



Our ref: KCDMC : 2457/2020/P Ndlovu
DM#129190

Your ref:

DEPARTMENT: CORPORATE SERVICES

INTERNAL MEMORANDUM

TO : MUNICIPAL MANAGER
CHIEF OPERATIONS OFFICER
ACTING DEPUTY MUNICIPAL MANAGER : CORPORATE SERVICES
DEPUTY MUNICIPAL MANAGER : FINANCIAL SERVICES
ACTING DEPUTY MUNICIPAL MANAGER : TECHNICAL SERVICES
DEPUTY MUNICIPAL MANAGER : PLANNING & ECONOMIC DEVELOPMENT
DEPUTY MUNICIPAL MANAGER : COMMUNITY SERVICES

FROM : SENIOR MANAGER : ADMIN SERVICES

DATE : 29 MAY 2020

RE : FINAL MULTI-YEAR BUDGET FOR 2020/21 - 2022/23

I hereby wish to inform you that Council during a meeting held on 29 May 2020, (Item KCDMC : 2457/2020), resolved that:

1. The final 2020/2021 Multi Year budget be approved by Council as per the A schedules below:

DC28 King Cetchwayo - Table A1 Consolidated Budget Summary

Description	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 thousands										
Financial Performance										
Service charges	64 615	77 337	86 913	92 472	92 472	92 472	76 289	103 119	112 831	123 830
Investment revenue	45 649	44 449	39 258	32 145	38 821	38 821	34 757	32 909	34 884	36 977
Transfers recognised - operational	467 500	537 477	574 401	532 948	542 200	542 200	525 756	591 780	631 068	682 981
Other own revenue	42 749	42 303	24 988	29 530	3 223	3 223	3 880	4 618	1 900	2 014
Total Revenue (excluding capital transfers and contributions)	620 513	701 565	725 560	687 096	676 717	676 717	640 681	732 426	780 682	845 801
Employee costs	173 463	195 948	229 028	239 552	232 975	232 975	189 990	280 421	291 890	309 447
Remuneration of councillors	10 292	11 778	11 679	13 697	12 221	12 221	10 362	14 436	15 216	16 129
Depreciation & asset impairment	62 985	69 920	74 751	102 409	101 759	101 759	60 328	89 656	97 466	105 187
Finance charges	9 163	6 432	5 322	4 581	4 581	4 581	2 395	3 722	6 917	5 782
Materials and bulk purchases	55 622	79 785	67 106	69 688	76 595	76 595	73 605	108 076	113 301	131 922
Transfers and grants	10 635	11 515	19 355	5 943	2 081	2 081	1 000	1 025	2 820	2 961
Other expenditure	399 601	490 707	483 239	390 346	410 161	410 161	345 014	296 461	340 791	367 392
Total Expenditure	721 762	866 085	890 480	826 215	840 372	840 372	682 694	793 797	868 402	938 820
Surplus/(Deficit)	(101 249)	(164 519)	(164 920)	(139 119)	(163 655)	(163 655)	(42 014)	(61 371)	(87 720)	(93 018)
Transfers and grants capital transfers & allocations) (National / Provincial and District)	398 564	270 696	214 677	355 785	441 418	441 418	162 227	246 981	292 000	323 706
Surplus/(Deficit) after capital transfers & contributions	297 316	106 176	49 757	216 665	277 762	277 762	120 214	185 610	204 280	230 688
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	297 316	106 176	49 757	216 665	277 762	277 762	120 214	185 610	204 280	230 688
Capital expenditure & funds sources										
Capital expenditure	375 258	187 343	198 403	370 535	483 184	483 184	148 334	296 130	334 728	325 356
Transfers recognised - capital	357 062	171 513	191 280	355 785	441 418	441 418	138 678	246 981	292 000	323 706
Borrowing	–	–	–	–	–	–	–	–	34 716	–
Internally generated funds	18 196	15 830	7 123	14 750	41 766	41 766	9 656	49 149	8 012	1 650
Total sources of capital funds	375 258	187 343	198 403	370 535	483 184	483 184	148 334	296 130	334 728	325 356
Financial position										
Total current assets	621 509	555 076	582 874	439 713	437 058	437 058	727 982	638 580	603 158	631 301
Total non current assets	2 162 137	2 301 443	2 425 614	2 938 031	3 032 948	3 032 948	2 512 435	2 964 530	3 016 979	2 992 342
Total current liabilities	270 858	233 262	331 947	120 920	115 509	115 509	451 012	449 691	415 809	444 608
Total non current liabilities	144 839	129 081	131 616	118 452	118 261	118 261	125 281	130 853	125 671	126 473
Community wealth/Equity	2 367 949	2 494 177	2 545 022	3 138 372	3 235 586	3 235 586	2 665 138	3 022 567	3 078 656	3 052 562
Cash flows										
Net cash from (used) operating	393 953	150 159	133 261	317 704	371 633	371 633	180 789	273 833	301 006	334 752
Net cash from (used) investing	(308 435)	(171 513)	(198 287)	(370 530)	(483 184)	(483 184)	(148 377)	(296 062)	(334 656)	(325 263)
Net cash from (used) financing	(12 989)	(15 940)	(6 716)	(9 926)	(7 529)	(7 529)	(6 608)	(30 763)	(31 539)	(34 425)
Cash/cash equivalents at the year end	495 087	440 252	389 745	321 464	263 299	263 299	25 718	502 126	436 937	412 001
Cash backing/surplus reconciliation										
Cash and investments available	509 560	461 491	494 384	401 733	399 893	399 893	626 289	555 118	518 847	545 939
Application of cash and investments	288 951	273 703	365 331	163 967	159 803	159 803	466 433	487 515	447 872	473 951
Balance - surplus (shortfall)	220 610	187 788	129 053	237 766	240 091	240 091	159 856	67 603	70 975	71 988
Asset management										
Asset register summary (WDV)	2 155 712	1 525 883	1 530 520	1 971 633	2 066 549	2 066 549	2 066 549	1 780 613	1 788 852	1 772 565
Depreciation	62 985	69 920	74 751	102 409	101 759	101 759	101 759	89 656	97 466	105 187
Renewal and Upgrading of Existing Assets	–	11 128	27 380	64 032	69 847	69 847	69 847	26 816	42 551	41 000
Repairs and Maintenance	79 267	158 507	204 643	140 932	152 639	152 639	152 639	144 049	194 114	205 130
Free services										
Cost of Free Basic Services provided	5 471	3 182	3 325	2 895	2 895	2 895	3 797	3 797	4 025	4 266
Revenue cost of free services provided	–	–	–	–	–	–	3 406	3 406	3 611	3 827
Households below minimum service level										
Water:	47	66	66	66	66	66	67	67	68	69
Sanitation/sewerage:	28	50	50	50	50	50	51	51	52	53

