricity		0%	0	0	0%	0				
	Water		0%	0	0	0%	0				
	Refuse		0%	0	0	0%	0				
Ward 55			0%	0	0	0%	0				
	Property Rates Tax		0%	0	0	0%	0				
	Electricity		0%	0	0	0%	0				
	Water		0%	0	0	0%	0				
	Refuse		0%	0	0	0%	0				

SUMMARY OF COLLECTIONS

	Mar-24	Apr-24	May-24
Credit Control Actions	23 967 722.11	17 627 662.82	40 343 998,09
Over 90 days Internal Credit Control Collected	21 957 857.76	29 730 538.37	20 724 088,38
Current Accounts Paid	90 917 287.34	92 617 138.35	97 513 124,66
Total	136 842 867.21	139 975 339.54	158 581 211,13

	Mar-24	Apr-24	May-24
Current Accounts paid	90 917 287.34	92 617 138 .35	97 513 124,66
Actions and arrears collected	45 925 579.87	47 358 201.19	61 068 086,47
Total Collected	136 842 867.21	139 975 339.54	158 581 211,13

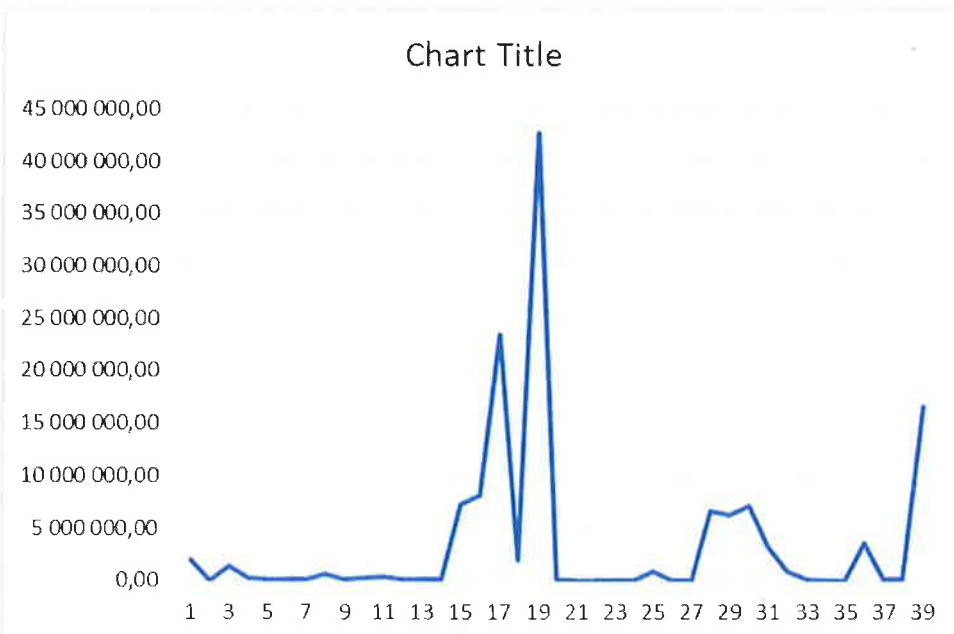
The total outstanding balances as of 31 May 2024 were as follows:

Area	Mar-24	Apr-24	May-24
Klerksdorp	1 490 772 604	1 516 242 603	1 525 989 136
Jouberton	2 519 272 153	2 561 829 108	2 604 095 739
Stilfontein	242 590 567	246 572747	249 918 901
Khuma	1 513 068 186	1 532 582 767	1 553 029 460
Orkney	199 499 832	201 248 233	204 018 727
Kanana	2 670 240 039	2 705 665 201	2 742 143 587
Hartbeesfontein	81 577 664	82 734 961	83 943 889
Tigane	325 529 644	330 912 228	336 476 712
	9 042 550 688	9 177 787 847	9 299 631 199

Payments received per ward as of 31 May 2024 were as follows:

