

**ANNUAL BUDGET OF**  
**ELUNDINI LOCAL**  
**MUNICIPALITY**



**2020/2021 TO 2021/2023**  
**MEDIUM TERM REVENUE AND**  
**EXPENDITURE FORECASTS**

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## Abbreviations and Acronyms

AMR	Automated Meter Reading	GAMAP	Generally Accepted Municipal Accounting Practice
ASGISA	Accelerated and Shared Growth Initiative	GDP	Gross domestic product
BPC	Budget Planning Committee	GDS	Gauteng Growth and Development Strategy
CBD	Central Business District	GFS	Government Financial Statistics
CFO	Chief Financial Officer	GRAP	General Recognised Accounting Practice
CM	City Manager	HR	Human Resources
CPI	Consumer Price Index	HSRC	Human Science Research Council
CRRF	Capital Replacement Reserve Fund	IDP	Integrated Development Strategy
DBSA	Development Bank of South Africa	IT	Information Technology
DoRA	Division of Revenue Act	kℓ	kilolitre
DWA	Department of Water Affairs	km	kilometre
EE	Employment Equity	KPA	Key Performance Area
EEDSM	Energy Efficiency Demand Side Management	KPI	Key Performance Indicator
EM	Executive Mayor	kWh	kilowatt
FBS	Free basic services		

ℓ	litre	OHS	Occupational Health and Safety
LED	Local Economic Development	OP	Operational Plan
MEC	Member of the Executive Committee	PBO	Public Benefit Organisations
MFMA	Municipal Financial Management Act Programme	PHC	Provincial Health Care
MIG	Municipal Infrastructure Grant	PMS	Performance Management System
MMC	Member of Mayoral Committee	PPE	Property Plant and Equipment
MPRA	Municipal Properties Rates Act	PPP	Public Private Partnership
MSA	Municipal Systems Act	PTIS	Public Transport Infrastructure System
MTEF	Medium-term Expenditure Framework	RG	Restructuring Grant
MTREF	Medium-term Revenue and Expenditure Framework	RSC	Regional Services Council
NERSA	National Electricity Regulator South Africa	SALGA	South African Local Government Association
NGO	Non-Governmental organisations	SAPS	South African Police Service
NKPIs	National Key Performance Indicators	SDBIP	Service Delivery Budget Implementation Plan
		SMME	Small Micro and Medium Enterprises

## **Part 1 – Annual Budget**

### **1.1 Mayor’s Report**

In his Budget Speech to Parliament on 20 February 2020, the Minister of Finance said: The budget is built on these seven fundamental pillars of our approach.

- Strengthening the macroeconomic framework to deliver certainty, transparency and lower borrowing costs.
- Focusing spending on education, health and social development
- Modernising “network industries” and restructuring our state-owned enterprises.
- Opening markets to trade with the rest of the continent
- Implementing a re-imagined industrial strategy
- Lowering the cost of doing business
- Focusing on job-creating sectors, such as agriculture and tourism

Importantly within our limited resources as Elundini municipality we must strive to achieve excellence in changing people’s lives.

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

The Municipality reaffirms its commitment to the achievement of the goals enshrined within the Integrated Development Plan, namely:

- Accelerate service delivery and infrastructure development
- Promote economic growth, environmental sustainability and creation of decent jobs
- To improve the effectiveness of governance administrative and financial systems

In the year ahead, the Municipality will further strengthen its capacity to implement the adopted Budget, so as to positively impact on the lives of residents.

The Council of Elundini is fully aware of service delivery backlog that has confronted our people over the years. The slow rate of economic growth, coupled with other competing demands has put additional strain to the national fiscus. Rural municipalities that rely on government grants are likely to suffer the most due to reductions in allocations from the national fiscus.

This budget has prioritized service delivery and is thus, responsive to the needs of our communities. Our communities has entrusted us with improving their lives over the next 5 year and our intention is to deliver to the best of our abilities. The following key priorities are highlighted:

- Our internal roads are an integral part of our economic development initiatives. R63.7 million has been appropriated towards roads infrastructure for the budget year. This allocation is R134.3 million over the MTREF;

- R36.7 million has been allocated through division of revenue for infrastructure projects;
- R14.5 million has also been appropriated towards electrification of some of our communities
- R4.2 million has been allocated for Electrical projects
- R18.7 million has been allocated for rural electrification in the rural villages
- R12.8 million has been allocated towards Free Basic Services in respect of property rates, electricity and refuse removal. Our municipal area is confronted with high levels of unemployment.

We continue to engage our stakeholders such as Human settlement, Health, Public Works and Education with the view to accelerated service delivery.

One of the biggest reform introduced by the National Treasury is the Municipal Standard Chart of Accounts (m-SCOA). This reform has changed the way we plan as municipalities. It is hoped that this reform will deliver on its intended objectives of stream-lining financial management and enhance planning and accountability.

I would also like to thank the community for their involvement during this budget process. My executive committee was also my pillar of strength throughout this process. Last, but not least, my gratitude goes to the Municipal Manager and his team for the undying support gave to us, the political leadership.

**COUNCILLOR N.LENGS**

**JUNE 2020**

## 1.2 Council Resolution

On 30<sup>th</sup> June 2020 the Mayor of Elundini Municipality will table the draft budget for 2020/2021, 2021/2022 and 2022/2023 financial years. The following resolutions will be taken:

1. The Council of Elundini Municipality, acting in terms of section 16 of the Municipal Finance Management Act, (Act 56 of 2003) tables:
  - 1.1. The annual budget of the municipality for the financial year 2019/20 and the multi-year and single-year capital appropriations as set out in the following tables:
    - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2
    - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3
    - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4
    - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5.
  - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
    - 1.2.1. Budgeted Financial Position as contained in Table A6
    - 1.2.2. Budgeted Cash Flows as contained in Table A7
    - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table A8
    - 1.2.4. Asset management as contained in Table A9
    - 1.2.5. Basic service delivery measurement as contained in Table A10
2. The Council of Elundini Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2020:
  - 2.1. the tariffs for property rates, electricity and solid waste – as set out on the tariff list attached.
  - 2.2. The budget related policies being Property rates policy, Virement policy, Cash & Investment policy, Budget monitoring policy and Tariff policy
3. The Council of Elundini Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2020 the tariffs for other services, as set out in the tariff list attached.

### 1.3 Executive Summary

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

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

The Municipality has embarked on implementing revenue enhancement strategy to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 99 was used to guide the compilation of the 2021/23 MTREF.

The main challenges experienced during the compilation of the 2021/23 MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Inadequate resources to reduce roads and electricity infrastructure backlogs;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Salary budget increases for municipal staff due to a critical need to fill critical vacancies;

The following budget principles and guidelines directly informed the compilation of the MTREF:

- The 2019/20 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2020/21 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;



- There's also a budget allocation set for the following items:
  - Special Projects;
  - Consultant Fees;
  - Furniture and office equipment;
  - Special Events;
  - Refreshments and entertainment;
  - Subsistence, Travelling & Conference fees (national & international).

In view of the aforementioned, the following table is a consolidated overview of the proposed Medium-term Revenue and Expenditure Framework:

**Table A1 Consolidated Overview of the 2020/21 MTREF**

<b>R thousand</b>	<b>Adjustments Budget 2019/2020</b>	<b>Budget Year 2020/2021</b>	<b>Budget Year 2021/2022</b>	<b>Budget Year 2022/2023</b>
Total Operating Revenue	377.3	R314.7	R328.1	R342.6
Total Operating Expenditure	311.7	R352.8	R367.9	R385.1
(Surplus)/Deficit	65.7	R( 38.1)	R(39.7)	R ( 42.5)
Total Capital Expenditure	88.0	R 88.7	R59.9	R 63.0

Total operating revenue has decreased by 17 per cent or R62.6 million for this financial year when compared to the previous financial year on budgeted revenue. For the two outer years, operational revenue increased by 4.09% and 4.24%.

Total operating expenditure grown by 11% or R41m for this financial year when compared to previous financial year budgeted expenditure. For two outer years, operating expenditure increased by 4.11% and 4.46%. Operating expenditure has been appropriated at R352.8 million, R367.9m and R385.1m for the two outer years and translates into a budgeted deficit of (R38.1) million, R(39.7)m and R(42.5)m for the two outer years and this deficit relates to non-cash expenditure items being Depreciation and debt impairment costs. The municipality does not have enough resources to cater for non- cash expenditure items for this MTREF. The municipality should develop a revenue enhancement strategy to address the deficit within the MTREF.

The capital program is positioned to R88.7 million, R59.9 and R63 million in the outer years. A substantial portion of the capital budget will be funded by government grants from National and Provincial Government over the MTREF. The balance will be funded from internally generated funds.

## **1.4 Operating Revenue Framework**

In order for Elundini Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality.

The following table is a summary of the 2021/2023 MTREF (classified by main revenue source):

**Table A4 Summary of revenue classified by main revenue source**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue By Source</b>	1										
Property rates	2	17 218	17 501	23 203	29 932	29 932	29 932	-	31 309	32 749	34 256
Service charges - electricity revenue	2	19 233	24 734	29 137	34 391	34 391	34 391	-	35 973	37 628	39 359
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	4 759	685	4 145	7 461	3 041	3 041	-	7 463	7 807	8 166
Rental of facilities and equipment		1 575	1 463	8 235	9 459	9 459	9 459	-	9 894	10 349	10 825
Interest earned - external investments		4 539	4 778	5 515	2 568	4 500	4 500	-	4 707	4 924	5 150
Interest earned - outstanding debtors		1 804	1 899	1 970	1 369	5 618	5 618	-	1 693	1 771	1 852
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		472	368	1 166	259	259	259	-	271	284	297
Licences and permits		2 371	2 014	2 796	2 217	2 217	2 217	-	2 318	2 425	2 537
Agency services		-	-	-	520	520	520	-	544	569	595
Transfers and subsidies		152 226	168 566	173 496	159 791	180 791	180 791	-	193 330	196 456	202 761
Other revenue	2	1 308	8 946	1 287	30 000	41 285	41 285	-	26 770	32 703	36 341
Gains		-	-	-	448	448	-	-	468	490	513
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>205 505</b>	<b>230 953</b>	<b>250 951</b>	<b>278 415</b>	<b>312 462</b>	<b>312 014</b>	<b>-</b>	<b>314 741</b>	<b>328 154</b>	<b>342 651</b>
<b>Expenditure By Type</b>											
Employee related costs	2	70 300	79 764	98 972	100 012	104 900	104 900	-	120 570	127 081	133 943
Remuneration of councillors		10 229	12 028	12 028	12 736	12 736	12 736	-	13 193	13 905	14 656
Debt impairment	3	9 185	1 686	10 085	1 773	1 773	1 773	-	5 146	5 423	5 716
Depreciation & asset impairment	2	26 956	32 793	30 157	34 498	34 498	34 498	-	33 000	34 782	36 660
Finance charges		1 205	1 370	1 489	56	56	56	-	209	220	232
Bulk purchases	2	21 295	20 023	20 821	30 757	30 757	30 757	-	23 000	24 242	25 551
Other materials	8	9 619	13 480	-	1 705	1 902	1 902	-	1 759	1 854	1 955
Contracted services		2 727	2 380	69 241	47 295	70 801	70 801	-	97 829	98 983	101 586
Transfers and subsidies		-	-	2 428	-	-	-	-	-	-	-
Other expenditure	4, 5	72 770	79 714	42 763	54 731	54 327	54 327	-	58 180	61 432	64 857
Losses		-	-	1 259	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>224 288</b>	<b>243 237</b>	<b>289 243</b>	<b>283 563</b>	<b>311 750</b>	<b>311 750</b>	<b>-</b>	<b>352 886</b>	<b>367 922</b>	<b>385 156</b>
<b>Surplus/(Deficit)</b>		<b>(18 783)</b>	<b>(12 284)</b>	<b>(38 292)</b>	<b>(5 148)</b>	<b>712</b>	<b>264</b>	<b>-</b>	<b>(38 145)</b>	<b>(39 768)</b>	<b>(42 505)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		41 386	70 276	59 981	78 306	64 906	64 906	-	51 288	39 769	42 505
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Our total revenue mix comprises of revenue generated from rates and services charges which are Electricity and solid waste and other revenue derived from rentals, plant income investment income and others.

#### **1.4.1 Property rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

Revenue generated from Property Rates totals to R31.3 million for the budget year and has increased to R32.7 million and R34.2 million for the two outer years.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R25 000 reduction on the market value of a property will be granted in terms of the Municipality's own Property Rates Policy;
- 35 per cent rebate will be granted on all residential properties (including state owned residential properties);
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a maximum/total rebate of 50 per cent (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year. In this regard the following stipulations are relevant:
  - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;
  - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
  - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
  - The property must be categorized as residential.
- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

#### **1.4.2 Revenue from Services**

##### **Electricity**

Electricity and Solid waste services are the main revenue sources for the municipality. Revenue generated from **Electricity** totals to R32 million for the budget year and increases to R34 million and R35 million for the two outer years. NERSA has not announced the revised bulk electricity pricing structure yet. Therefore 6 percent which is a maximum increase allowed by Treasury on circular 99 has been used on the tariff structure and will be effective from 1 July 2020.

Considering the Eskom increases, the consumer tariff had to be increased by 6% to offset the additional bulk purchase cost from 1 July 2020. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Registered indigents will again be granted 50 kWh per 30-day period free of charge. In addition those residential customers that are not registered as indigent, but that consume less than 50 kWh per 30-day period will receive 50 kWh free of charge.

Currently Electricity is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of Electricity function be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle. Currently the smart meters are being installed in order to minimize the electricity losses.

### **Solid Waste**

Revenue generated from **Solid waste** totals to R4.8 million for the budget year and increases to R5 million and R5 million for the two outer years. An increase of 6% has been applied as this service is operating at a deficit. It must also be noted that an amount of free basic refuse has been reduced from the total revenue expected from refuse removal.

These services are operating at a deficit, the revenue derived from these services is unable to cover expenditure in relation to these services. It is important that the municipality should consider come up with a cost recovery strategy to ensure that they are cost reflective. It is widely accepted that the rendering of this service should at least break even, which is currently not the case.

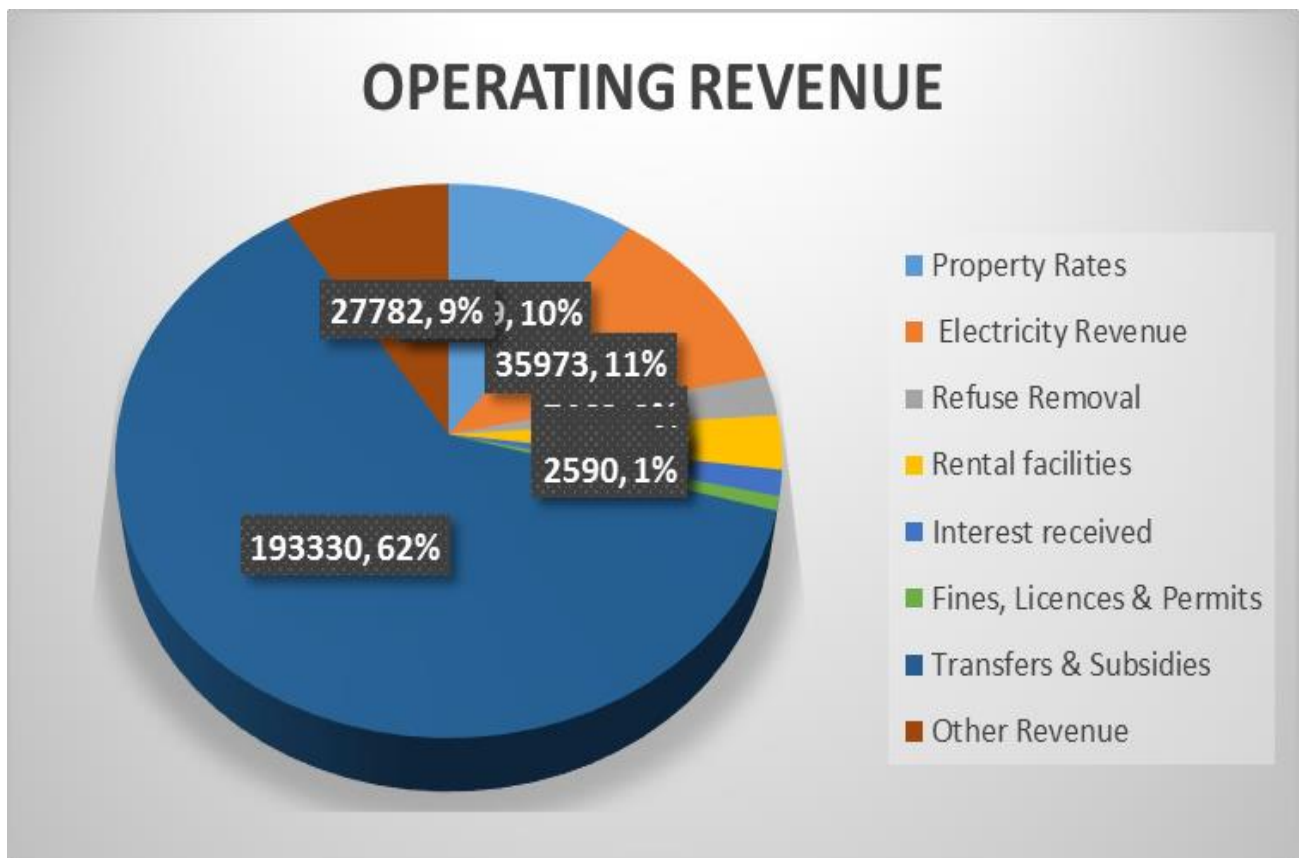
The Municipality will have to implement a revenue enhancement strategy to ensure that this service can be rendered in a more sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration as well as to some extent lack of billing of commercial businesses in terms of the recognized Polluter Pays Principle as outline in the National Waste Management Strategy of 2008. Considering the deficit, it is recommended that a comprehensive investigation into the possibility of reviewing our approach to billing in terms of the existing tariff structure as approved by Council.

### **1.4.3 Other Revenue**

Other sources of revenue' which consists of various items such as income received from permits and licenses, building plan fees, connection fees, vat income, investment income and interest from debtors. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

### 1.4.5 Operating Grants

Operating grants and transfers totals R193.3 million in the budget year and steadily increases to R196.9 million and R202.7 for the two outer years. The following table gives a breakdown of the revenue and operating grants and subsidies allocated to the municipality over the medium term:



**Table SA18 Operating Transfers and Grant Receipts**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		148 058	168 465	-	159 041	180 041	180 041	192 580	195 706	202 011
Local Government Equitable Share		127 070	134 116		152 511	152 511	152 511	161 277	170 913	178 602
EPWP Incentive		1 863	2 649		2 883	2 883	2 883	3 333	-	-
Integrated National Electrification Programme		17 500	30 000		-	21 000	21 000	18 739	21 000	19 500
Energy Efficiency and Demand Management		-	-		-	-	-	5 000	-	-
Finance Management		1 625	1 700		1 700	1 700	1 700	1 700	1 700	1 700
		-	-		-	-	-	596	-	-
Municipal Infrastructure Grant					1 947	1 947	1 947	1 935	2 093	2 209
<b>Provincial Government:</b>		750	750	-	750	750	750	750	750	750
Sport and Recreation		750	750		750	750	750	750	750	750
Sport and Recreation					-	-	-	-	-	-
Sport and Recreation					-	-	-	-	-	-
Financial Management Grant										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Total Operating Transfers and Grants</b>	5	148 808	169 215	-	159 791	180 791	180 791	193 330	196 456	202 761
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		42 250	69 622	-	58 001	37 001	37 001	36 768	39 769	42 505
Municipal Infrastructure Grant (MIG)		42 250	39 587		37 001	37 001	37 001	36 768	39 769	42 505
		-	30 035							
INEP					21 000	-				
<b>Provincial Government:</b>		-	-	-	20 305	27 905	27 905	14 520	-	-
Premious office					20 305	27 905	27 905	14 520	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Total Capital Transfers and Grants</b>	5	42 250	69 622	-	78 306	64 906	64 906	51 288	39 769	42 505
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		191 058	238 837	-	238 097	245 697	245 697	244 618	236 225	245 266

### 1.4.6 Tariff-Setting

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The table below indicates the tariffs increases as per circular No. 99 and Nersa guidelines in tariff determination.