DC28 King Cetshwayo - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by functional 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
Revenue - Functional										
<i>Governance and administration</i>		701 203	586 030	522 074	678 254	781 456	781 456	594 765	658 713	716 317
Executive and council		-	(1)	-	-	-	-	-	-	-
Finance and administration		701 203	586 032	522 074	678 254	781 456	781 456	594 765	658 713	716 317
<i>Community and public safety</i>		174	225	217	209	209	209	339	360	381
Community and social services		174	225	217	209	209	209	339	360	381
<i>Economic and environmental services</i>		20 648	19 095	19 075	18 391	18 391	18 391	19 583	20 669	21 894
Environmental protection		20 648	19 095	19 075	18 391	18 391	18 391	19 583	20 669	21 894
<i>Trading services</i>		266 600	337 980	364 472	318 078	318 078	318 078	364 720	392 941	430 915
Water management		222 224	241 881	261 892	278 597	278 597	278 597	313 103	337 826	362 350
Waste water management		25 404	75 594	76 362	7 943	7 943	7 943	26 444	24 907	32 316
Waste management		18 972	20 505	26 218	31 539	31 539	31 539	25 173	30 207	36 249
<i>Other</i>	4	30 452	28 931	34 398	27 948	-	-	-	-	-
Total Revenue - Functional	2	1 019 078	972 261	940 237	1 042 880	1 118 135	1 118 135	979 407	1 072 682	1 169 507
Expenditure - Functional										
<i>Governance and administration</i>		136 616	142 656	166 793	201 932	187 984	187 984	213 512	218 290	230 084
Executive and council		25 841	30 287	42 089	46 413	40 062	40 062	42 587	44 872	47 424
Finance and administration		110 776	112 368	124 704	155 519	147 922	147 922	161 124	163 056	171 676
Internal audit		-	-	-	-	-	-	9 801	10 362	10 983
<i>Community and public safety</i>		49 074	47 144	31 547	31 877	31 934	31 934	29 980	33 562	35 438
Community and social services		31 224	31 011	31 547	31 877	31 934	31 934	29 980	33 562	35 438
Health		17 850	16 133	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		20 767	28 084	54 650	45 963	39 024	39 024	44 869	46 851	49 606
Planning and development		20 767	25 815	35 882	24 991	19 918	19 918	21 511	22 548	23 813
Environmental protection		-	2 269	18 768	20 972	19 107	19 107	23 358	24 303	25 792
<i>Trading services</i>		485 201	615 564	613 878	517 846	581 429	581 429	505 436	569 699	623 692
Water management		423 415	474 799	546 030	479 679	545 783	545 783	449 891	507 346	552 182
Waste water management		26 651	111 782	46 799	14 320	10 494	10 494	31 563	33 321	41 471
Waste management		35 135	28 983	21 049	23 847	25 152	25 152	23 981	29 031	30 040
<i>Other</i>	4	30 104	32 637	23 613	28 598	-	-	-	-	-
Total Expenditure - Functional	3	721 762	866 085	890 480	826 215	840 372	840 372	793 797	868 402	938 820
Surplus/(Deficit) for the year		297 316	106 176	49 757	216 665	277 762	277 762	185 610	204 280	230 688