Ward	Councillor	Area	Payments received May 2024	Licenced
1	Bonga A	Tigane	411 605	Eskom
2	Mothupi A	Tigane	128 307	Eskom
3	Tagaree FI	Alabama	363 176	Municipality
4	Barrendse SOW	Alabama	525 381	Municipality
5	Jonas SL	Jouberton	170 412	Municipality
6	Muhlanga SR	Jouberton	205 098	Municipality
7	Mabeke KE	Jouberton	250 937	Municipality
8	Mbele MN	Jouberton	845 496	Municipality
9	Maseko NM	Jouberton	222 174	Municipality
10	Kgwasi JT	Jouberton	419 542	Municipality
11	Mangesi MI	Jouberton	595 228	Municipality
12	Mtshawulana PY	Jouberton	123 255	Municipality
13	Pelele MS	Jouberton	258 763	Municipality
14	Mokoto NP	Jouberton	110 606	Municipality
15	Swart PJ	Klerksdorp	828 468	Municipality
16	Combrinck A	Klerksdorp	126 217	Municipality
17	Strydom AG	Klerksdorp	285 391	Municipality
18	Seitisho MN	Klerksdorp	940 644	Municipality
19	Le Grange JJ	Klerksdorp	736 126	Municipality
20	Sello RM	Kanana	146 597	Eskom
21	Ndincede K	Vaal Reefs	284 489	Eskom
22	Seabeng TS	Kanana	60 076	Eskom
23	Mahumapelo ML	Kanana	74 366	Eskom
24	Kgwabane OE	Kanana	66 661	Eskom
25	Kodisang ML	Kanana	011 211	Eskom

26	Mokgatla MA	Kanana	46 004	Eskom
27	Mokhele IM	Kanana	49 404	Eskom
28	Bester CJ	Orkney	707 647	7 Municipality
29	Bornman JGR	Orkney	991 589	6 Municipality
30	Du Preez PA	Stilfontein	436 849	6 Municipality
31	Majiji SJ	Khuma	305 474	3 Eskom
32	Morake AM	Khuma	277 360	Eskom
33	Latha KR	Khuma	101 210	Eskom
34	Ntshanga ZE	Khuma	94 598	Eskom
35	Sitshero KV	Khuma	53 611	Eskom
36	Foboke VO	Kanana	340 727	2 Eskom
37	Plaatjie BM	Jouberton	356 701	1 Municipality
38	Zitwane WG	Khuma	116 662	Eskom
39	Wallhorn W	Klerksdorp	037 657	16 Municipality



The following indicates the outstanding balances per ward.

Ward	Councillor	Area	Total Debt Owning	Total Debt Owning	Total Debt Owning
			Mar-24	Apr-24	May-24
1	Bonga A	Tigane	217 260 590	221 078 207	229 505 716
2	Mothupi A	Tigane	157 740 619	160 440 270	156 669 804
3	Tagaree FI	Alabama	102 853 406	105 200 033	111 945 662
4	Barrendse SOW	Alabama	415 068 749	422 004 412	435 464 138
5	Jonas SL	Jouberton	242 192 771	245 268 323	224 952 058
6	Mulhanga SR	Jouberton	283 100 805	287 499 697	276 419 331
7	Mabeke KE	Jouberton	190 548 194	193 639 082	182 286 576
8	Mbele MN	Jouberton	169 168 607	172 501 324	167 682 978
9	Maseko NM	Jouberton	209 889 426	212 968 486	200 021 991
10	Kgwasi JT	Jouberton	132 008 229	134 111 267	126 576 627
11	Mangesi MI	Jouberton	142 264 721	144 840 874	143 355 989
12	Mtshawulana PY	Jouberton	449 536 287	456 297 917	475 538 879
13	Pelele MS	Jouberton	246 417 355	249 671 062	227 807 932
14	Mokoto NP	Jouberton	254 834 883	258 471 039	240 034 862
15	Swart PJ	Klerksdorp	111 996 014	109 067 515	108 132 901
16	Combrinck A	Klerksdorp	85 247 874	86 401 265	83 048 999
17	Strydom AG	Klerksdorp	177 818 793	180 831 244	167 141 183
18	Seitisho MN	Klerksdorp	100 243 942	101 165 384	109 310 783
19	Le Grange JJ	Klerksdorp	381 719 371	401 615 312	372 581 935
20	Sello RM	Kanana	202 772 985	205 642 411	194 391 032
21	Ndincede K	Vaal Reefs	1 475 044	1 370 887	1 802 202
22	Seabeng TS	Kanana	538 552 808	545 570 082	597 952 908
23	Mahumapelo ML	Kanana	346 960 979	351 708 184	375 136 876