<b>Category</b>	<b>2019/2020 Budget Year</b>	<b>2020/2021 Budget Year</b>	<b>2021/2022 Budget Year</b>	<b>2022/2023 Budget Year</b>
<b>Property Rates</b>	5.2%	4.6%	4.6%	4.6%
<b>Electricity</b>	6%	6%	6%	6%
<b>Solid waste</b>	6%	6%	6%	6%

The following table compares **Solid Waste's** current and proposed amounts payable from 1 July 2020 with previous year's tariffs:

<b>Refuse Removal - Per Month</b>	<b>2019/2020</b>	<b>2020/2021</b>
Households	R125.52	R133.05
Business	R249.16	R264.10
Townships	R51.72	R 54.82
Loads per removal Business & Refuse garden	R379.36	R402.12
Building Rubble per Load	R702.50	R 744.65
Use of refuse site where the public off load refuse - Price is per cubic meter( Prepaid Coupon)	R34.13	R 36.17
Illegal Dumping- Fine	R4552.32	R 4825.45

Electricity's current and proposed amounts that will be payable from 1 July 2020 are detailed on the tariff list which will be approved as the budget related document.

### 1.4.7 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.



## 1.5 Operating Expenditure Framework

The municipality's expenditure framework for the MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the MTREF (classified per main type of operating expenditure):

**Table A4 Summary of operating expenditure by standard classification item**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue By Source</b>											
Property rates	2	17 218	17 501	23 203	29 932	29 932	29 932	-	31 309	32 749	34 256
Service charges - electricity revenue	2	19 233	24 734	29 137	34 391	34 391	34 391	-	35 973	37 628	39 359
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	4 759	685	4 145	7 461	3 041	3 041	-	7 463	7 807	8 166
Rental of facilities and equipment		1 575	1 463	8 235	9 459	9 459	9 459	-	9 894	10 349	10 825
Interest earned - external investments		4 539	4 778	5 515	2 568	4 500	4 500	-	4 707	4 924	5 150
Interest earned - outstanding debtors		1 804	1 899	1 970	1 369	5 618	5 618	-	1 693	1 771	1 852
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		472	368	1 166	259	259	259	-	271	284	297
Licences and permits		2 371	2 014	2 796	2 217	2 217	2 217	-	2 318	2 425	2 537
Agency services		-	-	-	520	520	520	-	544	569	595
Transfers and subsidies		152 226	168 566	173 496	159 791	180 791	180 791	-	193 330	196 456	202 761
Other revenue	2	1 308	8 946	1 287	30 000	41 285	41 285	-	26 770	32 703	36 341
Gains		-	-	-	448	448	-	-	468	490	513
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>205 505</b>	<b>230 953</b>	<b>250 951</b>	<b>278 415</b>	<b>312 462</b>	<b>312 014</b>	<b>-</b>	<b>314 741</b>	<b>328 154</b>	<b>342 651</b>
<b>Expenditure By Type</b>											
Employee related costs	2	70 300	79 764	98 972	100 012	104 900	104 900	-	120 570	127 081	133 943
Remuneration of councillors		10 229	12 028	12 028	12 736	12 736	12 736	-	13 193	13 905	14 656
Debt impairment	3	9 185	1 686	10 085	1 773	1 773	1 773	-	5 146	5 423	5 716
Depreciation & asset impairment	2	26 956	32 793	30 157	34 498	34 498	34 498	-	33 000	34 782	36 660
Finance charges		1 205	1 370	1 489	56	56	56	-	209	220	232
Bulk purchases	2	21 295	20 023	20 821	30 757	30 757	30 757	-	23 000	24 242	25 551
Other materials	8	9 619	13 480	-	1 705	1 902	1 902	-	1 759	1 854	1 955
Contracted services		2 727	2 380	69 241	47 295	70 801	70 801	-	97 829	98 983	101 586
Transfers and subsidies		-	-	2 428	-	-	-	-	-	-	-
Other expenditure	4, 5	72 770	79 714	42 763	54 731	54 327	54 327	-	58 180	61 432	64 857
Losses		-	-	1 259	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>224 288</b>	<b>243 237</b>	<b>289 243</b>	<b>283 563</b>	<b>311 750</b>	<b>311 750</b>	<b>-</b>	<b>352 886</b>	<b>367 922</b>	<b>385 156</b>
<b>Surplus/(Deficit)</b>											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		41 386	70 276	59 981	78 306	64 906	64 906	-	51 288	39 769	42 505
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>
Taxation		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>

### 1.5.1 Employee Related Costs

The budgeted allocation for employee related costs for the budget year totals R120.5 million, which equals 34 per cent of the total operating expenditure. A three year collective SALGBC agreement, is still valid and it stipulates that with effect from 01 July 2020, an increase based on the projected CPI percentage for 2020 (4.6%), plus one comma five percent (1.5%). Employee related costs will increase by 8.75% including 2.5% notch increase.

As part of the Municipality's cost reprioritization and cash management strategy vacancies have been significantly rationalized upwards. As part of the planning assumptions and interventions

no new vacancies have been provided in this budget except positions that were existing and those that were on the recruitment stage for the purpose of balancing a budget to be funded.

### **1.5.2 Remuneration of Councilors**

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget. Budget appropriation in this regard totals to R13.1 million and equates to 4 percent of the total operating expenditure.

### **1.5.3 Debt impairment Provision**

The provision of debt impairment was determined based on an annual collection rate of 95 per cent and the Debt Write-off Policy of the municipality. For the budget year this amount equates to R5.1 million and equates to 1.45% of the total operating expenditure and escalates to R5.4million and R5.5 million for the two outer years. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

### **1.5.4 Depreciation Provision**

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation in this regard refers to the systematic write off of assets over their useful lives. Budget appropriations in this regard total R33 million for the budget year financial and equates to 9.3 % of the total operating expenditure.

### **1.5.5 Bulk purchases**

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. Budget appropriations in this regard total to R23 million for the budget year and equates to 6.5 percent of the total operating budget. The expenditure also includes distribution losses.

### **1.5.6 Other Material**

Since the implementation of mSCOA repairs and maintenance are no longer budgeted as the line item on the budget but as the project. It is therefore included on the contracted services, a full breakdown is detailed on table SA34c.

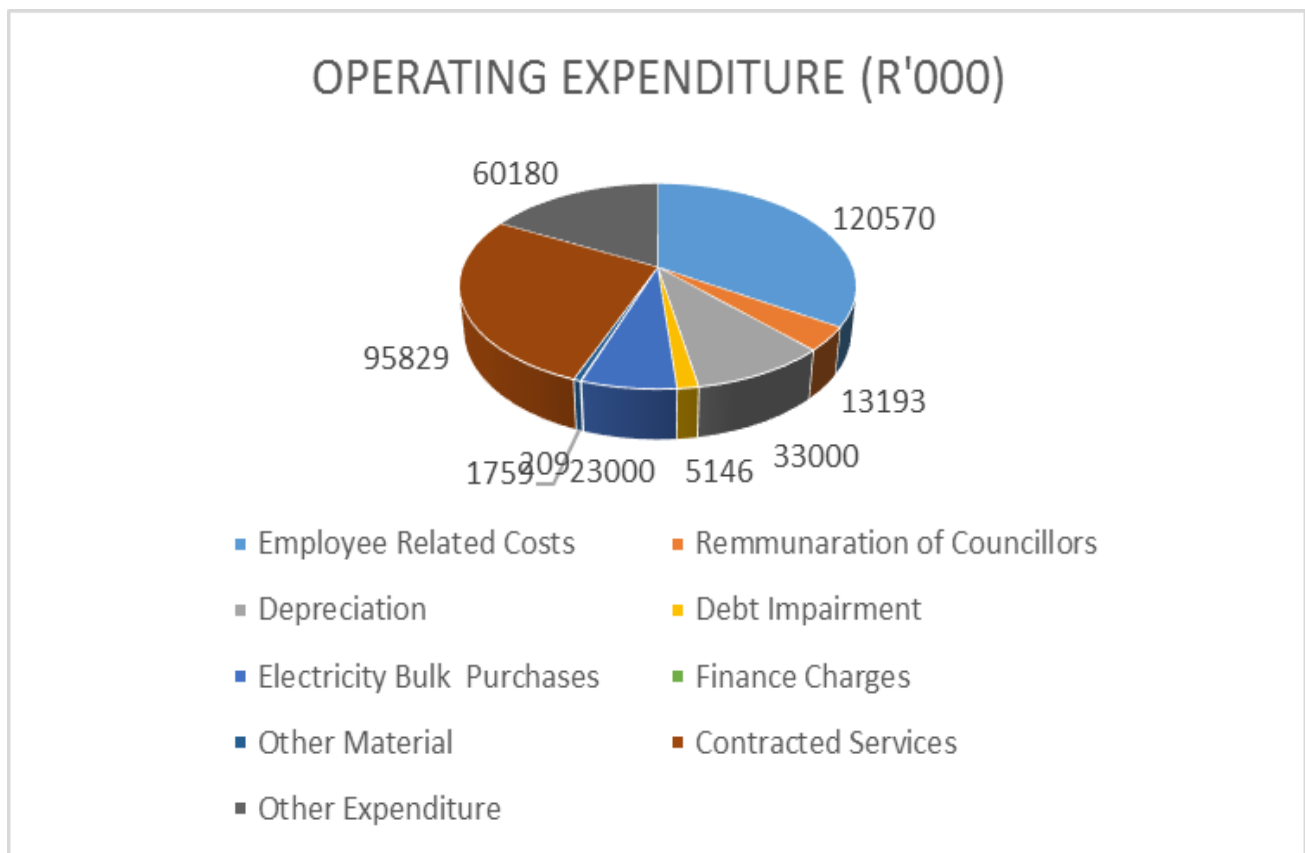
### 1.5.7 Contracted Services

Contracted expenditure totals to R95.8 million and equates to 27% of the total operating budget.

### 1.5.8 Other Expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. Budget appropriations in this regard totals to R68.5 million and equates to 17 percent.

The following graph gives a breakdown of the main expenditure categories for the 2020/21 financial year.



## **Free Basic Services: Basic Social Services Package**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The target is to register 10 000 or more indigent households during this budget year, a process reviewed annually. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table SA21.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act. In this budget year the municipality made a provision of R12.8 million for free basic services.

### **1.5.11 Expenditure by major type**

1. Bulk purchases have increased over the MTREF period escalating to R72.8 million, R23 million and R24 million and R25 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.
2. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

## **1.6 Capital expenditure**

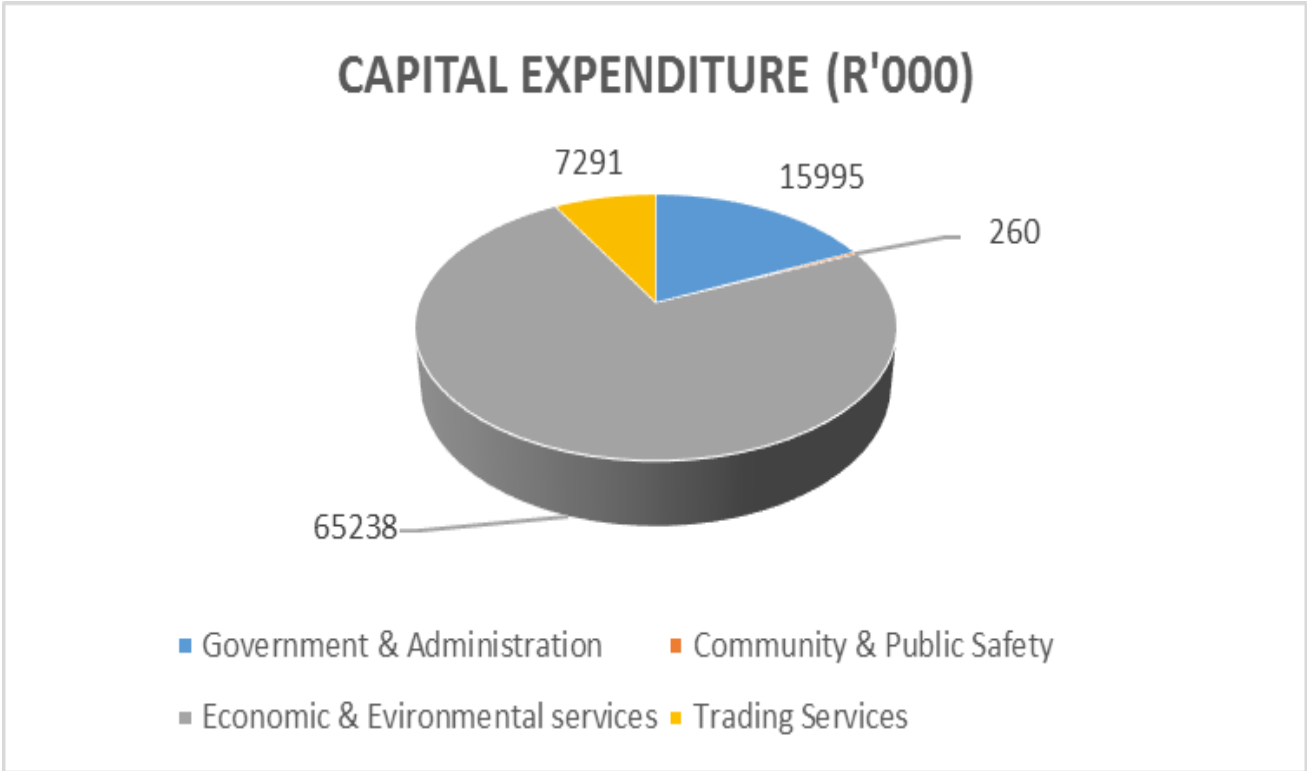
The following table provides a breakdown of budgeted capital expenditure by vote:

**Table 2 2020/21 Medium-term capital budget per vote**

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate drmin		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Strategic Planning Development		-	-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Executive & Council		1 626	-	590	1 950	3 050	-	-	1 500	1 569	1 641
Vote 2 - Budget and Treasury		10 521	19 259	12 498	2 627	2 627	-	-	7 745	8 101	8 474
Vote 3 - Corporate drmin		1 352	-	239	2 350	2 350	-	-	6 150	6 433	6 729
Vote 4 - Community Services		1 474	-	1 874	2 334	3 045	-	-	3 340	3 494	3 654
Vote 5 - Strategic Planning Development		262	-	581	1 185	1 685	-	-	1 500	1 569	1 641
Vote 6 - Infrastructure Planning & Development		40 831	51 173	46 373	92 176	75 286	-	-	61 349	38 734	40 881
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>56 065</b>	<b>70 432</b>	<b>62 154</b>	<b>102 622</b>	<b>88 044</b>	<b>-</b>	<b>-</b>	<b>81 584</b>	<b>59 900</b>	<b>63 021</b>
<b>Total Capital Expenditure - Vote</b>		<b>56 065</b>	<b>70 432</b>	<b>62 154</b>	<b>102 622</b>	<b>88 044</b>	<b>-</b>	<b>-</b>	<b>81 584</b>	<b>59 900</b>	<b>63 021</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>13 499</b>	<b>19 259</b>	<b>13 327</b>	<b>6 927</b>	<b>8 027</b>	<b>8 027</b>	<b>1 671</b>	<b>15 395</b>	<b>16 103</b>	<b>16 844</b>
Executive and council		1 626	-	590	1 950	3 050	1 170	1 500	1 569	1 641	
Finance and administration		10 521	19 259	12 737	4 977	4 977	4 977	501	13 895	14 534	15 203
Internal audit		1 352	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>586</b>	<b>-</b>	<b>1 088</b>	<b>962</b>	<b>1 673</b>	<b>1 673</b>	<b>84</b>	<b>260</b>	<b>272</b>	<b>284</b>
Community and social services		116	-	142	162	873	873	84	100	105	109
Sport and recreation		115	-	598	-	-	-	-	150	157	164
Public safety		355	-	348	800	800	800	10	10	11	
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>37 631</b>	<b>51 173</b>	<b>46 954</b>	<b>64 202</b>	<b>72 812</b>	<b>72 812</b>	<b>43 462</b>	<b>58 638</b>	<b>35 898</b>	<b>37 915</b>
Planning and development		262	-	581	1 185	1 685	1 685	557	1 500	1 569	1 641
Road transport		37 370	51 173	46 373	63 017	71 127	71 127	42 905	57 138	34 329	36 274
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>4 349</b>	<b>-</b>	<b>785</b>	<b>30 531</b>	<b>5 530</b>	<b>5 530</b>	<b>12 939</b>	<b>7 291</b>	<b>7 626</b>	<b>7 977</b>
Energy sources		3 461	-	-	29 159	4 158	4 158	11 737	4 211	4 405	4 607
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		887	-	785	1 372	1 372	1 372	1 202	3 080	3 222	3 370
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	3	<b>56 065</b>	<b>70 432</b>	<b>62 154</b>	<b>102 622</b>	<b>88 043</b>	<b>88 043</b>	<b>58 156</b>	<b>81 584</b>	<b>59 900</b>	<b>63 021</b>
<b>Funded by:</b>											
National Government		31 964	51 173	46 307	58 001	37 001	37 001	35 286	36 768	39 769	42 505
Provincial Government		-	-	-	20 305	27 905	27 905	13 105	14 520	-	-
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	<b>31 964</b>	<b>51 173</b>	<b>46 307</b>	<b>78 306</b>	<b>64 906</b>	<b>64 906</b>	<b>48 391</b>	<b>51 288</b>	<b>39 769</b>	<b>42 505</b>
<b>Borrowing</b>	6										
Internally generated funds		24 101	19 259	15 847	24 316	23 138	23 138	9 765	30 296	20 131	20 516
<b>Total Capital Funding</b>	7	<b>56 065</b>	<b>70 432</b>	<b>62 154</b>	<b>102 622</b>	<b>88 043</b>	<b>88 043</b>	<b>58 156</b>	<b>81 584</b>	<b>59 900</b>	<b>63 021</b>

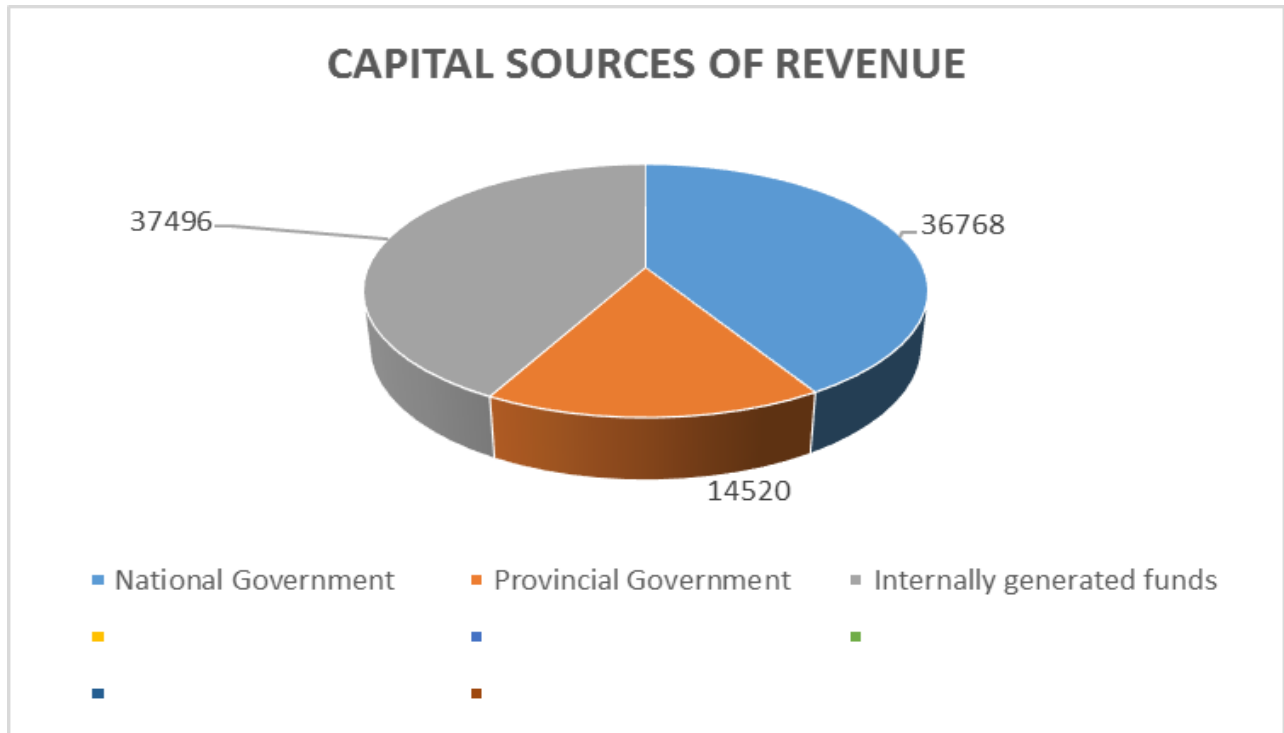
For this budget year an amount of R81.5 million has been appropriated for the development of infrastructure which represents 18 per cent of the total expenditure budget. The amount totals to R59.9 million and R63 million for the outer years.