DC28 King Cetshwayo - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal 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	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote	1									
Vote 01 - Executive & Council		–	(1)	–	–	–	–	–	–	–
Vote 03 - Community & Social Services		174	225	217	209	209	209	339	360	381
Vote 05 - Environmental Health		20 648	19 095	19 075	18 391	18 391	18 391	19 583	20 669	21 894
Vote 06 - Finance & Administration		701 203	586 032	522 074	678 254	781 456	781 456	594 765	658 713	716 317
Vote 07 - Infrastructure Services		222 224	241 881	261 892	278 597	278 597	278 597	313 103	337 826	362 350
Vote 08 - Waste Management		18 972	20 505	26 218	31 539	31 539	31 539	25 173	30 207	36 249
Vote 09 - Waste Water Management		25 404	75 594	76 362	7 943	7 943	7 943	26 444	24 907	32 316
Vote 10 - King Cetshwayo Fresh Produce Market		30 452	28 931	34 398	27 948	–	–	–	–	–
Total Revenue by Vote	2	1 019 078	972 261	940 237	1 042 880	1 118 135	1 118 135	979 407	1 072 682	1 169 507
Expenditure by Vote to be appropriated	1									
Vote 01 - Executive & Council		38 041	55 001	69 061	83 919	78 995	78 995	95 155	96 275	101 628
Vote 02 - Economic Development, Planning & Environment		20 767	25 815	35 882	24 991	19 918	19 918	21 511	22 548	23 813
Vote 03 - Community & Social Services		31 224	31 011	31 547	31 877	31 934	31 934	29 980	33 562	35 438
Vote 05 - Environmental Health		17 850	18 402	18 768	20 972	19 107	19 107	23 358	24 303	25 792
Vote 06 - Finance & Administration		98 575	87 655	97 732	118 013	108 989	108 989	118 358	122 014	128 456
Vote 07 - Infrastructure Services		423 415	474 799	546 030	479 679	545 783	545 783	449 891	507 346	552 182
Vote 08 - Waste Management		35 135	28 983	21 049	23 847	25 152	25 152	23 981	29 031	30 040
Vote 09 - Waste Water Management		26 651	111 782	46 799	14 320	10 494	10 494	31 563	33 321	41 471
Vote 10 - King Cetshwayo Fresh Produce Market		30 104	32 637	23 613	28 598	–	–	–	–	–
Total Expenditure by Vote	2	721 762	866 085	890 480	826 215	840 372	840 372	793 797	868 402	938 820
Surplus/(Deficit) for the year	2	297 316	106 176	49 757	216 665	277 762	277 762	185 610	204 280	230 688

DC28 King Cetshwayo - Table A4 Consolidated 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
Revenue By Source											
Service charges - water revenue	2	38 937	48 893	53 125	52 991	52 991	52 991	47 527	69 502	73 673	78 093
Service charges - sanitation revenue	2	6 706	7 939	7 569	7 943	7 943	7 943	6 846	8 444	8 951	9 488
Service charges - refuse revenue	2	18 972	20 505	26 218	31 539	31 539	31 539	21 916	25 173	30 207	36 249
Rental of facilities and equipment		47	568	119	111	111	111	73	115	122	129
Interest earned - external investments		45 649	44 449	39 258	32 145	38 821	38 821	34 757	32 909	34 884	36 977
Interest earned - outstanding debtors		2 054	2 190	1 710	265	265	265	1 869	280	297	314
Dividends received		-	3	4	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	8	13	9	9	9	15	10	10	11
Licences and permits		52	20	40	70	70	70	55	74	80	85
Transfers and subsidies		467 500	537 477	574 401	532 948	542 200	542 200	525 756	591 780	631 068	682 981
Other revenue	2	40 597	32 547	23 055	29 074	2 767	2 767	1 868	4 139	1 391	1 475
Gains		-	6 965	48	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		620 513	701 565	725 560	687 096	676 717	676 717	640 681	732 426	780 682	845 801
Expenditure By Type											
Employee related costs	2	173 463	195 948	229 028	239 552	232 975	232 975	189 990	280 421	291 890	309 447
Remuneration of councillors		10 292	11 778	11 679	13 697	12 221	12 221	10 362	14 436	15 216	16 129
Debt impairment	3	12 426	5 318	8 754	7 612	7 612	7 612	248	7 817	8 286	8 783
Depreciation & asset impairment	2	62 985	69 920	74 751	102 409	101 759	101 759	60 328	89 656	97 466	105 187
Finance charges		9 163	6 432	5 322	4 581	4 581	4 581	2 395	3 722	6 917	5 782
Bulk purchases	2	55 622	47 255	39 201	34 381	59 381	59 381	59 122	71 811	87 363	104 325
Other materials	8	-	32 530	27 905	35 307	17 214	17 214	14 483	36 266	25 939	27 596
Contracted services		111 867	387 281	367 238	253 765	297 703	297 703	270 865	177 417	220 674	240 095
Transfers and subsidies		10 635	11 515	19 355	5 943	2 081	2 081	1 000	1 025	2 820	2 961
Other expenditure	4, 5	275 308	96 776	107 248	128 969	104 847	104 847	73 900	111 227	111 831	118 513
Losses		-	1 332	-	-	-	-	-	-	-	-
Total Expenditure		721 762	866 085	890 480	826 215	840 372	840 372	682 694	793 797	868 402	938 820
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(101 249)	(164 519)	(164 920)	(139 119)	(163 655)	(163 655)	(42 014)	(61 371)	(87 720)	(93 018)
Surplus/(Deficit) after capital transfers & contributions		398 564	270 696	214 677	355 785	441 418	441 418	162 227	246 981	292 000	323 706
Taxation		297 316	106 176	49 757	216 665	277 762	277 762	120 214	185 610	204 280	230 688
Surplus/(Deficit) after taxation		297 316	106 176	49 757	216 665	277 762	277 762	120 214	185 610	204 280	230 688
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		297 316	106 176	49 757	216 665	277 762	277 762	120 214	185 610	204 280	230 688
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		297 316	106 176	49 757	216 665	277 762	277 762	120 214	185 610	204 280	230 688

