

# 2020/2021 ANNUAL BUDGET



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## **1. PURPOSE AND LEGISLATIVE BACKGROUND**

Section 16 of the MFMA states that:

**16** (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

## **2. EXECUTIVE AND MAYORS' FOREWORD SUMMARY**

Greeting to the Honourable Speaker, Traditional Leadership, Executive members, councillors and the community at large.

2020/2021 has been an unprecedented year a year of changes, challenges and courage. Some of the challenges faced this year are old and some are new. The economic challenges continue to persist, further amplified by the devastating onset of the COVID-19 pandemic. It is envisioned that, in both local and national interest, this collective effort will be adapted and deployed to attend to persistent and emerging challenges especially in our endeavours to be responsive for and responding to a growth economy, apply measures to maintain the fiscal framework and tackle structural constraints, restore investor confidence, reduce policy uncertainty and lower the cost of doing business. The world-wide lockdown measures implemented to slow the spread of the pandemic equally affected the local economy. The contraction in public finances continues to exert pressure on government's ability to balance the need for public services with constraints in public resources. This required and will continue to demand prioritisation of public service delivery, strengthening of responsive public administration, reduction in the cost of the public service and value for money programme decision making.

The 2021/2022 budget preparation process was not an easy experience after huge budget cut. The national government has cut the Equitable Share Grant allocation by R27 million and which is strenuous on behalf of Msinga LM. However, we have tried to make sure that the needs of the communities are prioritised accordingly. The municipality has also decided to utilise a portion of its investments after budget cut just to ensure that all plans are being executed as per the IDP presented to the community. Below are the budget tables which are summarising the mandate of council for the year 2021/2022.

I thank you all.

### 3. CONSOLIDATED OVERVIEW

KZN244 Msinga - Supporting Table SA25 Budgeted monthly revenue and expenditure

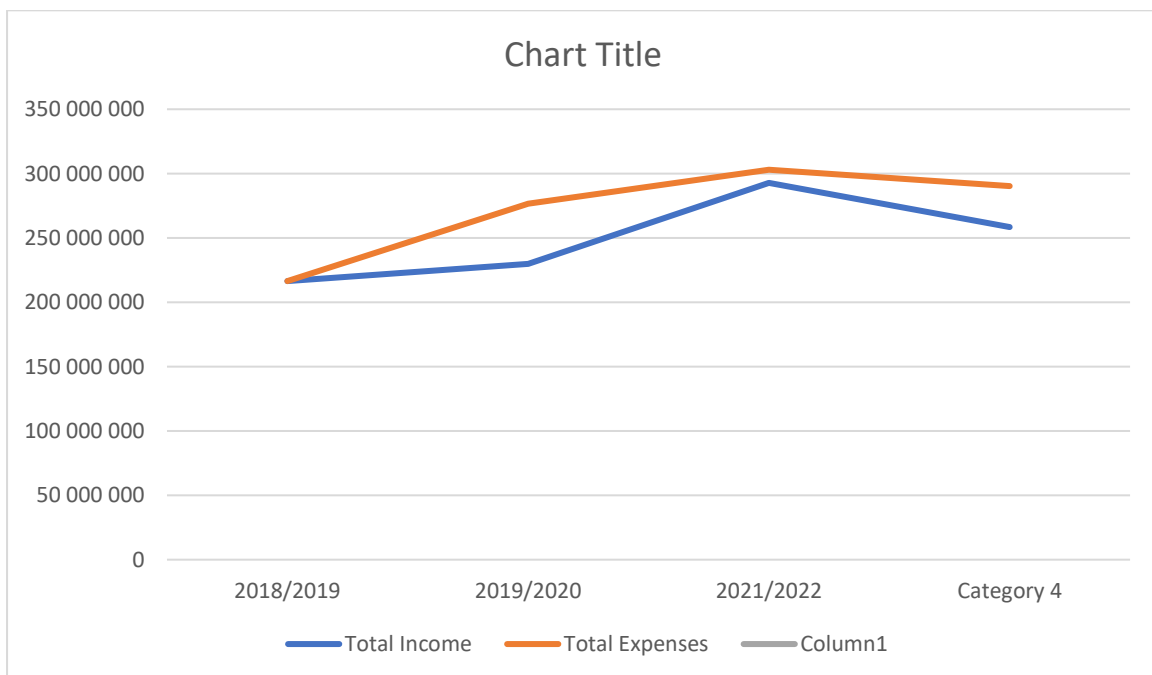
Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue By Source</b>																
Property rates		1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	18 617	17 000	17 500
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	539	539	415	430
Rental of facilities and equipment		50	50	50	50	50	50	50	50	50	50	50	600	615	624	
Interest earned - external investments		333	333	333	333	333	333	333	333	333	333	333	4 000	5 000	5 500	
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	194 017	207 725	203 624	
Other revenue		38	38	38	38	38	38	38	38	38	38	38	450	470	500	
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 680</b>	<b>218 224</b>	<b>231 225</b>	<b>228 178</b>
<b>Expenditure By Type</b>																
Employee related costs		6 501	6 501	6 501	6 501	6 501	6 501	6 501	6 501	6 501	6 501	6 501	6 500	78 006	83 886	90 597
Remuneration of councillors		1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	13 725	14 548	15 421
Debt impairment		83	83	83	83	83	83	83	83	83	83	83	83	1 000	1 060	1 124
Depreciation & asset impairment		1 918	1 918	1 918	1 918	1 918	1 918	1 918	1 918	1 918	1 918	1 918	1 918	23 016	24 397	25 861
Finance charges		50	50	50	50	50	50	50	50	50	50	50	600	636	674	
Bulk purchases		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		1 062	1 062	1 062	1 062	1 062	1 062	1 062	1 062	1 062	1 062	1 062	12 744	13 509	14 320	
Contracted services		4 602	4 602	4 602	4 602	4 602	4 602	4 602	4 602	4 602	4 602	4 723	55 341	70 009	72 806	
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		2 769	2 769	2 769	2 769	2 769	2 769	2 769	2 769	2 769	2 769	2 769	33 227	35 220	37 334	
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 249</b>	<b>217 659</b>	<b>243 266</b>	<b>258 136</b>	
<b>Surplus/(Deficit)</b>		<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>431</b>	<b>564</b>	<b>(12 041)</b>	<b>(29 958)</b>	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	39 412	42 413	44 206	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 715</b>	<b>39 976</b>	<b>30 372</b>	<b>14 248</b>	
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 715</b>	<b>39 976</b>	<b>30 372</b>	<b>14 248</b>	