The following graph gives a breakdown of the Capital expenditure by vote for the 2020/21 financial year.



### 1.6.1 FUNDING OF THE CAPITAL BUDGET

1. The capital programme is funded from National grants and internally generated funds from previous year surpluses. Capital transfers totals to R51.2 million and escalates to R39.7 million and R42.5 million for the two outer years.
2. The graph below illustrate the funding sources for Capital Expenditure



### 1.7 Annual Budget Tables - Elundini Municipality

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2020/21 budget and MTREF as approved by the Council.

Each table is accompanied by *explanatory notes* on the facing page.





## **Explanatory notes to Table A1 - Budget Summary**

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasizes the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognized is reflected on the Financial Performance Budget;
    - ii. Internally generated funds is financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation indicates that the municipality is paying much attention in managing of its finances mainly building of internal reserves that can be cash-backed to fund the budget.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

**Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		156 450	169 884	170 175	209 191	223 347	-	223 602	231 410	243 938
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		156 450	169 884	170 175	209 191	223 347	-	223 602	231 410	243 938
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2 888	3 417	6 592	6 437	7 148	-	7 760	4 596	4 773
Community and social services		175	1 133	2 614	3 665	4 377	-	4 861	1 564	1 601
Sport and recreation		11	-	-	21	21	-	22	23	24
Public safety		2 702	2 284	3 978	2 750	2 750	-	2 877	3 009	3 148
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		45 498	72 691	68 299	74 826	82 926	-	61 721	59 447	63 107
Planning and development		80	84	62	2 084	2 584	-	2 601	2 790	2 937
Road transport		45 419	72 607	68 238	72 741	80 341	-	59 120	56 657	60 170
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		42 045	55 237	65 867	66 267	63 947	-	72 945	72 470	73 337
Energy sources		36 769	54 552	59 744	58 807	60 907	-	65 482	64 663	65 171
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		5 276	685	6 123	7 461	3 041	-	7 463	7 807	8 166
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>246 882</b>	<b>301 228</b>	<b>310 932</b>	<b>356 721</b>	<b>377 368</b>	<b>-</b>	<b>366 029</b>	<b>367 923</b>	<b>385 156</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		113 196	136 483	127 892	172 839	142 025	-	160 551	169 221	178 359
Executive and council		29 857	30 031	45 757	50 850	51 262	-	57 674	60 788	64 071
Finance and administration		83 339	106 452	82 135	121 989	90 762	-	102 878	108 433	114 288
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		17 293	18 258	21 910	24 613	25 363	-	29 268	30 848	32 514
Community and social services		2 528	4 031	6 192	6 821	6 943	-	7 228	7 619	8 030
Sport and recreation		6 470	7 672	8 267	8 377	8 780	-	9 672	10 194	10 745
Public safety		7 525	6 554	7 451	9 414	9 639	-	12 367	13 035	13 739
Housing		769	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		42 583	21 006	57 657	57 029	58 569	-	69 189	72 925	76 863
Planning and development		8 594	7 540	7 133	14 898	16 189	-	18 760	19 773	20 840
Road transport		33 989	13 466	50 523	42 131	42 381	-	50 429	53 152	56 023
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		51 216	67 490	81 784	61 144	85 794	-	93 879	94 928	97 420
Energy sources		33 347	56 554	61 542	44 117	67 267	-	69 317	69 039	70 133
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		17 869	10 936	20 242	17 027	18 527	-	24 562	25 888	27 286
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>224 288</b>	<b>243 237</b>	<b>289 243</b>	<b>315 624</b>	<b>311 750</b>	<b>-</b>	<b>352 887</b>	<b>367 922</b>	<b>385 156</b>
<b>Surplus/(Deficit) for the year</b>		<b>22 593</b>	<b>57 991</b>	<b>21 689</b>	<b>41 096</b>	<b>65 618</b>	<b>-</b>	<b>13 142</b>	<b>1</b>	<b>0</b>

**Explanatory notes to Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is not the case for Electricity and Waste management functions. As already noted above, the municipality will be undertaking a detailed study of this function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue and Equitable share.

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

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Call investment deposits</b>											
Call deposits				66 447	107 011				52 545	55 382	58 373
Other current investments											
<b>Total Call investment deposits</b>	2	-	-	66 447	107 011	-	-	-	52 545	55 382	58 373
<b>Consumer debtors</b>											
Consumer debtors				9 015	72 120	84 861	84 861		8 918	5 388	9 057
<b>Less: Provision for debt impairment</b>											
<b>Total Consumer debtors</b>	2	-	-	9 015	72 120	84 861	84 861	-	8 918	5 388	9 057
<b>Debt impairment provision</b>											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off											
<b>Balance at end of year</b>		-	-	-	-	-	-	-	-	-	-
<b>Property, plant and equipment (PPE)</b>											
PPE at cost/valuation (excl. finance leases)				420 740	397 643	470 255	470 255		557 778	529 873	535 819
Leases recognised as PPE											
<b>Less: Accumulated depreciation</b>											
<b>Total Property, plant and equipment (PPE)</b>	2	-	-	420 740	397 643	470 255	470 255	-	557 778	529 873	535 819
<b>LIABILITIES</b>											
<b>Current liabilities - Borrowing</b>											
Short term loans (other than bank overdraft)				10 112	7 224						
Current portion of long-term liabilities											
<b>Total Current liabilities - Borrowing</b>		-	-	10 112	7 224	-	-	-	-	-	-
<b>Trade and other payables</b>											
Trade Payables				51 818	37 587	317 869	317 869		79 493	78 859	79 787
Other creditors											
Unspent conditional transfers				1 213							
VAT											
<b>Total Trade and other payables</b>	2	-	-	53 031	37 587	317 869	317 869	-	79 493	78 859	79 787
<b>Non current liabilities - Borrowing</b>											
Borrowing				17 807	805	329	329				
Finance leases (including PPP asset element)											
<b>Total Non current liabilities - Borrowing</b>	4	-	-	17 807	805	329	329	-	-	-	-
<b>Provisions - non-current</b>											
Retirement benefits				5 628	15 679	12 037	12 037				
Refuse landfill site rehabilitation											
Other											
<b>Total Provisions - non-current</b>		-	-	5 628	15 679	12 037	12 037	-	-	-	-
<b>CHANGES IN NET ASSETS</b>											
<b>Accumulated Surplus/(Deficit)</b>											
Accumulated Surplus/(Deficit) - opening balance						487 690	487 690				
GRAP adjustments											
Restated balance		-	-	-	-	487 690	487 690	-	-	-	-
Surplus/(Deficit)		22 603	57 991	21 689	73 158	65 618	65 170	-	13 143	(0)	(0)
Transfers to/from Reserves											
Depreciation offsets											
Other adjustments											
<b>Accumulated Surplus/(Deficit)</b>	1	22 603	57 991	21 689	73 158	553 308	552 860	-	13 143	(0)	(0)
<b>Reserves</b>											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
<b>Total Reserves</b>	2	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	22 603	57 991	21 689	73 158	553 308	552 860	-	13 143	(0)	(0)

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		156 460	169 884	170 048	209 191	223 347	-	223 602	231 410	243 938
Vote 3 - Corporate dmin		-	-	127	-	-	-	-	-	-
Vote 4 - Community Services		8 164	4 101	12 714	13 898	10 189	-	15 224	12 403	12 939
Vote 5 - Strategic Planning Development		80	84	62	2 084	2 584	-	2 601	2 790	2 937
Vote 6 - Infrastructure Planning & Development		82 188	127 159	127 981	131 548	141 248	-	124 602	121 320	125 341
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>246 891</b>	<b>301 229</b>	<b>310 932</b>	<b>356 721</b>	<b>377 368</b>	<b>-</b>	<b>366 029</b>	<b>367 923</b>	<b>385 156</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Expenditure by Vote		29 857	30 031	45 757	50 850	51 262	-	57 674	60 789	64 071
Vote 2 - Budget and Treasury		63 601	86 154	59 635	52 721	53 121	-	63 228	66 642	70 241
Vote 3 - Corporate dmin		19 739	20 298	22 500	69 268	37 642	-	39 649	41 790	44 047
Vote 4 - Community Services		35 162	29 193	42 152	41 639	43 889	-	53 830	56 736	59 800
Vote 5 - Strategic Planning Development		8 594	7 540	7 133	10 707	16 189	-	18 760	19 773	20 840
Vote 6 - Infrastructure Planning & Development		67 336	70 021	112 065	90 439	109 648	-	119 746	122 191	126 156
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>224 288</b>	<b>243 237</b>	<b>289 243</b>	<b>315 624</b>	<b>311 751</b>	<b>-</b>	<b>352 887</b>	<b>367 922</b>	<b>385 156</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>22 603</b>	<b>57 992</b>	<b>21 689</b>	<b>41 096</b>	<b>65 617</b>	<b>-</b>	<b>13 142</b>	<b>1</b>	<b>0</b>

### Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

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

### Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
<b>R thousand</b>	1											
<b>Revenue By Source</b>												
Property rates	2	17 218	17 501	23 203	29 932	29 932	29 932	-	31 309	32 749	34 256	
Service charges - electricity revenue	2	19 233	24 734	29 137	34 391	34 391	34 391	-	35 973	37 628	39 359	
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	
Service charges - refuse revenue	2	4 759	685	4 145	7 461	3 041	3 041	-	7 463	7 807	8 166	
Rental of facilities and equipment		1 575	1 463	8 235	9 459	9 459	9 459	-	9 894	10 349	10 825	
Interest earned - external investments		4 539	4 778	5 515	2 568	4 500	4 500	-	4 707	4 924	5 150	
Interest earned - outstanding debtors		1 804	1 899	1 970	1 369	5 618	5 618	-	1 693	1 771	1 852	
Dividends received		-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		472	368	1 166	259	259	259	-	271	284	297	
Licences and permits		2 371	2 014	2 796	2 217	2 217	2 217	-	2 318	2 425	2 537	
Agency services		-	-	-	520	520	520	-	544	569	595	
Transfers and subsidies		152 226	168 566	173 496	159 791	180 791	180 791	-	193 330	196 456	202 761	
Other revenue	2	1 308	8 946	1 287	30 000	41 285	41 285	-	26 770	32 703	36 341	
Gains		-	-	-	448	448	-	-	468	490	513	
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>205 505</b>	<b>230 953</b>	<b>250 951</b>	<b>278 415</b>	<b>312 462</b>	<b>312 014</b>	<b>-</b>	<b>314 741</b>	<b>328 154</b>	<b>342 651</b>	
<b>Expenditure By Type</b>												
Employee related costs	2	70 300	79 764	98 972	100 012	104 900	104 900	-	120 570	127 081	133 943	
Remuneration of councillors		10 229	12 028	12 028	12 736	12 736	12 736	-	13 193	13 905	14 656	
Debt impairment	3	9 185	1 686	10 085	1 773	1 773	1 773	-	5 146	5 423	5 716	
Depreciation & asset impairment	2	26 956	32 793	30 157	34 498	34 498	34 498	-	33 000	34 782	36 660	
Finance charges		1 205	1 370	1 489	56	56	56	-	209	220	232	
Bulk purchases	2	21 295	20 023	20 821	30 757	30 757	30 757	-	23 000	24 242	25 551	
Other materials	8	9 619	13 480	-	1 705	1 902	1 902	-	1 759	1 854	1 955	
Contracted services		2 727	2 380	69 241	47 295	70 801	70 801	-	97 829	98 983	101 586	
Transfers and subsidies		-	-	2 428	-	-	-	-	-	-	-	
Other expenditure	4, 5	72 770	79 714	42 763	54 731	54 327	54 327	-	58 180	61 432	64 857	
Losses		-	-	1 259	-	-	-	-	-	-	-	
<b>Total Expenditure</b>		<b>224 288</b>	<b>243 237</b>	<b>289 243</b>	<b>283 563</b>	<b>311 750</b>	<b>311 750</b>	<b>-</b>	<b>352 886</b>	<b>367 922</b>	<b>385 156</b>	
<b>Surplus/(Deficit)</b>		<b>(18 783)</b>	<b>(12 284)</b>	<b>(38 292)</b>	<b>(5 148)</b>	<b>712</b>	<b>264</b>	<b>-</b>	<b>(38 145)</b>	<b>(39 768)</b>	<b>(42 505)</b>	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		41 386	70 276	59 981	78 306	64 906	64 906	-	51 288	39 769	42 505	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>	
Taxation		-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after taxation</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>	
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) attributable to municipality</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>	
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) for the year</b>		<b>22 603</b>	<b>57 991</b>	<b>21 689</b>	<b>73 158</b>	<b>65 618</b>	<b>65 170</b>	<b>-</b>	<b>13 143</b>	<b>1</b>	<b>(0)</b>	

**Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)**

3. Total revenue is 314 million in the budget year and escalates to R328 million and R342 for the outer years.
4. Revenue to be generated from property rates is R31.3 million in the budget year and increases to R32.7 million and R32.4 million in the outer years. The property Rates represents 5.7 per cent of the operating revenue base of the municipality and clearly shows that the municipality is grant depended it cannot sustain itself should the grants be taken away.
5. Services charges relating to electricity, and refuse removal constitutes the biggest component of the revenue basket of the municipality totaling R37.6 million in the budget year and increasing to R39.3 million and R41.1 million for the outer years. For the budget year services charges amount to 8 per cent of the total revenue base and grows by 9 per cent per annum over the medium-term.
6. Transfers recognized – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are decreasing over the MTREF.



**Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-	-
Vote 3 - Corporate dmin		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Strategic Planning Development		-	-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - Executive & Council		1 626	-	590	1 950	3 050	-	-	1 500	1 569	1 641
Vote 2 - Budget and Treasury		10 521	19 259	12 498	2 627	2 627	-	-	8 345	8 206	8 583
Vote 3 - Corporate dmin		1 352	-	239	2 350	2 350	-	-	6 150	6 328	6 619
Vote 4 - Community Services		1 474	-	1 874	2 334	3 045	-	-	3 340	3 494	3 654
Vote 5 - Strategic Planning Development		262	-	581	1 185	1 685	-	-	1 500	1 569	1 641
Vote 6 - Infrastructure Planning & Development		40 831	51 173	46 373	92 176	75 286	-	-	67 949	38 734	40 881
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>56 065</b>	<b>70 432</b>	<b>62 154</b>	<b>102 622</b>	<b>88 044</b>	<b>-</b>	<b>-</b>	<b>88 784</b>	<b>59 900</b>	<b>63 021</b>
<b>Total Capital Expenditure - Vote</b>		<b>56 065</b>	<b>70 432</b>	<b>62 154</b>	<b>102 622</b>	<b>88 044</b>	<b>-</b>	<b>-</b>	<b>88 784</b>	<b>59 900</b>	<b>63 021</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>13 499</b>	<b>19 259</b>	<b>13 327</b>	<b>6 927</b>	<b>8 027</b>	<b>-</b>	<b>-</b>	<b>15 995</b>	<b>16 103</b>	<b>16 844</b>
Executive and council		1 626	-	590	1 950	3 050	-	-	1 500	1 569	1 641
Finance and administration		10 521	19 259	12 737	4 977	4 977	-	-	14 495	14 534	15 203
Internal audit		1 352	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>586</b>	<b>-</b>	<b>1 088</b>	<b>962</b>	<b>1 673</b>	<b>-</b>	<b>-</b>	<b>260</b>	<b>272</b>	<b>284</b>
Community and social services		116	-	142	162	873	-	-	100	105	109
Sport and recreation		115	-	598	-	-	-	-	150	157	164
Public safety		355	-	348	800	800	-	-	10	10	11
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>37 631</b>	<b>51 173</b>	<b>46 954</b>	<b>64 202</b>	<b>72 812</b>	<b>-</b>	<b>-</b>	<b>65 238</b>	<b>35 898</b>	<b>37 915</b>
Planning and development		262	-	581	1 185	1 685	-	-	1 500	1 569	1 641
Road transport		37 370	51 173	46 373	63 017	71 127	-	-	63 738	34 329	36 274
Environmental protection		-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>4 349</b>	<b>-</b>	<b>785</b>	<b>30 531</b>	<b>5 530</b>	<b>-</b>	<b>-</b>	<b>7 291</b>	<b>7 626</b>	<b>7 977</b>
Energy sources		3 461	-	-	29 159	4 158	-	-	4 211	4 405	4 607
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		887	-	785	1 372	1 372	-	-	3 080	3 222	3 370
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	3	<b>56 065</b>	<b>70 432</b>	<b>62 154</b>	<b>102 622</b>	<b>88 043</b>	<b>-</b>	<b>-</b>	<b>88 784</b>	<b>59 900</b>	<b>63 021</b>
<b>Funded by:</b>											
National Government		31 964	51 173	46 307	58 001	37 001	-	-	36 768	39 769	42 505
Provincial Government		-	-	-	20 305	27 905	-	-	14 520	-	-
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	<b>31 964</b>	<b>51 173</b>	<b>46 307</b>	<b>78 306</b>	<b>64 906</b>	<b>-</b>	<b>-</b>	<b>51 288</b>	<b>39 769</b>	<b>42 505</b>
<b>Borrowing</b>	6										
Internally generated funds		24 101	19 259	15 847	24 316	23 138	-	-	37 496	20 131	20 516
<b>Total Capital Funding</b>	7	<b>56 065</b>	<b>70 432</b>	<b>62 154</b>	<b>102 622</b>	<b>88 043</b>	<b>-</b>	<b>-</b>	<b>88 784</b>	<b>59 900</b>	<b>63 021</b>

**Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

3. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
4. Single-year capital expenditure has been appropriated at R88.7 million for the budget year and R59.9 million and R63 million for the two outer years.
5. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