DC28 King Cetshwayo - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding

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
Capital expenditure - Vote	1										
Multi-year expenditure to be appropriated	2										
Vote 03 - Community & Social Services		-	636	-	-	-	-	-	-	-	-
Vote 07 - Infrastructure Services		354 169	152 500	172 655	309 753	335 840	335 840	95 799	178 911	213 811	237 706
Vote 08 - Waste Management		-	310	-	-	-	-	-	4 362	4 362	-
Vote 09 - Waste Water Management		3 000	-	18 625	52 032	68 631	68 631	39 600	16 004	38 189	46 000
Capital multi-year expenditure sub-total	7	357 169	153 446	191 280	361 785	404 471	404 471	135 399	199 276	256 362	283 706
Single-year expenditure to be appropriated	2										
Vote 01 - Executive & Council		3 579	2 028	783	100	3 715	3 715	70	100	-	-
Vote 02 - Economic Development, Planning & Environ		-	-	86	40	40	40	-	-	-	-
Vote 03 - Community & Social Services		999	221	1 955	-	253	253	-	150	-	-
Vote 05 - Environmental Health		-	86	242	250	250	250	-	-	-	-
Vote 06 - Finance & Administration		3 472	2 917	2 227	3 450	4 250	4 250	1 633	7 009	1 650	650
Vote 07 - Infrastructure Services		2 893	28 494	1 144	4 310	69 922	69 922	11 078	62 450	41 700	41 000
Vote 08 - Waste Management		258	50	578	-	-	-	-	14 878	34 716	-
Vote 09 - Waste Water Management		2 929	-	-	600	283	283	154	12 267	300	-
Vote 10 - King Cetshwayo Fresh Produce Market		3 959	100	108	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		18 089	33 897	7 123	8 750	78 713	78 713	12 935	96 854	78 366	41 650
Total Capital Expenditure - Vote		375 258	187 343	198 403	370 535	483 184	483 184	148 334	296 130	334 728	325 356
Capital Expenditure - Functional											
Governance and administration		7 052	4 946	3 010	3 550	7 965	7 965	1 703	7 109	1 650	650
Executive and council		3 579	1 703	443	100	3 715	3 715	70	100	-	-
Finance and administration		3 472	3 242	2 567	3 450	4 250	4 250	1 633	7 009	1 650	650
Community and public safety		999	858	1 955	-	253	253	-	150	-	-
Community and social services		999	858	1 955	-	253	253	-	150	-	-
Economic and environmental services		-	86	328	290	290	290	-	-	-	-
Planning and development		-	-	86	40	40	40	-	-	-	-
Environmental protection		-	86	242	250	250	250	-	-	-	-
Trading services		363 248	181 354	193 002	366 695	474 676	474 676	146 631	288 871	333 078	324 706
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		357 062	180 994	173 799	314 063	405 762	405 762	106 877	241 361	255 511	278 706
Waste water management		5 929	-	18 625	52 632	68 914	68 914	39 754	28 271	38 489	46 000
Waste management		258	360	578	-	-	-	-	19 240	39 078	-
Other		3 959	100	108	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	375 258	187 343	198 403	370 535	483 184	483 184	148 334	296 130	334 728	325 356
Funded by:											
National Government		357 062	171 513	191 280	355 785	441 418	441 418	138 678	246 981	292 000	323 706
Transfers recognised - capital	4	357 062	171 513	191 280	355 785	441 418	441 418	138 678	246 981	292 000	323 706
Borrowing	6	-	-	-	-	-	-	-	-	34 716	-
Internally generated funds		18 196	15 830	7 123	14 750	41 766	41 766	9 656	49 149	8 012	1 650
Total Capital Funding	7	375 258	187 343	198 403	370 535	483 184	483 184	148 334	296 130	334 728	325 356

