



MAKHUDUTHAMAGA
LOCAL MUNICIPALITY

ANNUAL BUDGET
OF
Makhuduthamaga Local Municipality

2021/22

To

2023/24

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Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

Abbreviations and Acronyms

BPC	Budget Planning Committee	MIG	Municipal Infrastructure Grant
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
MM	Municipal Manager	MSA	Municipal Systems Act
CPI	Consumer Price Index	MTEF	Medium-term Expenditure Framework
CRRF	Capital Replacement Reserve Fund	MTREF	Medium-term Revenue and Expenditure Framework
DoRA	Division of Revenue Act	NGO	Non-Governmental organisations
EE	Employment Equity	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
GAMAP	Generally Accepted Municipal Accounting Practice	OP	Operational Plan
GRAP	General Recognised Accounting Practice	PMS	Performance Management System
HR	Human Resources	PPE	Property Plant and Equipment
IDP	Integrated Development Strategy	PPP	Public Private Partnership
IT	Information Technology	RG	Restructuring Grant
km	kilometre	SALGA	South African Local Government Association
DFS	Government Financial Statistics	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator	DOE	Department of Energy
LED	Local Economic Development	CBR	Cash Backed Reserves
MEC	Member of the Executive Committee		
MFMA	Municipal Financial Management Act		
IGF	Internally Generated Funds		
FY	Full Year		

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2 PART 1 – Annual Budget & MTREF

2.1 Mayor's report

Honorable speaker of Council, Executive committee members, the Chief whip of council, honorable Councilors, our beloved Traditional leaders (Magoshi), the Chairperson of MPAC, the Chair of chairs, the Municipal manager and her administration team, Managers from other government departments, Leaders of religious denominations, Members of ward committees, local Business leaders present here, Guests and all members of our communities in absence due to the conditions put upon us by the current pandemic.

“To everything there is a season, and a time to every purpose under the heaven”, writes one of the wise men in the mighty books of history. Indeed honorable Speaker, August 2016 marked a year in which this honorable house filled with these energetic servants of our people was established in terms of the applicable laws of the Republic of South Africa, to give us as council, the powers to implement the functions of the local government as enshrined in the Constitution of the Republic of South Africa. Ours, as the stewards of the limited resources of our people was to put together their service delivery needs, to allocate the limited funds appropriately across all wards of the municipality to ensure that the necessary quality services reach the door steps of our people within the timeframes as set in our five (5) year plan, the Integrated Development Plan.

Honorable Speaker, Allow me today to indicate that, as the year 2021 marks the end of the term of office for these Council, I am very proud of the good work that this council has done for its people by ensuring that the service delivery projects as planned in the approved IDP for 2016/2017 to 2020/2021 are successfully implemented. We had as council a number of challenges, made mistakes and corrected them along the way and of all things I appreciate the most, the unbreakable amount of unity that the councilors sent by different political parties maintained throughout the whole five years to a point where we are to hand over the running of the municipality to the next council without any unnecessary infightings within our council. I believe this was because we all prioritized the needs of our people over those of ours as individuals and forged our focus mainly on implementing the service delivery projects as approved in the five year IDP.



The cooperation of all councilors in this council and the administration of this municipality let by the municipal manager has enabled not only the implementation and compliance with the provisions of the Municipal Finance Management Act No.56 of 2003 but mainly ensured that our responsibilities towards our people as enshrined in the Constitution of the Republic of South Africa are carried out effectively in the best interest of the people we are serving throughout the five (5) years term of this council.

Honorable speaker,

The Municipal Finance Management Act No.56 of 2003 section 16 (1) and (2) states that, *“(1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of the financial year. (2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.”*

Section 24 (1) continues to say: “The municipal council must at least 30 days before the start of the budget year consider approval of the annual budget”

Guided by the provisions of the MFMA as indicated above and other relevant sections of the Act, and the Municipal Systems Act No.32 of 2000, the management of the municipality working together with all relevant stakeholders have implemented the IDP/Budget time schedule of key deadlines (process plan) as approved by council in July 2020 and performed the annual review of the municipality’s Integrated Development Plan as first approved in 2016 and it is the reviewed IDP that informed the annual budget to be tabled in this council today for approval.

Management have further presented to the Executive Committee, the reviewed budget related policies which are consistent with the applicable legislation, regulations and guidelines by the National Treasury. To ensure effective and efficient implementation of the municipality’s IDP and Budget for the 2021/22 MTREF, the Service Delivery and Budget Implementation Plan has been prepared together with the procurement plan for the 2021/22 budget year.

The annual budget together with the IDP for the next coming budget year were taken for consultation with all relevant stakeholders during April and May 2021 and all inputs by the stakeholders were looked in to and included in the final IDP and annual budget where possible, considering the limited resources available.

Honorable Speaker.

On behalf of the executive committee of the municipality, I hereby present the final IDP for the budget year 2021/22 to 2025/26 and the annual budget for the 2021/22 MTREF.

The annual budget presents a projected total revenue budget to the amount of **R 486.4 million** for 2021/22 budget year, **R 487.8 million** and **R 484.8 million** for the 2022/23 and 2023/24 financial years respectively. The total revenue budget for 2021/22 consists of **R 385 million** from national transfers and grants and **R 101 million** from own sources of revenue. The following table summarizes the sources of our projected revenue for the 2021/22 MTREF:

National Transfers and grants

Source of revenue	2021/2022 Annual Budget	2022/2023 Annual Budget	2023/2024 Annual Budget
Equitable share	R 296.3 million	R 310.2 million	R 301.8 million
Finance Management Grant	R 1.6 million	R 1.7 million	R 1.7 million
Municipal Infrastructure Grant	R 65.6 million	R 70.9 million	R 74 million
Expanded Public Works Programme	R 1.8 million	R0.00	R0.00



Source of revenue	2021/2022 Annual Budget	2022/2023 Annual Budget	2023/2024 Annual Budget
Integrated National Electrification Grant	R 20 million	R0.00	R0.00
Total	R385.4 million	R 382.8 million	R 377.6 million

Own revenue sources

Source of revenue	2021/2022 Annual Budget	2022/2023 Annual Budget	2023/2024 Annual Budget
Property rates	R 50 million	R 51.5 million	R 52.6 million
Interests on outstanding debtors and investments	R 41.9 million	R 43.9 million	R 44.8 million
Agency services (Licenses and permits)	R 6.8 million	R 7 million	R 7.1 million
Other revenue	R 2.3 million	R 2.5 million	R 2.6 million
Total national transfers and grants	R 101 million	R 104.9 million	R 107.1 million

Honorable speaker

The current state of revenue growth and collection remain a serious point of concern and obviously a turnaround strategy to enhance the revenue generation and to improve the revenue collection must be prioritized and implemented as a matter of urgency to ensure that the municipality's financial viability continue to encourage hope in our people.

The municipal manager must ensure that, the credit control policy is implemented without any compromise to root out the culture of nonpayment within some of the property owners and the services beneficiaries within the jurisdiction of our municipality.

There further is a need for intervention, from the office of the Premier of Limpopo, The Limpopo Provincial Treasury and the National Treasury on the non-payment of property rates for the provincial government properties that are situated within our jurisdiction. We appreciate the efforts made to date by these offices in an attempt to assist the municipality to collect the revenue billed to the Limpopo Provincial Public Works, however there sure is a need to speed up the processes as this matter has been on our attention for the past five years. A commitment in writing by the Provincial Department of Public Works regarding the outstanding debts to the municipality will bring not only hope for a breakthrough on this matter but also a greater change in to the liquidity status of the municipality.

Honorable speaker

The total revenue, presented above is used to fund the total annual budgeted expenditure to the amount of **R 486 million** for the 2021/22 financial year. The total annual budgeted expenditure for the two outer years amounts to **R 487 million** and **R 484 million** for 2022/23 and 2023/24 respectively. Out of the total **R 486 million** budgeted expenditure for 2021/22, we are funding capital projects with an amount of **R 125 million** and the operational expenditure is funded by the remaining **R 361 million**.

The total expenditure budget for 2021/22 MTREF is allocated per municipal vote as follows:

Vote - Department	2021/2022 Annual Budget	2022/2023 Annual Budget	2023/2024 Annual Budget
Executive Support	R 61.5 million	R 69.7 million	R 73.4 million
Community services	R 54.1 million	R 65.6 million	R 59.3 million
Budget and Treasury Office	R 158.9 million	R 173.3 million	R 183 million
Corporate Services	R 16.2 million	R 20.3 million	R 22 million
Economic Development and Planning	R 16.4 million	R 16.9 million	R 16.8 million
Infrastructure Development	R 179.3 million	R 142 million	R 130.3 million
Total	R 486.4 million	R 487.8 million	R 484.8 million

Honorable speaker

The operational expenditure of **R 361.2 million** for 2021/22 MTREF is allocated as follows per expenditure standard classification:

Vote - Department	2020/2021 Annual Budget	2022/2023 Annual Budget	2023/2024 Annual Budget
Employee related costs	R 106 million	R 113.8 million	R 121.7 million
Remuneration of councilors	R 25 million.	R 26.2 million	R 27.3 million
Debt impairment	R 41.9 million	R 43.9 million	R 44.8 million
Depreciation & assets impairments	R 35.3 million	R 33.8 million	R 39.2 million
Contracted services	R 108.6 million	R 117.3 million	R 109 million
Other expenditure	R 44.4 million	R 57.2 million	R 60.6 million
Total	R 361.2 million	R 392.2 million	R 402.6 million

Honorable speaker

The municipality has allocated a total amount of **R 125 million** for capital expenditure budget to be implemented in 2021/22 budget year. The capital expenditure for the two outer years of the MTREF amounts to **R 95.6 million** and **R 82.2 million** for 2022/23 and 2023/24 respectively.

We tried our best to cover as many of our wards as possible with the limited financial resources available to our municipality, to ensure that service delivery is spread equally to all wards of the municipality. We have budgeted **R 1 million** for the purchase of IT Equipment's and **R 2.7 million** for the purchase of other property, plant & equipment.

Honorable speaker

We have allocated total of **R 121.4 million** for roads, bridges and storm water construction in 2021/22 budget year and we also allocated **R 90.5 million** and **R 79.4 million** for 2022/23 and 2023/24 respectively.



In the 2021/22 budget year we are going to implement the following capital projects which will be funded by a combination of the Municipal Infrastructure Grant and Equitable Share allocation;

No.	Name of project	Funding	2021/2022 Annual Budget
1.	Riverside/Photo access road 2021/22	MIG	R 15.5 million
2.	Kome Internal Streets 2.5km 2021/22	MIG	R 22.7 million
3.	Mochadi access road 2021/22	MIG	R 4.5 million
4.	Malegase/Mapulane access road 2021/22	MIG	R 20.7 million
	Total MIG projects		R 63.4 million
5.	Glen Cowie/Old Post Office access road 7km 2021/22	ES	R 5 million
6.	Mohlala_Ngwanatswane access bridge 2021/22	ES	R 3 million
7.	Mokwete/Molepane access road 10km 2021/22	ES	R 14 million
8.	Lobethal/Tisane access road 3.3km 2021/22	ES	R 15 million
9.	Mashabela Machacha access road 10km 2021/22	ES	R 14 million
10.	Maila Mapitsane/Magolego 3.6km Tribal Office 2021/22	ES	R 3.5 million
11.	Madibong internal street	ES	R 1.5 million
11.	Upgrading of Marishane sports ground 2021/22	ES	R 2 million
	Total ES projects		R 58 million

Honorable speaker

Due to funding constraints, we are forced to implement the longer roads in phases and provide for their funding in multi years. Seven of the above mentioned projects will be continued in 2022/23 and 2023/24 where applicable to be completed.



Honorable speaker

Once again allow me to pass my gratitude to all councilors and their political parties for the great journey we took together for the past five (5) years of service delivery. I would have not done justice if I leave this platform without specifically thanking the majority party which has deployed me and my fellow party members to come and honor the people of Makhuduthamaga municipality by leading them in the struggle to better their lives.

As we are heading towards the local government elections, I'd like to wish everyone well and encourage our people to go all out to exercise this hard earned right and vote for the political parties of their choice to ensure that freedom prevails.

Honorable speaker

On behalf of the Executive committee, I hereby table to this honorable council the following documents for approval as mandated by section 24 (1) of MFMA read with section 74 and 75a of MSA and Municipal Property Rates Act of 2004:

1. 2021/22 – 2025/26 IDP
2. The 2021/22 MTREF Annual Budget.
3. Reviewed budget related policies.

I thank you.

Cllr. Maitula B.M (Mayor)

1.3. Executive Summary.

1.3.1. Legislative background

- In terms of the Municipal Finance Management Act No. 56 of 2003 section 24 (1), the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. It is a requirement in terms of section 24 (1) that at least 30 days before the start of the financial year, the Mayor of the municipality must table in a council meeting the annual budget before the start of the financial year.
- Complying with section 21 (b) of the MFMA, the mayor of Makhuduthamaga Local Municipality has tabled in a council meeting held in July 2020 a time schedule outlining key deadlines for:
 - (i) the preparation, tabling and approval of the annual budget;
 - (ii) the annual review of :
 - The integrated development plan in terms of section 34 of the Municipal Systems Act; and
 - The budget-related policies;
 - (iii) the tabling and adoption of any amendments to the Integrated Development Plan and the budget-related policies; and
 - (iv) All consultative processes forming part of the processes referred to in Subparagraphs (i), (ii)
- To comply and adhere to the time schedule as adopted by council of the municipality and to comply with the MFMA requirement in terms of chapter 4 (Municipal Budgets), the Draft Annual Budget for 2021/22 and the MTREF was tabled in council of the 31 March 2021 for noting and consultation with all relevant stakeholders in terms of budgeting principles, Makhuduthamaga Budgeting policy, applicable legislations, MFMA circulars, Municipal Budget and Reporting Regulation. The consultation process was completed in April and May 2021 and inputs received during the consultation process were considered when finalizing the annual budget for 2021/22 MTREF.

1.3.2. Budget principles, assumptions and the consolidated overview of the 2022/23 annual budget and the MTREF.

- 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 financial management strategies and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, considering the cost containment measures as approved by the cabinet, funds were prioritized basic service delivery programmes so as to maintain sound financial stewardship and to eradicate the service backlogs. The municipality considered MFMA budget circular 107 & 108 in the preparation on this budget and the MFMA Budget circulars issued in the previous years, were also considered in preparation of the final annual budget for the 2021/22 MTREF.
- The municipality has reviewed its revenue enhancement strategies to ensure that they are crafted to address the current revenue collection challenges considering the current circumstances and limitations within which the municipality operates. The current sources of revenue were reviewed to identify obstacles for revenue collection and strategies were put in place to improve and sustain collection of revenue from these sources. New available sources of revenue were also identified, and a plan of action was developed for implementation in the next financial years to start collecting revenue from such potential revenue sources.

- The main challenges experienced during the compilation of the 2021/22 MTREF can be summarized as follows:
 - The need to reprioritize infrastructure projects and necessary operational expenditure within the existing limited resources considering the cash flow realities and cash position of the municipality;
 - The municipality's inability to generate and collect enough own revenue to assist in addressing the infrastructure and other service delivery challenges in our communities.
 - The land ownership issues which affect revenue base growth in our municipality and proper town planning in the Jane Furse area, which is the most prominent economic growth point for the municipality.
 - The increasing Operational expenditure trends versus the decreasing projected revenue over the MTREF.

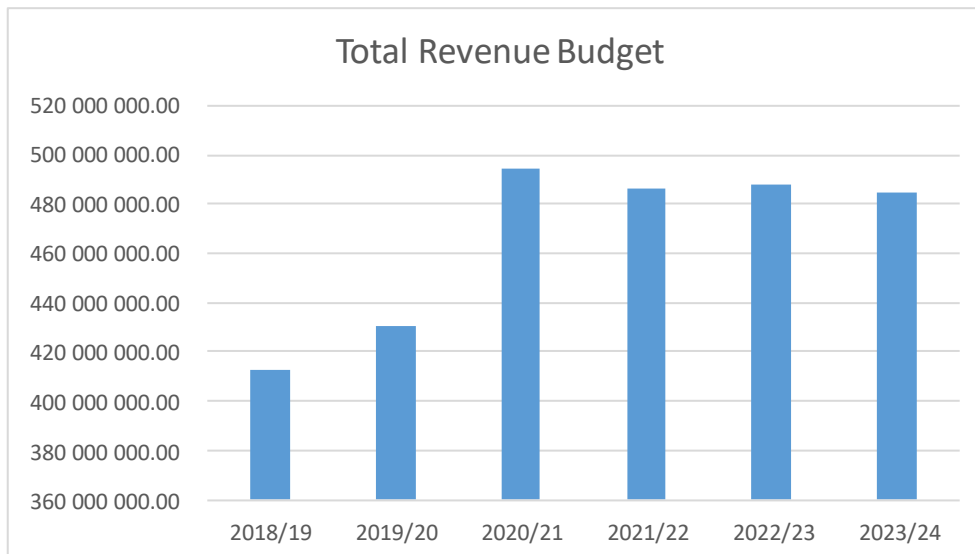
- The following budgeting principles and guidelines directly informed the compilation of the 2021/22 MTREF Annual budget:
 - The annual budget for 2021/22 and the MTREF was prepared on a zero base principle, meaning that each item or programme was budgeted considering the specification requirements of the projects and not the historical expenditure.
 - The 2020/21 Adjustment Budget priorities and targets, as well as the base line allocations contained in that Adjustment Budget were considered as the upper limits for the new baselines for the 2021/22 annual budget where resources allow and necessary;
 - Only programmes and capital projects contained in the municipality's Integrated Development Plan will be budgeted for during the 2021/22 MTREF to ensure that the budget remain an implementation tool for the municipality's IDP.
 - For the 2020/21 financial year and throughout the MTREF, tariffs for property rates will remain at 0.016 cents in a rand to make property rates affordable to our communities and to encourage debtors to pay their accounts.
 - 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;
 - The annual budget was prepared in compliance with the mSCOA regulations and the MBRR.

- In view of the aforementioned, the following table is a consolidated overview of the 2021/22 Medium-term Revenue and Expenditure Framework as compared to the past budget year:

Table 1 Consolidated Overview of the 2021/22 MTREF.

Descr ption	Adjusted Annual Budget 2020/21	Annual Budget 2021/22	Annual Budget 2022/23	Annual Budget 2023/24
Total Revenue	497 680 815	486 449 268	487 861 421	484 806 738
Total Operating Expenditure	- 353 319 688	- 361 275 813	- 392 261 421	- 402 606 738
Operating surplus/(Deficit for the year)	144 361 127	125 173 455	95 600 000	82 200 000
Total Funding for Capital Expenditure	144 361 127	125 173 455	95 600 000	82 200 000
Capital Expenditure	- 144 361 127	- 125 173 455	- 95 600 000	- 82 200 000
Total Surplus/Deficit	0.00	0.00	-	-

- The municipality has budgeted a total Revenue of **R 486.4 million** for 2021/22 financial year, **R 487.8 million** and **R 484.8 million** for 2022/23 and 2023/24 respectively. Total revenue has decreased by **R 11.2 million** for the 2021/22 financial year when compared to the 2020/21 adjusted revenue budget. For the two outer years, total revenue will increase by 0.3 per cent and decrease by 0.6 per cent respectively, equating to a total revenue decrease of **R 12.8 million** over the MTREF when compared to the 2020/21 financial year. The total revenue for 2021/22 includes the grants allocations from the national treasury to the amount of **R 385.4 million** and own revenue sources to the amount of **R 101 million**. For the two outer years of the MTREF 2022/23 and 2023/24 total grants allocations included in total revenue amounts to **R 382.8 million** and **R 377.6 million** respectively while own revenue increases to **R 104.9 million** and **R 107.1 million** respectively.
- The following bar chart indicates, the revenue growth level of the municipality for the 2021/22 MTREF including the comparison to the past three years:



- Total operating expenditure for the 2021/22 financial year has been appropriated at **R 361.2 million** and translates into an operating budgeted surplus of **R 125.1 million** as indicated in table A4.
- This surplus is used to fund capital expenditure for 2021/22 as indicated in table 1 above. The operating surplus for 2021/22 decreases by **R 19.2 million** as compared the 2020/21 operational surplus mainly due to a reduction in the electricity grant which nothing is allocated to the municipality in the two outer years of the MTREF. The operating surplus for the two outer years decreases to **R 95.6 million** for 2022/23 and further decreases to **R 82.2 million** in 2023/24 financial year. These surpluses will be used to fund capital projects for two outer years.
- The total capital budget for 2021/22 financial year amounts to **R 125.1 million** and has decreased by 13.3 percent as compared to the 2020/21 adjusted capital budget of **R 144.3 million**. The significant reduction in the capital expenditure is due to the fact that in the current year 2020/21 the municipality has received an addition equitable share allocation of which the most of it was allocated to capital expenditure and such funds are not available in the 2021/22 MTREF. For 2022/23 and 2023/24 budget years, the capital expenditure is budgeted at **R 95.6 million** and **R 82.2 million** respectively.

1.3.3. Operating Revenue Framework

- The need to generate sustainable revenue is essential to meet funding requirements for Makhuduthamaga local municipality to continue improving the quality of services provided to its communities and to address the service delivery backlogs. 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 high level of unemployment, inadequate town planning, and many other socio-economic challenges in our municipality which directly affects negatively the municipality's revenue generation and collection.
- The expenditure required to address these challenges will always exceed available funding; hence difficult choices have to be made in relation to balance expenditures against realistically anticipated revenues. The municipal property rates tariffs remain unchanged at 0.016 cents in a rand due to the current state of collection and a new valuation roll will be implemented from the 1st of July 2021. Council will continue with programmes and steps that will ensure an improvement in community cooperation and improved collection on property rates as it is a major source of the municipality's own revenue. The municipality currently bill property rates on business properties and government properties only, due to the council resolution that was taken to exclude households due to the rural nature and level of unemployment within the municipality.
- In an attempt to ensure a strong revenue base, the municipality has also reviewed its revenue enhancement strategy to improve revenue collection in the 2021/22 financial year and the two outer years.
- The municipality's revenue strategy is built around the following key components:
 - i. National Treasury's guidelines and macroeconomic policy;
 - ii. Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
 - iii. Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
 - iv. The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
 - v. Increase ability to extend new services and recover costs; (e.g. Waste collection project, business

- licensing)
- vi. The municipality's Indigent Policy and rendering of free basic services; and
- vii. Tariff policies of the Municipality.
- viii. The township establishment in Jane Furse as the primary note for development.