**Table A6 - Budgeted Financial Position**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		5 383	2 259	10 678	5 552	17 831	17 831	671	6 593	14 419	13 161
Call investment deposits	1	-	-	66 447	107 011	-	-	87 068	73 000	90 000	94 500
Consumer debtors	1	-	-	9 015	72 120	84 861	84 861	-	24 384	31 008	24 943
Other debtors		2 782	5 323	21 562	11 734	282 427	282 427	13 485	11 343	11 908	12 501
Current portion of long-term receivables		12 079	24 789	-	-	-	-	-	-	-	-
Inventory	2	-	-	178	299	(85)	(85)	(85)	85	85	85
<b>Total current assets</b>		<b>20 244</b>	<b>32 371</b>	<b>107 880</b>	<b>196 716</b>	<b>385 034</b>	<b>385 034</b>	<b>101 139</b>	<b>115 404</b>	<b>147 420</b>	<b>145 189</b>
<b>Non current assets</b>											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		36 160	36 083	46 067	36 199	46 067	46 067	46 067	42 007	37 760	33 318
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	-	-	420 740	397 643	470 255	470 255	-	518 988	547 918	578 427
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		-	-	-	-	-	-	6	7	7	7
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>36 160</b>	<b>36 083</b>	<b>466 807</b>	<b>433 842</b>	<b>516 322</b>	<b>516 322</b>	<b>46 073</b>	<b>561 002</b>	<b>585 685</b>	<b>611 752</b>
<b>TOTAL ASSETS</b>		<b>56 404</b>	<b>68 454</b>	<b>574 687</b>	<b>630 558</b>	<b>901 356</b>	<b>901 356</b>	<b>147 213</b>	<b>676 406</b>	<b>733 105</b>	<b>756 941</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	-	-	10 112	7 224	-	-	-	-	-	-
Consumer deposits		402	399	386	643	377	377	377	377	377	377
Trade and other payables	4	-	-	53 031	37 587	317 869	317 869	-	59 450	85 043	60 176
Provisions		6 867	7 768	-	6 857	17 835	17 835	17 835	5 277	5 277	5 277
<b>Total current liabilities</b>		<b>7 268</b>	<b>8 167</b>	<b>63 529</b>	<b>52 310</b>	<b>336 080</b>	<b>336 080</b>	<b>18 212</b>	<b>65 104</b>	<b>90 697</b>	<b>65 830</b>
<b>Non current liabilities</b>											
Borrowing		-	-	17 807	805	329	329	-	-	-	-
Provisions		-	-	5 628	15 679	12 037	12 037	-	19 151	19 151	19 151
<b>Total non current liabilities</b>		<b>-</b>	<b>-</b>	<b>23 436</b>	<b>16 484</b>	<b>12 366</b>	<b>12 366</b>	<b>-</b>	<b>19 151</b>	<b>19 151</b>	<b>19 151</b>
<b>TOTAL LIABILITIES</b>		<b>7 268</b>	<b>8 167</b>	<b>86 964</b>	<b>68 794</b>	<b>348 446</b>	<b>348 446</b>	<b>18 212</b>	<b>84 255</b>	<b>109 848</b>	<b>84 981</b>
<b>NET ASSETS</b>	5	<b>49 136</b>	<b>60 287</b>	<b>487 723</b>	<b>561 764</b>	<b>552 910</b>	<b>552 910</b>	<b>129 001</b>	<b>592 151</b>	<b>623 257</b>	<b>671 960</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		49 136	60 513	487 723	561 764	552 910	552 910	584 878	592 151	623 257	671 960
Reserves	4	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>49 136</b>	<b>60 513</b>	<b>487 723</b>	<b>561 764</b>	<b>552 910</b>	<b>552 910</b>	<b>584 878</b>	<b>592 151</b>	<b>623 257</b>	<b>671 960</b>

**Explanatory notes to Table A6 - Budgeted Financial Position**

- Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
- This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
- Table A6s supported by an extensive table of notes (SA3 ) providing a detailed analysis of the major components of a number of items, including:
  - Call investments deposits;
  - Consumer debtors;
  - Property, plant and equipment;
  - Trade and other payables;
  - Provisions noncurrent;
  - Changes in net assets; and
  - Reserves
- The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		13 338	43 140	27 461	28 435	28 435	28 435	16 745	30 370	29 121	33 228
Service charges		15 400		27 628	39 759	39 759	39 759	13 243	36 451	34 942	39 853
Other revenue		4 695		27 158	41 833	41 833	41 833	1 916	39 796	35 913	39 699
Transfers and Subsidies - Operational	1	151 357	168 566	171 427	159 791	162 291	162 291	116 259	193 330	206 873	213 657
Transfers and Subsidies - Capital	1	41 386	70 276	64 786	78 306	85 906	85 906	49 858	51 288	39 769	42 505
Interest		6 342	8 139	5 515	3 868	3 868	3 868	3 244	6 400	6 694	7 002
Dividends					-		-	-	-	-	-
<b>Payments</b>											
Suppliers and employees		(186 455)	(209 328)	241 483	(247 236)	(311 694)	(311 694)	357 655	(293 448)	(281 271)	(319 607)
Finance charges		(87)	(1 702)	51	(56)	(56)	(56)	(273)	(209)	(202)	(232)
Transfers and Grants	1			2 428	-			18 862	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>45 976</b>	<b>79 091</b>	<b>567 937</b>	<b>104 701</b>	<b>50 343</b>	<b>50 343</b>	<b>577 509</b>	<b>63 978</b>	<b>71 840</b>	<b>56 105</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		440	1 034	(61 952)				-	-	-	-
Decrease (increase) in non-current receivables								-	-	-	-
Decrease (increase) in non-current investments								(46 067)	-	-	-
<b>Payments</b>											
Capital assets		(56 065)	(63 001)		(102 622)	(88 043)	(88 043)	(459 520)	(74 920)	(47 014)	(52 864)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(55 625)</b>	<b>(61 967)</b>	<b>(61 952)</b>	<b>(102 622)</b>	<b>(88 043)</b>	<b>(88 043)</b>	<b>(505 587)</b>	<b>(74 920)</b>	<b>(47 014)</b>	<b>(52 864)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans								-	-	-	-
Borrowing long term/refinancing								329	-	-	-
Increase (decrease) in consumer deposits				1				377	-	-	-
<b>Payments</b>											
Repayment of borrowing		(148)		208					-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(148)</b>	<b>-</b>	<b>208</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>706</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(9 798)</b>	<b>17 124</b>	<b>506 193</b>	<b>2 079</b>	<b>(37 700)</b>	<b>(37 700)</b>	<b>72 628</b>	<b>(10 942)</b>	<b>24 826</b>	<b>3 242</b>
Cash/cash equivalents at the year begin:	2	51 716	41 932	59 271	112 563	112 563	112 563	(16 947)	90 535	79 593	104 419
Cash/cash equivalents at the year end:	2	41 918	59 055	565 464	114 642	74 863	74 863	55 681	79 593	104 419	107 661

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>											
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	41 918	59 055	565 464	114 642	74 863	74 863	55 681	79 593	104 419	107 661
Other current investments > 90 days		(36 535)	(56 796)	(488 339)	(2 079)	(57 032)	(57 032)	32 058	0	0	0
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>5 383</b>	<b>2 259</b>	<b>77 125</b>	<b>112 563</b>	<b>17 831</b>	<b>17 831</b>	<b>87 739</b>	<b>79 593</b>	<b>104 419</b>	<b>107 661</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		-	-	1 213	-	-	-	-	1 048	1 048	1 048
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(1 908)	(3 986)	16 861	(42 220)	(1 032)	(1 032)	-	28 692	50 019	27 667
Other provisions		-	-	-	6 857	6 857	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>(1 908)</b>	<b>(3 986)</b>	<b>18 074</b>	<b>(35 363)</b>	<b>5 825</b>	<b>(1 032)</b>	<b>-</b>	<b>29 741</b>	<b>51 067</b>	<b>28 715</b>
<b>Surplus(shortfall)</b>		<b>7 291</b>	<b>6 245</b>	<b>59 051</b>	<b>147 926</b>	<b>12 006</b>	<b>18 863</b>	<b>87 739</b>	<b>49 853</b>	<b>53 352</b>	<b>78 946</b>

Choose name from list - Table A9 Asset Management

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>										
<b>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	56 065	70 432	--	94 641	88 043	--	88 784	59 900	63 021
Roads Infrastructure		17 796	51 173	--	51 324	67 181	--	64 288	34 329	35 908
Storm water Infrastructure		14 168	--	--	--	4 159	--	4 211	4 405	4 607
Electrical Infrastructure		3 394	--	--	29 159	--	--	--	--	--
Water Supply Infrastructure		--	--	--	--	--	--	--	--	--
Sanitation Infrastructure		--	--	--	--	--	--	--	--	--
Solid Waste Infrastructure		--	--	--	--	--	--	--	--	--
Rail Infrastructure		--	--	--	--	--	--	--	--	--
Coastal Infrastructure		--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure		--	--	--	--	--	--	--	--	--
<b>Infrastructure</b>		35 358	51 173	--	80 483	71 340	--	68 499	38 734	40 515
Community Facilities		--	--	--	1 500	4 591	--	--	--	--
Sport and Recreation Facilities		--	--	--	--	--	--	--	--	--
<b>Community Assets</b>		--	--	--	1 500	4 591	--	--	--	--
<b>Heritage Assets</b>		--	--	--	--	--	--	--	--	--
Revenue Generating		--	--	--	--	--	--	--	--	--
Non-revenue Generating		--	--	--	--	--	--	--	--	--
<b>Investment properties</b>		--	--	--	--	--	--	--	--	--
Operational Buildings		20 707	19 259	--	2 483	2 033	--	6 400	6 694	7 002
Housing		--	--	--	--	--	--	--	--	--
<b>Other Assets</b>		20 707	19 259	--	2 483	2 033	--	6 400	6 694	7 002
<b>Biological or Cultivated Assets</b>		--	--	--	--	--	--	--	--	--
Servitudes		--	--	--	--	--	--	--	--	--
Licences and Rights		--	--	--	1 800	--	--	1 430	1 496	1 565
<b>Intangible Assets</b>		--	--	--	1 800	--	--	1 430	1 496	1 565
Computer Equipment		--	--	--	1 914	1 219	--	--	--	--
Furniture and Office Equipment		--	--	--	484	2 706	--	--	--	--
<b>Machinery and Equipment</b>		--	--	--	2 277	2 605	--	9 445	9 828	10 645
<b>Transport Assets</b>		--	--	--	3 700	3 550	--	3 010	3 148	3 293
Land		--	--	--	--	--	--	--	--	--
Zoo's, Marine and Non-biological Animals		--	--	--	--	--	--	--	--	--
<b>Total Renewal of Existing Assets</b>	2	--	--	--	--	--	--	--	--	--
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	--	--	--	--	--	--
Water Supply Infrastructure		--	--	--	--	--	--	--	--	--
Sanitation Infrastructure		--	--	--	--	--	--	--	--	--
Solid Waste Infrastructure		--	--	--	--	--	--	--	--	--
Rail Infrastructure		--	--	--	--	--	--	--	--	--
Coastal Infrastructure		--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure		--	--	--	--	--	--	--	--	--
<b>Infrastructure</b>		--	--	--	--	--	--	--	--	--
Community Facilities		--	--	--	--	--	--	--	--	--
Sport and Recreation Facilities		--	--	--	--	--	--	--	--	--
<b>Community Assets</b>		--	--	--	--	--	--	--	--	--
<b>Heritage Assets</b>		--	--	--	--	--	--	--	--	--
Revenue Generating		--	--	--	--	--	--	--	--	--
Non-revenue Generating		--	--	--	--	--	--	--	--	--
<b>Investment properties</b>		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	--	--	--	--	--	--
Housing		--	--	--	--	--	--	--	--	--
<b>Other Assets</b>		--	--	--	--	--	--	--	--	--
<b>Biological or Cultivated Assets</b>		--	--	--	--	--	--	--	--	--
Servitudes		--	--	--	--	--	--	--	--	--
Licences and Rights		--	--	--	--	--	--	--	--	--
<b>Intangible Assets</b>		--	--	--	--	--	--	--	--	--
Computer Equipment		--	--	--	--	--	--	--	--	--
Furniture and Office Equipment		--	--	--	--	--	--	--	--	--
<b>Machinery and Equipment</b>		--	--	--	--	--	--	--	--	--
<b>Transport Assets</b>		--	--	--	--	--	--	--	--	--
Land		--	--	--	--	--	--	--	--	--
Zoo's, Marine and Non-biological Animals		--	--	--	--	--	--	--	--	--
<b>Total Upgrade of Existing Assets</b>	6	--	--	--	7 981	--	--	--	--	--
Roads Infrastructure		--	--	--	7 981	--	--	--	--	--
Storm water Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	--	--	--	--	--	--	--	--
Water Supply Infrastructure		--	--	--	--	--	--	--	--	--
Sanitation Infrastructure		--	--	--	--	--	--	--	--	--
Solid Waste Infrastructure		--	--	--	--	--	--	--	--	--
Rail Infrastructure		--	--	--	--	--	--	--	--	--
Coastal Infrastructure		--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure		--	--	--	--	--	--	--	--	--
<b>Infrastructure</b>		--	--	--	7 981	--	--	--	--	--
Community Facilities		--	--	--	--	--	--	--	--	--
Sport and Recreation Facilities		--	--	--	--	--	--	--	--	--
<b>Community Assets</b>		--	--	--	--	--	--	--	--	--
<b>Heritage Assets</b>		--	--	--	--	--	--	--	--	--
Revenue Generating		--	--	--	--	--	--	--	--	--
Non-revenue Generating		--	--	--	--	--	--	--	--	--
<b>Investment properties</b>		--	--	--	--	--	--	--	--	--
Operational Buildings		--	--	--	--	--	--	--	--	--
Housing		--	--	--	--	--	--	--	--	--
<b>Other Assets</b>		--	--	--	--	--	--	--	--	--
<b>Biological or Cultivated Assets</b>		--	--	--	--	--	--	--	--	--
Servitudes		--	--	--	--	--	--	--	--	--
Licences and Rights		--	--	--	--	--	--	--	--	--
<b>Intangible Assets</b>		--	--	--	--	--	--	--	--	--
Computer Equipment		--	--	--	--	--	--	--	--	--
Furniture and Office Equipment		--	--	--	--	--	--	--	--	--
<b>Machinery and Equipment</b>		--	--	--	--	--	--	--	--	--
<b>Transport Assets</b>		--	--	--	--	--	--	--	--	--
Land		--	--	--	--	--	--	--	--	--
Zoo's, Marine and Non-biological Animals		--	--	--	--	--	--	--	--	--
<b>Total Capital Expenditure</b>	4	56 065	70 432	--	102 622	88 043	--	88 784	59 900	63 021
Roads Infrastructure		17 796	51 173	--	59 305	67 181	--	64 288	34 329	35 908
Storm water Infrastructure		14 168	--	--	--	4 159	--	4 211	4 405	4 607
Electrical Infrastructure		3 394	--	--	29 159	--	--	--	--	--
Water Supply Infrastructure		--	--	--	--	--	--	--	--	--
Sanitation Infrastructure		--	--	--	--	--	--	--	--	--
Solid Waste Infrastructure		--	--	--	--	--	--	--	--	--
Rail Infrastructure		--	--	--	--	--	--	--	--	--
Coastal Infrastructure		--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure		--	--	--	--	--	--	--	--	--
<b>Infrastructure</b>		35 358	51 173	--	88 464	71 340	--	68 499	38 734	40 515
Community Facilities		--	--	--	1 500	4 591	--	--	--	--
Sport and Recreation Facilities		--	--	--	--	--	--	--	--	--
<b>Community Assets</b>		--	--	--	1 500	4 591	--	--	--	--
<b>Heritage Assets</b>		--	--	--	--	--	--	--	--	--
Revenue Generating		--	--	--	--	--	--	--	--	--
Non-revenue Generating		--	--	--	--	--	--	--	--	--
<b>Investment properties</b>		--	--	--	--	--	--	--	--	--
Operational Buildings		20 707	19 259	--	2 483	2 033	--	6 400	6 694	7 002
Housing		--	--	--	--	--	--	--	--	--
<b>Other Assets</b>		20 707	19 259	--	2 483	2 033	--	6 400	6 694	7 002
<b>Biological or Cultivated Assets</b>		--	--	--	--	--	--	--	--	--
Servitudes		--	--	--	--	--	--	--	--	--
Licences and Rights		--	--	--	1 800	--	--	1 430	1 496	1 565
<b>Intangible Assets</b>		--	--	--	1 800	--	--	1 430	1 496	1 565
Computer Equipment		--	--	--	1 914	1 219	--	--	--	--
Furniture and Office Equipment		--	--	--	484	2 706	--	--	--	--
<b>Machinery and Equipment</b>		--	--	--	2 277	2 605	--	9 445	9 828	10 645
<b>Transport Assets</b>		--	--	--	3 700	3 550	--	3 010	3 148	3 293
Land		--	--	--	--	--	--	--	--	--
Zoo's, Marine and Non-biological Animals		--	--	--	--	--	--	--	--	--
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		56 065	70 432	--	102 622	88 043	--	88 784	59 900	63 021

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min. service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min. service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min. service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min. service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min. service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min. service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min. service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min. service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min. service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	3 092	3 092	3 092	3 235	3 383	3 539
Refuse (removed once a week for indigent households)		-	-	-	2 471	2 471	2 471	2 585	2 704	2 828
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>		-	-	-	-	-	-	-	-	-
<b>Total cost of FBS provided</b>		-	-	-	5 564	5 564	5 564	5 820	6 087	6 367
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		-	-	-	2 229	2 229	2 229	10 000	10 460	10 941
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
<b>Total revenue cost of subsidised services provided</b>	6	-	-	-	2 229	2 229	2 229	10 000	10 460	10 941

Choose name from list - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewage:</b>										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Energy:</b>										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per indigent household per month)		-	-	-	3 092	3 092	3 092	3 235	3 383	3 539
Refuse (removed once a week for indigent households)		-	-	-	2 471	2 471	2 471	2 585	2 704	2 828
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>		-	-	-	-	-	-	-	-	-
<b>Total cost of FBS provided</b>		-	-	-	<b>5 564</b>	<b>5 564</b>	<b>5 564</b>	<b>5 820</b>	<b>6 087</b>	<b>6 367</b>
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA					2 229	2 229	2 229	10 000	10 460	10 941
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removed a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total revenue cost of subsidised services provided</b>	6	-	-	-	<b>2 229</b>	<b>2 229</b>	<b>2 229</b>	<b>10 000</b>	<b>10 460</b>	<b>10 941</b>



## **Part 2 – Supporting Documentation**

### **3.1 Overview of the annual budget process**

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

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

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

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

#### **3.1.1 Budget Process Overview**

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in September 2018) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule on 30 September 2019. Key dates applicable to the process were:

- **September 2019** – Joint strategic planning session of the Mayoral Committee and Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritization criteria for the compilation of the 2011/12 MTREF;
- **July/Aug 2019** – Detail departmental budget proposals (capital and operating) submitted to the Budget and Treasury Office for consolidation and assessment against the financial planning guidelines;
- **August 2019** - Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;

- **January 2020** – Multi-year budget proposals are submitted to the Mayoral Committee for endorsement;
- **February 2020** - Council considers the 2019/20 Mid-year Review and Adjustments Budget;
- 
- **March 2020** - Recommendations of the Executive Committee are communicated to the Budget Steering Committee, and on to the respective departments. The draft 2020/21 MTREF is revised accordingly;
- **29 March 2020** - Tabling in Council of the draft 2019/20 IDP and 2021/2022 MTREF for public consultation;
- **May 2018** – Public consultation;
- **April 2018** - Closing date for written comments;
- **June 2018** – finalization of the 2020/24 IDP and 2019/20 to 2021/2022 MTREF, taking into consideration comments received from the public, comments from National Treasury, and updated information from the most recent Division of Revenue Bill and financial framework; and
- **June 2018** - Approval of the 2020/2021-2022/2023 MTREF before Council for consideration and approval.

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

### **3.1.2 IDP and Service Delivery and Budget Implementation Plan**

This is the fifth review of the IDP as adopted by Council in June 2020. It started in September 2019 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2021/23 MTREF in September.

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

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

The IDP has been taken into a business and financial planning process leading up to the 2020/21 MTREF, based on the approved 2018/19 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2020/23 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2019/20 Departmental Service Delivery and Budget

Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

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

As part of the compilation of the 2021/23 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2021/23 MTREF:

- Municipality's growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2019/20 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 99 has been taken into consideration in the planning and prioritisation process.