DC28 King Cetshwayo - Table A6 Consolidated 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
ASSETS											
Current assets											
Cash		198 357	111 491	144 384	66 733	64 893	64 893	314 431	165 118	153 847	180 939
Call investment deposits	1	305 000	350 000	350 000	335 000	335 000	335 000	311 858	390 000	365 000	365 000
Consumer debtors	1	72 298	45 459	54 358	27 778	27 358	27 358	57 166	51 496	51 422	52 465
Other debtors		40 080	42 042	28 235	5 735	5 340	5 340	37 450	26 025	26 952	26 963
Current portion of long-term receivables		43	48	53	44	44	44	53	97	93	91
Inventory	2	5 731	6 036	5 844	4 423	4 423	4 423	7 023	5 844	5 844	5 844
Total current assets		621 509	555 076	582 874	439 713	437 058	437 058	727 982	638 580	603 158	631 301
Non current assets											
Long-term receivables		222	-	116	121	121	121	73	68	72	93
Investments		6 203									
Property, plant and equipment	3	2 151 559	2 295 318	2 419 391	2 930 908	3 026 123	3 026 123	2 506 914	2 949 617	3 011 300	2 987 642
Intangible		3 453	4 658	4 591	6 302	6 003	6 003	5 074	13 329	4 091	3 091
Other non-current assets		700	1 468	1 516	700	700	700	374	1 516	1 516	1 516
Total non current assets		2 162 137	2 301 443	2 425 614	2 938 031	3 032 948	3 032 948	2 512 435	2 964 530	3 016 979	2 992 342
TOTAL ASSETS		2 783 646	2 856 520	3 008 488	3 377 744	3 470 006	3 470 006	3 240 417	3 603 110	3 620 137	3 623 643
LIABILITIES											
Current liabilities											
Borrowing	4	10 605	5 928	6 670	7 529	7 529	7 529	6 670	7 626	7 748	9 948
Consumer deposits		10 387	10 012	10 058	12 456	12 456	12 456	9 997	23 137	23 791	24 478
Trade and other payables	4	248 209	188 103	286 384	67 170	61 759	61 759	405 511	387 581	352 966	380 799
Provisions		1 656	29 219	28 835	33 765	33 765	33 765	28 835	31 347	31 304	29 384
Total current liabilities		270 858	233 262	331 947	120 920	115 509	115 509	451 012	449 691	415 809	444 608
Non current liabilities											
Borrowing		44 462	38 533	31 864	24 335	24 335	24 335	28 633	23 378	21 838	21 483
Provisions		100 377	90 548	99 752	94 117	93 926	93 926	96 648	107 475	103 833	104 990
Total non current liabilities		144 839	129 081	131 616	118 452	118 261	118 261	125 281	130 853	125 671	126 473
TOTAL LIABILITIES		415 697	362 343	463 563	239 371	233 770	233 770	576 293	580 544	541 480	571 081
NET ASSETS	5	2 367 949	2 494 177	2 544 924	3 138 372	3 236 236	3 236 236	2 664 124	3 022 567	3 078 656	3 052 562
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		2 102 957	2 494 176	2 545 021	2 810 901	2 908 115	2 908 115	2 665 137	2 705 253	2 723 924	2 750 331
Reserves	4	264 992	1	1	327 471	327 470	327 470	1	317 313	354 732	302 230
TOTAL COMMUNITY WEALTH/EQUITY	5	2 367 949	2 494 177	2 545 022	3 138 372	3 235 586	3 235 586	2 665 138	3 022 567	3 078 656	3 052 562

DC28 King Cetshwayo - Table A7 Consolidated Budgeted Cash Flows

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
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Service charges		64 841	77 337	86 913	83 225	83 225	83 225	76 289	93 870	103 804	113 923
Other revenue		(6 399)	7 522	23 275	29 530	3 223	3 223	3 880	4 338	1 603	1 700
Transfers and Subsidies - Operational	1	433 789	537 477	574 401	532 948	535 948	535 948	525 756	591 780	631 068	682 981
Transfers and Subsidies - Capital	1	461 763	270 696	214 677	355 785	441 418	441 418	162 227	246 981	292 000	323 706
Interest		47 703	46 639	40 968	32 410	38 821	38 821	34 757	33 189	35 180	37 291
Dividends			3	4							
Payments											
Suppliers and employees		(587 984)	(771 568)	(782 299)	(705 671)	(724 339)	(724 339)	(618 724)	(691 578)	(752 912)	(816 106)
Finance charges		(9 125)	(6 432)	(5 322)	(4 581)	(4 581)	(4 581)	(2 395)	(3 722)	(6 917)	(5 782)
Transfers and Grants	1	(10 635)	(11 515)	(19 355)	(5 943)	(2 081)	(2 081)	(1 000)	(1 025)	(2 820)	(2 961)
NET CASH FROM/(USED) OPERATING ACTIVITIES		393 953	150 159	133 261	317 704	371 633	371 633	180 789	273 833	301 006	334 752
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		187									
Decrease (increase) in non-current receivables		90									
Decrease (increase) in non-current investments				116	5			(43)	68	72	93
Payments											
Capital assets		(308 711)	(171 513)	(198 403)	(370 535)	(483 184)	(483 184)	(148 334)	(296 130)	(334 728)	(325 356)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(308 435)	(171 513)	(198 287)	(370 530)	(483 184)	(483 184)	(148 377)	(296 062)	(334 656)	(325 263)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Increase (decrease) in consumer deposits			(10 012)	(47)	(2 397)			61	(23 137)	(23 791)	(24 478)
Payments											
Repayment of borrowing		(12 989)	(5 928)	(6 670)	(7 529)	(7 529)	(7 529)	(6 670)	(7 626)	(7 748)	(9 948)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(12 989)	(15 940)	(6 716)	(9 926)	(7 529)	(7 529)	(6 608)	(30 763)	(31 539)	(34 425)
NET INCREASE/ (DECREASE) IN CASH HELD		72 529	(37 294)	(71 742)	(62 753)	(119 079)	(119 079)	25 804	(52 992)	(65 189)	(24 937)
Cash/cash equivalents at the year begin:	2	422 557	477 546	461 487	384 217	382 378	382 378	(86)	555 118	502 126	436 937
Cash/cash equivalents at the year end:	2	495 087	440 252	389 745	321 464	263 299	263 299	25 718	502 126	436 937	412 001