24	Kgwabane OE	Kanana	288 715 120	292 581 896	286 767 492
25	Kodisang ML	Kanana	266 209 351	269 874 878	256 276 063
26	Mokgatla MA	Kanana	292 720 621	296 468 332	300 338 645
27	Mokhele IM	Kanana	458 282 554	463 636 818	460 137 769
28	Bester CJ	Orkney	116 475 549	119 329 694	112 093 437
29	Bornman JGR	Orkney	99 656 498	96 796 826	104 675 309
30	Du Preez PA	Stilfontein	94 471 186	95 661 670	89 451 382
31	Majiji SJ	Khuma	372 372 219	377 925 053	391 560 567
32	Morake AM	Khuma	252 543 653	256 349 724	246 433 085
33	Latha KR	Khuma	298 985 351	302 730 361	333 241 574
34	Ntshanga ZE	Khuma	200 541 963	202 540 062	207 089 553
35	Sitshero KV	Khuma	308 228 295	312 376 219	324 197 423
36	Foboke VO	Kanana	279 777 900	281 596 598	316 368 884
37	Plaatjie BM	Jouberton	227 677 083	231 379 040	224 298 043
38	Zitwane WG	Khuma	224 881 563	227 772 657	225 776 384
39	Wallhorn W	Klerksdorp	101 333 935	103 403 744	96 485 209
			9 042 550 668	9 177 787 847	9 201 428 086

CREDIT CONTROL ACTIONS

Disconnection / Reconnection of Services

Electricity Actions

Notices issued	7 735
Electricity disconnections	0
Electricity Reconnections	0
Electricity no reactions	0
Reactions	%

WATER ACTIONS

Water Restrictions	0
Water unrestricting	0
Water no reactions	0
Reactions	0%

COMMENTS ON CREDIT CONTROL ACTIONS:

The electrical department has been assisting with credit control from 1 April 2024, there are challenges with transport and credit control section has intensified on calling clients. There were 7 735 notices issued in Klerksdorp, disconnections could not be carried out due to lack of transport. Disconnections were only implemented in June. The debt collection unit had prepared issuing of pre-summons, and the pre-summons expired due to lack of transport in the department.

The water department has not assisted in any credit control actions as they have indicated they lack capacity, a list of 100 properties were prepared for water restrictions and none were executed.

	Levies	Received	Collection Rate
Jul-23	182 715 303	117 949 457	65%
Aug-23	262 113 055	145 987 858	56%
Sep-23	219 791 754	190 389 375	87%
Oct-23	224 198 323	171 010 507	76%
Nov-23	211 355 487	153 265 258	73%
Dec-23	313 918 020	131 454 996	42%
Jan -24	212 777 232	138 917 451	65%
Feb-24	209 741 064	145 561 863	69%
Mar-24	214 173 708	136 842 867	64%
Apr-24	204 972 899	139 975 340	68%
May-24	206 876 686	158 581 211	76,6
Totals	2 462 633 530	1 633 184 554	66%

**REGISTRATION OF INDIGENT PERSONS
FOR SUBSIDIES ON SERVICE ACCOUNTS: MAY 2024**

LEVEL OF INDIGENT SUPPORT

In terms of Clause 5(9) of the Indigent policy that was approved by Council for the 2023 / 2024 budget, effective 01 July 2023, only households where the total household income is less or equal to R4 190.00 per month or equal to two old age pension grants, may apply for indigent support.

In terms of Clause 6(1) of the Indigent policy that was approved by Council for the 2023/2024 budget, effective 01 July 2023, the level of indigent support is as follows:

- **Water**

A subsidy amount equal to the value of 6kl water and thereafter normal tariffs will apply. Above 6kl will not be subsidized at all.