- The following table is a summary of the 2021/22 MTREF (classified by main revenue source).

Table 2 Summary of revenue classified by main revenue source;

LIM473 Makhuduthamaga - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source											
Property rates	2	40 832	41 259	44 384	43 378	43 378	43 378	40 943	50 077	51 579	52 611
Service charges - refuse revenue	2	-	-	128	-	151	151	122	156	162	165
Rental of facilities and equipment		150	148	94	132	132	132	73	138	140	145
Interest earned - external investments		7 828	3 578	2 291	3 592	1 447	1 447	1 358	1 650	1 800	1 910
Interest earned - outstanding debtors		35 900	41 910	43 361	39 263	39 102	39 102	32 963	41 873	43 967	44 846
Fines, penalties and forfeits		236	656	568	730	69	69	2	155	170	240
Transfers and subsidies		236 246	244 443	271 321	288 251	344 799	344 799	341 931	299 807	311 969	303 538
Other revenue	2	5 868	7 778	4 949	7 041	6 892	6 892	5 099	6 967	7 160	7 280
Gains		26	(348)	1 194	-	-	-	71	-	-	-
Total Revenue (excluding capital transfers and contributions)		327 087	339 424	368 291	382 388	435 971	435 971	422 564	400 822	416 946	410 735
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		74 655	73 000	62 122	61 710	71 710	71 710	71 710	85 627	70 915	74 072
Total Revenue		401 741	412 424	430 413	444 098	507 681	507 681	494 274	486 449	487 861	484 807

- 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.
- The total revenue for the municipality excluding capital transfers amount to **R 400.8 million** for 2021/22, **R 416.9 million** for 2022/23 and **R 410.7 million** for 2023/24. The total amount for operational grants to be received for 2021/22 is **R 299.8 million**. For the two outer years the total operational grants to be received amounts to **R 311.9 million** and **R 303.5 million** for 2022/23 and 2023/24 financial years respectively.
- Revenue from government grants forms a significant percentage of the total operating revenue for the municipality for all of the 2021/22 MTREF. This clearly indicate that our municipality is dependent on government grants which contribute 75 per cent of the total operating revenue in 2021/22 budget year and 75 percent in 2022/23 and 74 in 2023/24.
- Revenue generated from property rates amount to **R 50 million** and the projected interest on property rates overdue accounts amounts to **R 41.8 million**. The projected interests were calculated considering the current long outstanding accounts in the municipality's debtor's book. The total projected revenue

from property rates when including the interests on overdue accounts amounts to **R 91.8 million** which is 91 per cent of the total own revenue budget for the 2021/22 financial year.

- The revenue from Property rates is budgeted to increase to **R 52.6 million** over the 2021/22 MTREF. Revenue from Licenses and permits (Agency revenue) amount to **R 6.9 million** for 2021/22 budget year, **R 7 million** and **R 7.2 million** for 2022/23 and 2023/24 financial years respectively. The revenue projections for this source of revenue are based primarily on the current collection rate considering the audited information as well. This revenue is included under other revenue on the MBRR table A4 in terms of the mSCOA classification.
- Interests on external investments relates to the interests earned on the municipality’s primary account positive balance on a monthly basis. The amounts were projected based on the collection history on this source of revenue and the projected bank balances over the MTREF.
- Other revenue consists of various items such as income received for selling tender documents, charges for suppliers database registration and other allocations from LG SITA for skills development. Refer to table SA1 under 2.14 (Other supporting documents) for more details.

1.3.4. Operating Expenditure Framework

- The municipality’s expenditure framework for the 2021/22 budget and MTREF is informed by the following:
 - i. The municipality’s Spatial Development Framework.
 - ii. The infrastructure projects plan in the IDP to address the backlog and the repairs and maintenance plan;
 - iii. Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
 - iv. Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
 - v. The capital programme is aligned to backlog eradication plan;
 - vi. Operational gains/ surpluses will be directed to funding the capital budget.
 - vii. Funding was allocated to only projects which have projects implementation plans to guard against under spending.
 - viii. The Demand management plan and procurement plan of the municipality.
- The following table is a high level summary of the operating annual budget for 2021/22 and MTREF (classified per main type of operating expenditure):

Table 5 Summary of operating expenditure by standard classification item

Choose name from list - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Expenditure By Type											
Employee related costs	2	61.650	73.490	78.681	84.778	83.885	83.885	68.560	106.419	113.837	121.717
Remuneration of councillors		21.733	22.333	23.459	23.532	23.532	23.532	19.576	25.084	26.213	27.392
Debt impairment	3	67.658	63.133	73.332	39.102	42.836	42.836	-	41.873	43.967	44.846
Depreciation & asset impairment	2	25.344	28.680	31.222	30.920	31.150	31.150	26.766	29.199	33.813	39.264
Finance charges		403	490	1.839	-	-	-	-	-	-	-
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	-	-	(446)	-	-	-	2.002	3.500	3.700	3.900
Contracted services		231.026	200.323	165.298	90.468	127.152	127.152	112.757	112.662	117.378	109.020
Transfers and subsidies		8.094	5.691	8.025	7.700	6.200	6.200	3.461	5.200	9.360	10.440
Other expenditure	4, 5	55.502	59.818	47.462	41.480	38.565	38.565	33.487	37.339	43.995	46.027
Losses		13	-	-	-	-	-	-	-	-	-
Total Expenditure		471.423	453.958	428.873	317.980	353.320	353.320	266.609	361.276	392.261	402.607

▪ **Employee Related Costs**

- ✓ The budget allocation for employee related costs for the 2021/22 financial year is **R 106.4 million**, which is 29.4 per cent of the total operating expenditure. The annual increase for the employees of the municipality was projected at 7% as per the guidance in the National Treasury circular number 107 and 108 considering the projected inflation rate and the affordability by the municipality. In the absence of an active collective agreement, the prior year data was used as a guideline to the percentage increase projected.
- ✓ The total budgeted employee related costs has increased from **R 83 million** in 2020/21 adjusted budget to **R106.4 million** in 2021/22 which reflect a 26.9 per cent increase. This is as a result of the inclusion of the vacant positions which couldn't be filled during the 2020/21 financial year together with other new vacant positions which are budgeted to be filled in the 2021/22 financial year.
- ✓ As part of the municipality's cost reprioritization and cash management strategy to make enough funds available to fund capital projects, non-critical vacancies on the municipal structure were not funded. In addition, expenditure for overtime was only budgeted for the municipal drivers, political offices personnel and traffic officers for emergencies and strict measures has been put in place to ensure that it is not abused considering the cost containment measures as per MFMA circular number 82.
- ✓ The following vacant positions are budgeted to be filled in the 2021/22 financial year.

Position Name	Department	Position level
Labour Relations Officer	Corporate services	Lower level management
Internal Auditor x 1	MM's Office	Lower level management
Chief Licensing Officer(VTS)	Community services	Middle management
General workers X 4	Community services	Lower management level
General workers X 4	Infrastructure Development	Lower management level
Building Inspector	Planning	Lower management level
Landfill operator X 2	Community services	Lower management level
Compactor Driver	Community services	Lower management level
Manager LED and Planning	LED	Middle management
Senior Officer: LED	LED	Middle management
Receptionist - New Building	Corporate services	Lower level management
Plant Operator x 4	Infrastructure	Lower level management
Accountant - MFMA and GRAP Compliance.	Budget and Treasury Office	Middle management

▪ **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 (Act20 of 1998). The total budget for councilor allowances is **R 25 million** for 2021/22, **R 26.2 million** and **R 27.4 million** for 2022/23 and 2023/24 respectively. An increase was projected at 6.4 per cent for the 2021/22 financial year.

▪ **Debt Impairment**

- ✓ The provision of debt impairment for 2021/22 was determined based on the Debt Write-off Policy of the municipality. For the 2021/22 financial year this amount equates to **R 41.8 million**, increases to **R 43.9**



million in 2022/23 and further increases to **R 44.8 million** in 2023/24 respectively. This expenditure is projected for property rates debtors and is considered to be a non-cash flow item. This item is not cash funded as there is no service rendered that is associated with the billed debt and therefore no costs associated with rendering the services were determined, to require cash funding. Revenue generated from Property rates is used to fund this expenditure item to avoid cash flow problems that may arise when customers does not pay. For example, the expenditure for Debt recovery is funded through property rates as a percentage of the amount collected, which means, when there is no collection no expenditure will be incurred.

▪ **Depreciation**

- ✓ Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy and GRAP 17. The projections were made taking into consideration the municipality's assets value as recorded in the 2019/20 AFS and new acquisitions for the current year 2020/21 and 2021/22 budget year and the MTREF. Budget appropriations in this regard are **R 29.2 million** for the 2021/22 financial year and equates to 8.1 per cent of the total operating expenditure. It increases to **R 33.8 million** and **R 39.3 million** for 2022/23 and 2023/24 budget years respectively.

▪ **Contracted Services**

- ✓ Contracted services comprises of security services, cleaning services, repairs and maintenance for infrastructure assets and operating leases for office equipment and machinery and maintenance of the landfill side. The budget on contracted service is **R 112.7 million** for the 2021/22 financial year, it increases to **R 117.4 million** and decreases to **R 109 million** in the 2022/23 and 2023/24 outer years respectively.

- ✓ Repairs and maintenance has been budgeted at 13% percent of the total operational budget and 19 per cent of the Asset value as per 2019/20 AFS taking in to consideration guidelines contained in MFMA circular number 66,67, 70, 72, 74 ,75, 78, 79, 85, 86, 89,91,93,94,98 & 99.

▪ **Other Expenditure**

- ✓ The municipality has also budgeted an amount of **R 37.3 million** on other general expenditure items for the 2021/22 financial year. The budget for the 2022/23 & 2023/24 is **R 43.9 million & R 46 million** for the general expenditure.
- ✓ Furthermore, in compliance to the cost containment measures as approved by the cabinet, the municipality has reduced spending on excessive advertising, travelling, caterings, promotional materials and mandates that belong to other spheres of government for 2021/22 MTREF. For further details on other expenditure refer to table SA1 and the additional table 47 provided with details of what is included in this source of expenditure.

1.3.5. Capital expenditure

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

Table 3 2021/22 Medium-term capital budget per vote

Choose name from list - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding											
Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		376.128	405.311	447.222	5.200	9.800	9.800	452.247	2.700	2.100	-
Vote 3 - Finance & Administration 2		-	-	-	3.290	6.790	6.790	3.194	1.000	2.000	2.800
Vote 4 - Community and Social Services		2.257	2.257	2.257	450	-	-	5.157	-	-	-
Vote 5 - Planning and Development		-	-	-	-	1.000	1.000	-	50	1.000	-
Vote 6 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 7 - Energy Sources		5.091	3.565	3.565	-	-	-	3.565	-	-	-
Vote 8 - Road Transport		11.835	20.168	15.585	117.178	136.771	136.771	74.809	121.423	90.500	79.400
Vote 9 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 10 - Waste Management		-	14.728	14.015	-	-	-	14.015	-	-	-
Capital single-year expenditure sub-total		395.312	446.029	482.645	126.118	154.361	154.361	552.988	125.173	95.600	82.200
Total Capital Expenditure - Vote		395.312	446.029	482.645	126.118	154.361	154.361	552.988	125.173	95.600	82.200
Capital Expenditure - Functional											
Governance and administration		376.128	405.311	447.222	8.490	16.590	16.590	-	3.700	4.100	2.800
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		376.128	405.311	447.222	8.490	16.590	16.590	-	3.700	4.100	2.800
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		2.257	2.257	2.257	450	-	-	-	-	-	-
Community and social services		2.257	2.257	2.257	450	-	-	-	-	-	-
Economic and environmental services		11.835	20.168	15.585	117.178	137.771	137.771	-	121.473	91.500	79.400
Planning and development		-	-	-	-	1.000	1.000	-	50	1.000	-
Road transport		11.835	20.168	15.585	117.178	136.771	136.771	-	121.423	90.500	79.400
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		5.091	18.293	17.580	-	-	-	-	-	-	-
Energy sources		5.091	3.565	3.565	-	-	-	-	-	-	-
Waste management		-	14.728	14.015	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	395.312	446.029	482.645	126.118	154.361	154.361	-	125.173	95.600	82.200
Funded by:											
National Government		12.401	8.760	8.760	85.898	100.681	100.681	-	58.212	64.100	46.400
Transfers recognised - capital	4	12.401	8.760	8.760	85.898	100.681	100.681	-	58.212	64.100	46.400
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		36.161	65.329	63.745	40.220	53.680	53.680	-	66.961	31.500	35.800
Total Capital Funding	7	48.562	74.089	72.504	126.118	154.361	154.361	-	125.173	95.600	82.200

▪ **New and Existing Capital Assets**

- ✓ For 2020/21 an amount of **R 125.1 million** has been appropriated for the new capital expenditure which will be funded by MIG to the amount of **R 65.2 million** and equitable share to the amount of **R 59.9 million**. For 2022/23 and 2023/24 the budget has been appropriated at **R 95.6 million** and **R 82.2 million** respectively.
- ✓ Infrastructure and Development vote is appropriated the highest allocation of **R 121.4 million** which amounts to 97 per cent of the total capital budget for 2021/22 to build roads and bridges, Corporate Services is allocated 1 per cent of the total capital budget. The remaining 2 per cent is allocated to Budget & Treasury Office.

Below are the capital projects which form part of the total budgeted capital expenditure for the 2020/21 financial year:

Description	Annual Budget ("R") 2021/22	Annual Budget ('R') 2022/23	Annual Budget ('R') 2023/24
Access road from Riverside plant to Photo	15 598 000	-	-
Glen Cowie – Phokwane old post office Access road 7km	5 000 000	8 000 000	23 000 000
Upgrading of Marishane Sports ground	2 000 000	-	-
Construction of Kome internal street 2.5km	22 713 455	1 500 000	-
Mochadi access road	4 500 000	18 000 000	-
Construction of Mokwete Molepane/Ntwane access road 10km	14 000 000	15 000 000	21 900 000
Lobethal/Tisane Access road 3.3km	15 000 000	9 000 000	-
Construction of Mashabela/Machacha access road	14 000 000	25 000 000	16 000 000
Construction of Mohlala/Ngwanatshwane access bridge	3 000 000	4 000 000	8 500 000
Construction of Malegase to Mapulane access road and bridge (3.5km)	20 712 000	-	-
Construction of Maila Mapitsane to Magolego access road 3.5km	5 000 000	10 000 000	10 000 000
Total	121 423 455	90 500 000	79 400 000

1.4. ANNUAL BUDGET TABLES (A1 to A10)

The following are the ten main A schedule tables for the annual budget of Makhuduthamaga municipality for the 2020/21 MTREF:

1.4.1. Table 7 MBRR A1 – Annual Budget Summary

LIM473 Makhuduthamaga - Table A1 Budget Summary

Description	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands										
Financial Performance										
Property rates	39 270	38 129	41 020	43 378	43 378	43 378	39 394	50 077	51 579	52 611
Service charges	-	-	128	-	151	151	122	156	162	165
Investment revenue	7 828	3 578	2 291	3 592	1 447	1 447	1 358	1 650	1 800	1 910
Transfers recognised - operational	236 246	258 179	271 321	288 251	344 799	344 799	341 931	299 807	311 969	303 538
Other own revenue	42 180	50 492	50 167	47 034	46 195	46 195	38 209	49 133	51 437	52 511
Total Revenue (excluding capital transfers and contributions)	325 525	350 378	364 927	382 256	435 971	435 971	421 014	400 822	416 946	410 735
Employee costs	61 650	74 064	79 207	84 778	83 885	83 885	68 560	106 419	113 837	121 717
Remuneration of councillors	21 733	22 700	23 666	23 532	23 532	23 532	19 576	25 084	26 213	27 392
Depreciation & asset impairment	25 344	27 282	31 288	30 920	31 150	31 150	26 766	29 199	33 813	39 264
Finance charges	403	490	1 839	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	-	-	-	-	-	-	2 002	3 500	3 700	3 900
Transfers and grants	8 094	5 691	8 025	7 700	6 200	6 200	3 461	5 200	9 360	10 440
Other expenditure	354 199	327 495	289 001	171 050	208 552	208 552	146 244	191 874	205 339	199 893
Total Expenditure	471 423	457 722	433 027	317 980	353 320	353 320	266 609	361 276	392 261	402 607
Surplus/(Deficit)	(145 899)	(107 345)	(68 100)	64 277	82 651	82 651	154 406	39 546	24 685	8 128
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	74 655	73 000	62 122	61 710	71 710	71 710	71 710	85 627	70 915	74 072
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)	-	-	-	-	-	-	-	-	-	-
	(71 244)	(34 345)	(5 978)	125 987	154 361	154 361	226 116	125 173	95 600	82 200
Surplus/(Deficit) after capital transfers & contributions	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(71 244)	(34 345)	(5 978)	125 987	154 361	154 361	226 116	125 173	95 600	82 200
Capital expenditure & funds sources										
Capital expenditure	109 986	96 605	76 907	125 668	154 361	154 361	154 361	125 173	95 600	82 200
Transfers recognised - capital	74 655	73 000	62 122	61 710	71 710	71 710	71 710	58 212	64 100	46 400
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	35 331	23 605	14 785	63 958	82 651	82 651	82 651	66 961	31 500	35 800
Total sources of capital funds	109 986	96 605	76 907	125 668	154 361	154 361	154 361	125 173	95 600	82 200
Financial position										
Total current assets	46 838	34 221	32 746	71 763	80 538	80 538	80 981	108 757	117 648	139 728
Total non current assets	295 612	317 981	323 651	491 128	365 621	365 621	364 091	348 666	363 916	382 880
Total current liabilities	47 847	75 902	85 316	34 500	41 500	41 500	41 500	36 281	35 596	36 285
Total non current liabilities	4 504	20 546	21 306	26 250	22 899	22 899	22 899	23 503	24 701	26 100
Community wealth/Equity	290 098	255 753	249 775	502 141	381 759	381 759	380 672	397 640	421 268	460 223
Cash flows										
Net cash from (used) operating	(40 885)	25 125	40 022	154 744	192 217	192 217	192 217	127 610	103 214	100 013
Net cash from (used) investing	(24 042)	(35 350)	(37 814)	(125 668)	(154 361)	(154 361)	(154 361)	(125 173)	(95 600)	(82 200)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	19 278	9 052	11 261	40 337	49 112	49 112	49 112	51 549	59 163	76 976
Cash backing/surplus reconciliation										
Cash and investments available	19 278	9 052	11 261	40 337	49 112	49 112	49 112	51 549	59 163	76 976
Application of cash and investments	47 870	91 005	102 362	44 229	47 721	47 721	45 129	44 416	43 945	41 814
Balance - surplus (shortfall)	(28 592)	(81 953)	(91 101)	(3 892)	1 391	1 391	3 983	7 134	15 218	35 162
Asset management										
Asset register summary (WDV)	295 612	317 981	323 717	491 128	365 621	365 621	365 621	348 666	363 916	382 880
Depreciation	25 344	27 282	31 222	30 920	31 150	31 150	31 150	29 199	33 813	39 264
Renewal and Upgrading of Existing Assets	8 395	7 284	8 290	1 594	4 094	4 094	4 094	2 000	-	-
Repairs and Maintenance	40 098	51 411	56 989	35 193	57 693	57 693	57 693	28 400	42 329	41 335
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

1.4.2. Table MBRR A2 – Budgeted Financial Performance (Functional Classification)

LIM473 Makhuduthamaga - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue - Functional										
Governance and administration		398 618	409 294	427 049	444 098	507 681	507 681	486 449	487 861	484 807
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		398 618	409 294	427 049	444 098	507 681	507 681	486 449	487 861	484 807
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	398 618	409 294	427 049	444 098	507 681	507 681	486 449	487 861	484 807
Expenditure - Functional										
Governance and administration		250 720	267 372	273 306	225 019	221 329	221 329	233 043	259 521	275 816
Executive and council		62 022	69 390	60 935	55 223	53 474	53 474	59 933	67 952	71 561
Finance and administration		183 576	193 432	207 644	168 117	166 176	166 176	171 490	189 677	202 290
Internal audit		5 122	4 550	4 726	1 679	1 679	1 679	1 620	1 891	1 965
Community and public safety		22 716	28 426	24 111	28 260	26 445	26 445	33 738	35 848	38 112
Community and social services		6 667	7 403	17 935	9 733	7 874	7 874	13 191	13 961	14 798
Sport and recreation		2 137	2 016	714	550	550	550	600	-	-
Public safety		11 278	13 169	2 286	15 477	15 521	15 521	17 747	18 987	20 315
Housing		2 634	5 839	3 176	2 500	2 500	2 500	2 200	2 900	3 000
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		161 632	115 643	97 205	43 506	71 502	71 502	43 964	55 912	55 768
Planning and development		12 733	12 883	9 316	11 806	18 438	18 438	16 471	15 916	16 892
Road transport		148 663	102 567	87 716	31 510	53 064	53 064	27 492	39 996	38 877
Environmental protection		236	193	173	190	-	-	-	-	-
Trading services		40 337	45 372	37 296	21 194	34 044	34 044	50 531	40 981	32 910
Energy sources		15 863	20 255	9 632	7 412	7 412	7 412	27 785	8 176	8 520
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		24 473	25 117	27 664	13 782	26 632	26 632	22 746	32 805	24 390
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	475 404	456 814	431 918	317 980	353 320	353 320	361 276	392 261	402 607
Surplus/(Deficit) for the year		(76 786)	(47 520)	(4 869)	126 118	154 361	154 361	125 173	95 600	82 200