DC28 King Cetshwayo - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

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
Cash and investments available											
Cash/cash equivalents at the year end	1	495 087	440 252	389 745	321 464	263 299	263 299	25 718	502 126	436 937	412 001
Other current investments - > 90 days		8 271	21 239	104 639	80 269	136 595	136 595	600 571	52 992	81 910	133 938
Non current assets - Investments	1	6 203									
Cash and investments available:		509 560	461 491	494 384	401 733	399 893	399 893	626 289	555 118	518 847	545 939
Application of cash and investments											
Unspent conditional transfers			0	92 895				294 584	92 895	92 895	92 895
Statutory requirements	2	1 656	29 219	28 835	33 765	33 765	33 765	28 835	31 347	31 304	29 384
Other working capital requirements	3	186 917	153 936	143 849	36 085	32 111	32 111	46 366	255 799	219 839	246 682
Other provisions		100 377	90 548	99 752	94 117	93 926	93 926	96 648	107 475	103 833	104 990
Total Application of cash and investments:		288 951	273 703	365 331	163 967	159 803	159 803	466 433	487 515	447 872	473 951
Surplus(shortfall)		220 610	187 788	129 053	237 766	240 091	240 091	159 856	67 603	70 975	71 988

DC28 King Cetchwayo - Table A9 Consolidated 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
CAPITAL EXPENDITURE										
Total New Assets	1	375 258	176 215	171 023	306 503	413 337	413 337	289 315	292 177	284 356
Water Supply Infrastructure		354 169	169 043	164 464	300 253	372 733	372 733	226 478	255 511	283 706
Sanitation Infrastructure		20 389	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	310	523	-	-	-	14 878	34 716	-
Infrastructure		374 558	169 353	164 987	300 253	372 733	372 733	241 356	290 227	283 706
Community Facilities		-	636	425	-	253	253	-	-	-
Community Assets		-	636	425	-	253	253	-	-	-
Heritage Assets		700	-	-	-	-	-	-	-	-
Operational Buildings		-	-	195	1 300	11 236	11 236	-	-	-
Other Assets		-	-	195	1 300	11 236	11 236	-	-	-
Licences and Rights		-	1 110	880	1 650	1 442	1 442	5 119	500	-
Intangible Assets		-	1 110	880	1 650	1 442	1 442	5 119	500	-
Computer Equipment		-	2 262	1 769	1 750	1 874	1 874	1 590	850	650
Furniture and Office Equipment		-	1 215	1 048	350	463	463	220	-	-
Machinery and Equipment		-	119	221	1 200	1 082	1 082	1 030	600	-
Transport Assets		-	1 521	1 497	-	24 255	24 255	20 000	-	-
Total Renewal of Existing Assets	2	-	1 959	3 538	41 032	56 981	56 981	22 004	28 189	31 000
Water Supply Infrastructure		-	1 959	3 538	-	-	-	6 000	-	-
Sanitation Infrastructure		-	-	-	41 032	56 981	56 981	16 004	28 189	31 000
Infrastructure		-	1 959	3 538	41 032	56 981	56 981	22 004	28 189	31 000
Total Upgrading of Existing Assets	6	-	9 169	23 842	23 000	12 866	12 866	4 812	14 362	10 000
Water Supply Infrastructure		-	9 169	23 842	23 000	12 866	12 866	450	10 000	10 000
Solid Waste Infrastructure		-	-	-	-	-	-	4 362	4 362	-
Infrastructure		-	9 169	23 842	23 000	12 866	12 866	4 812	14 362	10 000
Total Capital Expenditure	4	375 258	187 343	198 403	370 535	483 184	483 184	296 130	334 728	325 356
Water Supply Infrastructure		354 169	180 170	191 844	323 253	385 599	385 599	232 928	265 511	293 706
Sanitation Infrastructure		20 389	-	-	41 032	56 981	56 981	16 004	28 189	31 000
Solid Waste Infrastructure		-	310	523	-	-	-	19 240	39 078	-
Infrastructure		374 558	180 480	192 367	364 285	442 580	442 580	268 171	332 778	324 706