## 4. OPERATING REVENUE FRAMEWORK

KZN244 Msinga - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Revenue By Source</b>											
Property rates	2	13 085	18 476	16 814	16 500	18 617	18 617	18 617	18 617	19 399	20 253
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	127	174	387	400	400	400	400	539	562	587
Rental of facilities and equipment		472	916	655	600	600	600	600	600	625	653
Interest earned - external investments		4 007	5 609	5 833	4 500	4 500	4 500	4 500	4 000	4 178	4 324
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		169 907	173 628	193 992	200 645	231 491	231 491	230 531	194 017	207 725	203 624
Other revenue	2	206	5 017	416	450	450	450	450	24 450	539	578
Gains		-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>187 804</b>	<b>203 821</b>	<b>218 097</b>	<b>223 095</b>	<b>256 058</b>	<b>256 058</b>	<b>255 098</b>	<b>242 224</b>	<b>233 028</b>	<b>230 019</b>

### Comments:

1. Total income for 2021/2022 has dropped significantly from R255 million to R242 million excluding MIG allocation of R39.4 million.
2. The equitable Share grant has made a huge difference by going down by R27 million compared to the previous year 2020/2021.
3. This budget cut was also stated in the MFMA Budget Circular that more focus will be in infrastructure development and health care service through. More funding is expected in the next few years to flow into Covid-19 expenditure.
4. Billing on property rates is not expected to change in the next year. There is a strong bias that this revenue stream will remain around the current budget. This is also true with other revenue streams.



## 5. Grant allocations

KZN244 Msinga - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		169 112	172 567	191 163	194 466	229 312	-	192 789	207 725	203 624
Local Government Equitable Share		133 437	145 573	163 783	175 125	209 971	-	182 530	191 875	187 774
Integrated National Electrification Programme		29 000	20 700	21 575	13 000	13 000	-	4 420	14 000	14 000
EPWP Incentive		4 775	4 394	3 905	4 441	4 441	-	3 989	-	-
Finance Management		1 900	1 900	1 900	1 900	1 900	-	1 850	1 850	1 850
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		795	1 061	2 079	1 219	1 219	-	1 228	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Library Grant		795	1 061	1 119	1 219	1 219	-	1 228	-	-
<b>District Municipality:</b>		16	-	-	-	-	-	-	-	-
[insert description]		16	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	1 333	-	-	-	-	-	-	-
Cogta Spluma		-	750	-	-	-	-	-	-	-
Shellas Grant		-	583	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	169 923	174 961	193 242	195 685	230 531	-	194 017	207 725	203 624
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		38 032	36 715	49 422	37 189	36 733	-	39 412	42 413	44 206
Municipal Infrastructure Grant (MIG)		38 032	36 715	49 422	37 189	36 733	-	39 412	42 413	44 206
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
Cogta Spluma		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	38 032	36 715	49 422	37 189	36 733	-	39 412	42 413	44 206
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		207 955	211 676	242 664	232 874	267 264	-	233 429	250 138	247 830

As discussed above, the fiscal constraints faced by national government have had drastic spill over effects to local government nationwide. The financial burden amplified by slow economic growth and low levels of employment has led to unprecedented outcomes to the allocation of scarce resources to Local government. The fourth column on the above table shows the extent of decrease in municipal transfers and subsidies.

The tables above represent national government allocations allocated to uMsinga Municipality for the period of past two years as well as the drafts allocations for the next three years.

It must be noted that the year 2021/2022 has the lowest allocations in comparison to the two previous years and the three future projected years. This imposes the toughest fiscal challenge to the municipalities service delivery objectives. Grant allocations have dropped with more that R34m from R268m to R233m.

## 6. OPERATING EXPENDITURE FRAMEWORK 2021/2022

Description	Ref	2017/18 Audited Outcome	2018/19 Audited Outcome	2019/20 Audited Outcome	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Expenditure By Type</b>											
Employee related costs	2	40 985	56 870	73 388	67 703	72 875	72 875	72 875	81 077	83 259	86 922
Remuneration of councillors		12 019	12 040	13 121	15 776	15 776	15 776	15 776	12 897	13 439	14 030
Debt impairment	3	3 302	4 974	-	1 000	1 000	1 000	1 000	1 000	1 042	1 088
Depreciation & asset impairment	2	21 650	25 890	29 152	23 016	23 016	23 016	23 016	23 798	24 798	25 889
Finance charges		637	77	592	-	1 000	1 000	1 000	739	770	804
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	-	-	-	-	-	-	-	31 109	30 385	31 723
Contracted services		54 575	44 915	44 310	123 445	154 806	154 806	154 806	65 083	71 656	74 175
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	57 831	38 727	37 337	59 116	65 911	65 911	65 911	45 442	48 804	50 939
Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>190 998</b>	<b>183 494</b>	<b>197 900</b>	<b>290 055</b>	<b>334 384</b>	<b>334 384</b>	<b>334 384</b>	<b>261 146</b>	<b>274 153</b>	<b>285 570</b>

### COMMENTS

- It must be noted that the declining revenues illustrated above next and two outer year have a negative effect on Surplus for the next fiscal years.
- Employee related cost will continue to rise in relation to inflation. Employee related has been budgeted to increase by not less than 6% pending the outcome from the deliberations.
- Employee costs is are still within the approved limit. However, the municipality is need to put some few more controls to avoid non-compliance in future.