1.4.3. Table MBRR A3 – Budgeted Financial Performance (Municipal Vote)

LIM473 Makhuduthamaga - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote	1									
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		398 618	409 294	427 049	444 098	507 681	507 681	486 449	487 861	484 807
Vote 3 - Finance & Administration 2		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 6 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 7 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 8 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 9 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 10 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 11 - Sports & Recreation		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - Housing		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	398 618	409 294	427 049	444 098	507 681	507 681	486 449	487 861	484 807
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive & Council		62 022	69 390	60 935	55 223	53 474	53 474	59 933	67 952	71 561
Vote 2 - Finance & Administration		160 203	170 273	184 413	148 856	148 965	148 965	155 219	169 283	180 214
Vote 3 - Finance & Administration 2		23 373	23 159	23 232	19 261	17 211	17 211	16 271	20 395	22 076
Vote 4 - Community and Social Services		6 667	7 403	17 935	9 733	7 874	7 874	13 191	13 961	14 798
Vote 5 - Planning and Development		12 733	12 883	9 316	11 806	18 438	18 438	16 471	15 916	16 892
Vote 6 - Internal Audit		5 122	4 550	4 726	1 679	1 679	1 679	1 620	1 891	1 965
Vote 7 - Energy Sources		15 863	20 255	9 632	7 412	7 412	7 412	27 785	8 176	8 520
Vote 8 - Road Transport		148 663	102 567	87 716	31 510	53 064	53 064	27 492	39 996	38 877
Vote 9 - Public Safety		11 278	13 169	2 286	15 477	15 521	15 521	17 747	18 987	20 315
Vote 10 - Waste Management		24 709	25 310	27 837	13 972	26 632	26 632	22 746	32 805	24 390
Vote 11 - Sports & Recreation		2 137	2 016	714	550	550	550	600	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 14 - Housing		2 634	5 839	3 176	2 500	2 500	2 500	2 200	2 900	3 000
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	475 404	456 814	431 918	317 980	353 320	353 320	361 276	392 261	402 607
Surplus/(Deficit) for the year	2	(76 786)	(47 520)	(4 869)	126 118	154 361	154 361	125 173	95 600	82 200

1.4.4. Table MBRR A4 – Budgeted Financial Performance (Operational Revenue and Expenditure)

LIM473 Makhuduthamaga - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue By Source											
Property rates	2	39 270	38 129	41 020	43 378	43 378	43 378	39 394	50 077	51 579	52 611
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	128	-	151	151	122	156	162	165
Rental of facilities and equipment		150	148	94		132	132	73	138	140	145
Interest earned - external investments		7 828	3 578	2 291	3 592	1 447	1 447	1 358	1 650	1 800	1 910
Interest earned - outstanding debtors		35 900	41 910	43 361	39 263	39 102	39 102	32 963	41 873	43 967	44 846
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		236	656	568	730	69	69	2	155	170	240
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		236 246	258 179	271 321	288 251	344 799	344 799	341 931	299 807	311 969	303 538
Other revenue	2	5 868	7 778	4 949	7 041	6 892	6 892	5 099	6 967	7 160	7 280
Gains		26	-	1 194	-	-	-	71	-	-	-
Total Revenue (excluding capital transfers and contributions)		325 525	350 378	364 927	382 256	435 971	435 971	421 014	400 822	416 946	410 735
Expenditure By Type											
Employee related costs	2	61 650	74 064	79 207	84 778	83 885	83 885	68 560	106 419	113 837	121 717
Remuneration of councillors		21 733	22 700	23 666	23 532	23 532	23 532	19 576	25 084	26 213	27 392
Debt impairment	3	67 658	63 133	73 332	39 102	42 836	42 836	-	41 873	43 967	44 846
Depreciation & asset impairment	2	25 344	27 282	31 288	30 920	31 150	31 150	26 766	29 199	33 813	39 264
Finance charges		403	490	1 839	-	-	-	-	-	-	-
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	-	-	-	-	-	-	2 002	3 500	3 700	3 900
Contracted services		231 026	200 323	165 298	90 468	127 152	127 152	112 757	112 662	117 378	109 020
Transfers and subsidies		8 094	5 691	8 025	7 700	6 200	6 200	3 461	5 200	9 360	10 440
Other expenditure	4, 5	55 502	64 039	50 371	41 480	38 565	38 565	33 487	37 339	43 995	46 027
Losses		13	-	-	-	-	-	-	-	-	-
Total Expenditure		471 423	457 722	433 027	317 980	353 320	353 320	266 609	361 276	392 261	402 607
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(145 899)	(107 345)	(68 100)	64 277	82 651	82 651	154 406	39 546	24 685	8 128
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	74 655	73 000	62 122	61 710	71 710	71 710	71 710	85 627	70 915	74 072
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(71 244)	(34 345)	(5 978)	125 987	154 361	154 361	226 116	125 173	95 600	82 200
Taxation		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(71 244)	(34 345)	(5 978)	125 987	154 361	154 361	226 116	125 173	95 600	82 200
Attributable to minorities		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(71 244)	(34 345)	(5 978)	125 987	154 361	154 361	226 116	125 173	95 600	82 200
Share of surplus/ (deficit) of associate	7	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		(71 244)	(34 345)	(5 978)	125 987	154 361	154 361	226 116	125 173	95 600	82 200

1.4.5. Table 11 MBRR A5 – Budgeted Capital Expenditure (By Vote & Standard Classification)

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		-	-	-	-	-	-	-	-	-	-
Vote 3 - Finance & Administration 2		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 6 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 7 - Energy Sources		-	-	-	-	-	-	-	-	-	-
Vote 8 - Road Transport		-	-	-	-	-	-	-	-	-	-
Vote 9 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 10 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 11 - Sports & Recreation		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 14 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		7 335	5 865	5 380	5 200	9 800	9 800	13 397	2 700	2 100	-
Vote 3 - Finance & Administration 2		-	-	-	3 290	6 790	6 790	3 194	1 000	2 000	2 800
Vote 4 - Community and Social Services		799	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Development		-	-	-	-	1 000	1 000	1 000	50	1 000	-
Vote 6 - Internal Audit		-	-	-	-	-	-	-	-	-	-
Vote 7 - Energy Sources		-	-	-	-	-	-	-	-	-	-
Vote 8 - Road Transport		101 852	90 740	71 527	117 178	136 771	136 771	136 771	121 423	90 500	79 400
Vote 9 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 10 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 11 - Sports & Recreation		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Vote 14 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		109 986	96 605	76 907	125 668	154 361	154 361	154 362	125 173	95 600	82 200
Total Capital Expenditure - Vote		109 986	96 605	76 907	125 668	154 361	154 361	154 362	125 173	95 600	82 200
Capital Expenditure - Functional											
Governance and administration		7 335	5 865	5 380	8 490	16 590	16 590	16 590	3 700	4 100	2 800
Executive and council		-	-	-	-	-	-	-	-	-	-
Finance and administration		7 335	5 865	5 380	8 490	16 590	16 590	16 590	3 700	4 100	2 800
Internal audit		-	-	-	-	-	-	-	-	-	-
Community and public safety		799	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		799	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		101 852	90 740	71 527	117 178	137 771	137 771	137 771	121 473	91 500	79 400
Planning and development		-	-	-	-	1 000	1 000	1 000	50	1 000	-
Road transport		101 852	90 740	71 527	117 178	136 771	136 771	136 771	121 423	90 500	79 400
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	109 986	96 605	76 907	125 668	154 361	154 361	154 361	125 173	95 600	82 200
Funded by:											
National Government		74 655	73 000	62 122	61 710	71 710	71 710	71 710	58 212	64 100	46 400
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	74 655	73 000	62 122	61 710	71 710	71 710	71 710	58 212	64 100	46 400
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		35 331	23 605	14 785	63 958	82 651	82 651	82 651	66 961	31 500	35 800
Total Capital Funding	7	109 986	96 605	76 907	125 668	154 361	154 361	154 361	125 173	95 600	82 200



1.4.6. Table MBRR A6 – Budgeted Financial Position

LIM473 Makhuduthamaga - Table A6 Budgeted Financial Position

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
ASSETS											
Current assets											
Cash		19 278	9 052	11 261	40 337	49 112	49 112	49 112	51 549	59 163	76 976
Call investment deposits	1	-	-	-	-	-	-	-	-	-	-
Consumer debtors	1	483	5 028	2 978	5 870	5 870	5 870	5 870	38 700	39 500	42 909
Other debtors		26 562	19 382	17 380	24 356	24 356	24 356	24 356	17 380	18 058	18 816
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	515	758	1 128	1 200	1 200	1 200	1 643	1 127	927	1 027
Total current assets		46 838	34 221	32 746	71 763	80 538	80 538	80 981	108 757	117 648	139 728
Non current assets											
Long-term receivables		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		210	210	210	210	210	210	210	210	210	210
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	293 189	315 074	321 735	488 618	363 111	363 111	363 111	346 900	362 506	381 780
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		2 213	2 697	1 707	2 300	2 300	2 300	770	1 556	1 201	891
Other non-current assets		-	-	-	-	-	-	-	-	-	-
Total non current assets		295 612	317 981	323 651	491 128	365 621	365 621	364 091	348 666	363 916	382 880
TOTAL ASSETS		342 449	352 201	356 397	562 891	446 159	446 159	445 071	457 423	481 564	522 608
LIABILITIES											
Current liabilities											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables	4	47 767	75 764	85 187	34 500	41 500	41 500	41 500	36 151	35 461	36 145
Provisions		81	138	130	-	-	-	-	130	135	140
Total current liabilities		47 847	75 902	85 316	34 500	41 500	41 500	41 500	36 281	35 596	36 285
Non current liabilities											
Borrowing		-	-	-	-	-	-	-	-	-	-
Provisions		4 504	20 546	21 306	26 250	22 899	22 899	22 899	23 503	24 701	26 100
Total non current liabilities		4 504	20 546	21 306	26 250	22 899	22 899	22 899	23 503	24 701	26 100
TOTAL LIABILITIES		52 352	96 448	106 623	60 750	64 399	64 399	64 399	59 784	60 297	62 386
NET ASSETS	5	290 098	255 753	249 775	502 141	381 759	381 759	380 672	397 640	421 268	460 223
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		290 098	255 753	249 775	502 141	381 759	381 759	380 672	397 640	421 268	460 223
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	290 098	255 753	249 775	502 141	381 759	381 759	380 672	397 640	421 268	460 223

1.4.7. Table MBRR A7 – Budgeted Cash Flows
LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		7 265	13 017	13 667	13 736	13 736	13 736	13 736	19 970	21 850	27 500
Service charges		-	-	-	39	129	129	129	156	162	165
Other revenue		6 228	6 745	5 196	35 642	35 642	35 642	35 642	7 105	7 300	7 425
Transfers and Subsidies - Operational	1	243 135	256 498	271 278	288 251	344 799	344 799	344 799	299 807	311 969	303 538
Transfers and Subsidies - Capital	1	74 655	73 000	62 122	61 710	61 710	61 710	61 710	85 627	70 915	74 072
Interest		8 749	3 576	2 352	3 324	3 324	3 324	3 324	1 650	1 800	1 910
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(380 917)	(327 711)	(314 593)	(243 158)	(262 323)	(262 323)	(262 323)	(281 504)	(301 422)	(304 157)
Finance charges		-	-	-	-	-	-	-	-	-	-
Transfers and Grants	1	-	-	-	(4 800)	(4 800)	(4 800)	(4 800)	(5 200)	(9 360)	(10 440)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(40 885)	25 125	40 022	154 744	192 217	192 217	192 217	127 610	103 214	100 013
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-
Payments											
Capital assets		(24 042)	(35 350)	(37 814)	(125 668)	(154 361)	(154 361)	(154 361)	(125 173)	(95 600)	(82 200)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(24 042)	(35 350)	(37 814)	(125 668)	(154 361)	(154 361)	(154 361)	(125 173)	(95 600)	(82 200)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-
Payments											
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(64 927)	(10 226)	2 209	29 076	37 856	37 856	37 856	2 437	7 614	17 813
Cash/cash equivalents at the year begin:	2	84 204	19 278	9 052	11 261	11 256	11 256	11 256	49 112	51 549	59 163
Cash/cash equivalents at the year end:	2	19 278	9 052	11 261	40 337	49 112	49 112	49 112	51 549	59 163	76 976

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The 2021/22 MTREF provide for a net increase in cash of **R 2.4 million** for the 2021/22 financial year, net increase of **R 7.6 million** in 2022/23 and net increase of **R 17.8 million** in 2023/24.
4. **Cash Flow from Operating activities;**
 - The municipality has projected to receive **R 19.9 million** from Property rates and **R 8.9 million** from other revenue which consists mainly of VAT recovery for capital expenditure and other contracted services for operational purposes.
 - Transfers from National government are projected to be received 100%.
 - Revenue from the Agency services is projected to be received 100% considering the historical performance of this source of revenue.
 - Trade and other payables as indicated in table A6 has been subtracted from the total expenditure included in the cash flow and non-cash flow items such as depreciation and debt impairment has been disregarded in the calculations.
- 4.1. **Property Rates**
 - The municipality has budgeted to collect about **R 19.9 million** from the property rates billing during the 2020/21 budget year after taking into consideration the **R 10.8 million** collected by the municipality covering the period 1st July 2020 – 29 February 2021. This collection includes payments received from both government departments & the business community.
 - The municipality has further identified the top 20 debtors to a value of R10.8 million who are not servicing their accounts well and handed the accounts over to the debt collectors as part of the implementation of the credit control policy and the debt collectors has to date determined the affordability of the debtors to pay and requested a council resolution to follow a legal process to collect this amount. We have therefore projected to receive at least 60% of this amount within the 2021/22 financial year.
 -
5. **Other Revenue**
 - Other revenue sources include, rental of facilities and agency services income.
 - The municipality is anticipating 100% collection on these items of revenue on the basis that collection on all these revenue items has already went above 100% in the current 2021/22 financial year.
6. **Government Grants & Transfers Cash Flow Assumptions**
 - All government grants are projected to be received at 100% and all conditional grants are projected to be spent at 100% during the 2020/21 budget year.
7. **Interest on investments Cash Flow Assumptions**
 - The interest on investments is projected to be received at 100% and will be generated from the positive bank balance on the primary account of the municipality. No term investments are planned to be made within the MTREF due to low cash levels and the timeframes for the planned service delivery projects.

4.1.1. Table MBRR A8 – Cash backed reserves/Accumulated surplus reconciliation

LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash and investments available											
Cash/cash equivalents at the year end	1	19 278	9 052	11 261	40 337	49 112	49 112	49 112	51 549	59 163	76 976
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		19 278	9 052	11 261	40 337	49 112	49 112	49 112	51 549	59 163	76 976
Application of cash and investments											
Unspent conditional transfers		1 723	42	24	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	41 561	70 279	80 902	17 979	24 822	24 822	22 230	20 783	19 109	15 573
Other provisions		4 585	20 684	21 436	26 250	22 899	22 899	22 899	23 633	24 836	26 241
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		47 870	91 005	102 362	44 229	47 721	47 721	45 129	44 416	43 945	41 814
Surplus(shortfall)		(28 592)	(81 953)	(91 101)	(3 892)	1 391	1 391	3 983	7 134	15 218	35 162

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that for the period 2021/22 to 2023/24 the municipality’s budget is properly funded and reflect surplus
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2021/22 MTREF was fully funded.
7. The municipality does not have non-current investments and no projection has been made for unspent conditional grants as we plan to utilise 100% of the allocation by year end.
8. The municipality is planning to spend 100% of its conditional grants.
9. VAT input will always be more than VAT output which is reflecting in the cash flow from operating activities and therefore no amount will reflect under statutory requirements.
10. The municipality’s third party payments such as SARS under the statutory requirements are accounted for under the employee related costs on B7 as part of the payments to suppliers and employees over the 2020/21 MTREF. The VAT portion is also accounted for as part of the payments to suppliers and employees and also under the capital assets payments on the B7.

Table MBRR table A9 – Asset Management

Choose name from list - Table A9 Asset Management

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	386.917	438.745	474.355	124.524	150.267	150.267	123.173	95.600	82.200
<i>Roads Infrastructure</i>		267.576	291.826	310.677	115.584	132.677	132.677	119.423	90.500	79.400
<i>Electrical Infrastructure</i>		5.772	7.298	7.298	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	14.898	14.015	-	-	-	-	-	-
Infrastructure		273.348	314.022	331.990	115.584	132.677	132.677	119.423	90.500	79.400
Community Facilities		7.670	7.670	16.660	450	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		7.670	7.670	16.660	450	-	-	-	-	-
Operational Buildings		44.166	46.399	52.952	-	-	-	-	-	-
Housing		-	1.562	-	1.500	3.000	3.000	-	-	-
Other Assets		44.166	47.962	52.952	1.500	3.000	3.000	-	-	-
Licences and Rights		4.844	7.821	8.215	2.000	1.000	1.000	50	-	-
Intangible Assets		4.844	7.821	8.215	2.000	1.000	1.000	50	-	-
Computer Equipment		18.346	18.704	21.182	3.290	6.790	6.790	1.000	2.000	2.800
Furniture and Office Equipment		6.074	7.426	7.426	1.200	1.800	1.800	500	-	-
Machinery and Equipment		-	-	-	500	500	500	200	-	-
Transport Assets		32.235	34.875	35.665	-	3.500	3.500	2.000	2.100	-
Land		235	265	265	-	1.000	1.000	-	1.000	-
<u>Total Renewal of Existing Assets</u>	2	1.431	1.431	3.597	-	-	-	-	-	-
<i>Roads Infrastructure</i>		1.431	1.431	3.597	-	-	-	-	-	-
Infrastructure		1.431	1.431	3.597	-	-	-	-	-	-
<u>Total Upgrading of Existing Assets</u>	6	6.963	5.853	4.693	1.594	4.094	4.094	2.000	-	-
<i>Electrical Infrastructure</i>		5.091	3.565	3.565	-	-	-	-	-	-
Infrastructure		5.091	3.565	3.565	-	-	-	-	-	-
Operational Buildings		1.872	2.287	1.127	1.594	4.094	4.094	2.000	-	-
Other Assets		1.872	2.287	1.127	1.594	4.094	4.094	2.000	-	-
<u>Total Capital Expenditure</u>	4	395.312	446.029	482.645	126.118	154.361	154.361	125.173	95.600	82.200
<i>Roads Infrastructure</i>		269.008	293.258	314.274	115.584	132.677	132.677	119.423	90.500	79.400



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Electrical Infrastructure		10.863	10.863	10.863	-	-	-	-	-	-
Solid Waste Infrastructure		-	14.898	14.015	-	-	-	-	-	-
Infrastructure		279.871	319.019	339.152	115.584	132.677	132.677	119.423	90.500	79.400
Community Facilities		7.670	7.670	16.660	450	-	-	-	-	-
Community Assets		7.670	7.670	16.660	450	-	-	-	-	-
Operational Buildings		46.038	48.687	54.080	1.594	4.094	4.094	2.000	-	-
Housing		-	1.562	-	1.500	3.000	3.000	-	-	-
Other Assets		46.038	50.249	54.080	3.094	7.094	7.094	2.000	-	-
Licences and Rights		4.844	7.821	8.215	2.000	1.000	1.000	50	-	-
Intangible Assets		4.844	7.821	8.215	2.000	1.000	1.000	50	-	-
Computer Equipment		18.346	18.704	21.182	3.290	6.790	6.790	1.000	2.000	2.800
Furniture and Office Equipment		6.074	7.426	7.426	1.200	1.800	1.800	500	-	-
Machinery and Equipment		-	-	-	500	500	500	200	-	-
Transport Assets		32.235	34.875	35.665	-	3.500	3.500	2.000	2.100	-
Land		235	265	265	-	1.000	1.000	-	1.000	-
TOTAL CAPITAL EXPENDITURE - Asset class		395.312	446.029	482.645	126.118	154.361	154.361	125.173	95.600	82.200
ASSET REGISTER SUMMARY - PPE (WDV)	5	295.612	317.981	323.717	491.128	365.621	365.621	348.666	363.916	382.880
Roads Infrastructure		214.802	222.254	226.991	115.584	132.677	132.677	119.423	90.500	79.400
Electrical Infrastructure		7.452	7.018	6.531	-	-	-	-	-	-
Solid Waste Infrastructure		-	14.898	11.560	-	-	-	-	-	-
Information and Communication Infrastructure		336	-	-	-	-	-	-	-	-
Infrastructure		222.590	244.170	245.083	115.584	132.677	132.677	119.423	90.500	79.400
Community Assets		6.041	5.864	14.578	450	-	-	-	-	-
Investment properties		210	210	210	210	210	210	210	210	210
Other Assets		34.616	36.701	38.456	367.294	218.144	218.144	224.477	266.906	299.580
Intangible Assets		2.213	2.697	1.707	2.300	2.300	2.300	1.556	1.201	891
Computer Equipment		8.513	7.409	6.983	5.290	7.790	7.790	1.000	2.000	2.800
Furniture and Office Equipment		1.878	2.530	1.825	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	3.500	3.500	2.000	2.100	-
Transport Assets		19.316	18.135	14.612	-	-	-	-	-	-
Land		235	265	265	-	1.000	1.000	-	1.000	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	295.612	317.981	323.717	491.128	365.621	365.621	348.666	363.916	382.880
EXPENDITURE OTHER ITEMS		65.442	78.692	88.211	66.113	88.843	88.843	57.599	76.141	80.599
<u>Depreciation</u>	7	25.344	27.282	31.222	30.920	31.150	31.150	29.199	33.813	39.264



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Repairs and Maintenance by Asset Class	3	40.098	51.411	56.989	35.193	57.693	57.693	28.400	42.329	41.335
<i>Roads Infrastructure</i>		27.619	34.314	42.760	25.333	45.333	45.333	20.500	31.939	30.335
Infrastructure		27.619	34.314	42.760	25.333	45.333	45.333	20.500	31.939	30.335
Community Facilities		772	1.235	1.070	1.000	1.000	1.000	1.050	1.100	1.150
Community Assets		772	1.235	1.070	1.000	1.000	1.000	1.050	1.100	1.150
Operational Buildings		2.634	5.839	3.176	2.500	2.500	2.500	2.200	2.900	3.000
Other Assets		2.634	5.839	3.176	2.500	2.500	2.500	2.200	2.900	3.000
Computer Equipment		8.106	8.379	8.480	3.800	6.300	6.300	2.650	3.290	3.600
Machinery and Equipment		967	1.644	1.503	2.560	2.560	2.560	2.000	3.100	3.250
TOTAL EXPENDITURE OTHER ITEMS		65.442	78.692	88.211	66.113	88.843	88.843	57.599	76.141	80.599

4.1.2. Table 16 MBRR table A10 – Basic Service delivery measurement

Choose name from list - Table A10 Basic service delivery measurement										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Household service targets	1									
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		5.012	5.080	5.200	7.900	7.900	7.900	8.000	8.100	8.100
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. The municipality continues to make good progress with the eradication of backlogs on services that are within the functions of the municipality in terms of the South African Constitution and Municipal Systems Act. The municipality performs only the function of providing indigents registered in the municipality’s indigent register with electricity tokens (Free Basic Electricity) and the other basic services as listed in table A10 are performed by the Greater Sekhukhune District Municipality. It must be noted also that as the municipality does not sell electricity, but purchase the electricity from Eskom, therefore the revenue costs for providing free basic electricity is Zero.
3. The following are the services that are provided by the district municipality and hence, no information has been completed on the table A10 of the municipality’s Annual budget for 2021/22 MTREF:
 - a. Water services
 - b. Sanitation services
 - c. Electricity services
 - d. Refuse services
4. The budget provides for 7900 households to be registered as indigent in 2021/22, and therefore entitled to receiving Free Basic Services. It is anticipated that these Free Basic Services will cost the municipality **R 8 million** in 2021/22, increasing to **R 8.1 million** in 2022/23 and **R 8.1 million** in 2023/24. This is covered by the municipality’s equitable share allocation from national government.