Community Facilities		-	636	425	-	253	253	-	-	-
Community Assets		-	636	425	-	253	253	-	-	-
Heritage Assets		700	-	-	-	-	-	-	-	-
Operational Buildings		-	-	195	1 300	11 236	11 236	-	-	-
Other Assets		-	-	195	1 300	11 236	11 236	-	-	-
Licences and Rights		-	1 110	880	1 650	1 442	1 442	5 119	500	-
Intangible Assets		-	1 110	880	1 650	1 442	1 442	5 119	500	-
Computer Equipment		-	2 262	1 769	1 750	1 874	1 874	1 590	850	650
Furniture and Office Equipment		-	1 215	1 048	350	463	463	220	-	-
Machinery and Equipment		-	119	221	1 200	1 082	1 082	1 030	600	-
Transport Assets		-	1 521	1 497	-	24 255	24 255	20 000	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		375 258	187 343	198 403	370 535	483 184	483 184	296 130	334 728	325 356
ASSET REGISTER SUMMARY - PPE (WDV)	5	2 155 712	1 525 883	1 530 520	1 971 633	2 066 549	2 066 549	1 780 613	1 788 852	1 772 565
Water Supply Infrastructure		2 022 885	1 293 161	1 107 570	1 589 443	1 651 789	1 651 789	1 274 867	1 299 640	1 320 114
Sanitation Infrastructure		30 948	(3 677)	(6 015)	54 820	70 769	70 769	6 748	18 933	21 744
Solid Waste Infrastructure		18 448	14 857	16 222	47 407	47 407	47 407	35 462	55 299	16 222
Information and Communication Infrastructure		-	114 555	297 975	153 945	153 945	153 945	298 225	298 225	298 225
Infrastructure		2 072 281	1 418 896	1 415 751	1 845 615	1 923 910	1 923 910	1 615 300	1 672 096	1 656 304
Community Assets		61 928	15 318	15 302	19 957	19 022	19 022	15 534	15 534	15 534
Heritage Assets		700	700	700	700	700	700	700	700	700
Other Assets		-	59 608	18 179	59 655	69 591	69 591	18 179	18 179	18 179
Intangible Assets		3 453	4 658	4 591	6 302	6 003	6 003	13 329	4 091	3 091
Computer Equipment		5 374	7 174	6 682	12 426	12 284	12 284	7 342	8 062	8 162
Furniture and Office Equipment		4 431	6 414	12 149	1 922	1 053	1 053	12 293	12 113	12 313
Machinery and Equipment		1 115	1 970	920	18 195	2 871	2 871	3 216	3 356	3 562
Transport Assets		6 429	11 147	56 246	6 861	31 116	31 116	94 719	54 719	54 719
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	2 155 712	1 525 883	1 530 520	1 971 633	2 066 549	2 066 549	1 780 613	1 788 852	1 772 565
EXPENDITURE OTHER ITEMS	7	142 252	228 427	279 394	243 341	254 398	254 398	233 705	291 580	310 317
Depreciation		62 985	69 920	74 751	102 409	101 759	101 759	89 656	97 466	105 187
Repairs and Maintenance by Asset Class	3	79 267	158 507	204 643	140 932	152 639	152 639	144 049	194 114	205 130
Water Supply Infrastructure		77 198	156 448	199 231	136 889	148 425	148 425	135 713	185 168	195 607
Infrastructure		77 198	156 448	199 231	136 889	148 425	148 425	135 713	185 168	195 607
Community Facilities		290	104	47	210	310	310	194	203	217
Community Assets		290	104	47	210	310	310	194	203	217
Furniture and Office Equipment		7	-	5	-	3	3	-	-	-
Machinery and Equipment		720	576	1 267	2 206	2 099	2 099	1 097	1 557	1 713
Transport Assets		1 051	1 379	4 093	1 627	1 802	1 802	7 044	7 186	7 593
TOTAL EXPENDITURE OTHER ITEMS		142 252	228 427	279 394	243 341	254 398	254 398	233 705	291 580	310 317
Renewal and upgrading of Existing Assets as % of total capex		0.0%	5.9%	13.8%	17.3%	14.5%	14.5%	9.1%	12.7%	12.6%
Renewal and upgrading of Existing Assets as % of deprec		0.0%	15.9%	36.6%	62.5%	68.6%	68.6%	29.9%	43.7%	39.0%
R&M as a % of PPE		3.7%	6.9%	8.5%	4.8%	5.0%	5.0%	4.9%	6.4%	6.9%
Renewal and upgrading and R&M as a % of PPE		4.0%	11.0%	15.0%	10.0%	11.0%	11.0%	10.0%	13.0%	14.0%