## 7. CAPITAL EXPENDITURE

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Capital expenditure - Vote</b>	1										
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 2 - ENERGY SOURCES		-	-	-	-	-	-	-	-	-	-
Vote 3 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 4 - HOUSING		-	-	-	-	-	-	-	-	-	-
Vote 5 - INTERNAL AUDIT		-	-	-	-	-	-	-	-	-	-
Vote 6 - OTHER		-	-	-	-	-	-	-	-	-	-
Vote 7 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 8 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-
Vote 9 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-	-
Vote 10 - SPORT AND RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 11 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 12 - POUNDS		-	-	-	-	-	-	-	-	-	-
Vote 13 - FINANCE AND ADMINISTRATION		-	-	-	-	-	-	-	-	-	-
Vote 14 - Null		-	-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - COMMUNITY AND SOCIAL SERVICES		6 091	5 078	1 640	1 604	3 128	-	951	1 970	1 685	1 787
Vote 2 - ENERGY SOURCES		-	-	506	7 192	5 677	-	4 515	1 400	388	399
Vote 3 - EXECUTIVE AND COUNCIL		-	-	61	585	585	-	75	153	56	60
Vote 4 - HOUSING		-	-	-	-	-	-	-	-	-	-
Vote 5 - INTERNAL AUDIT		-	-	-	-	-	-	-	-	-	-
Vote 6 - OTHER		-	-	-	-	-	-	-	-	-	-
Vote 7 - PLANNING AND DEVELOPMENT		-	306	1 243	1 742	2 062	-	375	3 750	1 680	1 781
Vote 8 - PUBLIC SAFETY		15	479	69	412	439	-	5 562	5 101	5 407	
Vote 9 - ROAD TRANSPORT		38 096	(97 346)	22 959	22 779	23 260	-	14 824	37 441	24 311	25 030
Vote 10 - SPORT AND RECREATION		2 664	3 531	11 133	754	3 072	-	1 986	2 672	10 675	11 315
Vote 11 - WASTE MANAGEMENT		653	(196)	505	990	1 041	-	79	2 079	1 060	1 124
Vote 12 - POUNDS		-	-	-	-	-	-	-	-	-	-
Vote 13 - FINANCE AND ADMINISTRATION		2 486	131 356	9 778	-	-	-	-	13 426	18 154	19 243
Vote 14 - Null		-	-	-	-	-	-	-	-	-	-
Vote 15 - Null		-	30	22	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		50 005	43 237	47 916	36 058	39 262	-	22 805	68 453	63 109	66 144
<b>Total Capital Expenditure - Vote</b>		50 005	43 237	47 916	36 058	39 262	-	22 805	68 453	63 109	66 144
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		2 486	131 356	9 839	19 626	26 091	26 091	18 518	13 579	18 210	19 303
Executive and council		-	-	61	-	-	-	7 458	153	56	60
Finance and administration		2 486	131 356	9 778	19 626	26 091	26 091	11 060	13 426	18 154	19 243
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		8 770	9 088	16 555	2 771	6 639	3 510	5 717	10 204	17 461	18 508
Community and social services		6 091	5 078	1 640	1 604	3 128	-	951	1 970	1 685	1 787
Sport and recreation		2 664	3 531	11 133	754	3 072	3 072	1 986	2 672	10 675	11 315
Public safety		15	479	3 713	412	439	439	2 780	5 562	5 101	5 407
Housing		-	-	69	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		38 096	(97 040)	24 203	24 521	25 321	25 321	15 199	41 191	25 991	26 811
Planning and development		-	306	1 243	1 742	2 062	2 062	375	3 750	1 680	1 781
Road transport		38 096	(97 346)	22 959	22 779	23 260	23 260	14 824	37 441	24 311	25 030
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		653	(196)	1 011	990	1 041	1 041	79	3 479	1 448	1 522
Energy sources		-	-	506	-	-	-	-	1 400	388	399
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		653	(196)	505	990	1 041	1 041	79	2 079	1 060	1 124
<b>Other</b>		-	30	22	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	50 005	43 237	51 629	47 908	59 092	55 963	39 513	68 453	63 110	66 144
<b>Funded by:</b>											
National Government		38 032	36 715	49 422	37 189	36 733	36 733	36 733	39 412	42 413	44 206
Provincial Government		-	1 333	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	38 032	38 048	49 422	37 189	36 733	36 733	36 733	39 412	42 413	44 206
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		11 973	5 188	2 207	10 719	22 359	19 230	2 780	29 041	20 697	21 938
<b>Total Capital Funding</b>	7	50 005	43 237	51 629	47 908	59 092	55 963	39 513	68 453	63 110	66 144