3 PART 2 – SUPPORTING DOCUMENTS

3.1 Overview of municipal 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 of the municipality consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Portfolio chairperson for Finance.

The primary aims of the Budget Steering Committee are 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 prioritized in the allocation of resources.

The budget steering committee had regular meetings to deal with the IDP/Budget processes as contained in the municipality's approved time schedule that sets out the process to review the IDP and prepare the annual budget.

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 August 2020) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule in July 2020. Key dates applicable to the process were adhered to and progress was reported to council quarterly

3.1.2 IDP and Service Delivery and Budget Implementation Plan

This is the first review of the IDP as adopted by Council in July 2020.

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 first revision cycle included the following key IDP processes and deliverables:

- ix. Registration of community needs;
- x. Compilation of departmental business plans including key performance indicators and targets;
- xi. Financial planning and budgeting process;
- xii. Public participation process;

xiii. Compilation of the SDBIP

The SDBIP for 2021/22 has been completed and will be submitted to the relevant stakeholders within 28 days from the date of adopting the budget by council.

3.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2021/22 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 2021/22 MTREF:

- xiv. Municipality’s growth
- xv. Policy priorities and strategic objectives
- xvi. Asset maintenance
- xvii. Economic climate and trends (i.e. inflation, Eskom increases, household debt, migration patterns)
- xviii. Performance trends
- xix. The approved 2020/21 adjustments budget and performance against the SDBIP
- xx. Cash Flow Management Strategy
- xxi. Debtor payment levels
- xxii. Investment possibilities
- xxiii. The need for tariff increases versus the ability of the community to pay for services;
- xxiv. Improved and sustainable service delivery
- xxv. The municipality’s Spatial Development Plan

In addition to the above, the strategic guidance given in National Treasury’s MFMA Circulars 51 and 54, 55, 58, 59, 66, 67, 70, 72, 74, 75, 78, 79, 85, 86, 89,91,93, 94, 98 & 99, 107 & 108 has been taken into consideration in the planning and prioritization process.

3.1.4 Community Consultation

The below consultation schedule for 2021/22 MTREF which was tabled before Council on 30th of July 2020 and was also published on the municipality’s website, and hard copies were made available at customer care offices, municipal notice boards and the municipality’s community libraries and at tribal offices.

Month	Action	Target Date
Preparatory Phase		
July 2020	Review of the previous year’s IDP/Budget process. Exco provides political guidance over the budget process & priorities that must inform the budget process. IDP/Budget steering committee meeting Table the 2021/21 IDP/Process plan before council. 4 th quarter performance lekgotla. Performance agreements for the Municipal Manager & all senior managers signed & submitted to MEC of Coghsta.	31 July 2020
August 2020	Ward to Ward based data collection. Submit the 2018/19 annual financial statements & annual financial performance to AG. Operational Risk Assessment for 2021/22.	31 August 2020
Month	Action	Target Date



Analysis Phase		
September 2020	Council determines the strategic objectives for service delivery through IDP review processes & the development of the next three budget years (including review of sectional departmental plan). Consult provincial & national sector departments on specific sector programmes for purposes of alignment. Finalize ward based data compilation. Update council structures on updated date.	30 September 2020
October 2020	2020/21 first quarter review.	31 October 2020

	Begin preliminary preparations on proposed budget for 2021/22. 2020/21 First performance lekgotla. Submit 2020/21 1 st quarter performance to council.	
Month	Action	Target Date
Project Phase		
November 2020	Confirm IDP projects with district & sector department. Review & effect changes on IDP	30 November 2020
Month	Action	Target Date
Integration Phase		
December 2020	Review budget performance & prepare for 2020/21 budget adjustment. Consolidated analysis phase in place. IDP/Budget steering committee meeting. IDP representative forum.	31 December 2020
January 2021	Table 2019/20 annual report to council. Submit annual report to AG, PT & Coghsta. Publish annual report in municipal jurisdiction. Prepare 2019/20 oversight report. Mid-year performance lekgotla. Table mid-year performance assessment report to PT, Coghsta & Mayor. Strategic Planning Session.	31 January 2021
February 2021	Table 2020/21 adjusted budget/SDBIP before council. Submit IDP/Budget to management & relevant stakeholders. Conduct mid-year assessments for municipal manager & all senior managers. Submit & present mid-year performance assessment report to provincial treasury & Coghsta.	28 February 2021
March 2021	Council considers the 2021/22 IDP/Budget & SDBIP. Adoption of 2019/20 oversight report.	31 March 2021
Month	Action	Target Date
Approval Phase		
April 2021	Publish the 2021/22 IDP/Budget for public comments. Submit the 2021/22 IDP/Budget to NT, PT & Coghsta. Consultations with community & stakeholders. Strategic risk assessment for 2020/21. 2020/21 3 rd quarter performance Lekgotla. Submit 3 rd quarter report to council.	30 April 2021
May 2021	IDP/Budget steering committee meeting. Submit the 2021/22 IDP/Budget with public comments to council for adoption. Submit annual procurement plan to Mayor, PT & NT. Prepare 2021/22 SDBIP.	31 May 2021
June 2021	Publish the approved 2021/22 IDP/Budget.	30 June 2021

	<p>Submit the 2021/22 SDBIP to Mayor for approval. Develop performance agreements for MM & all senior managers. Submit approved IDP/Budget to NT, PT & Coghsta.</p>	
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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.

Our municipal IDP that 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 municipal council, was first adopted in July 2019. This plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. The municipality’s IDP is therefore a key instrument which was used to provide vision, leadership and direction to all those that have a role to play in the development of the municipality. The IDP enables the municipality 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.

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 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 2020/21 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 17 IDP Strategic Objectives

2020/21 Financial year	2021/22 Financial year
To ensure sustainable use of land and promote growth and development.	To ensure sustainable use of land and promote growth and development.
To improve quality of life of our citizens through sustainable roads infrastructure.	To improve quality of life of our citizens through sustainable roads infrastructure.
To create an environment that will develop, stimulate and strengthen local economic growth.	To create an environment that will develop, stimulate and strengthen local economic growth.
To provide sound and sustainable management	To provide sound and sustainable management

of the financial affairs of the municipality.	of the financial affairs of the municipality.
To effectively coordinate all general administrative, governance, human resources, IT and legal services.	To effectively coordinate all general administrative, governance, human resources, IT and legal services.
To provide assurance and build internal and public confidence on internal and external operations of the municipality and its stakeholders.	To provide assurance and build internal and public confidence on internal and external operations of the municipality and its stakeholders.

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 waste removal;
 - Provide roads and storm water;
 - Provide municipal planning services; and
 - 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 through the EPWP programme 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 assist on matters affecting primary health care.
 - Extending waste removal services and ensuring effective municipal cleansing;
 - 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.
 - Provision of bursaries for well deserving students who are financially needy.

4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- Optimising effective community participation in the ward committee system; and
- Implementing Batho Pele in the revenue management strategy.

5.1 Promote sound governance and transparency 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 management 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;

The 2020/21 budget and the 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 18 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

LIM473 Makhuduthamaga - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Administrative Support Services	Responsive, accountable, effective and efficient local government			(121)	(152)	1,102	-	-	-	-	-	-
Financial Viability and Management	A comprehensive, responsive and sustainable social protection system			(1,562)	(1,565)	(1,682)	-	-	-	-	-	-
Financial Viability and Management	Responsive, accountable, effective and efficient local government			411,698	425,095	427,629	(444,098)	(497,681)	(497,681)	(486,449)	(487,861)	(484,807)
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	410,016	423,378	427,049	(444,098)	(497,681)	(497,681)	(486,449)	(487,861)	(484,807)

Table 19 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted Operational Expenditure.

Choose name from list - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand												
Administrative Support Services	A long and healthy life for all South Africans	2	--	1.385	2.043	1.667	2.200	800	800	750	650	650
Administrative Support Services	A skilled and capable workforce to support an inclusive growth path	5	--	6.435	4.024	6.250	4.000	2.000	2.000	2.600	5.200	5.500
Administrative Support Services	An efficient, effective and development-oriented public service	12	--	8.106	8.379	8.480	3.800	6.300	6.300	2.650	3.290	3.600
Administrative Support Services	Sustainable human settlements and improved quality of household life	8	--	27.449	29.582	27.554	29.792	27.364	27.364	31.631	35.118	37.552
Basic Service Delivery and Poverty Alleviation	A comprehensive, responsive and sustainable social protection system	13	--	2.431	2.751	2.560	4.000	3.200	3.200	3.650	3.760	3.890
Basic Service Delivery and Poverty Alleviation	A long and healthy life for all South Africans	2	--	979	570	--	--	--	--	--	--	--
Basic Service Delivery and Poverty Alleviation	An efficient, effective and development-oriented public service	12	--	1.158	1.446	714	550	550	550	600	--	--
Basic Service Delivery and Poverty Alleviation	Protect and enhance our environmental assets and natural resources	10	--	23.889	24.143	25.759	12.370	25.220	25.220	18.909	28.700	20.000
Basic Service Delivery and Poverty Alleviation	Sustainable human settlements and improved quality of household life	8	--	16.127	19.153	19.738	22.812	21.607	21.607	31.125	33.293	35.613
Financial Viability and Management	An efficient, effective and development-oriented public service	12	--	967	1.644	1.503	2.560	2.560	2.560	2.000	3.100	3.250
Financial Viability and Management	Responsive, accountable, effective and efficient local government	9	--	13	1.398	--	--	--	--	--	--	--
Financial Viability and Management	Sustainable human settlements and improved quality of household life	8	--	147.064	154.993	171.638	138.214	139.323	139.323	145.945	157.549	167.975
Good Governance & Public Participation	A skilled and capable workforce to support an inclusive growth path	5	--	5.473	3.936	1.244	--	--	--	500	1.200	1.250
Good Governance & Public Participation	An efficient, effective and development-oriented public service	12	--	4.490	8.780	7.386	2.000	1.450	1.450	1.551	1.617	1.687
Good Governance & Public Participation	Sustainable human settlements and improved quality of household life	8	--	49.544	52.428	47.583	42.453	41.531	41.531	45.416	51.796	54.352
Infrastructure Development and Maintenance	An efficient, competitive and responsive economic infrastructure network	6	--	153.949	112.162	85.185	27.433	47.433	47.433	42.700	34.289	32.785
Infrastructure Development and Maintenance	An efficient, effective and development-oriented public service	12	--	4.262	8.134	5.994	5.000	6.200	6.200	5.400	6.900	7.200
Infrastructure Development and Maintenance	Responsive, accountable, effective and efficient local government	9	--	--	--	--	1.739	1.739	1.739	--	--	--
Infrastructure Development and Maintenance	Sustainable human settlements and improved quality of household life	8	--	11.020	10.756	12.467	9.743	10.501	10.501	12.535	13.252	14.005
Local Economic Development	A comprehensive, responsive and sustainable social protection system	13	--	--	--	--	700	2.000	2.000	1.000	2.500	3.000
Local Economic Development	An efficient, effective and development-oriented public service	12	--	5.313	3.730	1.400	4.400	7.930	7.930	5.250	2.904	3.194
Local Economic Development	Responsive, accountable, effective and efficient local government	9	--	--	--	--	--	--	--	350	--	--
Local Economic Development	Sustainable human settlements and improved quality of household life	8	--	5.349	6.761	4.794	4.213	5.611	5.611	6.714	7.144	7.104
Allocations to other priorities												
Total Expenditure			1	475.404	456.814	431.918	317.980	353.320	353.320	361.276	392.261	402.607

Table 20 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted Capital Expenditure.

LIM473 Makhuduthamaga - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand												
Administrative Support Services	An efficient, effective and development-oriented public service	A		-	-	-	3,290	6,790	6,790	1,000	2,000	2,800
Basic Service Delivery and Poverty Alleviation	An efficient, effective and development-oriented public service	B		2,257	2,257	2,257	450	-	-	-	-	-
Ensure ease of access	An efficient, competitive and responsive economic infrastructure network	C		-	-	-	27,386	27,386	27,386	-	-	-
Ensure ease of access	An efficient, effective and development-oriented public service	D		3,243	1,127	1,127	-	-	-	-	-	-
Financial Viability and Management	An efficient, competitive and responsive economic infrastructure network	E		-	-	-	-	-	-	-	-	-
Financial Viability and Management	An efficient, effective and development-oriented public service	F		7,500	6,078	8,906	3,700	6,800	6,800	2,700	2,100	-
Financial Viability and Management	Sustainable human settlements and improved quality of household life	G		-	1,562	-	1,500	3,000	3,000	-	-	-
Infrastructure Development and Maintenance	An efficient, competitive and responsive economic infrastructure network	H		15,738	22,756	19,333	88,198	95,291	95,291	119,423	90,500	79,400
Infrastructure Development and Maintenance	An efficient, effective and development-oriented public service	I		-	1,160	-	1,594	4,094	4,094	2,000	-	-
Local Economic Development	An efficient, effective and development-oriented public service	J		-	-	-	-	1,000	1,000	50	1,000	-
Allocations to other priorities			3									
Total Capital Expenditure			1	28,740	34,941	31,624	126,118	144,361	144,361	125,173	95,600	82,200

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, assess 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 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:

- xxvi. Planning (setting goals, objectives, targets and benchmarks);
- xxvii. Monitoring (regular monitoring and checking on the progress against plan);
- xxviii. Measurement (indicators of success);
- xxix. Review (identifying areas requiring change and improvement);
- xxx. Reporting (what information, to whom, from whom, how often and for what purpose); and
- xxxi. 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:

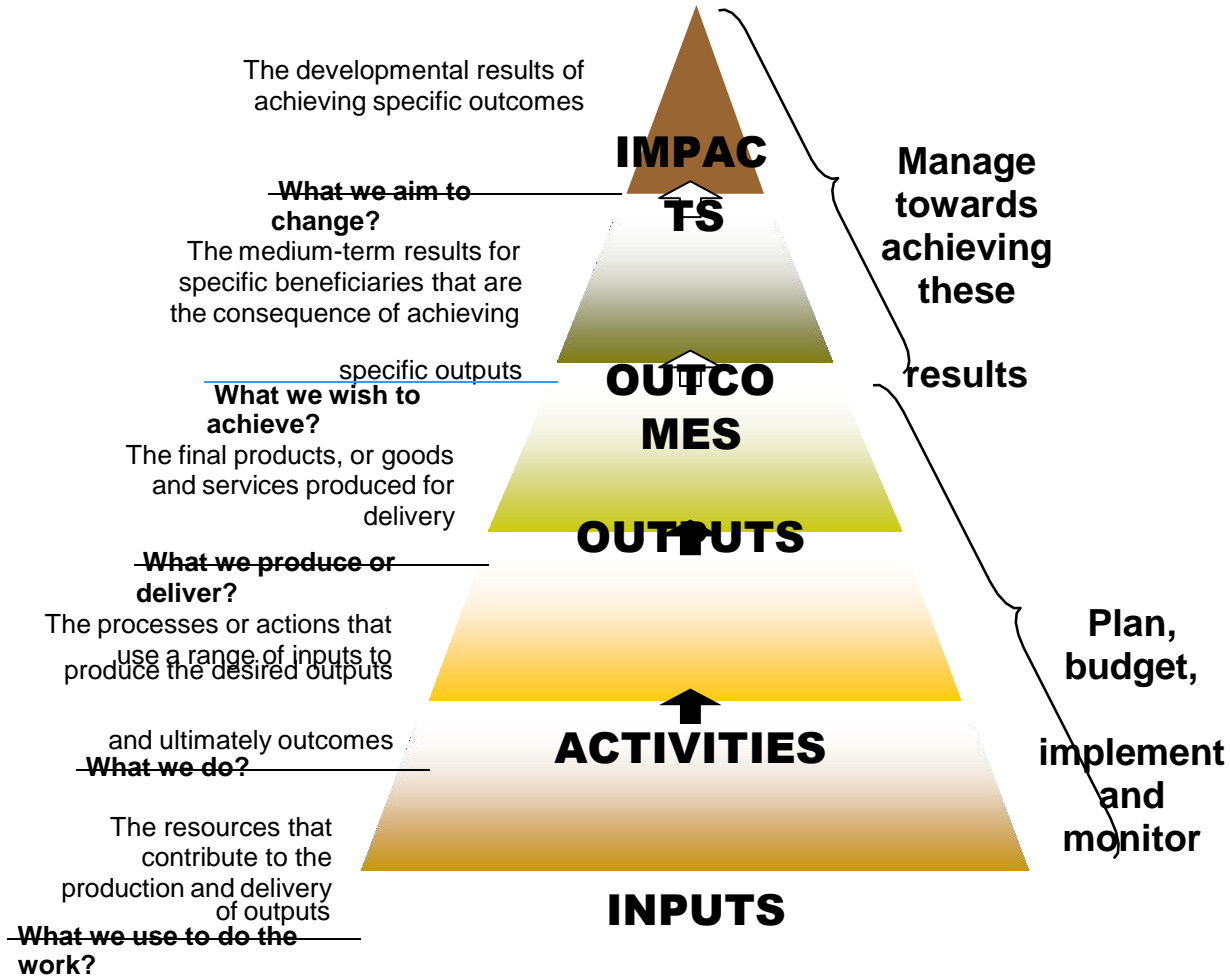


Figure 1 Definition of performance information concepts

The following table sets out the municipalities main performance objectives and benchmarks for the 2021/22 MTREF.

Table 21 MBRR Table SA8 - Performance indicators and benchmarks

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

Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.1%	0.1%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.4%	0.5%	1.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
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%
Liquidity											
Current Ratio	Current assets/current liabilities	1.2	1.0	1.0	2.0	1.6	1.6	0.5	2.6	4.0	6.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.2	1.0	1.0	2.0	1.6	1.6	0.5	2.6	4.0	6.0
Liquidity Ratio	Monetary Assets/Current Liabilities	0.1	0.0	0.0	1.1	0.9	0.9	0.3	1.0	2.0	3.5
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	31.8%	31.6%	31.6%	0.0%	100.0%	100.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	31.8%	31.6%	31.6%	0.0%	100.0%	100.0%	100.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	113.6%	120.6%	132.8%	7.9%	6.9%	6.9%	11.9%	13.2%	13.8%	15.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	18.8%	21.7%	21.4%	22.2%	19.2%	19.2%	16.2%	26.6%	27.3%	29.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	25.5%	28.2%	27.7%	28.3%	24.6%	24.6%		32.8%	33.6%	36.3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	12.3%	15.1%	15.5%	9.2%	13.2%	13.2%		7.1%	10.2%	10.1%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	7.9%	8.6%	9.0%	8.1%	7.1%	7.1%	6.3%	7.3%	8.1%	9.6%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	-	-	29.2	65.1	65.1	65.1	48.9	56.1	55.0	56.1
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	906.8%	988.9%	1096.8%	69.5%	69.2%	69.2%	122.7%	105.4%	110.9%	116.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	-	-	-	7.5	24.4	24.4	-	1.3	2.2	3.3

3.3.1 Performance indicators and benchmarks

3.3.1.1 Borrowing Management

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

and financial position. Our municipality is not planning to make use of borrowed funds to fund its capital expenditure for 2021/22 MTREF due to poor own revenue collection rate.

3.3.1.2 Safety of Capital

xxxii. *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, and over and tax provisions as a percentage of funds and reserves. The debt equity ratio of our municipality remains at 0:1 or zero per cent for 2021/22 as our municipality does not have borrowings or over and the ratio remain stable for the two outer years.

3.3.1.3 Liquidity

xxxiii. *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, hence at no point in time should this ratio be less than 1. For the 2019/20 financial year the current ratio is 0.4 as per the audited annual financial statements for 30 June 2020. For the 2019/20 financial year, it is estimated to be at 3.6. It is further estimated to be at 2.6 for the 2020/21 budget year and 4.0 & 6.0 for 2022/23 & 2023/24 respectively. Going forward it will be necessary to maintain these levels.

xxxiv. *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to settle its current liabilities as they fall due. 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 or more. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2021/22 MTREF our municipality ratio indicates that we will be able to meet our creditor obligations. This is also supported by the cash flow projections appropriated to ensure that cash out flow is always covered by cash inflow or availability of surplus funds to settle the obligations.

3.3.1.4 Revenue Management

xxxv. As part of the financial sustainability strategy, an aggressive revenue management framework has been put in place 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, and credit control and debt collection.

xxxvi. The significant percentage of our debtors are government departments which did not pay their accounts because of various reasons provided to the municipality which includes budget issues and lack of certain information from the municipality's side. We have worked hard to compile all information required to prove the accuracy of the billings and submitted it to all affected departments.

3.3.1.5 Creditors Management

xxxvii. The municipality has managed to ensure that creditors are settled within the legislated 30 days of the receipt of the invoice in the previous financial year. As our liquidity ratio is in good order we will not encounter cashflow problems to ensure a 100 per cent compliance rate to this legislative obligation in 2021/22 and the MTREF. 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.