### **3.1.4 Community Consultation**

The final 2021/23 MTREF as tabled before Council on 31 March 2020 for community consultation was published on the municipality's website, and hard copies were made available at customer care offices, municipal notice boards and various libraries. In addition a further development of this year's consultation process included the launch of E-based consultation. E-mail notifications were sent to all organisations on the municipality's database, including ratepayer associations, community-based organisations and organised business. The opportunity to give electronic feedback was also communicated on the Municipality's website, and the Municipality's call centre was engaged in collecting inputs via e-mail, fax and SMS.

All documents in the appropriate format (electronic and printed) were provided to National Treasury, and other national and provincial departments in accordance with section 23 of the MFMA, to provide an opportunity for them to make inputs.

Ward Committees were utilised to facilitate the community consultation process from 23 to 29 May 2020, and included nine public briefing sessions. The applicable dates and venues were published in all the local newspapers and on average attendance of 5000 was recorded per meeting. This is up on the previous year's process. This can be attributed to the additional initiatives that were launched during the consultation process, including the specific targeting of ratepayer associations. Individual sessions were scheduled with organised business and imbizo's were held to further ensure transparency and interaction. Other stakeholders involved in the consultation included churches, non-governmental institutions and community-based organisations.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and individual capital projects were addressed, and where relevant considered as part of the finalisation of the 2021/23 MTREF. Feedback and responses to the submissions received are available on request.

### **3.2 Overview of alignment of annual budget with IDP**

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

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

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

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

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

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

- Green Paper on National Strategic Planning ;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);

- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2021 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2020/2021 MTREF and further planning refinements that have directly informed the compilation of the budget:

**Table 3 IDP Strategic Objectives**

<b>2019/20 Financial Year</b>		<b>2020/21 MTREF</b>	
1.	Accelerate service delivery and infrastructure development	1.	Accelerate service delivery and infrastructure development
2.	Promote economic growth, environment sustainability and creation of decent jobs	2.	Promote economic growth, environmental sustainability and creation of decent jobs
3.	To improve the effectiveness of governance administrative and financial systems	3.	To improve the effectiveness of governance administrative and financial systems

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
  - Provide electricity;
  - Provide waste removal;
  - Provide roads and storm water;
  - Maintaining the infrastructure of the Municipality.
2. Economic growth and development that leads to sustainable job creation by:
  - Ensuring there is a clear structural plan for the Municipality;
  - Ensuring planning processes function in accordance with set timeframes;
  - Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
  - Effective implementation of the Indigent Policy;

- Working with the provincial department of health to provide primary health care services;
  - Extending waste removal services and ensuring effective city cleansing;
  - Ensuring all waste water treatment works are operating optimally;
  - Working with strategic partners such as SAPS to address crime;
  - Ensuring safe working environments by effective enforcement of building and health regulations;
  - Promote viable, sustainable communities through proper zoning; and
  - Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.2 Integrated Social Services for empowered and sustainable communities
- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:
- Optimizing effective community participation in the ward committee system; and
  - Implementing Batho Pele in the revenue management strategy.
- 5.1 Promote sound governance through:
- Publishing the outcomes of all tender processes on the municipal website
- 5.2 Ensure financial sustainability through:
- Reviewing the use of contracted services
  - Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan
- 5.3 Optimal institutional transformation to ensure capacity to achieve set objectives
- Review of the organizational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2021/23 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

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

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand												
Efficient constructio, rehanilitation and maintenance of municipal infrastructure	Accelerate service delivery and infrastructure development			156 450	169 884		145 446			139 826	133 722	138 280
Support the development of SMME's to participate in a diversified and growing economy	Promote sustainable economic growth and creation of decent jobs			80	84		2 084			2 601	2 790	2 937
Strengthen intergrated planning, monitoring and evaluation of municipal bylaws	Improve the effectiveness of governance, administrative and financial systems			47 844	79 394		209 191			223 603	231 410	243 939
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	204 374	249 362	-	356 721	-	-	366 030	367 922	385 156



**Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure**

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousand													
Efficient construction, rehabilitation and maintenance of municipal infrastructure	Accelerate service delivery and infrastructure development			(41 956)	(65 130)		127 887			173 576	178 927	185 956	
Support the development of SMME's to participate in a diversified and growing economy	Promote sustainable economic growth and creation of decent jobs			8 594	7 540		14 898			18 760	19 773	20 840	
Strengthen integrated planning, monitoring and evaluation of municipal bylaws	Improve the effectiveness of governance, administrative and financial systems			63 601	86 154		140 778			160 551	169 222	178 359	
<b>Allocations to other priorities</b>													
<b>Total Expenditure</b>				1	30 239	28 564	-	283 563	-	-	352 887	367 922	385 156

**Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital e**

Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousand													
Efficient construction, rehabilitation and maintenance of municipal infrastructure	Accelerate service delivery and infrastructure development	A		10 783	33 626		94 510				71 289	42 227	44 536
		B											
		C											
		D											
		E											
Support the development of SMME's to participate in a diversified and growing economy	Promote sustainable economic growth and creation of decent jobs	F		34 761	17 547		1 185				1 500	1 569	1 641
		G											
		H											
		I											
Strengthen integrated planning, monitoring and evaluation of municipal bylaws	Improve the effectiveness of governance, administrative and financial systems	J		10 521	19 259		6 927				15 995	16 103	16 844
		K											
		L											
		M											
		N											
		O											
		P											
Allocations to other priorities			3										
<b>Total Capital Expenditure</b>			1	<b>56 065</b>	<b>70 432</b>	<b>-</b>	<b>102 622</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>88 784</b>	<b>59 900</b>	<b>63 021</b>

### 3.3 Measurable performance objectives and indicators

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

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

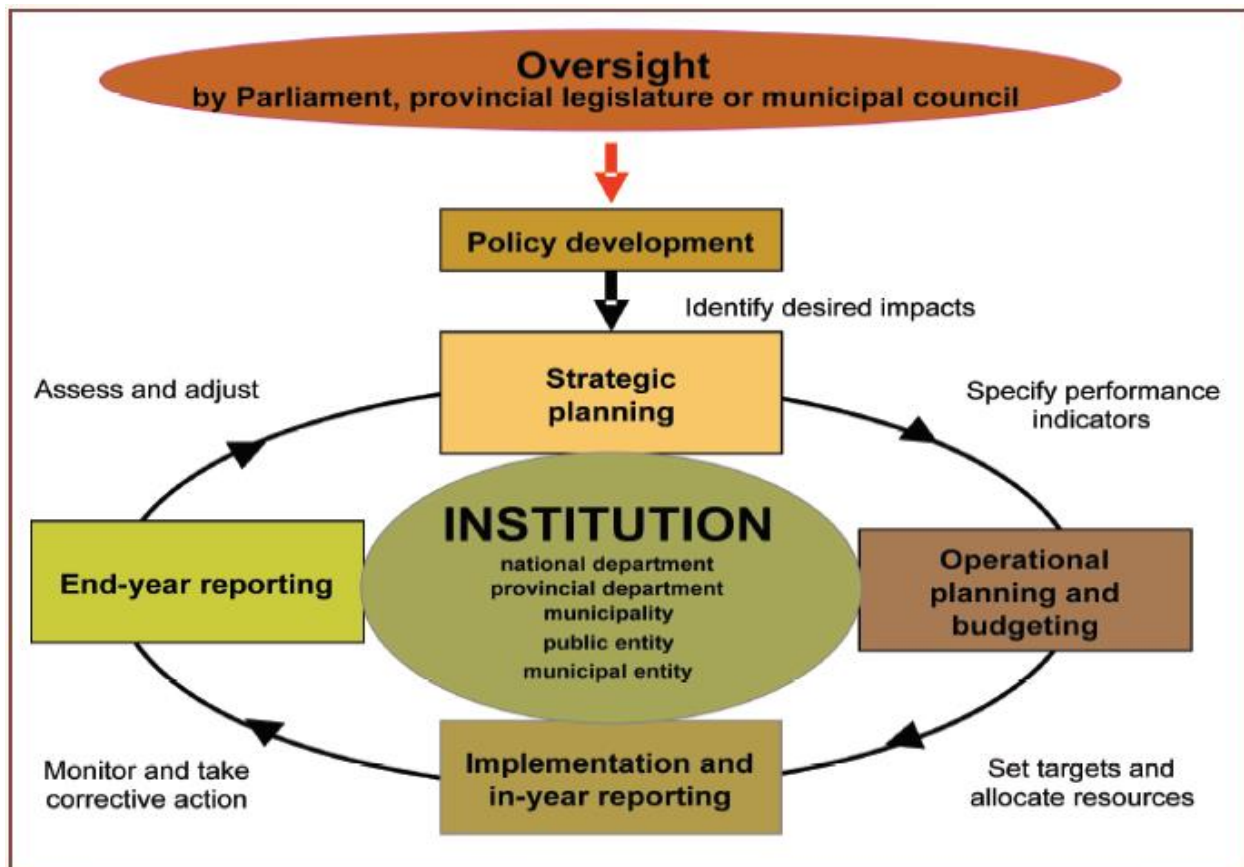
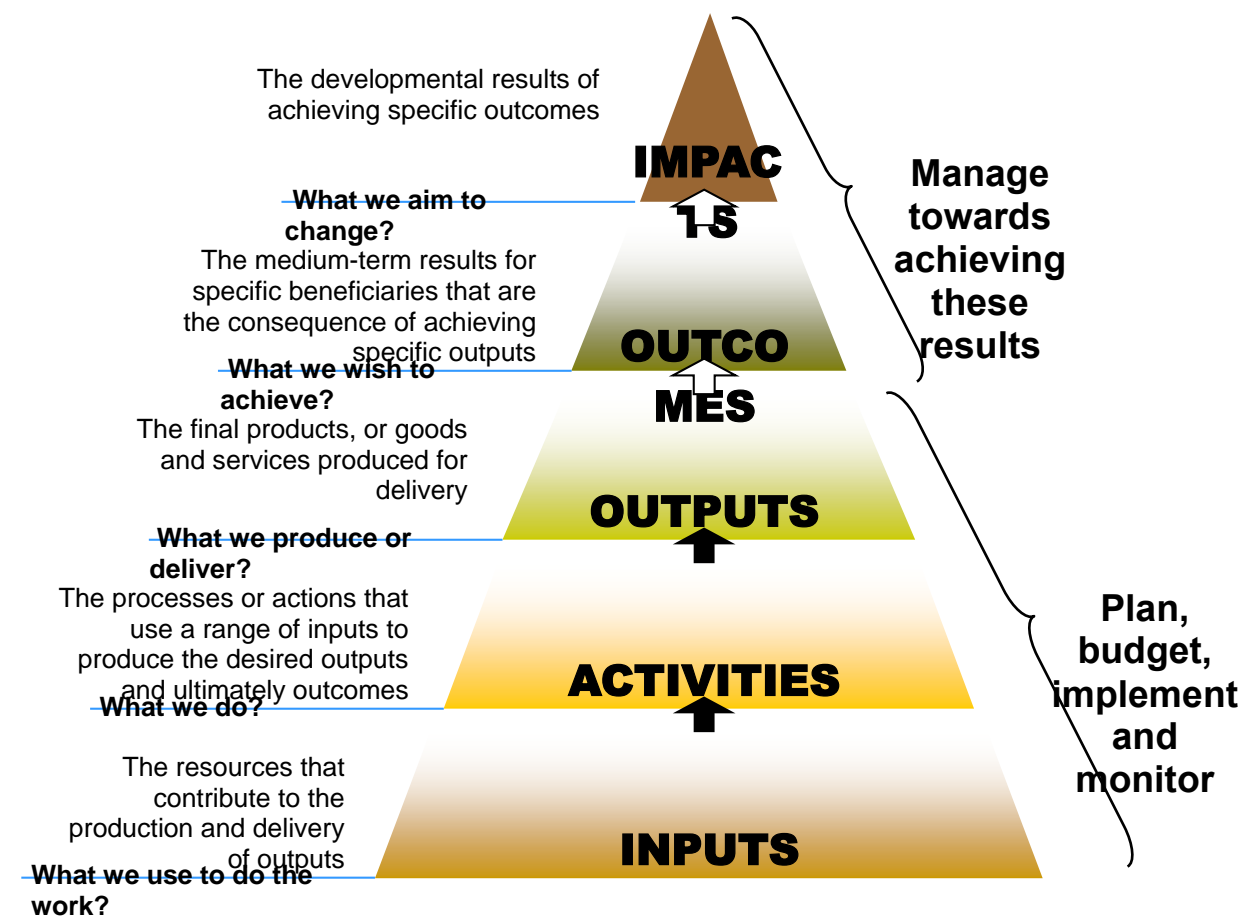


Figure 1 Planning, budgeting and reporting cycle

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

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

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



**Figure 2 Definition of performance information concepts**

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.



The following table sets out the municipalities the municipality's performance objectives for the MTREF.

**Table SA7 Performance indicators and benchmarks**



Choose name from list - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Borrowing Management</b>											
<b>Credit Rating</b>											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.6%	0.6%	0.4%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	2.5%	2.2%	1.7%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.2%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	2.8	4.0	1.7	3.8	1.1	1.1	5.6	1.8	1.6	2.2
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.8	4.0	1.7	3.8	1.1	1.1	5.6	1.8	1.6	2.2
Liquidity Ratio	Monetary Assets/Current Liabilities	0.7	0.3	1.2	2.2	0.1	0.1	4.8	1.2	1.2	1.6
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		69.7%	100.5%	97.5%	95.0%	101.2%	101.2%	0.0%	89.4%	81.9%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		69.7%	100.5%	97.5%	95.0%	101.2%	101.2%	0.0%	89.4%	81.9%	89.4%
Outstanding Debtors to Revenue Longstanding Debtors Recovered	Total Outstanding Debtors to Annual Revenue Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	7.2%	13.0%	12.2%	30.1%	117.5%	117.7%	0.0%	11.4%	13.1%	10.9%
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))										
Creditors to Cash and Investments		0.0%	0.0%	9.2%	32.8%	424.6%	424.6%	0.0%	73.4%	80.4%	54.9%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	34.2%	34.5%	39.4%	35.9%	33.6%	33.6%	0.0%	38.3%	38.7%	39.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	40.5%	37.6%	0.0%		38.3%	38.4%	38.5%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	3.7%	3.3%	0.0%		5.0%	5.1%	5.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	13.7%	14.8%	12.6%	12.4%	11.1%	11.1%	0.0%	10.6%	10.7%	10.8%



#### 3.3.1.1 *Liquidity*

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 1.5:1 as per national treasury norm. For the MTREF the current ratio is 2:1 and remains 2:1 for the two outer years of the MTREF. Going forward it will be necessary to maintain these levels.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1.5:1 as per national treasury norm. 1. Anything below 1.5 indicates a shortage in cash to meet creditor obligations. This needs to be considered a pertinent risk for the Municipality as any under collection of revenue will translate into serious financial challenges for the Municipality. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.

#### 3.3.1.2 *Revenue Management*

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.
- Debtors turnover rate is 30 days. The billing is done on monthly bases.

#### 3.3.1.3 *Creditors Management*

- The municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.

#### 3.3.1.4 *Other Indicators*

- The electricity distribution losses have been managed downwards from 23 per cent in the 2016/17 financial year, the plan is to reduce them to 10 per cent over the MTREF. The initiatives to ensure these targets are achieved include managing illegal connections and theft of electricity by rolling out smart metering systems, including prepaid meters.
-

- Employee costs as a percentage of operating revenue continues to decrease over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.
- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the City's strategy to ensure the management of its asset base.

### **3.3.2 Free Basic Services: basic social services package for indigent households**

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

For the 2019/21 financial year 10000 registered indigents have been provided for in the budget with this figured increasing to 14 000 by 2020/21. In terms of the Municipality's indigent policy registered households are entitled, 50 KWH of electricity and free waste removal, as well as a discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table SA21.

## **3.4 Overview of budget related-policies**

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

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### **3.4.1 Review of Indigent Policy**

The emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, the Integrated Indigent Exit Programme aims to link the registered indigent households to development, skills and job opportunities. The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

### **3.4.2 Supply Chain Management Policy**

The Supply Chain Management Policy was adopted by Council in September 2017. An amended policy will be considered by Council in due course of which the amendments will be extensively consulted on.

### **3.4.3 Budget and Virement Policy**

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the municipality's system of delegations. The Budget and Virement Policy was approved by Council in August 2009 and was amended on February 2019 in respect of both Operating and Capital Budget Fund Transfers.

### **3.4.4 Cash Management and Investment Policy**

The municipality's Cash Management and Investment Policy was amended by Council in February 2019. The aim of the policy is to ensure that the municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

### **3.4.5 Petty Cash Policy**

The old Petty Cash Management Policy did not cater for all municipal departments, which results into the petty cash being replenished every week. In the new policy all departments have been catered for which is believed will improve day to day transacting on the petty cash.

#### **3.4.6 Tariff Policy**

The municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

All the above policies are available on the Municipality's website, as well as the following budget related policies:

- Property Rates Policy;
- Credit control Policy;
- Supply chain management Policy
- Budget Policy
- Virement Policy
- Investment Policy
- Indigent Policy
- Tariff Policy

These budget related policies are reviewed annually.

### **3.5 Overview of budget assumptions**

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### **3.5.1 External factors**

It must be noted that Elundini municipality is predominantly rural, therefore there are limited job opportunities within the municipal area. Be that as it may the municipality has managed to give jobs to many households through Expanded Public Works Programme. The municipality has set aside from its own reserves an amount of R2 million for the expansion of the EPWP programme in order to give more jobs to the community.

Financial resources are limited due to the non-payment of debtors, most households are indigent they cannot afford to pay municipal accounts. The municipality is forced to implement Indigent policy and write off debts for the qualifying debtors.

### **3.5.2 General inflation outlook and its impact on the municipal activities**

There are five key factors that have been taken into consideration in the compilation of the 2019/20 MTREF:

- National Government macro economic targets;
- The general inflationary outlook and the impact on municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity
- The increase in the cost of remuneration. Employee related costs comprise 34 per cent of total operating expenditure for the 2020/21 MTREF.

### **3.5.3 Collection rate for revenue services**

The base assumption is that tariff and rating increases will increase at a rate of 4.6%. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (80 per cent) of annual billings. Cash flow is assumed to be 80 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

### **3.5.4 Salary increases**

The collective agreement regarding salaries/wages came into operation on 1 July 2020 and shall remain in force until 30 June 2021. The salary increase that has been applied is 6.25 percent for the 2019/2020 budget year.

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### **3.5.5 Impact of national, provincial and local policies**

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

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

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

### **3.5.6 Ability of the municipality to spend and deliver on the programmes**

It is estimated that a spending rate of at least 97 per cent is achieved on operating expenditure and 100 per cent on the capital programme for the MTREF of which performance has been factored into the cash flow budget.