## **WARD PLANS FOR 2021/2022 INFRASTRUTURE PROJECTS**

<b>WARD PLANS FOR 2021/2022 INFRASTRUTURE PROJECTS</b>				
		<b>Current Budget and Outer Years</b>		
	<b>Projects</b>	<b>2021/2022</b>	<b>2022/2023</b>	<b>2023/2024</b>
<b>Ward 01</b>	Two Room Ngenisile Thabethe Nhlanhleri Area	100,000.00	104,200.00	108,576.40
	Two Room Khululiwe Mtshali Mkhuzeni Area	100,000.00	104,200.00	108,576.40
	Two Room Zazile Mchunu Mpondweni Area	100,000.00	104,200.00	108,576.40
<b>Ward 02</b>	Fencing and Tiolet of Mayingwe hall	100,000.00	104,200.00	108,576.40
	Two Room Ngema Family at Ntuli Area	100,000.00	104,200.00	108,576.40
	Two Room Mntungwa Family at Matshematshe	100,000.00	104,200.00	108,576.40
<b>Ward 03</b>	Renovation of Nsimbini Crech at Pharafin Area	100,000.00	104,200.00	108,576.40
	Phaphamani Crech at KwaNgubo Area	200,000.00	208,400.00	217,152.80
<b>Ward 04</b>	Two Room R Mabaso at Sampofu Area	100,000.00	104,200.00	108,576.40
	Two Room P Mntungwa	100,000.00	104,200.00	108,576.40
	Renovation of Sampofu Hall	100,000.00	104,200.00	108,576.40
<b>Ward 05</b>	Mbabane Crech	200,000.00	208,400.00	217,152.80
	Two Room Sazi Ndlovu at Ngqongeni Area	100,000.00	104,200.00	108,576.40
<b>Ward 06</b>	Two Room Ngenzeni Dladla	100,000.00	104,200.00	108,576.40
	Two Room Phuthumile Mvelase	100,000.00	104,200.00	108,576.40
	Two Room Tshitshana Ndhlovu	100,000.00	104,200.00	108,576.40
<b>Ward 07</b>	One Room M Buthelezi	50,000.00	52,100.00	52,100.00
	One Room Mkhize Zihlabeni	50,000.00	52,100.00	52,100.00
	Two Room Sbhakela Mkhize at Khuthala Area	100,000.00	104,200.00	108,576.40
	Two Room Nkala family Gudluntaba Area	100,000.00	104,200.00	108,576.40
<b>Ward 08</b>	Four Boreholes At Nokopela, Ntanyana, Mgeza &	300,000.00	312,600.00	325,729.20
<b>Ward 09</b>	Crech at Sphethwini Area	200,000.00	208,400.00	217,152.80
	Fancing For 3 Crech	100,000.00	104,200.00	108,576.40
<b>Ward 10</b>	Two Room Thembokwakhe Zulu at Othulinilwez	100,000.00	104,200.00	108,576.40
	Fabeni Crech	200,000.00	208,400.00	217,152.80
<b>Ward 11</b>	Two room for Lingubani Zulu at Sphongweni Are	100,000.00	104,200.00	108,576.40
	Two room for Bongisiwe Mchunu at Othulini Are	100,000.00	104,200.00	108,576.40
	Community hall tiolet Ntabende Hall, Mfihlane	100,000.00	104,200.00	108,576.40
<b>Ward 12</b>	Fencing of community halls Shiyane, Magoso, M	250,000.00	260,500.00	271,441.00
	100 Chairs for Ntombikayise Hall	50,000.00	52,100.00	54,288.20
<b>Ward 13</b>	Renovation of Ngubevu Community Hall	100,000.00	104,200.00	108,576.40
	2000 Chairs nad 30 Tables for community halls	200,000.00	208,400.00	217,152.80
<b>Ward 14</b>	Toilets at Ntombenhle and Mbhono Community	50,000.00	52,100.00	54,288.20
	Lokololo Hall	250,000.00	260,500.00	271,441.00
<b>Ward 15</b>	Renovation of Mafusini Hall	80,000.00	83,360.00	86,861.12
	Toilets three halls	100,000.00	104,200.00	108,576.40
	200 Chairrs per 3 halls	60,000.00	62,520.00	65,145.84
	Fencing of two halls	60,000.00	62,520.00	65,145.84
<b>Ward 16</b>	Installation of 5 solar pumps	200,000.00	208,400.00	217,152.80
	5 10 000L Jojo Tanks	50,000.00	52,100.00	54,288.20
	30 chairs for Sakhisizwe Crech	3,000.00	3,126.00	3,257.29
	Water Pipes 50mm	47,000.00	48,974.00	51,030.91
<b>Ward 17</b>	Nkosinathi S Majozi Town Hall	250,000.00	260,500.00	271,441.00
	Jojo Tanks	50,000.00	52,100.00	54,288.20
<b>Ward 18</b>	Underground pipes	100,000.00	104,200.00	108,576.40
	Two Boreholes	200,000.00	208,400.00	217,152.80
<b>Ward 19</b>	Ward Capital Projects	300,000.00	312,600.00	325,729.20
<b>Ward 20</b>	Ward Capital Projects	300,000.00	312,600.00	325,729.20
<b>Ward 21</b>	Ward Capital Projects	300,000.00	312,600.00	325,729.20
<b>Total</b>		<b>6,300,000.00</b>	<b>6,564,600.00</b>	<b>6,835,936.80</b>

**ROADS PROJECTS TO 2022**

<b>FISCAL YEAR</b>	<b>Funded by MIG</b>	<b>Ward</b>	<b>BUDGET</b>
2022	Xholobane Access Road	5	4 500 000,00
2022	Ngongolo Access Road	6	4 500 000,00
2022	Ezibomvini Access Road	13	3 200 000,00
2022	Thibeni Access Road	15	2 090 000,00
2022	Mhlaba Access Road	17	2 700 000,00
			16 990 000,00

**SPORTFIELD PROJECTS TO 2022**

<b>FISCAL YEAR</b>	<b>Funded by MIG</b>	<b>Ward</b>	<b>BUDGET</b>
2022	Mvundleni Sportfield	13	5 500 000,00
			5 500 000,00

**ROADS NEW PROJECTS**

<b>FISCAL YEAR</b>	<b>Funded by MIG</b>	<b>Ward</b>	<b>BUDGET</b>
2022	Phowane Access Road	12	2 104 536,98
2022	Gonondo Access Road	16	2 108 416,00
2022	Mfulamuni Access Road	18	4 000 000,00
			8 212 952,98

**SPORTFIELDS NEW PROJECTS**

<b>FISCAL YEAR</b>	<b>Funded by MIG</b>	<b>Ward</b>	<b>BUDGET</b>
2022	Sethembe Sportfield	8	800 000,00
2022	Gobamagagu Sportfield	9	4 300 000,00
2022	Mzisho Sportfield	5	83 841,92
2022	Mbabane Sportfield	5	848 949,10
2022	Gxushaneni Sportfield	16	438 931,00
2022	Msizini Sportfield	14	500 000,00
			6 971 722,02