DC28 King Cetshwayo - Table A10 Consolidated 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
Household service targets	1									
Water:										
Piped water inside dwelling		31 221	40 337	40 741	40 741	40 741	40 741	41 352	41 972	42 602
Piped water inside yard (but not in dwelling)		48 419	58 065	58 646	58 646	58 646	58 646	59 525	60 418	61 324
Using public tap (at least min.service level)	2	23 180	29 282	29 575	29 575	29 575	29 575	30 018	30 469	30 926
<i>Minimum Service Level and Above sub-total</i>		102 820	127 684	128 961	128 961	128 961	128 961	130 895	132 859	134 852
Using public tap (< min.service level)	3	10 230	10 102	10 203	10 203	10 203	10 203	10 356	10 512	10 669
No water supply		36 692	55 677	56 234	56 234	56 234	56 234	57 077	57 933	58 803
<i>Below Minimum Service Level sub-total</i>		46 921	65 779	66 437	66 437	66 437	66 437	67 434	68 445	69 472
Total number of households	5	149 742	193 464	195 398	195 398	195 398	195 398	198 329	201 304	204 324
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		31 221	40 337	40 741	40 741	40 741	40 741	41 352	41 972	42 602
Flush toilet (with septic tank)		4 378	5 657	5 713	5 713	5 713	5 713	5 799	5 886	5 974
Pit toilet (ventilated)		85 789	97 528	98 503	98 503	98 503	98 503	99 981	101 480	103 002
<i>Minimum Service Level and Above sub-total</i>		121 388	143 522	144 957	144 957	144 957	144 957	147 131	149 338	151 578
Other toilet provisions (< min.service level)		28 353	49 942	50 441	50 441	50 441	50 441	51 198	51 966	52 745
<i>Below Minimum Service Level sub-total</i>		28 353	49 942	50 441	50 441	50 441	50 441	51 198	51 966	52 745
Total number of households	5	149 742	193 464	195 398	195 398	195 398	195 398	198 329	201 304	204 324
Water (6 kilolitres per indigent household per month)		5 471	3 182	3 325	2 895	2 895	2 895	3 797	4 025	4 266
Total cost of FBS provided		5 471	3 182	3 325	2 895	2 895	2 895	3 797	4 025	4 266
Highest level of free service provided per household										
Water (kilolitres per household per month)		11	10	10	10	10	10	10	10	10
Sanitation (kilolitres per household per month)		33	29	29	29	29	29	29	30	30
Revenue cost of subsidised services provided (R'000)										
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	3 183	3 374	3 576
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	223	237	251
Total revenue cost of subsidised services provided		-	-	-	-	-	-	3 406	3 611	3 827

- The tariffs and charges as reflected for the 2020/2021, with the indicative outer two years as per Annexure A be recommended for approval.
- The positions approved in the budget are listed below however they are subject to the approval of the organizational structure.

Department	Occupation
COMMUNITY SERVICES	ARTS, CULTURE & HERITAGE OFFICER
COMMUNITY SERVICES	SENIOR MANAGER ENVIRONMENT HEALTH
COMMUNITY SERVICES	ADMINISTRATOR CEMETERY
CORPORATE IT	MANAGER - SERVER AND NETWORK SUPPORT
CORPORATE IT	IT TECHNICIAN
DISASTER MGMT	CALL CENTRE SUPERVISOR
DISASTER MGMT	MANAGER FIRE FIGHTING
FINANCE & ADMINISTRATION	AFS & SPECIAL PROJECTS SPECIALIST
FINANCE BUDGETS	ADMINISTRATOR BUDGET
FINANCE EXPENDITURE	MANAGER PAYROLL
FINANCE EXPENDITURE	PAYROLL CONTROLLER
FINANCE SCM	PARALEGAL OFFICER x2
FINANCE SCM	MANAGER CONTRACT MANAGEMENT
FINANCE SCM	STORES ASSISTANT
INTERNAL AUDIT	CHIEF AUDIT EXECUTIVE
MUNICIPAL MANAGER	ADMINISTRATION MANAGER
MUNICIPAL MANAGER	ADMINISTRATOR PUBLIC PARTICIPATION
MUNICIPAL MANAGER	TRADITIONAL LIAISON OFFICER
MUNICIPAL MANAGER	MANAGER ORGANISATIONAL CHANGE & DEVELOPMENT
MUNICIPAL MANAGER	SNR MANAGER GOVERNANCE & EXECUTIVE SUPPORT
MUNICIPAL MANAGER	MANAGER PERFORMANCE MANAGEMENT
MUNICIPAL MANAGER	PUBLIC RELATIONS CO-ORDINATOR
PED ECONOMIC DEVELOPMENT	TOURISM MARKETING OFFICER
PED STATUTORY PLANNING	MANAGER ENVIRONMENTAL MANAGEMENT
TECHNCIAL O&M	ASSISTANT ELECTRICIAN
TECHNCIAL O&M	ASSISTANT FITTER
TECHNCIAL O&M	TEAM LEADER (HYDRANT OPERATORS) x2
TECHNCIAL O&M	WATER TANKER DRIVER x10
TECHNCIAL O&M	SUPERVISOR ELECTRICIAN
TECHNICAL O&M	MAINTENANCE ENGINEER
TECHNICAL O&M	ARTISAN FITTER

4. The Draft Service Delivery and Budget Implementation Plan for the 2020/21 financial year, be noted.
5. The assessment of the 2020/21 draft budget conducted by the Provincial Treasury and the Management responses, be noted.
6. The Service Level Standard for 2020/21, be approved.

Thank you

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MS Z CONCO
SENIOR MANAGER : ADMIN SERVICES