### **2.5.7 Consolidated Investment Register for each and every grant received**

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ELUNDINI INVESTMENT REPORT							
01 MAY 2020 TO 31 MAY 2020				INTEREST RECEIVED			
NAME OF INVESTMENT	PURPOSE	ACCOUNT NO	BALANCE AS AT 01/05/2019		WITHDRAWALS	DEPOSIT	TOAL AS AT 31/05/2019
ELUNDINI EXPAND PUBLIC WORKS	EX PUBLIC WORKS PROGRA	388497173-001	R 2 946 695.22	R 6 854.09	R 0.00	-	R 2 953 549.31
ELUNDINI VOTER STATION	INFRASTRUCTURE GRANT	388497165-001	R 1 507.70	R 1.06	0	0	R 1 508.76
EQUITABLE SHARE FNB	SUBSIDY FOR POOR	62189194170	R 14 031 301.64	33 841.00	8 987 213.06	0	R 5 077 929.58
FINANCE MANAGEMENT GRANT	CONDITIONAL GRANT	388493410-002	R 1 761 570.41	R 4 097.46	R 0.00	0	R 1 765 667.87
MAYOR'S SOCIAL INVESTMENT		62378875226	R 533 603.44	R 1 162.23	0	0	R 534 765.67
MACLEAR GREENFIELDS	CONDITIONAL GRANT	388493003-001	R 1 353.15	R 0.95	0	0	R 1 354.10
MIG	CONDITIONAL GRANT	62189180111	R 10 659 524.40	R 32 155.11	1 252 399.18	0	R 9 439 280.33
NER	ELECTRICITY UPGRADING	388490810-001	R 9 695 523.54	R 24 677.10	R 5 311 419.48	0	R 4 408 781.16
WORKING CAPITAL RESERVE	RESEVERS	62284785121	R 52 320 993.07	223 618.49	0	0	R 52 544 611.56
JOE GQABI	WATER AND SANITAION	62557779322	R 5 579 558.99	R 17 006.19	0	0	R 5 596 565.18
ENERGY EFFICIANCY	CONDITIONAL GRANT	62785909650	R 180 260.46	549.42	-	0	R 180 809.88
<b>TOTAL</b>			<b>R 97 711 892.02</b>	<b>R 343 963.10</b>	<b>R 15 551 031.72</b>	<b>R 0.00</b>	<b>R 82 504 823.40</b>

## 2.5.8 Grants receipts and Expenditure

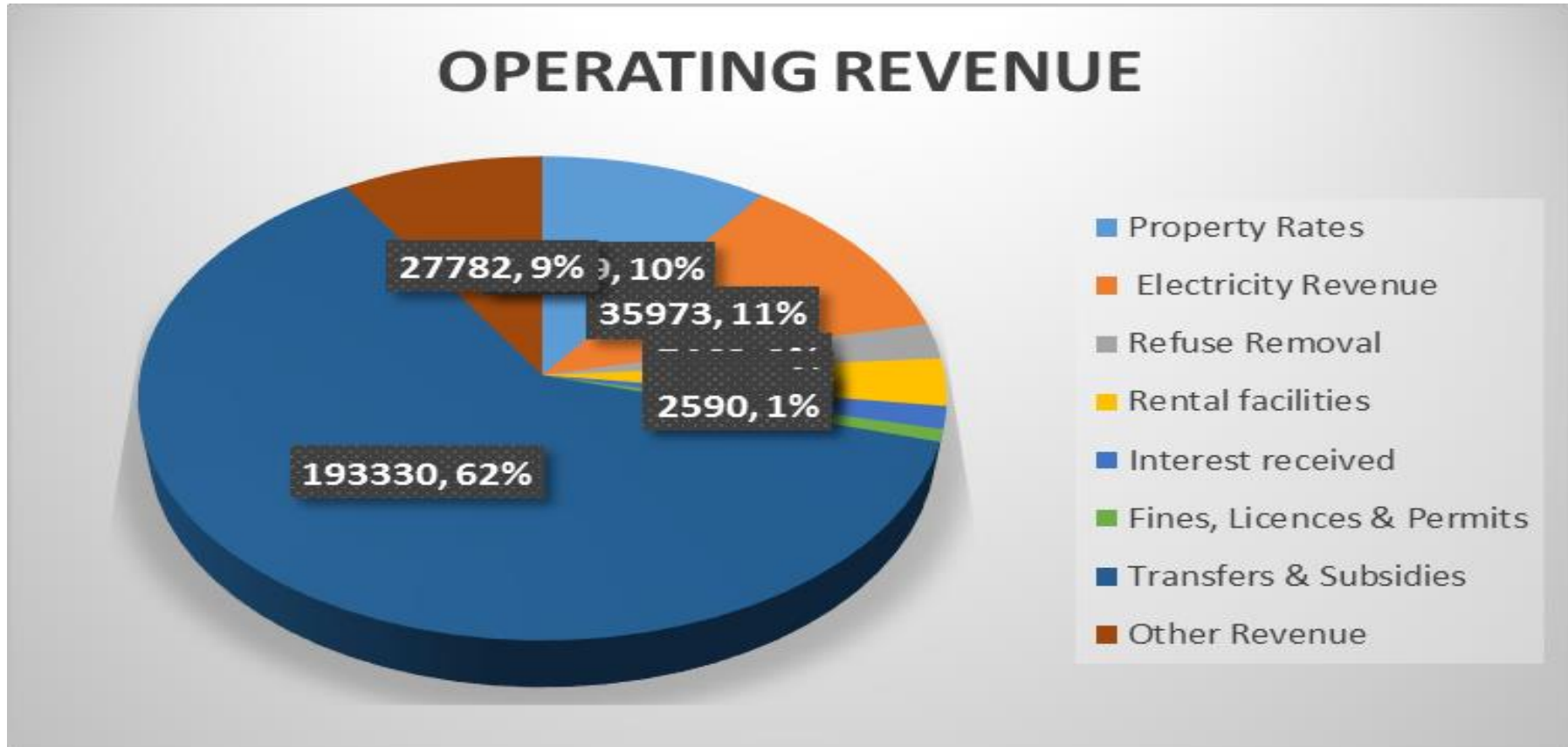
<b>ELUNDINI LOCAL MUNICIPALITY</b>				
<b>FINAL BUDGET 2020/2021</b>				
<b>CONDITIONAL GRANTS</b>				
<b>SegmentDesc</b>	<b>2019 Year Receipt</b>	<b>2019 % Spent</b>	<b>2020 Year Receipt</b>	<b>2020 % Spent</b>
<b>Operational Grants</b>				
Equitable Share	138 382 000.00	100%	152 511 000.00	75%
Financial Management Grant	1 700 000.00	100%	1 700 000.00	26%
Grnats	1 777 000.00	100%	2 883 000.00	82%
Energy Efficiency	5 000 000.00	100%	-	
<b>Capital Grants</b>				
Municipal Infrastructure Grant	38 207 000.00	100%	37 001 000.00	93%
Inerp	25 636 000.00	100%	21 000 000.00	68%
Premiours Office Grant	29 588 000.00	100%	27 905 000.00	55%
<b>Total</b>	<b>240 290 000.00</b>		<b>243 000 000.00</b>	



### 3.6 Overview of budget funding

#### 3.6.1 Medium-term outlook: operating revenue

The following graph is a breakdown of the operational revenue per main category for the 2020/21 financial year.





Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Rand/cent</b>											
<b>Monthly Account for Household - 'Middle Income Range'</b>	1										
<b>Rates and services charges:</b>											
Property rates		4 407.98	4 690.09		473.21				512.58	536.16	560.83
Electricity: Basic levy		1 459.60	1 503.36		141.08				160.42	167.80	175.52
Electricity: Consumption		18 013.73	18 431.35		1 778.20				1 753.47	1 834.13	1 918.50
Water: Basic levy										-	-
Water: Consumption										-	-
Sanitation										-	-
Refuse removal		1 269.61	1 350.86		124.94				132.44	138.53	144.90
Other										-	-
<b>sub-total</b>		<b>25 150.91</b>	<b>25 975.65</b>	<b>-</b>	<b>2 517.43</b>	<b>-</b>	<b>-</b>	<b>1.6%</b>	<b>2 558.91</b>	<b>2 676.62</b>	<b>2 799.75</b>
VAT on Services		3 111.44	3 192.84		306.63				306.95	321.07	335.84
<b>Total large household bill:</b>		<b>28 262.35</b>	<b>29 168.49</b>	<b>-</b>	<b>2 824.06</b>	<b>-</b>	<b>-</b>	<b>1.5%</b>	<b>2 865.87</b>	<b>2 997.70</b>	<b>3 135.59</b>
<b>% increase/-decrease</b>			<b>3.2%</b>	<b>(100.0%)</b>	<b>-</b>	<b>(100.0%)</b>	<b>-</b>		<b>-</b>	<b>4.6%</b>	<b>4.6%</b>
<b>Monthly Account for Household - 'Affordable Range'</b>	2										
<b>Rates and services charges:</b>											
Property rates		3 120.98	3 320.72		335.05				366.13	382.98	400.59
Electricity: Basic levy		1 459.60	1 503.36		141.08				160.42	167.80	175.52
Electricity: Consumption		9 070.37	9 319.85		913.76				672.19	703.11	735.45
Water: Basic levy										-	-
Water: Consumption										-	-
Sanitation										-	-
Refuse removal		1 269.61	1 350.86		124.94				132.44	138.53	144.90
Other										-	-
<b>sub-total</b>		<b>14 920.55</b>	<b>15 494.79</b>	<b>-</b>	<b>1 514.83</b>	<b>-</b>	<b>-</b>	<b>(12.1%)</b>	<b>1 331.18</b>	<b>1 392.41</b>	<b>1 456.47</b>
VAT on Services		1 769.94	1 826.11		176.97				144.75	151.41	158.38
<b>Total small household bill:</b>		<b>16 690.48</b>	<b>17 320.90</b>	<b>-</b>	<b>1 691.79</b>	<b>-</b>	<b>-</b>	<b>(12.8%)</b>	<b>1 475.93</b>	<b>1 543.83</b>	<b>1 614.84</b>
<b>% increase/-decrease</b>			<b>3.8%</b>	<b>(100.0%)</b>	<b>-</b>	<b>(100.0%)</b>	<b>-</b>		<b>-</b>	<b>4.6%</b>	<b>4.6%</b>
<b>Monthly Account for Household - 'Indigent' Household receiving free basic services</b>	3										
<b>Rates and services charges:</b>											
Property rates		1 833.98	1 951.35		196.88			11.6%	219.69	229.79	240.36
Electricity: Basic levy		969.28	998.40		93.69			13.7%	106.54	111.44	116.57
Electricity: Consumption		4 410.30	4 492.98		422.71			(2.9%)	410.24	429.11	448.85
Water: Basic levy										-	-
Water: Consumption										-	-
Sanitation										-	-
Refuse removal		1 269.61	1 350.86		124.94			6.0%	132.44	138.53	144.90
Other										-	-
<b>sub-total</b>		<b>8 483.16</b>	<b>8 793.59</b>	<b>-</b>	<b>838.22</b>	<b>-</b>	<b>-</b>	<b>3.7%</b>	<b>868.90</b>	<b>908.87</b>	<b>950.68</b>
VAT on Services		997.38	1 026.34		96.20			#NAME?	97.38	101.86	106.55
<b>Total small household bill:</b>		<b>9 480.53</b>	<b>9 819.93</b>	<b>-</b>	<b>934.42</b>	<b>-</b>	<b>-</b>	<b>3.4%</b>	<b>966.29</b>	<b>1 010.73</b>	<b>1 057.23</b>
<b>% increase/-decrease</b>			<b>3.6%</b>	<b>(100.0%)</b>	<b>-</b>	<b>(100.0%)</b>	<b>-</b>		<b>-</b>	<b>4.6%</b>	<b>4.6%</b>

## SA15 – Detail Investment Information

Investment type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank					112 563			87 148	91 157	95 350
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
<b>Municipality sub-total</b>	1	-	-	-	112 563	-	-	87 148	91 157	95 350
<b>Entities</b>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
<b>Entities sub-total</b>		-	-	-	-	-	-	-	-	-
<b>Consolidated total:</b>		-	-	-	112 563	-	-	87 148	91 157	95 350

**Table SA16 – Investment particulars by maturity**

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
<b>Parent municipality</b>														
FNB										85 638	316	(9 906)	-	76 048
STD										16 376	36	(5 311)	-	11 100
														-
														-
														-
<b>Municipality sub-total</b>										<b>102 014</b>		<b>(15 217)</b>	<b>-</b>	<b>87 148</b>
<b>Entities</b>														-
														-
														-
														-
														-
<b>Entities sub-total</b>										<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>1</b>									<b>102 014</b>		<b>(15 217)</b>	<b>-</b>	<b>87 148</b>

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The MTREF therefore provides for a budgeted deficit of R38.1 million, R39.7 million and R41.5 million in each of the financial years. This deficit has to be cleared by building capital replacement fund account in order to be able to replace assets that are fully depreciated.

### 3.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2020/21 medium-term capital programme:

**Table A5 Sources of capital revenue over the MTREF**

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>R thousand</b>	1										
<b>Funded by:</b>											
National Government		31 964	51 173	46 307	58 001	37 001			36 768	39 769	42 505
Provincial Government					20 305	27 905			14 520	-	-
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	31 964	51 173	46 307	78 306	64 906	-	-	51 288	39 769	42 505
<b>Borrowing</b>	6										
<b>Internally generated funds</b>		24 101	19 259	15 847	24 316	23 138			37 496	20 131	20 516
<b>Total Capital Funding</b>	7	56 065	70 432	62 154	102 622	88 043	-	-	88 784	59 900	63 021

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash

backed reserves and accumulated funds reconciliation, as discussed below. Internally generated funds consist of R37.4 million in 2020/21, R20.1 million and R20.5 million for the two outer years.

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### 3.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue.

### 3.6.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected).

#### Table A8 - Cash backed reserves/accumulated surplus reconciliation

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Description	MFMA section	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
			<b>Funding measures</b>									
Cash/cash equivalents at the year end - R'000	18(1)b	1	41 918	59 055	565 464	114 642	74 863	-	-	-	-	-
Cash + investments at the yr end less applications - R'000	18(1)b	2	7 291	6 245	59 051	147 926	12 006	-	-	-	-	-
Cash year end/monthly employee/supplier payments	18(1)b	3	3.4	4.6	29.2	6.4	3.7	-	-	-	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	22 603	57 991	21 689	73 158	65 618	65 170	-	13 142	0	907
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(1.9%)	25.6%	21.1%	(12.2%)	(6.0%)	(106.0%)	(1.3%)	(1.4%)	(1.4%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	68.6%	74.9%	114.3%	95.2%	86.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	22.3%	3.9%	17.9%	2.5%	2.6%	2.6%	0.0%	2.9%	2.9%	2.9%
Capital payments % of capital expenditure	18(1)c;19	8	100.0%	89.4%	0.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	102.6%	1.5%	174.2%	338.0%	(100.0%)	0.0%	(100.0%)	0.0%	0.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0.0%	0.0%	0.0%	2.6%	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**References**

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

<b>Supporting indicators</b>													
% incr total service charges (incl prop rates)	18(1)a			4.1%	31.6%	27.1%	(6.2%)	0.0%	(100.0%)	4.7%	4.6%	4.6%	
% incr Property Tax	18(1)a			1.6%	32.6%	29.0%	0.0%	0.0%	(100.0%)	4.6%	4.6%	4.6%	
% incr Service charges - electricity revenue	18(1)a			28.6%	17.8%	18.0%	0.0%	0.0%	(100.0%)	4.6%	4.6%	4.6%	
% incr Service charges - water revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% incr Service charges - sanitation revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
% incr Service charges - refuse revenue	18(1)a			(85.6%)	505.6%	80.0%	(59.2%)	0.0%	(100.0%)	6.0%	4.6%	4.6%	
% incr in	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total billable revenue	18(1)a			41 210	42 920	56 486	71 784	67 364	67 364	-	70 506	73 749	77 141
Service charges				41 210	42 920	56 486	71 784	67 364	67 364	-	70 506	73 749	77 141
Property rates				17 218	17 501	23 203	29 932	29 932	29 932	-	31 309	32 749	34 256
Service charges - electricity revenue				19 233	24 734	29 137	34 391	34 391	34 391	-	35 973	37 628	39 359
Service charges - water revenue				-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue				-	-	-	-	-	-	-	-	-	-
Service charges - refuse removal				4 759	685	4 145	7 461	3 041	3 041	-	3 223	3 372	3 527
Service charges - other				-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment				1 575	1 463	8 235	9 459	9 459	9 459	-	9 894	10 349	10 825
Capital expenditure excluding capital grant funding				24 101	19 259	15 847	24 316	23 138	-	-	30 296	20 131	20 516
Cash receipts from ratepayers	18(1)a			33 433	43 140	82 246	110 028	110 028	-	-	-	-	-
Ratepayer & Other revenue	18(1)a			48 740	57 609	71 940	115 608	126 723	-	-	134 100	135 438	141 820
Change in consumer debtors (current and non-current)				17 960	15 251	465	53 277	336 711	(30 577)	(30 577)	(83 854)	-	-
Operating and Capital Grant Revenue	18(1)a			193 613	238 842	233 476	238 097	245 697	245 697	-	244 022	236 225	245 266

### 3.7 Expenditure on grants and reconciliations of unspent funds

**ELUNDINI LOCAL MUNICIPALITY**  
**FINAL BUDGET 2020/2021**  
**CONDITIONAL GRANTS**  
**EXPENDITURE**

SegmentDesc	2019 Year Receipt	2019 % Spent	2020 Year Receipt	2020 % Spent
<b>Operational Grants</b>				
Equitable Share	138 382 000.00	100%	152 511 000.00	75%
Financial Management Grant	1 700 000.00	100%	1 700 000.00	26%
Grnats	1 777 000.00	100%	2 883 000.00	82%
Energy Efficiency	5 000 000.00	100%	-	
<b>Capital Grants</b>				
Municipal Infrastructure Grant	38 207 000.00	100%	37 001 000.00	93%
Inerp	25 636 000.00	100%	21 000 000.00	68%
Premiours Office Grant	29 588 000.00	100%	27 905 000.00	55%
<b>Total</b>	<b>240 290 000.00</b>		<b>243 000 000.00</b>	

### 3.8 Councilors and employee benefits

**Table SA22 - Summary of councilors and staff benefits**

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework

R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	1	A	B	C	D	E	F	G	H	I
<b>-</b>										
<b><u>Councillors (Political Office Bearers plus Other)</u></b>										
Basic Salaries and Wages					001 9	001 9		9 110	9 529	9 967
Pension and UIF Contributions								-	-	-
Medical Aid Contributions					2	2		-	-	-
Motor Vehicle Allowance					687 1	687 1		2 916	3 050	3 190
Cellphone Allowance					048	048		1 137	1 190	1 244
Housing Allowances					-	-		-	-	-
Other benefits and allowances								-	-	-
<b>Sub Total - Councillors</b>		-	-	-	736 12	736 12	-	13 163	13 768	14 402
<b>% increase</b>	4		-	-	-	-	(100.0%)	-	4.6%	4.6%
<b><u>Senior Managers of the Municipality</u></b>	2									
Basic Salaries and Wages					569 4	569 4		3 557	3 721	3 892
Pension and UIF Contributions					431	431		164	171	179
Medical Aid Contributions					157	157		55	57	60
Overtime								-	-	-
Performance Bonus								283	296	310
Motor Vehicle Allowance	3				657 1	657 1		-	-	-
Cellphone Allowance	3							-	-	-
Housing Allowances	3				60	60		-	-	-
Other benefits and allowances	3				358	358		3 758	3 931	4 111
Payments in lieu of leave								-	-	-
Long service awards								-	-	-
Post-retirement benefit obligations	6							-	-	-





<b>Sub Total - Other Staff of Entities</b>		-	-	-	-	-	-	-	-	-		
<b>% increase</b>	4	-	-	-	-	-	-	-	-	-		
<b>Total Municipal Entities</b>		-	-	-	-	-	-	-	-	-		
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		-	-	-	749	112	637	117	-	120 570	126 116	131 917
<b>% increase</b>	4	-	-	-	-	-	4.3%	(100.0%)	-	-	4.6%	4.6%
<b>TOTAL MANAGERS AND STAFF</b>	5.7	-	-	-	012	100	901	104	-	107 407	112 348	117 516





**Table SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)**

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**(Note that National Treasury has deliberately left the above table blank so as not to appear to be setting benchmarks for acceptable remuneration levels for the relevant positions. Municipalities MUST, however, provide the required information as applicable to their municipalities)**