**RETENTION 2022**

<b>FISCAL YEAR</b>	<b>Funded by MIG</b>	<b>Ward</b>	<b>BUDGET</b>
2022	Nsongeni Access Road	1	176 046,00
	Magobela Access Road		
	Retention	2	161 279,00
			337 325,00

**SPORTFIELD PROJECTS TO 2022**

<b>FISCAL YEAR</b>	<b>Funded by MIG</b>	<b>Ward</b>	<b>BUDGET</b>
2022	Mastlights		1 400 000,00
			1 400 000,00

## Electricity projects

<b>FISCAL YEAR</b>	<b>Funded by INEP</b>	<b>Ward</b>	<b>BUDGET</b>
<b>2022</b>	Ogede-Obisini Electrification	1	4 000 000,00
<b>2022</b>	Mngeni Pre Engineering INEP	16	300 000,00
<b>2022</b>	Ekuvukeni-Ngiyane Pre Engineering	9	120 000,00
			4 420 000,00
<b>Funded by EQS</b>			
<b>FISCAL YEAR</b>	<b>Funded by EQS</b>	<b>Ward</b>	<b>BUDGET</b>
<b>2022</b>	Ogede-Obisini Electrification Phase 2 Macanco Electrification Programme	1	2 269 000,00
<b>2022</b>	EQS Voltage Regulator: Gcuba	3	1 000 000,00
<b>2022</b>	Electrification	13	1 900 000,00
			5 169 000,00
<b>Funded by MIG</b>			
<b>FISCAL YEAR</b>	<b>Funded by MIG</b>	<b>Ward</b>	<b>BUDGET</b>
<b>2022</b>	Msinga Master Lights	11,10,5,4, &17	176 663,60
			176 663,60

## COMMENTS

- The Municipality has set aside funds to drive the infrastructure development plan through developments of access roads and sports fields. 100 percent percent of these projects are funded by MIG.
- MIG for 2021/2022 has increased by R3 million compared to the 2020/2021 allocation of R39.9 million. This has given some limited relief to the infrastructure plan after a huge cut in the Equitable Share grant.

## 8. CASH FLOW STATEMENT

KZN244 Msinga - Table A7 Budgeted Cash Flows											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		10 949	16 590	9 633	10 900	10 900	10 900	10 900	9 495	9 894	10 329
Service charges		-	-	-	360	360	360	360	539	562	587
Other revenue		634	5 733	14 661	1 050	1 050	1 050	1 050	25 050	1 164	1 231
Transfers and Subsidies - Operational	1	169 923	174 961	193 242	199 685	235 491	235 491	235 491	194 017	211 882	207 963
Transfers and Subsidies - Capital	1	38 032	36 715	49 422	37 189	37 189	37 189	37 189	39 412	42 413	44 206
Interest		4 007	5 609	5 831	4 500	4 500	4 500	4 500	4 000	4 178	4 324
Dividends		-	-	-	-	-	-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(202 435)	(188 584)	(183 988)	(199 007)	(95 008)	(95 008)	(95 008)	(235 608)	(247 543)	(257 788)
Finance charges		-	-	-	-	-	-	-	(739)	(770)	(804)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>21 110</b>	<b>51 024</b>	<b>88 800</b>	<b>54 677</b>	<b>194 482</b>	<b>194 482</b>	<b>194 482</b>	<b>36 165</b>	<b>21 779</b>	<b>10 048</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		(2 515)	124	317	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	30	30	30	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	(45 797)	-	-	-
<b>Payments</b>											
Capital assets		(20 959)	(54 955)	(59 852)	(52 451)	(38 980)	(38 980)	(38 980)	(68 953)	(63 110)	(66 144)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(23 474)</b>	<b>(54 831)</b>	<b>(59 535)</b>	<b>(52 451)</b>	<b>(38 950)</b>	<b>(38 950)</b>	<b>(84 747)</b>	<b>(68 953)</b>	<b>(63 110)</b>	<b>(66 144)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	(15 532)	-	-	-
<b>Payments</b>											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15 532)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(2 364)</b>	<b>(3 806)</b>	<b>29 265</b>	<b>2 226</b>	<b>155 532</b>	<b>155 532</b>	<b>94 203</b>	<b>(32 787)</b>	<b>(41 331)</b>	<b>(56 097)</b>
Cash/cash equivalents at the year begin:	2	36 743	34 379	30 158	55 400	57 626	57 626	-	94 203	61 415	20 085
Cash/cash equivalents at the year end:	2	34 379	30 572	59 423	57 626	213 158	213 158	94 203	61 415	20 085	(36 012)

## COMMENTS

- Net cash from operations is anticipated to be a positive R36.165 million and which is comforting because the municipality can afford its operational costs including the provision of basic service delivery.
- R39.412 million of Capital Expenditure is 100 percent funded by MIG Grant of which the remainder of R29.541 million funded through the Equitable Share Grant and Internally generated revenue. The amount of R36.135 investments.