Basic Water no levy per month - Free of charge
- **Refuse removal**

Removal once (1) a week of 85 or 240 liter container: Free of charge per month
- **Sewerage**

Cost of drainage basic charge plus additional sewerage charge per dwelling house: Free of charge per month.
- **Electricity**

Units - A maximum of 50 kWh per month free of charge.

Basic Electricity no levy per month - Free of charge.
- **Alternative energy (FBAE)**

Indigent consumers who do not have access to electricity qualify for alternative energy sources in a form of paraffin.
- **Property rates:**

100% of the balance of the rates subject to the conditions as per Property Rates Policy.

FINANCIAL IMPLICATIONS

The financial implications as of 31 May 2024 were as follows.

May-24				
	Number Indigents Approved	Total Subsidy Allocated Rand Amount as at May 2024	Budget 2023/2024	% Budget Spent
FBS	20 193	180 671 599	236 182 806	76,50%
FBAE	17 716	48 914 640	72 700 916	67,28%

FREE BASIC ALTERNATIVE ENERGY INDIGENT RECIPIENTS

There are 17 716 rural indigents on 31 May 2024 who have registered and qualify for Free Basic Alternative Energy. A total of R48 914 640 has been spent on FBAE for the 2023/2024 financial year.

New application forms are being packaged and sent to the Speakers office for dissemination to ward councilors for approval of the applications.

1. Below is a schedule of statistics per ward of approved indigent consumers.

Ward	CLR	Area	Mar-24	Apr-24	May-24
1	Bonga A	Tigane	237	239	243
2	Mothupi A	Tigane	371	371	371
3	Tagaree FI	Alabama	925	929	932
4	Barrendse SOW	Alabama	1277	1363	1381
5	Jonas SL	Jouberton	550	570	602
6	Mulhanga SR	Jouberton	817	878	884
7	Mabeke KE	Jouberton	880	894	917
8	Mbele MN	Jouberton	1086	1101	1102
9	Maseko NM	Jouberton	796	802	803
10	Kgwasi JT	Jouberton	733	742	742
11	Mangesi MI	Jouberton	667	689	694
12	Mtshawulana PY	Jouberton	905	978	995
13	Pelele MS	Jouberton	978	999	1031
14	Mokoto NP	Jouberton	870	905	921
15	Swart PJ	Klerksdorp	231	240	250
16	Combrinck A	Klerksdorp	163	165	172
17	Postma EM	Klerksdorp	107	108	109
18	Seitisho MN	Klerksdorp	24	24	25
19	Le Grange JJ	Klerksdorp	335	337	340
20	Sello RM	Kanana	445	450	449
21	Ndincede K	Vaal Reefs	0	0	0
22	Seabeng TS	Kanana	680	760	767
23	Mahumapelo M	Kanana	473	472	478
24	Kgwabane OE	Kanana	510	507	504
25	Kodisang ML	Kanana	400	403	404
26	Mokgatla MA	Kanana	471	484	483
27	Mokhele IM	Kanana	472	511	512
28	Bester CJ	Orkney	268	277	277
29	Bornman JGR	Orkney	311	318	325
30	Du Preez PA	Stilfontein	254	255	255
31	Majiji SJ	Khuma	425	433	438
32	Morake AM	Khuma	260	260	262
33	Latha KR	Khuma	417	419	431
34	Ntshanga ZE	Khuma	192	195	195
35	Sitshero KV	Khuma	333	356	356
36	Foboke VO	Kanana	208	218	222
37	Plaatjie BM	Jouberton	747	754	759
38	Zitwane WG	Khuma	447	449	449
39	Wallhorn W	Klerksdorp	111	112	113
			19376	19967	20193

FINANCIAL PLAN MONTHLY PROGRESS



provincial treasury

Department:
Provincial Treasury
North West Provincial Government
Republic of South Africa

MONTHLY PROGRESS REPORTING

2023/24 ADOPTED FINANCIAL PLAN

CITY OF MATLOSANA LOCAL MUNICIPALITY (NW403)