3.3.1.6 Other Indicators

- xxxviii. Employee costs as a percentage of operating revenue continues to increase for the 2021/22 MTREF as the municipality continues to implement three year collective agreement on municipal salaries for the year.
- xxxix. Repairs and maintenance as percentage of operating expenditure is 13% for 2021/22 budget year. The municipality will always ensure that its existing assets are properly maintained and repaired to lengthen their life span and to keep them in good working conditions.

3.3.2 Free Basic Services: basic electricity tokens for indigent households

The free basic electricity token assists residents that have difficulty paying for electricity services and are registered as indigent households in terms of the Indigent Policy of the municipality.

For the 2020/21 financial year registered indigents have been provided with a fifty (50) KWh token per household per month at a total cost **R 6.2 million** to the municipality. The cost of free basic electricity increases to **R 8 million** in 2021/22 financial year and increases to **R 8.1 million** and **R 8.1 million** in 2022/23 and 2023/24 respectively. The total amount of units provided per household remains at 50 KWh for the 2020/21 MTREF.

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 16 MBRR A10 (Basic Service Delivery Measurement)

3.4 Overview of budget related-policies

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

3.4.1 Review of credit control and debt collection procedures/policies

The Debt Collection Policy as approved by Council in May 2020 was reviewed. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review the tariff for property rates and certain components to encourage our customers to pay their accounts as they complained with current rate and to achieve a higher collection rate. In addition 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.

The 2021/22 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 50 per cent on current debtors. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the municipality's cash levels and since these overdue debtors have not paid in the past two financial years and an impairment was made to their balances as at 30 June 2020, the municipality has not made any projection for them in the cash flow statement for 2020/21 MTREF. In addition, the payment incentive scheme was consulted with the customers and is being implemented to encourage customers who were not paying to start paying by taking advantage of the settlement offer by the municipality.

3.4.2 Budget Policy

The annual budget process is governed by various provisions in the MFMA and the Budget policy of the municipality which is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. The budget policy was reviewed to ensure that it is up to date considering the latest regulations and budget circulars.

3.4.3 Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in May 2020 and reviewed during the course of the 2020/21 financial year.

3.4.4 Cash Management and Investment Policy

The municipality's Cash Management and Investment Policy was adopted by Council in May 2020. 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 introduce time frames to achieve certain benchmarks.

3.4.5 Tariff Policies

The municipality's tariff policy provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The reviewed policy was reviewed and will be submitted to council for approval in May 2020.

3.5 Overview of budget assumptions

3.5.1 External factors

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the municipality's available cash.

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 2021/22 MTREF:

- xl. National Government macro-economic targets;
- xli. The general inflationary outlook and the impact on municipality's residents and businesses;
- xlii. The impact of municipal cost drivers;
- xliii. The increase in prices for electricity and water; and
- xliv. The increase in the cost of remuneration.

3.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality is not planning to use borrowing to fund its capital projects and therefore no interests are to be paid. The municipality is forecasting to have surplus cash for investment and cash management and investment policy will be applied when investing such funds to generate revenue.

3.5.4 Collection rate for revenue services

The municipality's assumption is that, the reduction of the property rates tariff implemented from 1 July 2016 will be affordable to the rate payers and collection will increase significantly as compared to the previous years. The settlement offer by the municipality to the property rates customers has also resulted in an increased collection rate during the 2020/21 financial year and the municipality remain positive that it will encourage the other to come on board.

3.5.5 Salary increases

We have budgeted salary increases as per the National Treasury Circular number 107 and 108. We budgeted an increase of 7 per cent for 2021/22 financial year.

3.5.6 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focused 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 are:

- xlv. Creating jobs;
- xlvi. Enhancing education and skill development;
- xlvii. Improving Health services;
- xlviii. Rural development and agriculture; and
- xlix. 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.

3.6 Overview of budget funding

3.6.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 22 Breakdown of the operating revenue over the medium-term

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue from the transfers recognised – operational (government grants), Property rates, capital grants from organs of state and other minor charges (such as licenses and permits etc).

The revenue strategy is a function of key components such as:

- I. Growth in the municipality and economic development;
- li. Revenue management and enhancement;
- lii. National Treasury guidelines;
- liii. The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- liv. And the ability to extend new services and obtain cost recovery levels.

The above principles guide the determination of the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff reduction for the 2021/22 MTREF for Property rates can be shown as follows:

Revenue Category	Approved Tarrif 2018/19	Approved Tarrif 2019/20	Approved Tarrif 2020/21	Approved Tarrif 2021/22
Property Rates	0.16	0.16	0.16	0.16

A R 250 000 exemption is applicable to all business properties.

3.6.2 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 understand-ability for councilors and management of the municipality. Some specific features include:

- lv. Clear separation of receipts and payments within each cash flow category;
- lvi. 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 and other own sources of revenue:

Table 28 MBRR Table A7 - Budget cash flow statement

The above table shows a net increase in cash held for both 2021/22 & 2022/23 financial years and a net decrease in the 2023/24 financial year.

LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget 2021/22
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		7 265	13 017	13 667	13 736	13 736	13 736	13 736	13 736
Service charges		-	-	-	39	129	129	129	129
Other revenue		6 228	6 745	5 196	35 642	35 642	35 642	35 642	35 642
Transfers and Subsidies - Operational	1	243 135	256 498	271 278	288 251	344 799	344 799	344 799	290 000
Transfers and Subsidies - Capital	1	74 655	73 000	62 122	61 710	61 710	61 710	61 710	80 000
Interest		8 749	3 576	2 352	3 324	3 324	3 324	3 324	3 324
Dividends		-	-	-	-	-	-	-	-
Payments									
Suppliers and employees		(380 917)	(327 711)	(314 593)	(243 158)	(262 323)	(262 323)	(262 323)	(280 000)
Finance charges		-	-	-	-	-	-	-	-
Transfers and Grants	1	-	-	-	(4 800)	(4 800)	(4 800)	(4 800)	(4 800)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(40 885)	25 125	40 022	154 744	192 217	192 217	192 217	120 000
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-
Payments									
Capital assets		(24 042)	(35 350)	(37 814)	(125 668)	(154 361)	(154 361)	(154 361)	(120 000)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(24 042)	(35 350)	(37 814)	(125 668)	(154 361)	(154 361)	(154 361)	(120 000)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-
Payments									
Repayment of borrowing		-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD									
Cash/cash equivalents at the year begin:	2	84 204	19 278	9 052	11 261	11 256	11 256	11 256	4 000
Cash/cash equivalents at the year end:	2	19 278	9 052	11 261	40 337	49 112	49 112	49 112	5 000

3.6.3 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:

- lvii. What are the predicted cash and investments that are available at the end of the budget year?
- lviii. How are those funds used?
- lix. 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). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 29 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash and investments available											
Cash/cash equivalents at the year end	1	19 278	9 052	11 261	40 337	49 112	49 112	49 112	51 549	59 163	76 976
Other current investments > 90 days		-	-	-	-	-	-	-	-	-	-
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		19 278	9 052	11 261	40 337	49 112	49 112	49 112	51 549	59 163	76 976
Application of cash and investments											
Unspent conditional transfers		1 723	42	24	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	41 561	70 279	80 902	17 979	24 822	24 822	22 230	20 783	19 109	15 573
Other provisions		4 585	20 684	21 436	26 250	22 899	22 899	22 899	23 633	24 836	26 241
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		47 870	91 005	102 362	44 229	47 721	47 721	45 129	44 416	43 945	41 814
Surplus(shortfall)		(28 592)	(81 953)	(91 101)	(3 892)	1 391	1 391	3 983	7 134	15 218	35 162

From the above table it can be seen that the cash and investments available total is **R 51.5 million** in the 2021/22 financial year and increases to **R 59.1 million** by 2022/23 and decreases to **R 76.9 million** by 2023/24.

The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a greater requirement for working capital. Any underperformance in relation to collections could place upward pressure on the ability of the municipality to meet its creditor obligations.

It can be concluded that the municipality has a surplus against the cash backed and accumulated surpluses reconciliation.

Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA.

Table 30 MBRR SA10 – Funding compliance measurement

Description	MFMA section	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	–	–	–	163.797	607.525	607.525	–	33.338	59.821	91.565
Cash + investments at the yr end less application of	18(1)b	2	(396.155)	(485.589)	(566.887)	(6.575)	(11.156)	(11.156)	(124.837)	2.663	34.826	70.644
Cash year end/monthly employee/supplier pay	18(1)b	3	–	–	–	7.5	24.4	24.4	–	1.3	2.2	3.3
Surplus/(Deficit) excluding depreciation offsets	18(1)	4	(69.682)	(41.534)	1.540	126.118	154.361	154.361	155.956	125.173	95.600	82.200
Service charge rev % change - macro CPIIX	18(1)a,(2)	5	N.A.	(5.0%)	1.9%	(8.5%)	(5.7%)	(6.0%)	(11.7%)	9.4%	(3.0%)	(4.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	0.0%	54.6%	54.9%	54.9%	0.0%	50.7%	50.3%	50.3%
Debt impairment expense as a % of total billable	18(1)a,(2)	7	165.7%	153.0%	164.7%	90.1%	98.4%	98.4%	0.0%	83.4%	85.0%	85.0%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	196.6%	93.5%	93.5%	0.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (e)	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 allocation	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	10.2%	19.5%	(93.8%)	0.0%	0.0%	67.0%	75.6%	8.4%	7.2%
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	13.7%	16.3%	17.7%	7.2%	15.9%	15.9%	3.7%	8.2%	11.7%	10.8%
Asset renewal % of capital budget	20(1)(vi)	14	0.4%	0.3%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Supporting indicators												
% incr total service charges (incl prop rat)	18(1)a			1.0%	7.9%	(2.5%)	0.3%	0.0%	(5.7%)	15.4%	3.0%	2.0%
% incr Property Tax	18(1)a			1.0%	7.6%	(2.3%)	0.0%	0.0%	(5.6%)	15.4%	3.0%	2.0%
% incr Service charges - electricity 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 - 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			0.0%	0.0%	(100.0%)	0.0%	0.0%	(19.1%)	2.9%	3.8%	2.2%
% 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		40.832	41.259	44.512	43.378	43.530	43.530	41.066	50.233	51.741	52.776
Service charges			40.832	41.259	44.512	43.378	43.530	43.530	41.066	50.233	51.741	52.776
Property rates			40.832	41.259	44.384	43.378	43.378	43.378	40.943	50.077	51.579	52.611
Service charges - refuse removal			–	–	128	–	151	151	122	156	162	165
Rental of facilities and equipment			150	148	94	132	132	132	73	138	140	145
Capital expenditure excluding capital grant funding			382.911	437.269	473.885	40.220	53.680	53.680	552.988	66.961	31.500	35.800
Cash receipts from ratepayers	18(1)a		–	–	–	49.417	49.239	49.239	–	50.371	51.881	52.921
Ratepayer & Other revenue	18(1)a		82.986	91.751	93.485	90.544	89.724	89.724	79.204	99.365	103.177	105.287
Change in consumer debtors (current and non-current)			131.266	37.861	79.759	(459.016)	(459.016)	(459.016)	(438.774)	22.854	4.478	4.167
Operating and Capital Grant Revenue	18(1)a		310.901	317.443	333.443	349.961	416.509	416.509	341.931	385.434	382.884	377.610
Capital expenditure - total	20(1)(vi)		395.312	446.029	482.645	126.118	154.361	154.361	552.988	125.173	95.600	82.200
Capital expenditure - renewal	20(1)(vi)		1.431	1.431	3.597	–	–	–	–	–	–	–
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
Trend												
Change in consumer debtors (current and non-current)			131.266	37.861	79.759	(438.774)	22.854	4.478	4.167	–	–	–



Total Operating Revenue		327.087	339.424	368.291	382.388	435.971	435.971	422.564	400.822	416.946	410.735
Total Operating Expenditure		471.423	453.958	428.873	317.980	353.320	353.320	266.609	361.276	392.261	402.607
Operating Performance Surplus/(Deficit)		(144.337)	(114.534)	(60.582)	64.408	82.651	82.651	155.956	39.546	24.685	8.128
Cash and Cash Equivalents (30 June 2012)									33.338		
Revenue											
% Increase in Total Operating Revenue			3.8%	8.5%	3.8%	14.0%	0.0%	(3.1%)	(8.1%)	4.0%	(1.5%)
% Increase in Property Rates Revenue			1.0%	7.6%	(2.3%)	0.0%	0.0%	(5.6%)	15.4%	3.0%	2.0%
% Increase in Electricity Revenue			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% Increase in Property Rates & Services Charges			1.0%	7.9%	(2.5%)	0.3%	0.0%	(5.7%)	15.4%	3.0%	2.0%
Expenditure											
% Increase in Total Operating Expenditure			(3.7%)	(5.5%)	(25.9%)	11.1%	0.0%	(24.5%)	2.3%	8.6%	2.6%
% Increase in Employee Costs			19.2%	7.1%	7.7%	(1.1%)	0.0%	(18.3%)	26.9%	7.0%	6.9%
% Increase in Electricity Bulk Purchases			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)				0	0				0		
Average Cost Per Councillor (Remuneration)				0	0				0		
R&M % of PPE		13.7%	16.3%	17.7%	7.2%	15.9%	15.9%		8.2%	11.7%	10.8%
Asset Renewal and R&M as a % of PPE		16.0%	18.0%	20.0%	7.0%	17.0%	17.0%		9.0%	12.0%	11.0%
Debt Impairment % of Total Billable Revenue		165.7%	153.0%	164.7%	90.1%	98.4%	98.4%	0.0%	83.4%	85.0%	85.0%
Capital Revenue											
Internally Funded & Other (R'000)		36.161	65.329	63.745	40.220	53.680	53.680	-	66.961	31.500	35.800
Borrowing (R'000)		-	-	-	-	-	-	-	-	-	-
Grant Funding and Other (R'000)		12.401	8.760	8.760	85.898	100.681	100.681	-	58.212	64.100	46.400
Internally Generated funds % of Non Grant Funding		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding		25.5%	11.8%	12.1%	68.1%	65.2%	65.2%	0.0%	46.5%	67.1%	56.4%
Capital Expenditure											
Total Capital Programme (R'000)		395.312	446.029	482.645	126.118	154.361	154.361	-	125.173	95.600	82.200
Asset Renewal		8.395	7.284	8.290	1.594	4.094	4.094	4.094	2.000	-	-
Asset Renewal % of Total Capital Expenditure		17.3%	9.8%	11.4%	1.3%	2.7%	2.7%	0.0%	1.6%	0.0%	0.0%
Cash											
Cash Receipts % of Rate Payer & Other		0.0%	0.0%	0.0%	54.6%	54.9%	54.9%	0.0%	50.7%	50.3%	50.3%
Cash Coverage Ratio		-	-	-	0	0	0	-	0	0	0
Borrowing											
Credit Rating (2009/10)									0		
Capital Charges to Operating		0.1%	0.1%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Reserves											
Surplus/(Deficit)		(396.155)	(485.589)	(566.887)	(6.575)	(11.156)	(11.156)	(124.837)	2.663	34.826	70.644
Free Services											
Free Basic Services as a % of Equitable Share		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Free Services as a % of Operating Revenue (excl operational transfers)		(1.7%)	(1.6%)	(1.7%)	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
High Level Outcome of Funding Compliance											
Total Operating Revenue		327.087	339.424	368.291	382.388	435.971	435.971	422.564	400.822	416.946	410.735
Total Operating Expenditure		471.423	453.958	428.873	317.980	353.320	353.320	266.609	361.276	392.261	402.607
Surplus/(Deficit) Budgeted Operating Statement		(144.337)	(114.534)	(60.582)	64.408	82.651	82.651	155.956	39.546	24.685	8.128
Surplus/(Deficit) Considering Reserves and Cash Backing		(396.155)	(485.589)	(566.887)	(6.575)	(11.156)	(11.156)	(124.837)	2.663	34.826	70.644
MTREF Funded (1) / Unfunded (0)	15	0	0	0	0	0	0	0	1	1	1
MTREF Funded ✓ / Unfunded ✗	15	✗	✗	✗	✗	✗	✗	✗	✓	✓	✓

3.7 Expenditure on allocations and grants programmes

Table 30 MBRR SA18 - Transfers and Grants Received

LIM473 Makhuduthamaga - Supporting Table SA18 Transfers and grant receipts										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		247,523	256,837	270,771	288,251	288,251	288,251	319,807	311,969	303,538
Local Government Equitable Share		233,388	241,518	267,931	285,383	285,383	285,383	296,332	310,249	301,818
Finance Management		1,700	1,770	1,770	1,700	1,700	1,700	1,650	1,720	1,720
Integrated National Electrification Programme		-	-	-	-	-	-	20,000		
EPWP Incentive		1,158	1,537	1,070	1,168	1,168	1,168	1,825	-	-
		11,277	12,012	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	247,523	256,837	270,771	288,251	288,251	288,251	319,807	311,969	303,538
Capital Transfers and Grants										
National Government:		74,655	66,000	62,122	61,710	61,710	61,710	65,627	70,915	74,072
Municipal Infrastructure Grant (MIG)		74,655	66,000	62,122	61,710	61,710	61,710	65,627	70,915	74,072
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	74,655	66,000	62,122	61,710	61,710	61,710	65,627	70,915	74,072
TOTAL RECEIPTS OF TRANSFERS & GRANTS		322,178	322,837	332,893	349,961	349,961	349,961	385,434	382,884	377,610

Table 31 MBRR SA19 - Expenditure on Transfers & Grants

LIM473 Makhuduthamaga - Supporting Table SA19 Expenditure on transfers and grant programme										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		247,523	256,837	270,771	288,251	288,251	288,251	319,807	311,969	303,538
Local Government Equitable Share		233,388	241,518	267,931	285,383	285,383	285,383	296,332	310,249	301,818
Finance Management		1,700	1,770	1,770	1,700	1,700	1,700	1,650	1,720	1,720
Integrated National Electrification Programme		-	-	-	-	-	-	20,000		
EPWP Incentive		1,158	1,537	1,070	1,168	1,168	1,168	1,825	-	-
		11,277	12,012	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		247,523	256,837	270,771	288,251	288,251	288,251	319,807	311,969	303,538
Capital expenditure of Transfers and Grants										
National Government:		74,655	66,000	62,122	61,710	61,710	61,710	65,627	70,915	74,072
Municipal Infrastructure Grant (MIG)		74,655	66,000	62,122	61,710	61,710	61,710	65,627	70,915	74,072
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		74,655	66,000	62,122	61,710	61,710	61,710	65,627	70,915	74,072
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		322,178	322,837	332,893	349,961	349,961	349,961	385,434	382,884	377,610

Table 32 MBRR SA 20 – Reconciliation of transfers, grant receipts and unspent funds

LIM473 Makhuduthamaga - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds																			
Description	Ref	2017/18			2018/19			2019/20			Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework					
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24									
Operating transfers and grants:	1,3																		
National Government:																			
Balance unspent at beginning of the year																			
Current year receipts		247,523	256,837	270,771	288,251	288,251	288,251	319,807	311,969	303,538									
Conditions met - transferred to revenue		247,523	256,837	270,771	288,251	288,251	288,251	319,807	311,969	303,538									
Conditions still to be met - transferred to liabilities																			
Provincial Government:																			
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-									
District Municipality:																			
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-									
Other grant providers:																			
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-									
Conditions still to be met - transferred to liabilities																			
Total operating transfers and grants revenue		247,523	256,837	270,771	288,251	288,251	288,251	319,807	311,969	303,538									
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-									
Capital transfers and grants:	1,3																		
National Government:																			
Current year receipts		74,655	66,000	62,122	61,710	61,710	61,710	65,627	70,915	74,072									
Conditions met - transferred to revenue		74,655	66,000	62,122	61,710	61,710	61,710	65,627	70,915	74,072									
Provincial Government:																			
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-									
District Municipality:																			
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-									
Other grant providers:																			
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-									
Total capital transfers and grants revenue		74,655	66,000	62,122	61,710	61,710	61,710	65,627	70,915	74,072									
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-									
TOTAL TRANSFERS AND GRANTS REVENUE		322,178	322,837	332,893	349,961	349,961	349,961	385,434	382,884	377,610									
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-									

3.8 Allocations and grants made by the municipality.

Our municipality does not have any allocations any grants transferred to other municipalities or entities as indicated by the table below.