**Table SA24 –Summary of personnel numbers**





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>R thousand</b>																
<b>Revenue By Source</b>																
Property rates		5 574	2 461	2 463	2 430	2 457	2 462	2 462	2 511	2 051	1 321	2 461	2 657	31 309	32 693	34 138
Service charges - electricity revenue		2 026	2 956	2 686	2 655	59	2 570	2 694	3 500	4 001	4 064	4 231	1 297	32 738	34 244	35 820
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		464	60	60	57	68	60	60	430	499	437	489	2 196	4 879	5 103	5 338
Rental of facilities and equipment		609	149	516	147	402	1 810	150	1 220	1 051	1 222	1 348	1 269	9 894	10 349	10 825
Interest earned - external investments		257	110	424	380	400	782	12	450	468	400	458	567	4 707	4 924	5 150
Interest earned - outstanding debtors		158	144	133	126	113	111	122	188	174	168	198	58	1 693	1 771	1 852
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		17	7	7	17	20	22	11	35	37	30	34	36	271	284	297
Licences and permits		302	153	239	166	118	188	149	199	200	201	189	215	2 318	2 425	2 537
Agency services		115	-	-	-	-	-	-	-	-	-	-	429	544	569	595
Transfers and subsidies		56 000	-	494	1 707	750	59 000	1 178	908	69 801	998	1 012	1 483	193 330	196 456	202 761
Other revenue		14	860	-	-	1 311	1 147	1 013	6 058	6 201	4 451	7 901	3 633	32 589	38 845	42 827
Gains		-	-	-	-	-	-	-	-	-	-	468	0	468	490	513
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>65 537</b>	<b>6 899</b>	<b>7 021</b>	<b>7 684</b>	<b>5 698</b>	<b>68 151</b>	<b>7 849</b>	<b>15 499</b>	<b>84 483</b>	<b>13 292</b>	<b>18 789</b>	<b>13 840</b>	<b>314 741</b>	<b>328 153</b>	<b>342 651</b>
<b>Expenditure By Type</b>																
Employee related costs		40	-	(44)	7 785	-	43 660	10 417	9 801	10 641	8 841	12 514	16 915	120 570	127 081	133 943
Remuneration of councillors		93	-	2 028	-	-	5 077	1 108	1 008	998	1 010	1 021	850	13 193	13 905	14 656
Debt impairment		-	-	-	-	-	(863)	-	-	-	-	-	6 009	5 146	5 423	5 716
Depreciation & asset impairment		-	-	-	-	-	2 988	-	-	-	-	-	30 012	33 000	34 782	36 660
Finance charges		-	31	33	35	36	-	-	-	-	-	-	73	209	220	232
Bulk purchases		5 648	-	2 538	1 587	1 542	1 457	1 406	2 201	2 325	1 598	1 664	1 034	23 000	24 242	25 551
Other materials		34	4	3	55	4	5	68	301	315	288	308	374	1 759	1 854	1 955
Contracted services		2 733	2 968	3 871	4 185	2 639	5 429	2 791	15 385	14 998	15 001	14 998	10 831	95 829	96 983	99 586
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		5 690	2 752	3 443	5 273	3 201	6 205	4 767	7 304	6 440	7 241	7 542	322	60 180	63 431	66 857
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>14 238</b>	<b>5 754</b>	<b>11 872</b>	<b>18 921</b>	<b>7 422</b>	<b>63 958</b>	<b>20 557</b>	<b>36 000</b>	<b>35 717</b>	<b>33 979</b>	<b>38 047</b>	<b>66 420</b>	<b>352 886</b>	<b>367 922</b>	<b>385 156</b>
<b>Surplus/(Deficit)</b>		<b>51 299</b>	<b>1 145</b>	<b>(4 851)</b>	<b>(11 238)</b>	<b>(1 724)</b>	<b>4 192</b>	<b>(12 708)</b>	<b>(20 501)</b>	<b>48 766</b>	<b>(20 687)</b>	<b>(19 258)</b>	<b>(52 581)</b>	<b>(38 145)</b>	<b>(39 769)</b>	<b>(42 505)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		5 408	6 293	1 314	17 437	166	-	9 170	-	11 500	-	-	(0)	51 288	39 769	42 505
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>56 706</b>	<b>7 438</b>	<b>(3 537)</b>	<b>6 200</b>	<b>(1 558)</b>	<b>4 192</b>	<b>(3 537)</b>	<b>(20 501)</b>	<b>60 266</b>	<b>(20 687)</b>	<b>(19 258)</b>	<b>(52 581)</b>	<b>13 143</b>	<b>(0)</b>	<b>(0)</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>56 706</b>	<b>7 438</b>	<b>(3 537)</b>	<b>6 200</b>	<b>(1 558)</b>	<b>4 192</b>	<b>(3 537)</b>	<b>(20 501)</b>	<b>60 266</b>	<b>(20 687)</b>	<b>(19 258)</b>	<b>(52 581)</b>	<b>13 143</b>	<b>(0)</b>	<b>(0)</b>

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>R thousand</b>																	
<b>Revenue by Vote</b>																	
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		69 409	3 850	3 213	3 142	3 147	52 717	3 413	18 270	17 668	18 451	19 251	11 073	223 603	231 410	243 939	
Vote 3 - Corporate dmin		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services		1 337	1 211	1 705	2 359	2 298	1 355	2 388	514	415	500	499	643	15 224	12 402	12 938	
Vote 5 - Strategic Planning Development		-	-	17	6	20	-	4	510	410	398	541	695	2 601	2 790	2 937	
Vote 6 - Infrastructure Planning & Development		8 015	9 392	3 671	21 259	3 256	4 375	23 642	10 800	11 874	10 644	11 901	5 772	124 602	121 320	125 341	
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>		<b>78 760</b>	<b>14 452</b>	<b>8 606</b>	<b>26 766</b>	<b>8 722</b>	<b>58 447</b>	<b>29 447</b>	<b>30 094</b>	<b>30 367</b>	<b>29 993</b>	<b>32 192</b>	<b>18 182</b>	<b>366 030</b>	<b>367 922</b>	<b>385 156</b>	
<b>Expenditure by Vote to be appropriated</b>																	
Vote 1 - Executive & Council		-	471	5 173	591	398	14 457	423	6 993	5 887	6 888	8 470	7 923	57 674	60 789	64 071	
Vote 2 - Budget and Treasury		-	3 168	2 759	2 637	2 686	14 399	3 208	7 590	7 401	6 889	8 951	3 540	63 228	66 642	70 241	
Vote 3 - Corporate dmin		-	528	2 947	2 718	869	4 917	1 088	5 724	5 241	4 999	5 421	5 197	39 649	41 790	44 047	
Vote 4 - Community Services		-	219	(4 717)	8 645	929	15 182	1 125	5 001	5 821	6 001	7 861	7 763	53 830	56 736	59 800	
Vote 5 - Strategic Planning Development		-	162	968	389	119	4 086	192	2 731	2 254	3 005	2 854	2 000	18 760	19 773	20 840	
Vote 6 - Infrastructure Planning & Development		-	1 199	4 742	3 941	2 421	10 918	2 995	21 836	22 400	19 857	21 899	7 539	119 746	122 191	126 156	
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>		<b>-</b>	<b>5 747</b>	<b>11 872</b>	<b>18 921</b>	<b>7 422</b>	<b>63 958</b>	<b>9 032</b>	<b>49 875</b>	<b>49 004</b>	<b>47 639</b>	<b>55 456</b>	<b>33 961</b>	<b>352 887</b>	<b>367 922</b>	<b>385 156</b>	
<b>Surplus/(Deficit) before assoc.</b>		<b>78 760</b>	<b>8 706</b>	<b>(3 266)</b>	<b>7 845</b>	<b>1 301</b>	<b>(5 511)</b>	<b>20 415</b>	<b>(19 781)</b>	<b>(18 637)</b>	<b>(17 646)</b>	<b>(23 264)</b>	<b>(15 779)</b>	<b>13 143</b>	<b>0</b>	<b>0</b>	
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>78 760</b>	<b>8 706</b>	<b>(3 266)</b>	<b>7 845</b>	<b>1 301</b>	<b>(5 511)</b>	<b>20 415</b>	<b>(19 781)</b>	<b>(18 637)</b>	<b>(17 646)</b>	<b>(23 264)</b>	<b>(15 779)</b>	<b>13 143</b>	<b>0</b>	<b>0</b>	

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 - Functional</b>																	
<b>Governance and administration</b>		69 409	3 850	3 213	3 142	3 147	52 717	3 413	18 720	18 800	17 986	19 251	9 956	223 603	231 410	243 939	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Finance and administration		69 409	3 850	3 213	3 142	3 147	52 717	3 413	18 720	18 800	17 986	19 251	9 956	223 603	231 410	243 939	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Community and public safety</b>		902	747	1 241	1 898	1 839	891	1 924	(3 619)	463	440	485	550	7 760	8 083	8 420	
Community and social services		31	9	4	688	758	6	1 049	400	463	440	485	528	4 861	5 050	5 248	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	22	22	23	24	
Public safety		871	739	1 237	1 209	1 081	885	875	(4 019)	-	-	-	(0)	2 877	3 009	3 148	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Economic and environmental services</b>		5 988	6 293	881	11 668	438	1 661	16 539	5 312	3 651	3 589	3 004	2 697	61 721	59 447	63 107	
Planning and development		-	-	17	6	20	-	4	510	499	589	489	467	2 601	2 790	2 937	
Road transport		5 988	6 293	864	11 662	418	1 661	16 535	4 802	3 152	3 000	2 515	2 230	59 120	56 657	60 170	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Trading services</b>		2 490	3 562	3 271	10 059	3 298	3 179	7 572	8 172	7 529	7 774	8 850	7 189	72 945	68 983	69 690	
Energy sources		2 026	3 098	2 807	9 598	2 838	2 714	7 107	7 272	6 685	6 975	7 865	6 495	65 482	64 663	65 171	
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management		464	464	464	461	459	464	465	900	844	799	985	694	7 463	4 320	4 518	
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Revenue - Functional</b>		78 789	14 452	8 606	26 766	8 722	58 447	29 447	28 585	30 443	29 789	31 590	20 393	366 030	367 922	385 156	
<b>Expenditure - Functional</b>																	
<b>Governance and administration</b>		7 151	4 167	10 880	5 945	3 953	33 773	4 719	18 879	18 651	19 345	17 451	15 637	160 551	169 221	178 359	
Executive and council		562	471	5 173	591	398	14 457	423	6 881	7 851	6 489	5 864	8 515	57 674	60 788	64 071	
Finance and administration		6 589	3 696	5 706	5 354	3 555	19 316	4 297	11 998	10 800	12 856	11 587	7 123	102 878	108 433	114 288	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Community and public safety</b>		30	145	2 142	277	139	9 860	146	2 732	2 580	2 584	2 751	5 881	29 268	30 848	32 514	
Community and social services		10	36	943	34	23	2 490	10	705	700	699	589	990	7 228	7 619	8 030	
Sport and recreation		20	62	654	168	9	3 263	47	952	892	875	987	1 743	9 672	10 194	10 745	
Public safety		-	47	545	76	106	4 108	89	1 075	988	1 010	1 175	3 148	12 367	13 035	13 739	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Economic and environmental services</b>		481	579	2 224	1 416	365	9 114	1 041	11 327	10 245	10 588	13 412	8 397	69 189	72 925	76 863	
Planning and development		255	162	968	389	119	4 086	192	2 680	2 351	2 041	3 561	1 956	18 760	19 773	20 840	
Road transport		226	417	1 257	1 027	246	5 028	848	8 647	7 894	8 547	9 851	6 441	50 429	53 152	56 023	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Trading services</b>		801	863	(3 374)	11 282	2 965	11 211	3 125	16 001	14 901	12 541	13 584	9 978	93 879	94 928	97 420	
Energy sources		692	779	3 485	2 914	2 175	5 889	2 147	13 000	12 010	9 980	10 210	6 035	69 317	69 039	70 133	
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management		109	84	(6 859)	8 368	790	5 321	979	3 001	2 891	2 561	3 374	3 943	24 562	25 888	27 286	
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditure - Functional</b>		8 463	5 754	11 872	18 921	7 422	63 958	9 032	48 939	46 377	45 058	47 198	39 893	352 887	367 922	385 156	
<b>Surplus/(Deficit) before assoc.</b>		70 326	8 698	(3 266)	7 845	1 301	(5 511)	20 415	(20 354)	(15 934)	(15 269)	(15 608)	(19 500)	13 143	0	0	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit)</b>	1	70 326	8 698	(3 266)	7 845	1 301	(5 511)	20 415	(20 354)	(15 934)	(15 269)	(15 608)	(19 500)	13 143	0	0	



Choose name from list - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
<b>R thousand</b>																	
<b>Multi-year expenditure to be appropriated</b>	1																
Vote 1 - Executive & Council													-	-	-	-	
Vote 2 - Budget and Treasury													-	-	-	-	
Vote 3 - Corporate dmin													-	-	-	-	
Vote 4 - Community Services													-	-	-	-	
Vote 5 - Strategic Planning Development													-	-	-	-	
Vote 6 - Infrastructure Planning & Development													-	-	-	-	
Vote 7 - [NAME OF VOTE 7]													-	-	-	-	
Vote 8 - [NAME OF VOTE 8]													-	-	-	-	
Vote 9 - [NAME OF VOTE 9]													-	-	-	-	
Vote 10 - [NAME OF VOTE 10]													-	-	-	-	
Vote 11 - [NAME OF VOTE 11]													-	-	-	-	
Vote 12 - [NAME OF VOTE 12]													-	-	-	-	
Vote 13 - [NAME OF VOTE 13]													-	-	-	-	
Vote 14 - [NAME OF VOTE 14]													-	-	-	-	
Vote 15 - [NAME OF VOTE 15]													-	-	-	-	
<b>Capital multi-year expenditure sub-total</b>	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Single-year expenditure to be appropriated</b>																	
Vote 1 - Executive & Council		-			131	52	(57)	13	1 360	-	-	-	0	1 500	1 569	1 641	
Vote 2 - Budget and Treasury		1 027		308	111	(1)	22	45	1 000	1 254	1 246	1 401	1 932	8 345	8 206	8 583	
Vote 3 - Corporate dmin		4 520							326	350	300	389	265	6 150	6 328	6 619	
Vote 4 - Community Services			106	82	13	64			615	555	689	555	661	3 340	3 494	3 654	
Vote 5 - Strategic Planning Development				12					205	199	200	238	185	1 500	1 569	1 641	
Vote 6 - Infrastructure Planning & Development			12 308	5 360	11 407	8 167	1 563	2 810	4 000	3 946	2 894	3 894	11 599	67 949	38 734	40 881	
Vote 7 - [NAME OF VOTE 7]													-	-	-	-	
Vote 8 - [NAME OF VOTE 8]													-	-	-	-	
Vote 9 - [NAME OF VOTE 9]													-	-	-	-	
Vote 10 - [NAME OF VOTE 10]													-	-	-	-	
Vote 11 - [NAME OF VOTE 11]													-	-	-	-	
Vote 12 - [NAME OF VOTE 12]													-	-	-	-	
Vote 13 - [NAME OF VOTE 13]													-	-	-	-	
Vote 14 - [NAME OF VOTE 14]													-	-	-	-	
Vote 15 - [NAME OF VOTE 15]													-	-	-	-	
<b>Capital single-year expenditure sub-total</b>	2	5 548	12 414	5 762	11 662	8 282	1 989	2 868	7 506	6 304	5 329	6 477	14 642	88 784	59 900	63 021	
<b>Total Capital Expenditure</b>	2	5 548	12 414	5 762	11 662	8 282	1 989	2 868	7 506	6 304	5 329	6 477	14 642	88 784	59 900	63 021	

Choose name from list - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Capital Expenditure - Functional</b>	1															
<b>Governance and administration</b>		-	-	-	-	-	-	-	-	-	-	-	15 995	15 995	16 103	16 844
Executive and council													1 500	1 500	1 569	1 641
Finance and administration													14 495	14 495	14 534	15 203
Internal audit													-	-	-	-
<b>Community and public safety</b>		-	-	-	-	-	-	-	-	-	-	-	260	260	272	284
Community and social services													100	100	105	109
Sport and recreation													150	150	157	164
Public safety													10	10	10	11
Housing													-	-	-	-
Health													-	-	-	-
<b>Economic and environmental services</b>		-	-	-	-	-	-	-	-	-	-	-	65 238	65 238	35 898	37 915
Planning and development													1 500	1 500	1 569	1 641
Road transport													63 738	63 738	34 329	36 274
Environmental protection													-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	-	-	7 291	7 291	7 626	7 977
Energy sources													4 211	4 211	4 405	4 607
Water management													-	-	-	-
Waste water management													-	-	-	-
Waste management													3 080	3 080	3 222	3 370
<b>Other</b>													-	-	-	-
<b>Total Capital Expenditure - Functional</b>	2	-	-	-	-	-	-	-	-	-	-	-	88 784	88 784	59 900	63 021
<b>Funded by:</b>																
National Government													36 768	36 768	39 769	42 505
Provincial Government													14 520	14 520	-	-
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>		-	-	-	-	-	-	-	-	-	-	-	51 288	51 288	39 769	42 505
<b>Borrowing</b>													-	-	-	-
<b>Internally generated funds</b>													37 496	37 496	20 131	20 516
<b>Total Capital Funding</b>		-	-	-	-	-	-	-	-	-	-	-	88 784	88 784	59 900	63 021

MONTHLY CASH FLOWS	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>R thousand</b>															
<b>Cash Receipts By Source</b>															
Property rates	2 530 817	2 401	2 331	2 587	2 051	2 589	2 936	2 441	2 851	2 862	2 651	2 139	30 370	29 121	33 228
Service charges - electricity revenue	2 909 362	3 001	2 751	2 861	2 851	2 704	2 745	2 634	2 964	3 001	3 251	3 240	34 912	33 479	38 198
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	128 230	123	131	123	125	122	129	131	132	126	138	132	1 539	1 463	1 655
Rental of facilities and equipment	5 991	6	6	6	6	6	6	6	6	6	6	6	72	75	79
Interest earned - external investments	392 250	392	392	392	392	392	392	392	392	392	392	392	4 707	4 924	5 150
Interest earned - outstanding debtors	141 080	141	141	141	141	141	141	141	141	141	141	141	1 693	1 771	1 852
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	22 617	23	23	23	23	23	23	23	23	23	23	23	271	284	297
Licences and permits	193 208	193	193	193	193	193	193	193	193	193	193	193	2 318	2 425	2 537
Agency services	45 326	45	45	45	45	45	45	45	45	45	45	45	544	569	595
Transfers and Subsidies - Operational	71 500 000	-	-	-	64 443	-	-	-	57 387	-	-	-	193 330	206 873	213 657
Other revenue	3 049 232	3 049	3 049	3 049	3 049	3 049	3 049	3 049	3 049	3 049	3 049	3 049	36 591	32 560	36 192
<b>Cash Receipts by Source</b>	-	9 375	9 063	9 420	73 320	9 264	9 659	9 056	67 184	9 839	9 890	9 360	306 347	313 544	333 439
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	21 168	-	-	-	13 024	-	-	-	17 096	-	-	(0)	51 288	39 769	42 505
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>	21 168	9 375	9 063	9 420	86 344	9 264	9 659	9 056	84 280	9 839	9 890	9 360	357 635	353 313	375 944
<b>Cash Payments by Type</b>															
Employee related costs	11 146 925	11 147	11 147	11 147	11 147	11 147	11 147	11 147	11 147	11 147	11 147	11 147	133 763	130 415	148 600
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	17 379	17	17	17	17	17	17	17	17	17	17	17	209	202	232
Bulk purchases - Electricity	1 757 008	1 757	1 757	1 757	1 757	1 757	1 757	1 757	1 757	1 757	1 757	1 757	21 084	20 371	23 423
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	8 152 417	8 152	8 152	8 152	8 152	8 152	8 152	8 152	8 152	8 152	8 152	8 152	97 829	-	-
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	3 397 667	3 398	3 398	3 398	3 398	3 398	3 398	3 398	3 398	3 398	3 398	3 398	40 772	130 485	147 585
<b>Cash Payments by Type</b>	24 471	24 471	24 471	24 471	24 471	24 471	24 471	24 471	24 471	24 471	24 471	24 471	293 657	281 473	319 839
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	6 243	6 243	6 243	6 243	6 243	6 243	6 243	6 243	6 243	74 920	-	(56 190)	74 920	47 014	52 864
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	30 715	30 715	30 715	30 715	30 715	30 715	30 715	30 715	30 715	99 392	24 471	(31 719)	368 577	328 487	372 703
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	(9 547)	(21 340)	(21 652)	(21 295)	55 629	(21 450)	(21 056)	(21 659)	53 565	(89 553)	(14 582)	41 079	(10 942)	24 826	3 242
Cash/cash equivalents at the month/year begin:	90 535	80 988	59 648	37 996	16 702	72 330	50 880	29 825	8 165	61 730	(27 822)	(42 404)	90 535	79 593	104 419
Cash/cash equivalents at the month/year end:	80 988	59 648	37 996	16 702	72 330	50 880	29 825	8 165	61 730	(27 822)	(42 404)	(1 325)	79 593	104 419	107 661

