31 MAY 2024

Introduction

1. Operating Revenue

Revenue Enhancement Measures

Focus Area	Operating Revenue Activities	Time Frame (as disclosed on the adopted financial plan)	Achievements / Non-achievements	Reasons for Non-achievements	Remedial Actions to address non-achievements
Revenue Enhancement – Expected inflow R5m	To provide amnesty to 4500 additional customers in the entire Kosh area.	01/03/2024-30/06/2024	Not achieved	The advert was done to invite all illegal connected customers to receive amnesty. Unfortunately, there was no response from the customers/public.	The project Amnesty steering committee has been resuscitated, currently holding meetings on Fridays at 8 o'clock, work on the remedial action meetings not held every Friday
Land – Expected Inflow R63,277,200	Proclamation of additional 020 stands and to be billed Kanana Extension 5 Kanana Extension 16 Jouberton Extension 31 Jouberton Extension 34 Sunny Side Tigane Extension 7 Tigane Extension 8 (Income expected only from Basic Service Charges)	01/03/2024-30/06/2024	Total estimated revenue per annum for basic charges in the proposed Townships: R63,277,200 Notes: The expected revenue collection contains basic charges, however on the commercial even the basic rates/levies are not taken into consideration due	Kanana Extension 5 Proclamation – Site Permits being prepared and submitted to BTO for billing purposes. Tigane Extension 7 & 8 Proclamation Finalized – Permits being compiled. A total of 3 450 Site Permits have been compiled from July-November 2023, namely:	The Directorate has developed a time-bound program, to visit all the mentioned Settlements for the completion of Site Permits. The Program will be completed by the end of February 2024

<p>Land - Expected inflow – R29,534,220</p>	<p>Proclamation of additional 6,077 stands to be billed</p> <p>Alabama Extension 5 Kanana extension 14 Kanana Extension 15 (Income expected only from basic services charges)</p>	<p>01/03/2024 – 30/06/2024</p>	<p>to differences in extents. The residential erven are based on the average erven size. The forecasted figures do not take electricity figures as well as any additional usage into account. The estimated amounts are calculated based the promulgation of Local Authority Notice 377 of 2023 by virtue of Provincial Gazette no. 8550 dated 1 August 2023, in terms of Section 14 (1) (2) of the Municipal Property Rates Act, 2004 (Act 6 of 2004).</p>	<p>Alabama Ext 5 – 305 (1412 submitted to BTO, only 1357 registered on the System – 843 outstanding) Jouberton Ext. 31 – 494 Jacaranda Ext. 10 – 1009 Kanana Ext. 15 – 660 Tigane Ext. 7 - 982</p>	
<p>Land – Expected Inflow R35,327,242</p>	<p>Disposal of 205 serviced/ subserviced Municipal owned land for Residential, Commercial & Industrial Developments</p>	<p>01/03/2024- 30/06/2024</p>	<p>A Total of 24 Stands have been disposed to date, resulting in revenue of R1,582,856.00 From 01/07/2023-31/12/2023.</p>	<p>Delays in the issuing of zero-rated Clearance figures on Municipal Owned Land, to accelerate transfers and registration.</p>	<p>Review of the current process plan and policies (Rates and Credit Control) affecting the issuing of Clearance Figures. A list of all outstanding Clearance Figures has been submitted to CFO.</p>

<p>The Directorate is awaiting an official response to the submission in this regard.</p>					<p>DEBT COLLECTION ELECTRICITY – Expected Inflow – R18 Million</p>
<p>To commence work in May 2024</p>	<p>Appointed service providers for anti-tampering boxes currently busy with procurement of the boxes</p>	<p>Not achieved</p>	<p>01/03/2024–30/06/2024</p>	<p>Procurement and Installation of Anti-Tampering boxes. 2023/24 FY 714</p>	<p>Expected Inflow – R70 Million</p>
<p>Leasing of required fleet and community consultation</p>	<p>Resource constraints -fleet community not cooperating</p>	<p>R645 901.28 collected</p>	<p>01/03/2024 – 30/06/2024</p>	<ul style="list-style-type: none"> • Audits on all bypassed meters 	<p>Electricity – Electricity losses in Jouberton & Alabama – Expected inflow R5 Million</p>
<p>Investment in a form of capital budget need to be made to reduce technical losses</p>	<p>Financial constraints to implement targeted programmes</p>	<p>90% achieved On energy efficiency lightning target</p>		<ul style="list-style-type: none"> • Energy Efficiency 	
<p>Execution of EEDSM programme to be finalized in March 2024</p>	<p>Financial constraints to implement targeted programmes</p>	<p>0% achieved on mv network improvement</p>		<ul style="list-style-type: none"> • Revenue improvement of Medium voltage Network 	