LIM473 Makhuduthamaga - Supporting Table SA21 Transfers and grants made by the municipality											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
Cash Transfers to Groups of Individuals											
<i>Intergrated National Electrification Grant</i>		19,563	18,044	8,783	7,700	6,200	6,200	6,200	26,400	9,360	10,440
Total Cash Transfers To Groups Of Individuals:		19,563	18,044	8,783	7,700	6,200	6,200	6,200	26,400	9,360	10,440
TOTAL CASH TRANSFERS AND GRANTS	6	19,563	18,044	8,783	7,700	6,200	6,200	6,200	26,400	9,360	10,440
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	19,563	18,044	8,783	7,700	6,200	6,200	6,200	26,400	9,360	10,440

3.9 Councillor and employee benefits

Table 33 MBRR SA22 - Summary of councillor and staff benefits

LIM 473 Makhuduthamaga - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		12,103	12,483	13,259	13,078	13,078	13,078	13,445	14,050	14,683
Pension and UIF Contributions		2,136	2,203	2,311	3,069	3,069	3,069	4,170	4,357	4,553
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		4	-	-	165	165	165	169	176	184
Cellphone Allowance		2,745	2,753	2,922	2,638	2,638	2,638	2,601	2,718	2,840
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		4,746	4,895	4,967	4,583	4,583	4,583	4,699	4,911	5,132
Sub Total - Councillors		21,733	22,333	23,459	23,532	23,532	23,532	25,084	26,213	27,392
% increase	4		2.8%	5.0%	0.3%	-	-	6.6%	4.5%	4.5%
Senior Managers of the Municipality										
Basic Salaries and Wages		1,688	2,698	3,051	3,493	3,293	3,293	2,982	3,191	3,414
Pension and UIF Contributions	9		304	763	832	864	864	1,059	1,134	1,213
Medical Aid Contributions		154	344	493	759	848	848	1,123	1,201	1,286
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	164	164	164	-	-	-
Motor Vehicle Allowance	3	569	958	1,173	1,444	1,571	1,571	2,100	2,247	2,405
Cellphone Allowance	3	47	64	97	215	244	244	280	299	320
Housing Allowances	3	246	152	129	1,166	1,224	1,224	1,043	1,116	1,195
Other benefits and allowances	3	0	1	1	5	5	5	7	8	8
Payments in lieu of leave		223	32	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2,937	4,552	5,707	8,078	8,212	8,212	8,595	9,197	9,841
% increase	4		55.0%	25.4%	41.6%	1.7%	-	4.7%	7.0%	7.0%
Other Municipal Staff										
Basic Salaries and Wages		32,447	36,345	40,134	44,343	41,374	41,374	58,199	62,243	66,519
Pension and UIF Contributions		6,421	6,990	7,990	7,716	8,134	8,134	10,367	11,093	11,869
Medical Aid Contributions		3,251	3,655	4,108	5,792	6,065	6,065	7,355	7,870	8,421
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		2,720	3,028	3,399	3,435	3,702	3,702	5,262	5,628	6,015
Motor Vehicle Allowance	3	7,811	8,595	9,268	10,148	10,759	10,759	10,723	11,474	12,277
Cellphone Allowance	3	1,324	1,531	1,694	1,772	1,904	1,904	2,683	2,870	3,071
Housing Allowances	3	2,352	2,405	2,536	2,731	2,972	2,972	3,021	3,233	3,459
Other benefits and allowances	3	647	1,267	893	762	764	764	215	230	246
Payments in lieu of leave		1,137	4,296	2,035	-	-	-	-	-	-
Long service awards		603	825	917	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		58,713	68,938	72,975	76,700	75,673	75,673	97,824	104,640	111,877
% increase	4		17.4%	5.9%	5.1%	(1.3%)	-	29.3%	7.0%	6.9%
Total Parent Municipality		83,383	95,823	102,140	108,310	107,417	107,417	131,503	140,049	149,110
			14.9%	6.6%	6.0%	(0.8%)	-	22.4%	6.5%	6.5%
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		83,383	95,823	102,140	108,310	107,417	107,417	131,503	140,049	149,110
% increase	4		14.9%	6.6%	6.0%	(0.8%)	-	22.4%	6.5%	6.5%
TOTAL MANAGERS AND STAFF	5,7	61,650	73,490	78,681	84,778	83,885	83,885	106,419	113,837	121,717

2.9 The following table SA23 indicates the remuneration for the political office bearers.

LIM473 Makhuduthamaga - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)								
Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Speaker	4		458,795	260,884	50,324			770,004
Chief Whip			430,121	244,579	49,852			724,553
Executive Mayor			573,494	326,104	51,190			950,787
Deputy Executive Mayor			-	-	-			-
Executive Committee			2,730,100	1,556,056	1,461,728			5,747,884
Total for all other councillors			9,252,939	5,261,475	2,376,143			16,890,557
Total Councillors	8	-	13,445,449	7,649,098	3,989,237			25,083,785
Senior Managers of the Municipality	5							
Municipal Manager (MM)			685,391	188,216	324,454			1,198,061
Chief Finance Officer			574,235	297,822	131,705			1,003,762
Senior Manager - Corporate Services			574,235	181,963	247,476			1,003,674
Senior Manager - Infrastructure Development			574,235	193,151	237,479			1,004,865
Senior Manager - Community Services			574,235	113,961	315,500			1,003,696
Senior Manager - Economic Development & Planning			574,235	266,852	164,016			1,005,103
Total Senior Managers of the Municipality	8,10	-	3,556,566	1,241,965	1,420,630	-		6,219,161
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	17,002,015	8,891,063	5,409,868	-		31,302,946

3. SA24 Indicates the Personnel Numbers

LIM 473 Makhuduthamaga - Supporting Table SA24 Summary of personnel numbers										
Summary of Personnel Numbers	Ref	2019/20			Current Year 2020/21			Budget Year 2021/22		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		62		62	62		62	62		62
Municipal employees	5									
Municipal Manager and Senior Managers	3	6		6	6		6	6		6
Other Managers	7									
Professionals		112	101	11	104	101	11	119	116	11
Finance		56	48	8	48	48	8	48	48	8
Spatial/town planning		9	8	1	9	8	1	9	8	1
Information Technology		4	4	-	4	4	-	4	4	-
Roads		6	4	2	6	4	2	6	4	2
Electricity		1	1	-	1	1	-	1	1	-
Other		36	36	-	36	36	-	51	51	-
Technicians		-	-	-	-	-	-	-	-	-
Clerks (Clerical and administrative)		31	27	4	31	27	4	31	27	4
Plant and Machine Operators		10	10	-	10	10	-	10	10	-
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	221	138	83	213	138	83	228	153	83



3.10 Monthly targets for revenue, expenditure and cash flow

The following tables shows how the municipality is planning to receive its budgeted revenue and spend funds appropriated per cost centre, standard classification and the cash inflow and out flow per month.

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Table 364 MBRR SA25 - Budgeted monthly revenue and expenditure

LIM473 Makhuduthamaga - Supporting Table SA25 Budgeted monthly revenue and expenditure																			
Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework					
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24			
Revenue By Source																			
Property rates		4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	4,173	50,077	51,579	52,611			
Service charges - refuse revenue		13	13	13	13	13	13	13	13	13	13	13	13	156	162	165			
Rental of facilities and equipment		12	12	12	12	12	12	12	12	12	12	12	138	140	145				
Interest earned - external investments		138	138	138	138	138	138	138	138	138	138	138	1,650	1,800	1,910				
Interest earned - outstanding debtors		3,489	3,489	3,489	3,489	3,489	3,489	3,489	3,489	3,489	3,489	3,489	41,873	43,967	44,846				
Fines, penalties and forfeits		13	13	13	13	13	13	13	13	13	13	13	155	170	240				
Transfers and subsidies		90,650	370	-	-	108,455	-	-	450	99,332	550	-	299,807	311,969	303,538				
Other revenue		581	581	581	581	581	581	581	581	581	581	581	6,967	7,160	7,280				
Gains													-	-	-				
Total Revenue (excluding capital transfers and contributions)		99,068	8,788	8,418	8,418	116,873	8,418	8,418	8,868	107,750	8,968	8,418	400,822	416,946	410,735				
Expenditure By Type																			
Employee related costs		8,758	8,919	8,743	8,871	9,036	8,850	9,008	8,846	8,633	8,963	8,720	106,419	113,837	121,717				
Remuneration of councillors		2,090	2,090	2,090	2,090	2,090	2,090	2,090	2,090	2,090	2,090	2,090	25,084	26,213	27,392				
Debt impairment		3,489	3,489	3,489	3,489	3,489	3,489	3,489	3,489	3,489	3,489	3,489	41,873	43,967	44,846				
Depreciation & asset impairment		2,942	2,942	2,942	2,942	2,942	2,942	2,942	2,942	2,942	2,942	2,942	35,299	40,113	45,764				
Finance charges		163	163	163	163	163	163	163	163	163	163	163	1,951	2,178	2,465				
Inventory consumed		250	-	400	100	-	300	85	198	280	410	177	2,400	1,700	2,050				
Contracted services		8,999	5,635	9,209	7,194	8,949	6,583	7,793	5,619	8,249	5,174	6,019	85,011	110,500	101,505				
Transfers and subsidies		2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	26,400	9,360	10,440				
Other expenditure		3,434	3,107	3,620	2,904	3,549	3,136	2,138	3,208	2,436	3,045	3,173	36,839	44,395	46,427				
Losses													-	-	-				
Total Expenditure		32,325	28,545	32,856	29,953	32,417	29,752	29,908	28,755	30,482	28,475	28,973	361,276	392,261	402,607				
Surplus/(Deficit)																			
Surplus/(Deficit)		66,743	(19,757)	(24,438)	(21,535)	84,456	(21,335)	(21,490)	(19,887)	77,268	(19,507)	(20,555)	(20,415)	39,546	24,685	8,128			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		28,900	-	20,000	-	-	36,727	-	-	-	-	-	85,627	70,915	74,072				
Surplus/(Deficit) after capital transfers & contributions		95,643	(19,757)	(4,438)	(21,535)	84,456	15,392	(21,490)	(19,887)	77,268	(19,507)	(20,555)	(20,415)	125,173	95,600	82,200			
Surplus/(Deficit)	1	95,643	(19,757)	(4,438)	(21,535)	84,456	15,392	(21,490)	(19,887)	77,268	(19,507)	(20,555)	(20,415)	125,173	95,600	82,200			



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Table 37 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

Choose name from list - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)																
Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Revenue by Vote																
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Vote 2 - Finance & Administration		40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	486.449	487.861	484.807
Total Revenue by Vote		40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	486.449	487.861	484.807
Expenditure by Vote to be appropriated																
Vote 1 - Executive & Council		4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	59.933	67.952	71.561
Vote 2 - Finance & Administration		12.935	12.935	12.935	12.935	12.935	12.935	12.935	12.935	12.935	12.935	12.935	12.935	155.219	169.283	180.214
Vote 3 - Finance & Administration 2		1.356	1.356	1.356	1.356	1.356	1.356	1.356	1.356	1.356	1.356	1.356	1.356	16.271	20.395	22.076
Vote 4 - Community and Social Services		1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	13.191	13.961	14.798
Vote 5 - Planning and Development		1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	16.471	15.916	16.892
Vote 6 - Internal Audit		135	135	135	135	135	135	135	135	135	135	135	135	1.620	1.891	1.965
Vote 7 - Energy Sources		2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	27.785	8.176	8.520
Vote 8 - Road Transport		2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	27.492	39.996	38.877
Vote 9 - Public Safety		1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	17.747	18.987	20.315
Vote 10 - Waste Management		1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	22.746	32.805	24.390
Vote 11 - Housing		183	183	183	183	183	183	183	183	183	183	183	183	2.200	2.900	3.000
Total Expenditure by Vote		30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	361.276	392.261	402.607
Surplus/(Deficit) before assoc.		10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	125.173	95.600	82.200
Surplus/(Deficit)	1	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	125.173	95.600	82.200

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Table 38 MBRR SA27 - Budgeted monthly revenue and expenditure (Standard classification)

Choose name from list - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)																
Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand																
Revenue - Functional																
<i>Governance and administration</i>		40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	486.449	487.861	484.807
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	486.449	487.861	484.807
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue - Functional		40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	40.537	486.449	487.861	484.807
Expenditure - Functional																
<i>Governance and administration</i>		19.420	19.420	19.420	19.420	19.420	19.420	19.420	19.420	19.420	19.420	19.420	19.420	233.043	259.521	275.816
Executive and council		4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	4.994	59.933	67.952	71.561
Finance and administration		14.291	14.291	14.291	14.291	14.291	14.291	14.291	14.291	14.291	14.291	14.291	14.291	171.490	189.677	202.290
Internal audit		135	135	135	135	135	135	135	135	135	135	135	135	1.620	1.891	1.965
<i>Community and public safety</i>		2.811	2.811	2.811	2.811	2.811	2.811	2.811	2.811	2.811	2.811	2.811	2.811	33.738	35.848	38.112
Community and social services		1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	1.099	13.191	13.961	14.798
Sport and recreation		50	50	50	50	50	50	50	50	50	50	50	50	600	-	-
Public safety		1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	1.479	17.747	18.987	20.315
Housing		183	183	183	183	183	183	183	183	183	183	183	183	2.200	2.900	3.000
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		3.664	3.664	3.664	3.664	3.664	3.664	3.664	3.664	3.664	3.664	3.664	3.664	43.964	55.912	55.768
Planning and development		1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	1.373	16.471	15.916	16.892
Road transport		2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	2.291	27.492	39.996	38.877
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		4.211	4.211	4.211	4.211	4.211	4.211	4.211	4.211	4.211	4.211	4.211	4.211	50.531	40.981	32.910
Energy sources		2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	2.315	27.785	8.176	8.520
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	1.896	22.746	32.805	24.390
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional		30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	30.106	361.276	392.261	402.607
Surplus/(Deficit) before assoc.		10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	125.173	95.600	82.200
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	125.173	95.600	82.200



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Table 39 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)

Choose name from list - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)																				
Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework						
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24				
Multi-year expenditure to be appropriated	1																			
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Single-year expenditure to be appropriated																				
Vote 2 - Finance & Administration		225	225	225	225	225	225	225	225	225	225	225	225	225	2.700	2.100	-			
Vote 3 - Finance & Administration 2		83	83	83	83	83	83	83	83	83	83	83	83	83	1.000	2.000	2.800			
Vote 5 - Planning and Development		4	4	4	4	4	4	4	4	4	4	4	4	4	50	1.000	-			
Vote 8 - Road Transport		10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	121.423	90.500	79.400			
Capital single-year expenditure sub-total	2	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	125.173	95.600	82.200			
Total Capital Expenditure	2	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	125.173	95.600	82.200			

Table 40 MBRR SA29 - Budgeted monthly capital expenditure (Standard classification)

Choose name from list - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)																			
Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework					
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24			
Capital Expenditure - Functional	1																		
Governance and administration		308	308	308	308	308	308	308	308	308	308	308	308	3.700	4.100	2.800			
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Finance and administration		308	308	308	308	308	308	308	308	308	308	308	308	3.700	4.100	2.800			
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Economic and environmental services		10.123	10.123	10.123	10.123	10.123	10.123	10.123	10.123	10.123	10.123	10.123	10.123	121.473	91.500	79.400			
Planning and development		4	4	4	4	4	4	4	4	4	4	4	4	50	1.000	-			
Road transport		10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	10.119	121.423	90.500	79.400			
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Total Capital Expenditure - Functional	2	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	125.173	95.600	82.200			
Funded by:																			
National Government		4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	58.212	64.100	46.400			
Transfers recognised - capital		4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	4.851	58.212	64.100	46.400			
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Internally generated funds		5.580	5.580	5.580	5.580	5.580	5.580	5.580	5.580	5.580	5.580	5.580	5.580	66.961	31.500	35.800			
Total Capital Funding		10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	125.173	95.600	82.200			



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Table 41 MBRR SA30 - Budgeted monthly cash flow (Standard classification)

Choose name from list - Supporting Table SA30 Budgeted monthly cash flow																
MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Cash Receipts By Source																
Property rates	4.173	4.173	4.173	4.173	4.173	4.173	4.173	4.173	4.173	4.173	4.173	4.173	50.077	51.579	52.611	
Service charges - refuse revenue	13	13	13	13	13	13	13	13	13	13	13	13	156	162	165	
Rental of facilities and equipment	12	12	12	12	12	12	12	12	12	12	12	12	138	140	145	
Interest earned - external investments	138	138	138	138	138	138	138	138	138	138	138	138	1.650	1.800	1.910	
Transfers and Subsidies - Operational	26.651	26.651	26.651	26.651	26.651	26.651	26.651	26.651	26.651	26.651	26.651	26.651	319.807	311.969	303.538	
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cash Receipts by Source	30.986	30.986	30.986	30.986	30.986	30.986	30.986	30.986	30.986	30.986	30.986	30.986	371.828	365.650	358.369	
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	5.469	5.469	5.469	5.469	5.469	5.469	5.469	5.469	5.469	5.469	5.469	5.469	65.627	70.915	74.072	
Total Cash Receipts by Source	36.455	36.455	36.455	36.455	36.455	36.455	36.455	36.455	36.455	36.455	36.455	36.455	437.455	436.565	432.441	
Cash Payments by Type																
Employee related costs	10.959	10.959	10.959	10.959	10.959	10.959	10.959	10.959	10.959	10.959	10.959	10.959	131.503	140.049	149.110	
Acquisitions - water & other inventory	292	292	292	292	292	292	292	292	292	292	292	292	3.500	3.700	3.900	
Contracted services	9.388	9.388	9.388	9.388	9.388	9.388	9.388	9.388	9.388	9.388	9.388	9.388	112.662	117.378	109.020	
Transfers and grants - other municipalities	433	433	433	433	433	433	433	433	433	433	433	433	5.200	9.360	10.440	
Other expenditure	3.112	3.112	3.112	3.112	3.112	3.112	3.112	3.112	3.112	3.112	3.112	3.112	37.339	43.995	46.027	
Cash Payments by Type	24.184	24.184	24.184	24.184	24.184	24.184	24.184	24.184	24.184	24.184	24.184	24.184	290.204	314.482	318.497	
Other Cash Flows/Payments by Type																
Capital assets	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	10.431	125.173	95.600	82.200	
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Payments by Type	34.615	34.615	34.615	34.615	34.615	34.615	34.615	34.615	34.615	34.615	34.615	34.615	415.378	410.082	400.697	
NET INCREASE/(DECREASE) IN CASH HELD	1.840	1.840	1.840	1.840	1.840	1.840	1.840	1.840	1.840	1.840	1.840	1.840	22.077	26.483	31.744	
Cash/cash equivalents at the month/year begin:	11.261	13.101	14.940	16.780	18.620	20.460	22.299	24.139	25.979	27.819	29.659	31.498	11.261	33.338	59.821	
Cash/cash equivalents at the month/year end:	13.101	14.940	16.780	18.620	20.460	22.299	24.139	25.979	27.819	29.659	31.498	33.338	33.338	59.821	91.565	



3.11 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.

3.12 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 42 MBRR SA 34a - Capital expenditure on new assets by asset class

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Choose name from list - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Capital expenditure on new assets by Asset Class/Sub-class	1									
Infrastructure										
Roads Infrastructure		354.593	403.118	428.822	117.584	137.177	137.177	121.473	92.600	79.400
<i>Roads</i>		267.576	291.826	310.677	115.584	132.677	132.677	119.423	90.500	79.400
<i>Road Structures</i>		7.957	-	-	61.931	79.131	79.131	78.923	18.500	23.000
<i>Road Furniture</i>		259.619	291.826	310.677	53.653	53.546	53.546	40.500	72.000	56.400
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
<i>Power Plants</i>		5.772	7.298	7.298	-	-	-	-	-	-
<i>LV Networks</i>		5.772	7.298	7.298	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
<i>Landfill Sites</i>		-	14.898	14.015	-	-	-	-	-	-
<i>Waste Transfer Stations</i>		-	14.898	14.015	-	-	-	-	-	-
Community Assets										
Community Facilities		7.670	7.670	16.660	450	-	-	-	-	-
<i>Halls</i>		7.670	7.670	16.660	450	-	-	-	-	-
<i>Centres</i>		-	-	-	-	-	-	-	-	-
<i>Crèches</i>		2.257	2.257	2.257	450	-	-	-	-	-
<i>Stalls</i>		5.413	5.413	14.403	-	-	-	-	-	-
Other assets										
Operational Buildings		44.166	47.962	52.952	1.500	3.000	3.000	-	-	-
<i>Municipal Offices</i>		44.166	46.399	52.952	-	-	-	-	-	-
<i>Pay/Enquiry Points</i>		41.060	43.293	49.386	-	-	-	-	-	-
<i>Yards</i>		3.106	3.107	3.566	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>		-	1.562	-	1.500	3.000	3.000	-	-	-
<i>Social Housing</i>		-	1.562	-	1.500	3.000	3.000	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-

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Intangible Assets										
Servitudes		4.844	7.821	8.215	2.000	1.000	1.000	50	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<i>Water Rights</i>		4.844	7.821	8.215	2.000	1.000	1.000	50	-	-
<i>Load Settlement Software Applications</i>		4.844	7.821	8.215	2.000	1.000	1.000	50	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Computer Equipment										
Computer Equipment		18.346	18.704	21.182	3.290	6.790	6.790	1.000	2.000	2.800
		18.346	18.704	21.182	3.290	6.790	6.790	1.000	2.000	2.800
Furniture and Office Equipment										
Furniture and Office Equipment		6.074	7.426	7.426	1.200	1.800	1.800	500	-	-
		6.074	7.426	7.426	1.200	1.800	1.800	500	-	-
Machinery and Equipment										
Machinery and Equipment		-	-	-	500	500	500	200	-	-
		-	-	-	500	500	500	200	-	-
Transport Assets										
Transport Assets		32.235	34.875	35.665	-	3.500	3.500	2.000	2.100	-
		32.235	34.875	35.665	-	3.500	3.500	2.000	2.100	-
Land										
Land		235	265	265	-	1.000	1.000	-	1.000	-
		235	265	265	-	1.000	1.000	-	1.000	-
Total Capital Expenditure on new assets	1	386.917	438.745	474.355	124.524	150.267	150.267	123.173	95.600	82.200

Table 43 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

LIM473 Makhuduthamaga - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		1,431	1,431	3,597	-	-	-	-	-	-
Roads Infrastructure		1,431	1,431	3,597	-	-	-	-	-	-
<i>Roads</i>										
<i>Road Structures</i>										
<i>Road Furniture</i>										
<i>Capital Spares</i>										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing assets	1	1,431	1,431	3,597	-	-	-	-	-	-

Table 44 MBRR SA34c - Repairs and maintenance expenditure by asset class

LIM473 Makhuduthamaga - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
					Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year 88 21/23	Budget Year 86 7/24
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Budget	Budget	Forecast	Budget Year 2021/22	Budget Year 88 21/23	Budget Year 86 7/24
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		27,619	34,314	42,760	25,333	45,333	45,333	20,500	31,939	30,335
Roads Infrastructure		27,619	34,314	42,760	25,333	45,333	45,333	20,500	31,939	30,335
Roads		27,619	34,314	42,760	25,333	45,333	45,333			
Community Assets		772	1,235	1,070	1,000	1,000	1,000	1,050	1,100	1,150
Community Facilities		772	1,235	1,070	1,000	1,000	1,000	1,050	1,100	1,150
Cemeteries/Crematoria		772	1,235	1,070	1,000	1,000	1,000	1,050	1,100	1,150
Other assets		2,634	5,839	3,176	2,500	2,500	2,500	2,200	2,900	3,000
Operational Buildings		2,634	5,839	3,176	2,500	2,500	2,500	2,200	2,900	3,000
Building Plan Offices		2,634	5,839	3,176	2,500	2,500	2,500	2,200	2,900	3,000
Housing		-	-	-	-	-	-	-	-	-
Computer Equipment		8,106	8,379	8,480	3,800	6,300	6,300	3,000	3,290	3,600
Computer Equipment		8,106	8,379	8,480	3,800	6,300	6,300	3,000	3,290	3,600
Machinery and Equipment		967	1,644	1,503	2,560	2,560	2,560	2,000	3,100	3,250
Machinery and Equipment		967	1,644	1,503	2,560	2,560	2,560	2,000	3,100	3,250
Total Repairs and Maintenance Expenditure		140,098	51,411	56,989	35,193	57,693	57,693	28,750	42,329	41,335