### 3.9 Annual budgets and SDBIPs – internal departments

Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Revenue by Vote</b>	1									
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		156 460	169 884	170 048	209 191	223 347	-	223 602	231 410	243 938
Vote 3 - Corporate dmin		-	-	127	-	-	-	-	-	-
Vote 4 - Community Services		8 164	4 101	12 714	13 898	10 189	-	15 224	12 403	12 939
Vote 5 - Strategic Planning Development		80	84	62	2 084	2 584	-	2 601	2 790	2 937
Vote 6 - Infrastructure Planning & Development		82 188	127 159	127 981	131 548	141 248	-	124 602	121 320	125 341
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>246 891</b>	<b>301 229</b>	<b>310 932</b>	<b>356 721</b>	<b>377 368</b>	<b>-</b>	<b>366 029</b>	<b>367 923</b>	<b>385 156</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Expenditure by Vote		29 857	30 031	45 757	50 850	51 262	-	57 674	60 789	64 071
Vote 2 - Budget and Treasury		63 601	86 154	59 635	52 721	53 121	-	63 228	66 642	70 241
Vote 3 - Corporate dmin		19 739	20 298	22 500	69 268	37 642	-	39 649	41 790	44 047
Vote 4 - Community Services		35 162	29 193	42 152	41 639	43 889	-	53 830	56 736	59 800
Vote 5 - Strategic Planning Development		8 594	7 540	7 133	10 707	16 189	-	18 760	19 773	20 840
Vote 6 - Infrastructure Planning & Development		67 336	70 021	112 065	90 439	109 648	-	119 746	122 191	126 156
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>224 288</b>	<b>243 237</b>	<b>289 243</b>	<b>315 624</b>	<b>311 751</b>	<b>-</b>	<b>352 887</b>	<b>367 922</b>	<b>385 156</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>22 603</b>	<b>57 992</b>	<b>21 689</b>	<b>41 096</b>	<b>65 617</b>	<b>-</b>	<b>13 142</b>	<b>1</b>	<b>0</b>

### 3.10 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

### 3.11 Capital expenditure details

The following three tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

**Table SA35 Future financial implications of the capital budget**

**Choose name from list - Supporting Table SA35 Future financial implications of the capital budget**

Vote Description	Ref	2020/21 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - Executive & Council		1 500	1 569	1 641	1 717	1 796	1 878	1 965
Vote 2 - Budget and Treasury		8 345	8 206	8 583	8 978	9 391	9 823	10 275
Vote 3 - Corporate dmin		6 150	6 328	6 619	6 924	7 242	7 576	7 924
Vote 4 - Community Services		3 340	3 494	3 654	3 822	3 998	4 182	4 375
Vote 5 - Strategic Planning Development		1 500	1 569	1 641	1 717	1 796	1 878	1 965
Vote 6 - Infrastructure Planning & Development		67 949	38 734	40 881	42 762	44 729	46 786	48 939
Vote 7 - [NAME OF VOTE 7]		-	-	-				
Vote 8 - [NAME OF VOTE 8]		-	-	-				
Vote 9 - [NAME OF VOTE 9]		-	-	-				
Vote 10 - [NAME OF VOTE 10]		-	-	-				
Vote 11 - [NAME OF VOTE 11]		-	-	-				
Vote 12 - [NAME OF VOTE 12]		-	-	-				
Vote 13 - [NAME OF VOTE 13]		-	-	-				
Vote 14 - [NAME OF VOTE 14]		-	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>88 784</b>	<b>59 900</b>	<b>63 021</b>	<b>65 920</b>	<b>68 952</b>	<b>72 124</b>	<b>75 442</b>
<b>Future operational costs by vote</b>	2							
Vote 1 - Executive & Council								
Vote 2 - Budget and Treasury								
Vote 3 - Corporate dmin								
Vote 4 - Community Services								
Vote 5 - Strategic Planning Development								
Vote 6 - Infrastructure Planning & Development								
Vote 7 - [NAME OF VOTE 7]								
Vote 8 - [NAME OF VOTE 8]								
Vote 9 - [NAME OF VOTE 9]								
Vote 10 - [NAME OF VOTE 10]								
Vote 11 - [NAME OF VOTE 11]								
Vote 12 - [NAME OF VOTE 12]								
Vote 13 - [NAME OF VOTE 13]								
Vote 14 - [NAME OF VOTE 14]								
Vote 15 - [NAME OF VOTE 15]								
<i>List entity summary if applicable</i>								
<b>Total future operational costs</b>		-	-	-	-	-	-	-
<b>Future revenue by source</b>	3							
Property rates								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Rental of facilities and equipment								
<i>List other revenues sources if applicable</i>								
<i>List entity summary if applicable</i>								
<b>Total future revenue</b>		-	-	-	-	-	-	-
<b>Net Financial Implications</b>		<b>88 784</b>	<b>59 900</b>	<b>63 021</b>	<b>65 920</b>	<b>68 952</b>	<b>72 124</b>	<b>75 442</b>

**Table SA36 - Detailed capital budget per municipal vote**

R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IUOF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	2020/21 Medium Term Revenue & Expenditure Framework					
													Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
	<b>Parent municipality:</b> <i>List all capital projects grouped by Function</i>																	
	<b>Upgrading of Sonwabile Streets - Phase 2</b>													5 010	5 240	5 482		
	T83 to Upper Tabana Access Road													500	523	547		
	Koebong Access Road													500	523	547		
	<b>Upgrading &amp; Rehabilitation of Maclear Roads (Cluster 1 Roads)</b>													10 985	11 490	12 019		
	Phumaleng Pre-School													2 465	2 509	2 729		
	Rubie Sport Field													5 541	5 900	6 172		
	Sicla Community Hall													3 670	3 839	4 015		
	Sibana Access Road													4 275	4 472	4 677		
	Lelakane Access Road													3 693	3 862	4 040		
	<b>Castle Rocks Access Road and Bridge</b>													-	-	-		
	Premious office project													14 520	-	-		
	<b>Bridges</b>													5 800	6 067	6 346		
	<b>Container City</b>													1 400	1 464	1 532		
	Vehicles													2 500	2 615	2 735		
	Master systems site and Wifi													4 500	4 707	4 924		
	Municipal Buildings													5 000	-	-		
	Access control													1 200	-	-		
	Redless truck													3 000	-	-		
	Public toilet- Covid19													6 600	-	-		
	Municipal Tent-Covid19													200	-	-		
	Containers													400	-	-		
	Other Assets													6 895	6 587	7 256		
	<b>Parent Capital expenditure</b>													-	-	88 783	59 900	63 021
	<b>Entities:</b> <i>List all capital projects grouped by Entity</i>																	
	<b>Entity A</b> Water project A																	
	<b>Entity B</b> Electricity project B																	
	<b>Entity Capital expenditure</b>													-	-	-	-	-
	<b>Total Capital expenditure</b>													-	-	88 783	59 900	63 021

**Table SA37: Detailed capital budget per municipal vote (continued)**

Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete Year	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
								Original Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>												
				<i>Examples</i>	<i>Examples</i>							
Municipal Vote/Capital project	Ref. 1,2	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete Year	Current Year 2017/18		2018/19 Medium Term Revenue & Expenditure Framework		
R thousand												
Parent municipality: <i>List all capital projects grouped by</i>												
				<i>Examples</i>	<i>Examples</i>							
		Upgrade of Sonwabile Roads and Upgrade of Vincent streets and storm water Upgrade of Sihole streets and storm water Liphofung access road Construction of Ntabayikhonjwa				31°04'18" S 31°04'58" S 31°04'25" S 30°41'59" S 30°31'52" S		R 6 037 076.51 R 1 971 064.13 R 2 639 739.52 R 10 125 000.00 R 4 500 000.00		R 9 633 607.64 R 6 928 964.00 R 4 800 000.00 R 4 616 909.50 R 3 164 968.86		R 7 123 028.93 R 3 892 017.69 R 5 508 090.50 R 1 335 031.14

**Table SA38: Detailed capital budget per municipal vote (continued)**

R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework						
													Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23				
	Parent municipality:																				
	<i>List all operational projects grouped by Function</i>																				
	FMG programme																1 700	1 700	1 700		
	EPMF programmes																3 333	-	-		
	Ward committees																2 500	2 615	2 735		
	Public participation																1 166	1 220	1 276		
	Internal Audit																504	527	551		
	IDP																1 255	1 313	1 373		
	Workmen's compensation																1 000	1 046	1 094		
	Municipal building maintenance																6 000	6 276	6 565		
	Performance management																999	1 045	1 093		
	News letter																2 000	2 092	2 188		
	EAP programmes																1 500	1 569	1 641		
	Security costs																3 656	3 824	4 000		
	Disaster recovery																630	659	689		
	Maintenance of equipment																1 000	1 046	1 094		
	OHS health checks																1 270	1 328	1 390		
	Legal costs																1 000	1 046	1 094		
	Parent Operational expenditure																-	-	29 513	27 306	28 484



### **3.12 Legislation compliance status**

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.

2. Quarterly Reports

Reporting to National Treasury in electronic format was fully complied with on quarterly basis. Section 52(d) reporting to the Executive Mayor (within 30 working days) has progressively improved and includes quarterly published financial performance on the municipality's website.

3. Mid Year Reporting

Reporting to National Treasury in electronic format was fully complied with on half yearly basis. Section 72 reporting to the Executive Mayor on the 25<sup>th</sup> of January each year has progressively improved and includes mid-year published financial performance on the municipality's website.

### **4. Internship programme**

The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department.

### **5. Budget and Treasury Office**

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

Budget Steering committee has been established and it's fully functional, its purpose is to look at budget and IDP, and indigent and free basic services matters.

mSCOA steering committee and implementation committee has been established and it is fully functional.

### **3.12.1.1 Audit Committee**

An Audit Committee has been established and is fully functional.

### **3.12.1.2 Service Delivery and Implementation Plan**

The detail SDBIP document is at a draft stage and will be finalized after approval of the 2019/20 MTREF in June 2019 directly aligned and informed by the 2018/19 MTREF.

### **2.12.1.3 Annual Report**

Annual report is compiled in terms of the MFMA and National Treasury requirements.

#### **7. MFMA Training**

The MFMA training module in electronic format is presented at the municipality's internal centre and training is ongoing.

#### **8. Policies**

Budget related policies are reviewed on yearly basis.

**3.13 Other supporting documents**

**Table SA1 - Supporting detail to budgeted financial performance**



## Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Choose name from list - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive & Council	Vote 2 - Budget and Treasury	Vote 3 - Corporate Admin	Vote 4 - Community Services	Vote 5 - Strategic Planning Development	Vote 6 - Infrastructure Planning & Development	Vote 7 - [NAME OF VOTE 7]	Vote 8 - [NAME OF VOTE 8]	Vote 9 - [NAME OF VOTE 9]	Vote 10 - [NAME OF VOTE 10]	Vote 11 - [NAME OF VOTE 11]	Vote 12 - [NAME OF VOTE 12]	Vote 13 - [NAME OF VOTE 13]	Vote 14 - [NAME OF VOTE 14]	Vote 15 - [NAME OF VOTE 15]	Total
<b>R thousand</b>	1																
<b>Revenue By Source</b>																	
Property rates			31 309														31 309
Service charges - electricity revenue							32 738										32 738
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue					4 879												4 879
Rental of facilities and equipment			2 061				7 832										9 894
Interest earned - external investments			4 707														4 707
Interest earned - outstanding debtors			1 693														1 693
Dividends received																	-
Fines, penalties and forfeits			49		53		169										271
Licences and permits			62		2 257												2 318
Agency services			544														544
Other revenue			19 787		1 366	666	10 770										32 589
Transfers and subsidies			163 573		4 083		25 674										193 330
Gains			468														468
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	224 254	-	12 638	666	77 184	-	-	-	-	-	-	-	-	-	314 741
<b>Expenditure By Type</b>																	
Employee related costs		18 689	17 127	19 594	31 958	6 680	26 522										120 570
Remuneration of councillors		13 193															13 193
Debt impairment			872		2 723		1 550										5 146
Depreciation & asset impairment			11 000				22 000										33 000
Finance charges			59	150													209
Bulk purchases							23 000										23 000
Other materials		1 206	39	200	15		300										1 759
Contracted services		11 737	31 693	9 701	10 591	3 875	28 232										95 829
Transfers and subsidies																	-
Other expenditure		12 850	22 739	10 004	6 029	2 515	6 045										60 181
Losses																	-
<b>Total Expenditure</b>		57 674	83 528	39 649	51 316	13 070	107 648	-	-	-	-	-	-	-	-	-	352 886
<b>Surplus/(Deficit)</b>		(57 674)	140 725	(39 649)	(38 678)	(12 404)	(30 465)	-	-	-	-	-	-	-	-	-	(38 145)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)						1 935	49 353										51 288
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>		(57 674)	140 725	(39 649)	(38 678)	(10 469)	18 888	-	-	-	-	-	-	-	-	-	13 143

**Table SA3 Supporting detail to 'Budgeted Financial Position'**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand											
<b>ASSETS</b>											
<b>Call investment deposits</b>				66 447	107 011				52 545	55 382	58 373
Call deposits				66 447	107 011				52 545	55 382	58 373
Other current investments											
<b>Total Call investment deposits</b>	2	-	-	66 447	107 011	-	-	-	52 545	55 382	58 373
<b>Consumer debtors</b>				9 015	72 120	84 861	84 861		8 918	5 388	9 057
Consumer debtors				9 015	72 120	84 861	84 861		8 918	5 388	9 057
Less: Provision for debt impairment											
<b>Total Consumer debtors</b>	2	-	-	9 015	72 120	84 861	84 861	-	8 918	5 388	9 057
<b>Debt impairment provision</b>											
Balance at the beginning of the year											
Contributions to the provision											
Bad debts written off											
<b>Balance at end of year</b>		-	-	-	-	-	-	-	-	-	-
<b>Property, plant and equipment (PPE)</b>				420 740	397 643	470 255	470 255		557 778	529 873	535 819
PPE at cost/valuation (excl. finance leases)				420 740	397 643	470 255	470 255		557 778	529 873	535 819
Leases recognised as PPE											
Less: Accumulated depreciation											
<b>Total Property, plant and equipment (PPE)</b>	2	-	-	420 740	397 643	470 255	470 255	-	557 778	529 873	535 819
<b>LIABILITIES</b>											
<b>Current liabilities - Borrowing</b>				10 112	7 224						
Short term loans (other than bank overdraft)				10 112	7 224						
Current portion of long-term liabilities											
<b>Total Current liabilities - Borrowing</b>		-	-	10 112	7 224	-	-	-	-	-	-
<b>Trade and other payables</b>				51 818	37 587	317 869	317 869		79 493	78 859	79 787
Trade Payables				51 818	37 587	317 869	317 869		79 493	78 859	79 787
Other creditors											
Unspent conditional transfers				1 213							
VAT											
<b>Total Trade and other payables</b>	2	-	-	53 031	37 587	317 869	317 869	-	79 493	78 859	79 787
<b>Non current liabilities - Borrowing</b>				17 807	805	329	329				
Borrowing				17 807	805	329	329				
Finance leases (including PPP asset element)											
<b>Total Non current liabilities - Borrowing</b>	4	-	-	17 807	805	329	329	-	-	-	-
<b>Provisions - non-current</b>				5 628	15 679	12 037	12 037				
Retirement benefits				5 628	15 679	12 037	12 037				
Refuse landfill site rehabilitation											
Other											
<b>Total Provisions - non-current</b>		-	-	5 628	15 679	12 037	12 037	-	-	-	-
<b>CHANGES IN NET ASSETS</b>											
<b>Accumulated Surplus/(Deficit)</b>						487 690	487 690				
Accumulated Surplus/(Deficit) - opening balance						487 690	487 690				
GRAP adjustments											
Restated balance		-	-	-	-	487 690	487 690	-	-	-	-
Surplus/(Deficit)		22 603	57 991	21 689	73 158	65 618	65 170	-	13 143	(0)	(0)
Transfers to/from Reserves											
Depreciation offsets											
Other adjustments											
<b>Accumulated Surplus/(Deficit)</b>	1	22 603	57 991	21 689	73 158	553 308	552 860	-	13 143	(0)	(0)
<b>Reserves</b>											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
<b>Total Reserves</b>	2	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	22 603	57 991	21 689	73 158	553 308	552 860	-	13 143	(0)	(0)

<b>ELUNDINI LOCAL MUNICIPALITY</b>			
<b>FINAL BUDGET 2020/2021</b>			
<b>CAPITAL PROJECTS</b>			
<b>SegmentDesc</b>	<b>2021 Draft</b>	<b>2022 Draft</b>	<b>2023 Draft</b>
MIG Projects	36 767 850.00	39 768 900.00	41 963 300.00
CONTAINER CITY	1 400 000.00	1 464 400.00	1 531 762.40
NETWORK UPGRADE-1101/4601/0000	1 191 209.90	1 246 005.56	1 303 321.82
INSTALL OF HIGH MASTS	1 937 230.00	2 026 342.58	2 119 554.34
STREET LIGHTS	1 082 500.00	1 132 295.00	1 184 380.57
Furniture & Office equipment	50 000.00	52 300.00	54 705.80
Furniture & Office equipment	100 000.00	104 600.00	109 411.60
Furniture & Office equipment	100 000.00	104 600.00	109 411.60
Municipal Lights	350 000.00	366 100.00	382 940.60
FURNITURE & OFFICE EQUIPMENT	245 094.54	256 368.88	268 161.85
Vehicles	2 500 000.00	2 615 000.00	2 735 290.00
FURNITURE & OFFICE EQUIPMENT-0401/4601/0000	100 000.00	-	-
FURNITURE & OFFICE EQUIPMENT-0001/4601/0000 led screen	1 500 000.00	1 569 000.00	1 641 174.00
Disaster Recovery site and Wifi	4 500 000.00	4 707 000.00	4 923 522.00
GRASS CUTTERS	150 000.00	-	-
Municipal buildings	5 000 000.00	-	-
TROLLEY BINS-0420/4624/0000	80 000.00	83 680.00	87 529.28
Access Control-0301/4601/0000	1 200 000.00	1 255 200.00	1 312 939.20
PITSENG BRIDGE	5 800 000.00	-	-
Premiours Office	14 520 000.00	-	-
Furniture & Office equipment	10 000.00	10 460.00	10 941.16
MOTOR VEHICLES-0420/4603/0000	3 000 000.00	3 138 000.00	3 282 348.00
Public Toilets	6 600 000.00	-	-
Municipal Tents	200 000.00	-	-
Containers	400 000.00	-	-
<b>Total</b>	<b>88 783 884.44</b>	<b>59 900 252.02</b>	<b>63 020 694.22</b>

### 3.14 Municipal manager's quality certificate

I Khayaletu Gashi, municipal manager of Elundini Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name   K Gashi  

Municipal Manager of Elundini Municipality (EC141)

Signature \_\_\_\_\_

Date \_\_\_\_\_