**KZN244 Msinga - Supporting Table SA30 Budgeted monthly cash flow**

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>															
<b>Cash Receipts By Source</b>															
Property rates	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	(7 571)	1	9 495	10 329
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	45	45	45	45	45	45	45	45	45	45	45	45	539	562	587
Rental of facilities and equipment	50	50	50	50	50	50	50	50	50	50	50	50	600	625	653
Interest earned - external investments	333	333	333	333	333	333	333	333	333	333	333	333	4 000	4 178	4 324
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	194 017	211 882	207 963
Other revenue	2 038	2 038	2 038	2 038	2 038	2 038	2 038	2 038	2 038	2 038	2 038	2 038	24 450	539	578
<b>Cash Receipts by Source</b>	<b>20 185</b>	<b>20 185</b>	<b>20 185</b>	<b>20 185</b>	<b>20 185</b>	<b>20 185</b>	<b>20 185</b>	<b>20 185</b>	<b>20 185</b>	<b>20 185</b>	<b>20 185</b>	<b>11 063</b>	<b>233 101</b>	<b>227 679</b>	<b>224 434</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	39 412	42 413	44 206
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>23 470</b>	<b>23 470</b>	<b>23 470</b>	<b>23 470</b>	<b>23 470</b>	<b>23 470</b>	<b>23 470</b>	<b>23 470</b>	<b>23 470</b>	<b>23 470</b>	<b>23 470</b>	<b>14 347</b>	<b>272 513</b>	<b>270 092</b>	<b>268 640</b>
<b>Cash Payments by Type</b>															
Employee related costs	6 775	6 775	6 775	6 775	6 775	6 775	6 775	6 775	6 775	6 775	6 775	6 549	81 077	83 259	86 922
Remuneration of councillors	1 075	1 075	1 075	1 075	1 075	1 075	1 075	1 075	1 075	1 075	1 075	1 075	12 897	13 439	14 030
Finance charges	62	62	62	62	62	62	62	62	62	62	62	62	739	770	804
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	5 399	5 399	5 399	5 399	5 399	5 399	5 399	5 399	5 399	5 399	5 399	5 698	65 083	71 656	74 175
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	6 379	6 379	6 379	6 379	6 379	6 379	6 379	6 379	6 379	6 379	6 379	6 379	76 551	79 189	82 662
<b>Cash Payments by Type</b>	<b>19 689</b>	<b>19 689</b>	<b>19 689</b>	<b>19 689</b>	<b>19 689</b>	<b>19 689</b>	<b>19 689</b>	<b>19 689</b>	<b>19 689</b>	<b>19 689</b>	<b>19 689</b>	<b>19 763</b>	<b>236 347</b>	<b>248 313</b>	<b>258 593</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	5 746	5 746	5 746	5 746	5 746	5 746	5 746	5 746	5 746	5 746	5 746	5 746	68 953	63 110	66 144
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>25 436</b>	<b>25 436</b>	<b>25 436</b>	<b>25 436</b>	<b>25 436</b>	<b>25 436</b>	<b>25 436</b>	<b>25 436</b>	<b>25 436</b>	<b>25 436</b>	<b>25 436</b>	<b>25 509</b>	<b>305 300</b>	<b>311 423</b>	<b>324 737</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(1 966)</b>	<b>(11 162)</b>	<b>(32 787)</b>	<b>(41 331)</b>	<b>(56 097)</b>
Cash/cash equivalents at the month/year begin:	94 203	92 237	90 271	88 305	86 339	84 373	82 407	80 441	78 475	76 509	74 544	72 578	46 013	13 226	(28 105)
Cash/cash equivalents at the month/year end:	92 237	90 271	88 305	86 339	84 373	82 407	80 441	78 475	76 509	74 544	72 578	61 416	13 226	(28 105)	(84 202)

**KZN244 Msinga - Supporting Table SA25 Budgeted monthly revenue and expenditure**

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>																
<b>Revenue By Source</b>																
Property rates		1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	18 617	19 399	20 253
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-	-	-	539	539	562	587
Rental of facilities and equipment		50	50	50	50	50	50	50	50	50	50	50	50	600	625	653
Interest earned - external investments		333	333	333	333	333	333	333	333	333	333	333	4 000	4 178	4 324	
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	16 168	194 017	207 725	203 624	
Other revenue		38	38	38	38	38	38	38	38	38	38	38	24 038	24 450	578	
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>18 140</b>	<b>42 680</b>	<b>242 224</b>	<b>233 028</b>	<b>230 019</b>
<b>Expenditure By Type</b>																
Employee related costs		6 501	6 501	6 501	6 501	6 501	6 501	6 501	6 501	6 501	6 501	6 501	9 571	81 077	83 259	86 922
Remuneration of councillors		1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	1 144	316	12 897	13 439	14 030
Debt impairment		83	83	83	83	83	83	83	83	83	83	83	83	1 000	1 042	1 088
Depreciation & asset impairment		1 918	1 918	1 918	1 918	1 918	1 918	1 918	1 918	1 918	1 918	1 918	2 700	23 798	24 798	25 889
Finance charges		50	50	50	50	50	50	50	50	50	50	50	189	739	770	804
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		1 062	1 062	1 062	1 062	1 062	1 062	1 062	1 062	1 062	1 062	1 062	19 427	31 109	30 385	31 723
Contracted services		4 602	4 602	4 602	4 602	4 602	4 602	4 602	4 602	4 602	4 602	4 602	14 465	65 083	71 656	74 175
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		2 769	2 769	2 769	2 769	2 769	2 769	2 769	2 769	2 769	2 769	2 769	14 984	45 442	48 804	50 939
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>18 128</b>	<b>61 736</b>	<b>261 146</b>	<b>274 153</b>	<b>285 570</b>
<b>Surplus/(Deficit)</b>																
		<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>(19 056)</b>	<b>(18 922)</b>	<b>(41 125)</b>	<b>(55 551)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	3 284	39 412	42 413	44 206
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>(15 772)</b>	<b>20 490</b>	<b>1 288</b>	<b>(11 345)</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>3 297</b>	<b>(15 772)</b>	<b>20 490</b>	<b>1 288</b>	<b>(11 345)</b>