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Table 45 MBRR SA34d – Depreciation by Asset class

Choose name from list - Supporting Table SA34d Depreciation by asset class										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		14.757	15.852	19.458	18.290	18.290	18.290	17.534	20.489	23.917
Roads Infrastructure		14.357	15.418	16.501	17.780	17.780	17.780	16.947	19.813	23.141
<i>Roads</i>		14.357	15.418	16.501	17.780	17.780	17.780	16.947	19.813	23.141
Electrical Infrastructure		400	434	502	511	511	511	587	675	777
<i>LV Networks</i>		400	434	502	511	511	511	587	675	777
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	2.455	-	-	-	-	-	-
<i>Landfill Sites</i>		-	-	2.455	-	-	-	-	-	-
Community Assets		217	177	277	118	118	118	136	156	179
Community Facilities		217	177	277	118	118	118	136	156	179
<i>Stalls</i>		217	177	277	118	118	118	136	156	179
Other assets		2.136	2.125	2.076	2.132	2.132	2.132	2.452	2.820	3.243
Operational Buildings		2.136	2.125	2.076	2.132	2.132	2.132	2.452	2.820	3.243
<i>Municipal Offices</i>		2.136	2.125	2.076	2.132	2.132	2.132	2.452	2.820	3.243
Intangible Assets		941	1.459	1.384	1.503	1.503	1.503	1.205	905	675
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		941	1.459	1.384	1.503	1.503	1.503	1.205	905	675
<i>Computer Software and Applications</i>		941	1.459	1.384	1.503	1.503	1.503	1.205	905	675
Computer Equipment		2.744	2.842	3.009	3.034	3.034	3.034	2.189	2.712	3.314
Computer Equipment		2.744	2.842	3.009	3.034	3.034	3.034	2.189	2.712	3.314
Furniture and Office Equipment		387	436	435	553	553	553	636	732	842
Furniture and Office Equipment		387	436	435	553	553	553	636	732	842
Machinery and Equipment		140	264	269	941	941	941	1.082	1.244	1.430
Machinery and Equipment		140	264	269	941	941	941	1.082	1.244	1.430
Transport Assets		4.022	4.128	4.313	4.348	4.578	4.578	3.965	4.755	5.663
Transport Assets		4.022	4.128	4.313	4.348	4.578	4.578	3.965	4.755	5.663
Total Depreciation	1	25.344	27.282	31.222	30.920	31.150	31.150	29.199	33.813	39.264

Table 46 MBRR SA34e – Capital expenditure on the upgrading of existing assets

LIM473 Makhuduthamaga - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		5,091	3,565	3,565	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		5,091	3,565	3,565	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Other assets		1,872	2,287	1,127	1,594	4,094	4,094	2,000	-	-
Operational Buildings		1,872	2,287	1,127	1,594	4,094	4,094	2,000	-	-
Housing		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on upgrading of existing assets	1	6,963	5,853	4,693	1,594	4,094	4,094	2,000	-	-

Table 46 MBRR SA35 - Future financial implications of the capital budget

LIM473 Makhuduthamaga - Supporting Table SA35 Future financial implications of the capital budget								
Vote Description	Ref	2021/22 Medium Term Revenue & Expenditure Framework			Forecasts			Present value
		Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	
R thousand								
Capital expenditure	1							
Vote 1 - Vote 1 - Executive & Council		-	-	-	-	-	-	-
Vote 2 - Vote 2 - Finance & Administration		2,700	2,100	-	2,800	3,000	3,500	2,500
Vote 3 - Vote 3 - Finance & Administration 2		1,000	2,000	2,800	3,700	4,000	4,100	3,400
Vote 5 - Vote 5 - Planning and Development		50	1,000	-	-	1,500	-	-
Vote 8 - Vote 8 - Road Transport		121,423	90,500	79,400	98,500	126,500	145,000	112,000
Total Capital Expenditure		125,173	95,600	82,200	105,000	135,000	152,600	117,900
Future operational costs by vote	2							
Vote 1 - Vote 1 - Executive & Council		59,933	67,952	71,561	74,782	78,147	81,664	71,043
Vote 2 - Vote 2 - Finance & Administration		159,370	173,161	184,729	193,041	201,728	210,806	183,389
Vote 3 - Vote 3 - Finance & Administration 2		16,471	20,395	22,076	23,069	24,108	25,192	21,916
Vote 4 - Vote 4 - Community and Social Services		13,191	13,961	14,798	15,464	16,160	16,887	14,691
Vote 5 - Vote 5 - Planning and Development		16,471	15,916	16,892	17,652	18,446	19,276	16,769
Vote 6 - Vote 6 - Internal Audit		1,620	1,891	1,965	2,053	2,146	2,242	1,951
Vote 7 - Vote 7 - Energy Sources		27,785	8,176	8,520	8,903	9,304	9,722	8,458
Vote 8 - Vote 8 - Road Transport		27,492	39,996	38,877	40,626	42,454	44,365	38,595
Vote 9 - Vote 9 - Public Safety		17,747	18,987	20,315	21,229	22,184	23,182	20,167
Vote 10 - Vote 10 - Waste Management		18,396	28,927	19,875	20,770	21,704	22,681	19,731
Vote 11 - Vote 11 - Sports & Recreation		600	-	-	-	-	-	-
Vote 14 - Vote 14 - Housing		2,200	2,900	3,000	3,135	3,276	3,423	2,978
Total future operational costs		361,276	392,261	402,607	420,724	439,657	459,441	399,688
Future revenue by source	3							
Property rates		50,077	51,579	52,611	54,978	57,452	60,038	52,229
Service charges - refuse revenue		156	162	165	172	180	188	164
Rental of facilities and equipment		138	140	145	152	158	165	144
Interest earned - external investments		1,650	1,800	1,910	1,996	2,086	2,180	1,896
Interest earned - outstanding debtors		41,873	43,967	44,846	46,864	48,973	51,177	44,521
Fines, penalties and forfeits		155	170	240	251	262	274	238
Transfers and subsidies		299,807	311,969	303,538	317,197	331,471	346,387	301,337
Other revenue		6,967	7,160	7,280	7,608	7,950	8,308	7,227
Total future revenue		400,822	416,946	410,735	429,218	448,533	468,717	407,757
Net Financial Implications		85,627	70,915	74,072	96,506	126,124	143,325	109,831



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Table 46 MBRR SA36 - Detailed capital budget per municipal vote

LIM473 Makhuduthamaga - Supporting Table SA36 Detailed capital budget								
R thousand	Function	Project Description	Project Number	2021/22 Medium Term Revenue & Expenditure Framework				
				Audited Outcome 2019/20	Current Year 2020/21 Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality:								
<i>List all capital projects grouped by Function</i>								
0e51e5d3-5805-402b-a5dc-3b94852c29c0	Riverside to Photo access road		PC0010020010070000000000000000000000000000000000_00005	8,966	8,966	15,498	-	-
5efb28bb-c786-49af-8a50-44a8b229bf7f	Upgrading of Marishane Sports Facility		PC00100100200100700000000000000000000000000000_00001	4,094	4,094	2,000	-	-
67347610-1db2-421f-a89a-f87e772911eb	Budget and Treasury Office		PC00100100100600300000000000000000000000000000_00002	9,800	9,800	2,700	2,100	-
6fa14a15-a164-42cb-a263-a0b007852bc5	Malegase to Mapulane access road and bridge		PC00200300200100200000000000000000000000000000_00001	-	-	20,712	-	-
be26bea6-58e3-4497-b52c-0bf597208207	Clen Cowie Post Office Phokoane		PC00100200600100000000000000000000000000000000_00025	1,500	1,500	5,000	8,000	23,000
be26bea6-58e3-4497-b52c-0bf597208207	Construction of access road from Maila Mapitsane to Magolego Tribal Office		PC00100200600200000000000000000000000000000000_00023	2,717	2,717	5,000	10,000	10,000
be26bea6-58e3-4497-b52c-0bf597208207	Construction of Access road to Mochadi		PC00100200600200000000000000000000000000000000_00043	-	-	4,500	18,000	-
be26bea6-58e3-4497-b52c-0bf597208207	Construction of Kome internal road		PC00100200600100000000000000000000000000000000_00038	-	-	22,713	1,500	-
be26bea6-58e3-4497-b52c-0bf597208207	Construction of Mohlala/Ngwanatshwane Access Bridge		PC00100200600200000000000000000000000000000000_00035	11,829	11,829	3,000	4,000	8,500
be26bea6-58e3-4497-b52c-0bf597208207	Construction of road from Lobethal to Tisane		PC00100200600100000000000000000000000000000000_00013	4,870	4,870	15,000	9,000	-
be26bea6-58e3-4497-b52c-0bf597208207	Construction of road from Mashabela Tribal office to Mphanama(10km)		PC00100200600200000000000000000000000000000000_00040	22,000	22,000	14,000	25,000	16,000
be26bea6-58e3-4497-b52c-0bf597208207	Construction of road from Mokwete to Molepane/Ntwane (10km)		PC00100200600200000000000000000000000000000000_00042	17,000	17,000	14,000	15,000	21,900
be26bea6-58e3-4497-b52c-0bf597208207	Marishane - Phaalha Internal Streets		PC00100200600100000000000000000000000000000000_00028	26,409	26,409	-	-	-
be26bea6-58e3-4497-b52c-0bf597208207	Stocking Internal Streets		PC00100200600100000000000000000000000000000000_00026	27,386	27,386	-	-	-
e38be026-aa91-4710-9bdc-3b0f3755cc1a	Economic Development and Planning		PC00200100000000000000000000000000000000000000_00003	1,000	1,000	50	1,000	-
f3a9aaa9-529a-40d1-b981-722b2f743267	Corporate Services		PC00200300400000000000000000000000000000000000_00001	6,790	6,790	1,000	2,000	2,800
Parent Capital expenditure				144,361	144,361	125,173	95,600	82,200



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Table 47 MBRR SA37 – Projects delayed from previous years

LIM473 Makhuduthamaga - Supporting Table SA37 Projects delayed from previous financial year/s																		
R thousand													Previous target year to complete	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework			
Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude			Original Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Parent municipality:																		
<i>List all capital projects grouped by Function</i>																		
Entities:																		
<i>List all capital projects grouped by Entity</i>																		
Entity Name																		
<i>Project name</i>																		

The table above indicate that the municipality does not have any of its projects to be implemented delayed from the previous financial years.



Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

Table 47 MBRR SA38 – Consolidated Detailed Operational Projects

Annual Expenditure Budget 2021/22 MTREF						
Status	Name	Project	Item	Annual Expenditure Budget 2021/22	Annual Expenditure Budget 2022/23	Annual Expenditure Budget 2023/24
Executive Support						
4	O0001/IE00143/F0041/X044/R0278/001/0000	Municipal Running Cost	Car Rental	20,000.00	22,000.00	25,000.00
4	O0001/IE00062/F0041/X044/R0278/001/0000	Municipal Running Cost	Food and Beverage (Serve	70,000.00	85,000.00	89,000.00
4	O0001/IE00060/F0041/X044/R0278/001/0000	Municipal Running Cost	Accommodation	200,000.00	215,000.00	235,000.00
4	O1223-1/IE00059/F0041/X044/R0279/001/4520	Capacity Building Council	National	500,000.00	1,200,000.00	1,250,000.00
4	O0001/IE00586/F0041/X044/R0279/001/4520	Municipal Running Cost	Remuneration to Ward Com	1,127,159.66	864,586.27	1,527,293.40
4	O0001/IE00592/F0041/X044/R0279/001/4520	Municipal Running Cost	Seating Allowance for Tr	440,000.00	480,000.00	500,000.00
4	O1240-1/IE00571/F0041/X044/R0279/001/4520	Public Participation Mee	Hire Charges	200,000.00	215,000.00	230,000.00
4	O1240-2/IE00626/F0041/X044/R0279/001/4520	Public Participation Mee	Artists and Performers	-	-	-
4	O1240-2/IE00703/F0041/X044/R0279/001/4520	Public Participation Mee	Transport Services	50,000.00	65,000.00	70,000.00
4	O1240-2/IE00667/F0041/X044/R0279/001/4520	Public Participation Mee	Stage and Sound Crew	-	-	-
4	O1240-1/IE00677/F0041/X044/R0279/001/4520	Public Participation Mee	Catering Services	150,000.00	155,000.00	164,000.00
4	O0001/IE00571/F0041/X044/R0278/001/4520	Municipal Running Cost	Hire Charges	100,000.00	105,000.00	110,000.00
4	O0001/IE00677/F0041/X044/R0278/001/4520	Municipal Running Cost	Catering Services	100,000.00	105,000.00	110,000.00
4	O1293-1/IE00667/F0041/X044/R0278/001/4530	Special Events and Funct	Stage and Sound Crew	200,000.00	209,000.00	218,000.00
4	O1293-1/IE00675/F0041/X044/R0278/001/4530	Special Events and Funct	Burial Services	-	-	-
4	O1293-1/IE00677/F0041/X044/R0278/001/4530	Special Events and Funct	Catering Services	520,000.00	541,000.00	564,000.00
4	O1293-1/IE00754/F0041/X044/R0278/001/4530	Special Events and Funct	Gifts and Promotional It	207,800.00	217,000.00	227,000.00
4	O1293-1/IE00703/F0041/X044/R0278/001/4530	Special Events and Funct	Transport Services	207,800.00	217,000.00	226,000.00
4	O1293-1/IE00571/F0041/X044/R0278/001/4530	Special Events and Funct	Hire Charges	415,600.00	433,000.00	452,000.00
4	O0001/IE00751/F0041/X044/R0278/001/4530	Municipal Running Cost	Corporate and Municipal	-	-	-
4	O0001/IE00769/F0041/X044/R0278/001/4530	Municipal Running Cost	Cellular Contract (Subsc	300,000.00	415,000.00	430,000.00
4	O1240-2/IE00667/F0041/X044/R0279/001/4530	Public Participation Mee	Stage and Sound Crew	150,000.00	209,000.00	218,000.00
4	O1240-2/IE00703/F0041/X044/R0279/001/4530	Public Participation Mee	Transport Services	100,000.00	215,000.00	220,000.00
4	O1240-2/IE00751/F0041/X044/R0279/001/4530	Public Participation Mee	Corporate and Municipal	-	-	-
4	O1240-2/IE00677/F0041/X044/R0279/001/4530	Public Participation Mee	Catering Services	200,000.00	420,000.00	445,000.00
4	O1220-1/IE00573/F0041/X044/R0279/001/4530	_LIM473_4530_HIV Awarene	Indigent Relief	-	-	-
4	O1240-2/IE00772/F0041/X044/R0279/001/4530	Public Participation Mee	Radio and TV Transmissio	60,000.00	-	-
4	O1240-2/IE00754/F0041/X044/R0279/001/4530	Public Participation Mee	Gifts and Promotional It	200,000.00	425,000.00	450,000.00
4	O1240-2/IE00571/F0041/X044/R0279/001/4530	Public Participation Mee	Hire Charges	200,000.00	520,000.00	535,000.00
4	O1220-1/IE00571/F0041/X044/R0279/001/4530	_LIM473_4530_HIV Awarene	Hire Charges	-	-	-
				9,043,238.52	10,892,156.65	12,104,773.71
Municipal Manager's Office						
4	O0001/IE00016/F0041/X056/R0278/001/4200	Municipal Running Cost	Business and Financial M	208,000.00	217,000.00	227,000.00
4	O0001/IE00833/F0041/X081/R0278/001/4200	Municipal Running Cost	Audit Committee	520,000.00	541,000.00	565,000.00
				728,000.00	758,000.00	792,000.00
Budget and Treasury						
4	O0001/IE00605/F0041/X047/R0278/001/5200	Municipal Running Cost	Vehicle Tracking	93,500.00	97,400.00	101,800.00
4	O0001/IE01581/F0041/X047/R0278/001/5200	Municipal Running Cost	Air Transport	31,200.00	32,500.00	33,900.00
4	O0001/IE00143/F0041/X047/R0278/001/5200	Municipal Running Cost	Car Rental	31,200.00	32,500.00	33,900.00
4	O0001/IE00060/F0041/X047/R0278/001/5200	Municipal Running Cost	Accommodation	52,000.00	54,200.00	56,600.00
4	O0001/IE00062/F0041/X047/R0278/001/5200	Municipal Running Cost	Food and Beverage (Serve	51,900.00	54,100.00	56,500.00
4	O0001/IE00579/F0041/X049/R0278/001/5200	Municipal Running Cost	Municipal Services	1,100,000.00	1,500,000.00	1,700,000.00
4	O0001/IE00060/F0041/X049/R0278/001/5200	Municipal Running Cost	Accommodation	623,400.00	650,000.00	678,600.00
4	O0001/IE01583/F0041/X049/R0278/001/5200	Municipal Running Cost	Road Transport	-	-	-
4	O0001/IE01581/F0041/X049/R0278/001/5200	Municipal Running Cost	Air Transport	31,170.00	32,500.00	33,930.00
4	O0001/IE00758/F0041/X058/R0279/001/5200	Municipal Running Cost	Incidental Cost	-	-	-
4	O0001/IE00062/F0041/X049/R0278/001/5200	Municipal Running Cost	Food and Beverage (Serve	51,950.00	54,150.00	56,500.00
4	O0001/IE00061/F0041/X049/R0278/001/5200	Municipal Running Cost	Daily Allowance	51,950.00	54,150.00	56,500.00
4	O0001/IE00143/F0041/X049/R0278/001/5200	Municipal Running Cost	Car Rental	62,340.00	65,000.00	67,860.00
4	O0001/IE00144/F0041/X049/R0278/001/5200	Municipal Running Cost	Own Transport	103,900.00	108,500.00	113,300.00
4	O0001/IE00607/F0041/X050/R0279/001/5200	Municipal Running Cost	Wet Fuel	1,430,000.00	1,575,000.00	1,733,000.00
4	O0001/IE00808/F0041/X050/R0278/001/5200	Municipal Running Cost	Motor Vehicle Licence an	93,500.00	97,400.00	102,000.00
4	O0001/IE00758/F0041/X049/R0278/001/5200	Municipal Running Cost	Tenders	200,000.00	255,000.00	260,000.00
4	O0001/IE00144/F0041/X058/R0278/001/5200	Municipal Running Cost	Own Transport	41,600.00	43,400.00	45,400.00
4	O0001/IE00062/F0041/X058/R0278/001/5200	Municipal Running Cost	Food and Beverage (Serve	26,000.00	27,100.00	28,300.00
4	O0001/IE00060/F0041/X058/R0278/001/5200	Municipal Running Cost	Accommodation	51,950.00	54,200.00	56,600.00
				4,127,560.00	4,787,100.00	5,214,690.00