<p>Debt collection and Recovery Expected inflow R250 Million</p>	<p>Expected inflow due to implementation of credit control on those in arrears.</p>	<p>01/03/2024-30/06/2024</p>	<p>R198 million collected by 31 May 2024 on 90 days accounts. 79% achieved of the target</p>	<p>There are challenges with a lot of unauthorized and illegal connections directly made to the municipal water and electricity grid. The water department had a challenge of availability of water meters; this challenge was resolved when meters were ordered from the service providers in February 2024. Water meters are still not installed due to unavailability of vehicles for water teams. Non-purchasing of pre-paid electrical users is contributing to low collection rate.</p>	<p>Investment in a form of capital budget need to be made to refurbish MV network</p>
		<p>Follow ups are conducted by the credit control officials, the team embarked on a project of calling clients during the weekend and the response was positive. The municipality is applying for a grant with National Treasury for smart meters to replace all non-functional meters and tampered meters.</p>			

2. Operating Expenditure

Cost Cutting Measures	Time Frame (as disclosed on the adopted financial plan)	Achievements / Non-achievements	Reasons for Non-achievements	Remedial Actions to address non-achievements
<p>Wet fuel Outsource wet fuel instead of using our own depots. This is transferring the risk of misuse and theft to external service provider. Expected Inflow – R3 Million</p>	01/03/2024– 30/06/2024	Not achieved	The municipality is outsourcing wet fuel currently. However, there are no savings realized.	Stringent control measures should be put in place to monitor fleet management.
<p>Repairs and maintenance – Expected Inflow – R5 Million Reduce spending on Repairs and maintenance on fleet management through procurement of new fleet, plant and equipment. BTO has provided funds to the amount of R15 million to commence with the Turn-around Strategy for the Fleet Repairs & Maintenance Programme. The programme entails the re-organization of the municipal garage, and implementation of systems of</p>	01/03/2024 30/06/2024	Not achieved	Delay in procurement of service provider for supply of equipment and tools also the refurbishment municipal garage	The Fleet section have submitted a close quotation for procurement at SCM, awaiting appointment of a service provider.

<p>control. This will be a short to medium-term initiative</p>				
<p>Travelling and subsistence Expected Inflow – R600 000</p> <p>Cutting unnecessarily travelling and accommodation (Office of the CFO and Municipal Manager have jointly issued moratorium to suspend all non-essential travelling and accommodation for the whole financial year).</p>	<p>01/03/2024-30/06/2024</p>		<p>S & T budget was reduced.</p>	
<p>Contracted Services – Expected Inflow – R289,494 on R2,605,446 p.a</p> <p>To review operational contract to scale down their services and support on the following expenditure items:</p> <ul style="list-style-type: none"> • Hire charges - reduce printing and photocopy machine from 101 to 58 number of stand-alone high-volume devices and replace 34 desktop devices machines in order to decrease copy production and costs. 	<p>01/03/2024-30 /06/2024</p>	<p>No cost</p>	<p>Reducing almost excessive spending on printing/copy</p>	<p>R289 494 pm on R2 605 446 p.a</p>

Payment of Creditors (Attach Creditors age analysis for the reporting period)

CREDITORS AGE ANALYSIS - 31 May 2024

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Total
Bulk Electricity	90 674 536	83 740 666	81 991 535	1 768 326 931	2 024 733 668
Bulk Water	129 767 644	58 987 861	184 802 886	1 377 101 026	1 750 659 417
Auditor General	21 034	341 918	450 076	51 501	864 529
Trade Creditors	21 941 699	5 930 888	-	46 632 449	74 505 036
Total	242 404 913	149 001 333	267 244 497	3 192 111 907	3 850 762 650

RECOMMENDATIONS

Based on the contents of this report, it is recommended that the Accounting Officer submit to the Executive Mayor this report for the month ending 31 May 2024 as per section 71 of the MFMA.