## 9. Municipal Debtors

Umsinga Municipality Debtors Age April											
Customer Category	(Current)	(30 Days)	(60 Days)	(90 Days)	(120 Days)	(150 Days)	(180 Days)	(Over 1 Year)	Total	>90 Days	
AGRICULTURE	0	256983.5	256740.58	201573.71	256740.58	256723.73	1036262.21	2914588.98	5179613	4665889	
COMM. RES.USE	1848.03	5611.52	5423.85	5611.52	5611.52	5611.52	-5538.19	227039.03	251218.8	238335.4	
COMMERCIAL	26005.6	329143.51	329843.51	332309.31	330896.21	329712.96	1935556.82	9534267.74	13147736	12462743	
COMMUNAL LAND	0	0	0	0	0	0	0	35617.55	35617.55	35617.55	
LAND REFORM PRO	0	9833.32	9833.32	9833.32	9833.32	9833.32	58999.92	112161.58	220328.1	200661.5	
MUNICIPAL PROP.	0	10021.83	10021.83	10021.83	10021.83	10021.83	49697.66	335087.97	434894.8	414851.1	
P.S.I.	0	350.01	350.01	350.01	350.01	350.01	9586.5	200915.38	212251.9	211551.9	
RESIDENTIAL	0	9154.93	9154.93	9154.93	9154.93	9154.93	24849.19	1370192.78	1440817	1422507	
SCHOOLS	-16000	-51145.73	147863.39	147863.39	147863.39	147154.21	848464.53	2443840.5	3815904	3735186	
STATE OWNED PRO	-7925	514236.71	651476.22	651276.82	649476.22	646478.6	2663674.6	11708803.25	17477497	16319709	
VACANT LAND - R	0	35616.04	35616.04	35616.04	35616.04	35616.04	213696.14	8298686.11	8690462	8619230	
VACANT LAND NON	0	158.33	158.33	158.33	158.33	158.33	-5256.71	7797.83	3332.77	3016.11	
WORSHIP	0	265.65	265.65	265.65	265.65	265.65	-11887.94	16383.72	5824.03	5292.73	
<b>Total</b>	<b>3928.64</b>	<b>1120229.6</b>	<b>1456747.66</b>	<b>1404034.9</b>	<b>1455988.03</b>	<b>1451081.13</b>	<b>6818104.73</b>	<b>37205382.42</b>	<b>50915497</b>	<b>48334591</b>	

## 10. Budget funding

Msinga municipality is one of the rural municipalities which are unable to generate sufficient own revenue to cover its budget. However, we rely mainly on Grants from both National and Provincial Government. Despite that, the municipality is one of the few municipalities which are able to survive during these hard times and ensures that its budget is always funded.

The 2020/2021 budget is funded as follows:

Details	Reference	Amount
Total operational costs excluding non-cash expenses	Table A4	R236 348 000
Total capital expenditure	Table A5	R 68 453 000
<b>Total expenditure for the year 2020/2021</b>		<b>R304 801 000</b>
Total Grants to be received	Table SA18	R233 429 000
Internally generated funds	Table A7	R 39 084 000
Funding from previous years reserves	Table A7	R 32 288 000
<b>Total funding available for the year 2020/2021</b>		<b>R304 801 000</b>

From the anticipated opening balance of R94.203 million, the municipality is projecting a cash closing balance of R61.415 million. Therefore, the 2020/2021 municipal budget is funded and the municipality will be able to close the year with a positive cash balance.

Below is the investment schedule for the period ending 30 April 2021.

uMzinga Local Municipality									
LIST OF INVESTMENT ACCOUNTS AS AT 30 April 2021									
Financial Institution	Type of Investment	Account Number	Start Date	Maturity Date	Interest Rate	Balance as at 01 April 2021	Interest	Withdrawals	Balance as at 30 April 2021
First National Bank	Fixed Deposit	74860884467	28/07/2020	28/05/2021	3.70%	5,260,771.15	16,531.80		5,277,302.00
Standard Bank	Fixed	348466013-033	05/06/2020	06/09/2021	3.87%	1,496,274.99	-		1,496,274.99
Standard Bank	Fixed	348466013-043	18/06/2020	15/06/2021	4.58%	11,572,915.85	-		11,572,915.85
FNB	Call Account	62778819303	30/06/2019		5.75%	6,404,180.17	14,475.20		6,418,655.37
FNB	Fixed	74836198420	12/12/2019	30/05/2021	6.84%	5,325,338.09	16,734.69		5,342,072.78
FNB	Fixed	74820036652	30/07/2019	31/05/2021	4%	16,393,350.35	51,515.54		16,444,865.89
FNB	Fixed	62499591777	30/07/2019	30/05/2021	4.90%	1,358,985.61	2,193.00		1,361,178.61
Standard Bank	Fixed	348466013-042	12/06/2020	15/06/2021	4.58%	10,663,671.12	-		10,663,671.12
Absa Bank	Fixed	2079376135	04/08/2020	30/05/2021	3.82%	15,376,712.90	148,313.00		15,525,025.90
Absa Bank	Fixed	2079542869	09/12/2020	09/06/2021	4.12%	10,127,559.81	20,635.07		10,148,380.96
FNB	Fixed	74879243662	10/12/2020	10/06/2021	4.16%	10,102,575.34	30,722.90		10,133,289.24
Standard Bank	Call Account	348466013-037	10/12/2020		3.50%	18,158,924.62	51,566.77	7,000,000.00	11,210,491.39
Standard Bank	Fixed	348466013-041	10/12/2020	15/06/2021	4.35%	10,107,260.27	-		10,107,260.27
Nedbank	Fixed	37881164492/02	10/12/2020	12/06/2021	4.09%	10,103,090.41	56,604.98		10,159,695.66
Nedbank	Fixed Deposit	37881164492/04	31/03/2021	30/06/2021	4.20%	10,001,150.68	35,671.23		10,035,671.23
						<b>R 142,452,761.36</b>	<b>R 444,964.18</b>	<b>R 7,000,000.00</b>	<b>R 135,896,751.26</b>

## 11. Recommendations by the accounting officer

### 1. Alignment:

- That Directorates ensure more alignment between the IDP, PMS and Budget Process;
- That co-ordination internally be improved immediately through the Office of the Municipal Manager;
- That Directorates re-align annual plans to this adjustment.

### 2. Reporting:

- That monthly monitoring of SDBIP's and Capital Program through the respective Portfolio Committees be effective immediately;
- That Directors comply with monthly reporting requirements to ensure compliance with all targets;
- That the financial system, collaborator and performance management system be re-aligned to ensure accurate performance reports are prepared and submitted.

### 2. Budget:

- That options for the implementation of the capital program be reviewed to ensure the effective and timeous implementation of the projects;
- That internal project management processes be improved to ensure effective implementation of the capital program;
- That the number of cost centres on the budget be rationalized and aligned to the organizational structure, while taking into account the requirements of National Treasury GFS reporting, in the 2020/21 financial year;

## Motivations

### Budget

As required by the MFMA, the budget is needed to deal with items needed by the municipality to advance service delivery. The budget had to take into account changes in the national and provincial adjustments budgets; align budgets as a result of changes in the macro-organisational structure; adjust the revenue and expenditure.

estimates downwards due to the material shortfall in projected revenue; distribute the task implementation provision to all directorates and to authorise utilisation of unspent capital funds from 2020/2021.

### SDBIP Top Layer

Revisions to the SDBIP will have to be made taking into consideration the effects of the adjustments budget and approved following the approval of the budget as required by section the MFMA.



## 12. Budget resolution

**UMSINGA MUNICIPALITY  
UMASIPALA WASE MSINGA**

CERTIFIED EXTRACT OF MINUTES FOR ORDINARY FULL COUNCIL  
MEETING HELD ON 26 MAY 2021, ONLINE VIA ZOOM AT 10H00.

### MEMBERS PRESENT

Cllr BP Ngcobo : The Mayor  
Cllr SG Masimula : Deputy Mayor  
Cllr TL Kunene : The Speaker  
Cllr M Buthelezi  
Cllr T Mbatha  
Cllr T Mntungwa  
Cllr JV Langa  
Cllr TM Ndlovu  
Cllr MN Mabaso  
Cllr B Mvelase  
Cllr LE Danisa  
Cllr P Dladla  
Cllr BP Madondo  
Cllr M Sithole  
Cllr FJ Sikhakhane  
Cllr GB Sikhakhane  
Cllr B Dumakude  
Cllr MS Khoza  
Cllr XS Xaba  
Cllr S Magubane  
Cllr ZS Magwaza  
Cllr LB Ntuli  
Cllr DM Ndlovu  
Cllr SR Sokhulu  
Cllr B Mthethwa  
Cllr MMS Myeza  
Cllr ME Ngobe  
Cllr SK Radebe  
Cllr N Majoji  
Cllr S Ximba  
Cllr ZE Shange  
Cllr ZS Magwaza  
Cllr TM Mabaso

### 13.1 FINAL IDP, BUDGET AND SDBIP

Final IDP, Budget and SDBIP was presented by IDP Manager Miss A Msweli and Chief Financial Officer Mr. TM Nene.

**PURPOSE**

- To bring to the attention of the Msinga Local Municipality's Full Council the Final Integrated Development Plan (IDP) and Service Delivery and Implementation Plan (SDBIP) for 2021/2022 to 2025/2026.
- To submit the Final Municipal Budget for 2021/2022 financial year for consideration.

**RESOLVED**

- The report by the IDP Manager and Chief Financial Officer is hereby **Noted**.
- The Final IDP 2021/2022-2025/2026 and SDBIP 2021-2022 is adopted by Msinga Council.
- The adopted Final IDP 2021/2022-2025/2026 and SDBIP 2021-2022 be Forwarded to COGTA and Treasury
- The adopted Final IDP and SDBIP 2021/2022-2025/2026 is advertised for Public comments
- The Municipal annual budget of Msinga Municipality for the financial year 2021/2022 and indicative for the two projected years 2022/2023 and 2023/2024 as a set out in the schedules contained is approved by council.
- Cllr S Magubane proposed adoption and seconded by Cllr JV Langa.

**RESOLUTION NUMBER:16/2021 FC**

This extract is certified as the true reflection of the Council Discussion.

Confirmed by:

  
MVINTANZI  
DIRECTOR CORPORATE SERVICES

2021/05/27

Approved by:

  
S. SOKHELA  
MUNICIPAL MANAGER

2021/05/27

### 13. Budget lock certificate



#### **Certification that the Annual Budget for 2021/2022 is correctly captured and locked on the municipality's financial management system**

*(as requested by National Treasury in terms of section 74 of the MFMA, with reference to paragraph 6.3 of MFMA Budget Circular 59 dated 16 March 2012)*

I, SL Sokhela in my capacity as accounting officer of the municipality, hereby certify that:

- The adopted Annual Budget has been captured on the municipality's financial system;
- There is 100 per cent reconciliation between the budget on the system and the budget adopted by council;
- The adopted Annual Budget on the municipality's financial system is locked.

Print Name: Mr Lieughtenent Senzo Sokhela

Municipal manager of: uMshinga Municipality (KZN 244)  
(name and demarcation code of municipality)

Signature: 

Date: 05/06/2021

## 10. Budget quality certificate



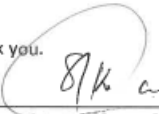
**UMSINGA MUNICIPALITY**  
**UMKHANDLU WASEMSINGA**  
**PRIVATE BAG X530**  
**TUGELA FERRY 3010**  
**EMAIL:senzo.sokhela@umsinga.gov.za**

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### BUDGET QUALITY CERTIFICATE DRAFT

I Lieughtenent Senzo Sokhela, municipal manager of **uMzinga Municipality**, hereby certify that the 2021/2022 Annual Budget and Supporting Documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under this Act, and that the Annual Budget and supporting documents are consistence with the Integrated Development Plan of the municipality.

Thank you.

  
Mr. Lieughtenent Senzo Sokhela  
The Accounting Officer  
uMzinga Municipality (KZN244)  
Date: ..... 08 / 06 / 2021 .....