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	Community Services					
4	O0001/IE00060/F0041/X006/R0278/001/5066	Municipal Running Cost	Accommodation	103,900.00	108,300.00	113,100.00
4	O0001/IE00062/F0041/X006/R0278/001/5066	Municipal Running Cost	Food and Beverage (Serve	41,600.00	43,350.00	45,300.00
4	O0001/IE01583/F0041/X006/R0278/001/5066	Municipal Running Cost	Road Transport	31,200.00	32,500.00	33,900.00
4	O0001/IE00143/F0041/X006/R0278/001/5066	Municipal Running Cost	Car Rental	41,600.00	43,300.00	45,200.00
4	O0001/IE00144/F0041/X006/R0278/001/5066	Municipal Running Cost	Own Transport	52,000.00	54,200.00	56,600.00
				270,300.00	281,650.00	294,100.00
	Corporate Services					
4	O0001/IE00579/F0041/X046/R0278/001/5520	Municipal Running Cost	Municipal Services	1,040,000.00	1,100,000.00	1,180,000.00
4	O0001/IE00595/F0041/X046/R0278/001/5520	Municipal Running Cost	Skills Development Fund	43,834.48	46,902.89	50,186.09
4	O1227-1/IE03752/F0041/X046/R0278/001/5520	Centre of Learning Econo	Bursaries (Non-Employee)	2,800,000.00	3,470,827.46	2,445,413.20
4	O0001/IE01583/F0041/X046/R0278/001/5520	Municipal Running Cost	Road Transport	25,000.00	35,500.00	37,000.00
4	O0001/IE01581/F0041/X046/R0278/001/5520	Municipal Running Cost	Air Transport	20,000.00	28,400.00	29,600.00
4	O0001/IE00062/F0041/X046/R0278/001/5520	Municipal Running Cost	Food and Beverage (Serve	200,000.00	284,000.00	296,500.00
4	O0001/IE00143/F0041/X046/R0278/001/5520	Municipal Running Cost	Car Rental	20,000.00	28,400.00	29,600.00
4	O0001/IE00144/F0041/X046/R0278/001/5520	Municipal Running Cost	Own Transport	10,000.00	14,200.00	14,800.00
4	O0001/IE00060/F0041/X046/R0278/001/5520	Municipal Running Cost	Accommodation	200,000.00	284,000.00	593,000.00
4	O0001/IE00059/F0041/X046/R0278/001/5520	Municipal Running Cost	National	500,000.00	650,000.00	700,000.00
4	O0001/IE00126/F0041/X046/R0278/001/5520	Municipal Running Cost	Travel or Motor Vehicle			
4	O1297-1/IE00571/F0041/X046/R0278/001/5520	Municipal Health Service	Hire Charges	400,000.00	650,000.00	650,000.00
4	O0001/IE00757/F0041/X051/R0278/001/5520	Municipal Running Cost	Staff Recruitment	250,000.00	330,000.00	340,000.00
4	O0001/IE00584/F0041/X051/R0278/001/5520	Municipal Running Cost	Professional Bodies, Mem	1,100,000.00	1,350,000.00	1,400,000.00
4	O0001/IE00060/F0041/X051/R0278/001/5520	Municipal Running Cost	Accommodation	120,000.00	125,000.00	130,500.00
4	O0001/IE00144/F0041/X051/R0278/001/5520	Municipal Running Cost	Own Transport	10,000.00	12,000.00	15,000.00
4	O0001/IE00143/F0041/X051/R0278/001/5520	Municipal Running Cost	Car Rental	20,000.00	20,800.00	21,700.00
4	O0001/IE01581/F0041/X051/R0278/001/5520	Municipal Running Cost	Air Transport	15,000.00	16,500.00	17,000.00
4	O0001/IE00062/F0041/X051/R0278/001/5520	Municipal Running Cost	Food and Beverage (Serve	80,000.00	83,400.00	88,000.00
4	O0001/IE00060/F0041/X052/R0278/001/5520	Municipal Running Cost	Accommodation	60,000.00	62,500.00	65,300.00
4	O0001/IE00143/F0041/X052/R0278/001/5520	Municipal Running Cost	Car Rental	10,000.00	10,400.00	10,900.00
4	O0001/IE00144/F0041/X052/R0278/001/5520	Municipal Running Cost	Own Transport	5,000.00	5,200.00	5,400.00
4	O0001/IE00062/F0041/X052/R0278/001/5520	Municipal Running Cost	Food and Beverage (Serve	30,000.00	31,300.00	32,800.00
4	O0001/IE01581/F0041/X052/R0278/001/5520	Municipal Running Cost	Air Transport	10,000.00	10,400.00	10,900.00
4	O0001/IE00060/F0041/X053/R0278/001/5520	Municipal Running Cost	Accommodation	50,000.00	55,000.00	58,000.00
4	O0001/IE00062/F0041/X053/R0278/001/5520	Municipal Running Cost	Food and Beverage (Serve	16,500.00	18,000.00	20,000.00
4	O0001/IE00144/F0041/X053/R0278/001/5520	Municipal Running Cost	Own Transport	10,000.00	12,500.00	13,000.00
4	O0001/IE00143/F0041/X053/R0278/001/5520	Municipal Running Cost	Car Rental	10,000.00	10,000.00	12,000.00
4	O0001/IE01581/F0041/X053/R0278/001/5520	Municipal Running Cost	Air Transport	5,000.00	5,200.00	5,500.00
				7,060,334.48	8,750,430.35	8,272,099.29
	Economic Development and Planning					
4	O0001/IE00843/F0041/X098/R0279/001/6200	Municipal Running Cost	Organisational			
4	O0025-1/IE00855/F2496/X098/R0279/001/6200	Spatial Planning (Demarc	Land and Quantity Survey	100,000.00	2,904,000.00	3,194,400.00
4	O0025-2/IE00001/F2495/X098/R0279/001/6200	Formalisation of Jane Fu	Town Planner	500,000.00	-	-
4	O0001/IE00848/F0041/X098/R0279/001/6200	Municipal Running Cost	Valuer and Assessors	-	500,000.00	-
				600,000.00	3,404,000.00	3,194,400.00
	Local Economic Development					
4	O1249-1/IE03755-1/F2496/X096/R0279/001/6250	SMME Support	SMME Support	2,000,000.00	2,500,000.00	3,000,000.00
4	O1354-1/IE00571/F0041/X096/R0279/001/6250	_LIM473_6250_Tourism Dev	Hire Charges	500,000.00	-	-
				2,500,000.00	2,500,000.00	3,000,000.00
				-	-	-
				2,500,000.00	2,500,000.00	3,000,000.00



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	Electricity and Housing					
4	O0001/IE00573/F0041/X032/R0278/001/7200	Municipal Running Cost	Indigent Relief	5,000,000.00	5,200,000.00	5,400,000.00
				5,000,000.00	5,200,000.00	5,400,000.00
	Public Safety					
4	O0001/IE00632/F0041/X153/R0279/001/8510	Municipal Running Cost	Catering Services	60,000.00	62,000.00	65,000.00
				60,000.00	62,000.00	65,000.00
	Roads and Bridges (Operational Expenditure)					
4	O1278-2/IE00599/F1169/X116/R0279/001/7500	EPWP Projects	Supplier Development Pro	3,200,000.00	4,000,000.00	4,200,000.00
				3,200,000.00	4,000,000.00	4,200,000.00
	Waste Management					
4	O0001/IE00651/F0041/X004/R0279/001/7750	Municipal Running Cost	Maintenance of Unspecifi	1,050,000.00	1,100,000.00	1,150,000.00
				1,050,000.00	1,100,000.00	1,150,000.00
	Sports Parks and Recreation					
4	O1333-1/IE00751/F0041/X125/R0279/001/8550	Sports & Culture Promoti	Corporate and Municipal	600,000.00	-	-
				600,000.00	-	-
	Disaster Management					
4	O1265-1/IE01312/F0041/X019/R0279/001/8250	Disaster relief fund	Clothing Provided	400,000.00	410,000.00	440,000.00
4	O1265-1/IE01321/F0041/X019/R0279/001/8250	Disaster relief fund	Social Relief	1,200,000.00	1,250,000.00	1,500,000.00
	1/IE00573/F0041/X019/R5381/001/8250	Covid-19	Social Relief	1,000,000.00	1,000,000.00	800,000.00
				2,600,000.00	2,660,000.00	2,740,000.00
				36,839,433.00	44,395,337.00	46,427,063.00



3.13 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 Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.
2. Internship programme
The municipality is participating in the Municipal Financial Management Internship programme and has employed six interns undergoing training in various divisions of the Budget and Treasury Department, Risk management and Audit section. Since the introduction of the Internship programme the municipality has successfully trained 22 interns and employed 10 of the total trained on permanent positions. Three of this total was permanently employed by the district municipality and two was recently employed by our municipality.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan
The detail SDBIP is and aligned with the 2021/22 budget & MTREF.
6. 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 and training is ongoing.
8. Policies
An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.



3.14 Other supporting documents

Table 49 MBRR Table SA1 - Supporting detail to budgeted financial performance

Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

Choose name from list - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		39.270	39.694	42.702	43.378	43.378	43.378	39.394	50.077	51.579	52.611
<i>and rebates and impermissible values in excess of section 17 of MPRA</i>		(1.562)	(1.565)	(1.682)				(1.550)			
Net Property Rates		40.832	41.259	44.384	43.378	43.378	43.378	40.943	50.077	51.579	52.611
Service charges - refuse revenue	6										
Total refuse removal revenue				128		151	151	122	156	162	165
Total landfill revenue											
<i>Less Revenue Foregone (in excess of one removal a week to indigent households)</i>											
<i>Less Cost of Free Basis Services (removed once a week to indigent households)</i>		-	-	-	-	-	-	-	-	-	-
Net Service charges - refuse revenue		-	-	128	-	151	151	122	156	162	165
Other Revenue by source											
Administrative Handling Fees		4.943	5.812	4.540	6.625	6.625	6.625	4.853	6.800	7.000	7.100
Incidental Cash Surpluses		-	195	-	-	-	-	-	-	-	-
Insurance Refund		-	15	5	-	-	-	-	-	-	-
Other Revenue		925	1.756	405	417	268	268	247	167	160	180
Other Revenue											
Total 'Other' Revenue	1	5.868	7.778	4.949	7.041	6.892	6.892	5.099	6.967	7.160	7.280
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	34.135	39.043	43.185	47.836	44.667	44.667	38.822	61.181	65.434	69.934
Pension and UIF Contributions		6.430	7.294	8.752	8.547	8.998	8.998	7.986	11.426	12.226	13.082
Medical Aid Contributions		3.405	3.998	4.601	6.552	6.913	6.913	4.239	8.478	9.071	9.706
Overtime		-	-	-	-	-	-	-	-	-	-
Performance Bonus		2.720	3.028	3.399	3.598	3.866	3.866	3.154	5.262	5.628	6.015
Motor Vehicle Allowance		8.380	9.552	10.442	11.592	12.330	12.330	9.334	12.823	13.721	14.681
Cellphone Allowance		1.371	1.596	1.791	1.988	2.148	2.148	1.612	2.962	3.170	3.392
Housing Allowances		2.598	2.558	2.665	3.897	4.196	4.196	2.356	4.064	4.349	4.653
Other benefits and allowances		647	1.268	894	767	769	769	557	222	237	254
Payments in lieu of leave		1.360	4.328	2.035	-	-	-	238	-	-	-
Long service awards		603	825	917	-	-	-	262	-	-	-
Post-retirement benefit obligations	4	-	-	-	-	-	-	-	-	-	-
sub-total	5	61.650	73.490	78.681	84.778	83.885	83.885	68.560	106.419	113.837	121.717



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Less: Employees costs capitalised to PPE		-	-	-	-	-	-	-	-	-	-
Total Employee related costs	1	61.650	73.490	78.681	84.778	83.885	83.885	68.560	106.419	113.837	121.717
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		24.403	25.823	29.838	29.417	29.647	29.647	25.829	27.994	32.908	38.589
Lease amortisation		941	1.459	1.384	1.503	1.503	1.503	936	1.205	905	675
Capital asset impairment		-	1.398	-	-	-	-	-	-	-	-
Total Depreciation & asset impairment	1	25.344	28.680	31.222	30.920	31.150	31.150	26.766	29.199	33.813	39.264
Transfers and grants											
Cash transfers and grants		8.094	5.691	7.990	7.700	6.200	6.200	3.461	5.200	9.360	10.440
Non-cash transfers and grants		-	-	36	-	-	-	-	-	-	-
Total transfers and grants	1	8.094	5.691	8.025	7.700	6.200	6.200	3.461	5.200	9.360	10.440
Contracted services											
Outsourced Services		61.861	70.136	56.905	39.156	53.566	53.566	49.380	71.823	61.325	53.925
Consultants and Professional Services		126.362	74.218	46.849	13.389	13.544	13.544	8.975	9.766	10.829	10.741
Contractors		42.802	55.969	61.544	37.923	60.043	60.043	54.402	31.072	45.224	44.354
Total contracted services		231.026	200.323	165.298	90.468	127.152	127.152	112.757	112.662	117.378	109.020
Other Expenditure By Type											
Other Expenditure		55.502	59.818	47.462	41.480	38.565	38.565	33.487	37.339	43.995	46.027
Total 'Other' Expenditure	1	55.502	59.818	47.462	41.480	38.565	38.565	33.487	37.339	43.995	46.027
Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Inventory Consumed (Project Maintenance)											
Contracted Services		40.098	51.411	56.989	35.193	57.693	57.693	-	28.400	42.329	41.335
Other Expenditure											
Total Repairs and Maintenance Expenditure	9	40.098	51.411	56.989	35.193	57.693	57.693	-	28.400	42.329	41.335
Inventory Consumed											
Inventory Consumed - Water		-	-	-	-	-	-	-	-	-	-
Inventory Consumed - Other		-	-	(446)	-	-	-	(446)	3.500	3.700	3.900
Total Inventory Consumed & Other Material		-	-	(446)	-	-	-	(446)	3.500	3.700	3.900



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Table 50 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

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 - Finance & Administration	Vote 3 - Finance & Administration 2	Vote 4 - Community and Social Services	Vote 5 - Planning and Development	Vote 6 - Internal Audit	Vote 7 - Energy Sources	Vote 8 - Road Transport	Vote 9 - Public Safety	Vote 10 - Waste Management	Vote 11 - Sports & Recreation	Vote 12 - [NAME OF VOTE 12]	Vote 13 - Waste Water Management	Vote 14 - Housing	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates		-	50.077	-	-	-	-	-	-	-	-	-	-	-	-	-	50.077
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	156	-	-	-	-	-	-	-	-	-	-	-	-	-	156
Rental of facilities and equipment		-	138	-	-	-	-	-	-	-	-	-	-	-	-	-	138
Interest earned - external investments		-	1.650	-	-	-	-	-	-	-	-	-	-	-	-	-	1.650
Interest earned - outstanding debtors		-	41.873	-	-	-	-	-	-	-	-	-	-	-	-	-	41.873
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	155	-	-	-	-	-	-	-	-	-	-	-	-	-	155
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue		-	299.807	-	-	-	-	-	-	-	-	-	-	-	-	-	299.807
Transfers and subsidies		-	6.967	-	-	-	-	-	-	-	-	-	-	-	-	-	6.967
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	400.822	-	-	-	-	-	-	-	-	-	-	-	-	-	400.822
Expenditure By Type																	
Employee related costs		23.509	31.218	8.077	9.214	8.751	-	580	3.765	17.559	3.746	-	-	-	-	-	106.419
Remuneration of councillors		25.084	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.084
Debt impairment		-	41.873	-	-	-	-	-	-	-	-	-	-	-	-	-	41.873
Depreciation & asset impairment		-	29.199	-	-	-	-	-	-	-	-	-	-	-	-	-	29.199
Finance charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		-	3.500	-	-	-	-	-	-	-	-	-	-	-	-	-	3.500
Contracted services		1.678	36.483	2.650	1.050	5.250	1.620	22.200	20.500	60	18.971	-	-	2.200	-	-	112.662
Transfers and subsidies		-	-	2.600	1.600	1.000	-	-	-	-	-	-	-	-	-	-	5.200
Other expenditure		9.662	12.947	2.944	1.327	1.471	-	5.004	3.227	128	29	600	-	-	-	-	37.339
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure		59.933	155.219	16.271	13.191	16.471	1.620	27.785	27.492	17.747	22.746	600	-	-	2.200	-	361.276
Surplus/(Deficit)		(59.933)	245.603	(16.271)	(13.191)	(16.471)	(1.620)	(27.785)	(27.492)	(17.747)	(22.746)	(600)	-	-	(2.200)	-	39.546
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	85.627	-	-	-	-	-	-	-	-	-	-	-	-	-	85.627
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)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(59.933)	331.230	(16.271)	(13.191)	(16.471)	(1.620)	(27.785)	(27.492)	(17.747)	(22.746)	(600)	-	-	(2.200)	-	125.173



Table 51 MBRR Table SA3 – Supporting detail to Statement of Financial Position

Choose name from list - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
ASSETS		364.137	402.416	473.157	5.870	5.870	5.870	5.870	35.700	39.500	42.909
		-	-	-	-	-	-	-	-	-	-
		364.137	402.416	473.157	5.870	5.870	5.870	5.870	35.700	39.500	42.909
Agricultural											
Opening Balance											
Adjustments	8	-	-	-	-	-	-	-	3.500	3.700	3.900
Write-offs	9	-	-	-	-	-	-	-	(3.500)	(3.700)	(3.900)
Closing balance - Agricultural		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Finished Goods											
Opening Balance											
Acquisitions		-	-	-	-	-	-	-	1.127	927	1.027
Issues	7	515	758	681	1.200	1.200	1.200	1.196	-	-	-
Adjustments	8	-	-	446	-	-	-	446	-	-	-
Write-offs	9	-	-	-	-	-	-	-	-	-	-
Closing balance - Finished Goods		-	-	-	-	-	-	-	-	-	-
		515	758	1.128	1.200	1.200	1.200	1.643	1.127	927	1.027
		-	-	-	-	-	-	-	-	-	-
Land		515	758	1.128	1.200	1.200	1.200	1.643	1.127	927	1.027
Opening Balance											
Sales		406.874	455.648	492.108	488.618	363.111	363.111	562.452	346.900	362.506	381.780
Correction of Prior period errors		113.685	140.574	170.307	-	-	-	(196.136)	-	-	-
Closing Balance - Land		293.189	315.074	321.801	488.618	363.111	363.111	758.588	346.900	362.506	381.780
Closing Balance - Inventory & Consumables											
LIABILITIES		46.043	75.722	85.163	-	-	-	(43.326)	39.151	38.461	36.145
Current liabilities - Borrowing		-	-	-	-	-	-	-	(5.200)	(9.360)	(10.440)
Short term loans (other than bank overdraft)		-	42	24	34.500	45.500	45.500	(74.086)	-	-	-
Current portion of long-term liabilities		(20.228)	(13.121)	(2.641)	-	-	-	(25.184)	-	-	-
Total Current liabilities - Borrowing		25.815	62.643	82.545	34.500	45.500	45.500	(142.596)	33.951	29.101	25.705
Non current liabilities - Borrowing		-	-	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)		65.757	80.485	80.979	26.250	22.899	22.899	(80.979)	23.503	24.701	26.100
Total Non current liabilities - Borrowing		65.757	80.485	80.979	26.250	22.899	22.899	(80.979)	23.503	24.701	26.100
Provisions - non-current											
Retirement benefits		-	-	-	-	-	-	-	128.282	237.086	320.852
Total Provisions - non-current		(69.682)	(41.534)	1.540	126.118	154.361	154.361	155.956	125.173	95.600	82.200
CHANGES IN NET ASSETS		-	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit)		-	-	-	-	-	-	-	-	-	-
Accumulated Surplus/(Deficit) - opening balance		-	-	-	-	-	-	-	-	-	-
GRAP adjustments		(69.682)	(41.534)	1.540	126.118	154.361	154.361	155.956	253.455	332.686	403.052
Restated balance											
Reserves		(69.682)	(41.534)	1.540	126.118	154.361	154.361	155.956	253.455	332.686	403.052
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(69.682)	(41.534)	1.540	126.118	154.361	154.361	155.956	253.455	332.686	403.052

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Table 52 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

LIM 473 Makhuduthamaga - Supporting Table SA9 Social, economic and demographic statistics and assumptions												
Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
Demographics												
Population		Census 2001 - Census 2007 -Census 2011	264	262	300	274	300	300	300	300	300	300
Females aged 5 - 14		Census 2001 - Census 2007 -Census 2011	-	-	300	60	177	177	177	177	177	177
Males aged 5 - 14		Census 2001 - Census 2007 -Census 2011	-	-	123	60	123	123	123	123	123	123
Females aged 15 - 34		Census 2001 - Census 2007 -Census 2011	-	-	-	47	-	-	-	-	-	-
Males aged 15 - 34		Census 2001 - Census 2007 -Census 2011	-	-	-	36	-	-	-	-	-	-
Unemployment		Census 2001 - Census 2007 -Census 2011	-	-	24	33	21	21	21	21	21	21
Monthly household income (no. of households)												
No income	1, 12	Statistics South Africa 2007 & 2011 (Community Survey)	-	-	144,105	121,946	144,105	144,105	144,105	144,105	144,105	144,105
R1 - R1 600		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	-	1,311,130	-	-	-	-	-	-
R1 601 - R3 200		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	-	3,945	-	-	-	-	-	-
R3 201 - R6 400		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	60,966	2,894	60,966	60,966	60,966	60,966	60,966	60,966
R6 401 - R12 800		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	32,154	3,287	32,154	32,154	32,154	32,154	32,154	32,154
R12 801 - R25 600		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	2,128	2,025	2,128	2,128	2,128	2,128	2,128	2,128
R25 601 - R51 200		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	2,637	346	2,637	2,637	2,637	2,637	2,637	2,637
R52 201 - R102 400		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	3,829	57	3,829	3,829	3,829	3,829	3,829	3,829
R102 401 - R204 800		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	718	73	718	718	718	718	718	718
R204 801 - R409 600		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	57	55	57	57	57	57	57	57
R409 601 - R819 200		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	9	9	9	9	9	9	9	9
> R819 200		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	235	235	235	235	235	235	235	235
Poverty profiles (no. of households)												
< R2 060 per household per month	13	Statistics South Africa 2007 & 2011 (Community Survey)	-	-	247,632	247632.00	247632.00	247632.00	247632.00	247632.00	247632.00	247632.00
Insert description	2	Statistics South Africa 2007 & 2011 (Community Survey)	-	-	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Household/demographics (000)												
Number of people in municipal area		Statistics South Africa 2007 & 2011 (Community Survey)	274,358	274,358	274,358	274	274	274	274	274	274	274
Number of poor people in municipal area		Statistics South Africa 2007 & 2011 (Community Survey)	65,217	65,217	65,217	65	65	65	65	65	65	65
Number of households in municipal area		Statistics South Africa 2007 & 2011 (Community Survey)	65,217	65,217	65,217	65	65	65	65	65	65	65
Number of poor households in municipal area		Statistics South Africa 2007 & 2011 (Community Survey)	65,217	65,217	65,217	65	65	65	65	65	65	65
Definition of poor household (R per month)												
Housing statistics												
Total number of households	3		-	-	-	-	-	-	-	-	-	-
Total new housing dwellings			-	-	-	-	-	-	-	-	-	-
Economic												
Collection rates												
Property tax/service charges	6					29.0%	29%	29.0%	29.0%	35.0%	39.0%	51.0%
Rental of facilities & equipment						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - external investments						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest - debtors						0%	0%	0%	0%	0%	0%	0%
Revenue from agency services						100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



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Table 53 MBRR Table SA11 – Property rates summary

LIM473 Makhuduthamaga - Supporting Table SA11 Property rates summary										
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Valuation:	1									
Date of valuation:		7/1/2011	7/1/2011	7/1/2011	7/1/2011					
Financial year valuation used		2017/18	2018/19	2019/20	2020/21					
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes	Yes					
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes	Yes					
Municipal partnership s38 used? (Y/N)		NO	NO	NO	NO	NO	NO	NO	NO	NO
No. of assistant valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of data collectors (FTE)	3	-	-	-	-	-	-	-	-	-
No. of internal valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	1	1	1	1	1	1	1	1	1
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)		Yes	Yes	Yes	Yes					
Implementation time of new valuation roll (mths)		48	48	48	48					
No. of properties	5	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797
No. of sectional title values	5	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-
No. of supplementary valuations		1	1	1	1	1	1	1	1	1
Total rebates,exemptns,reductns,discs (R'000)		-	-	-	-	-	-	-	-	-

Table 54 MBRR Table SA12a – Property rates by category (current year)

LIM473 Makhuduthamaga - Supporting Table SA12a Property rates by category (current year)																	
Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum'ts	Public benefit organs.	Mining Props.
Current Year 2020/21																	
Valuation:																	
No. of properties		4,052	-	1,198	-	555	53	-	-	-	1	-	-	-	-	160	-
No. of sectional title property values		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
No. of valuation roll amendments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)		3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Frequency of valuation (select)		<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)		Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flat rate used? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Is balance rated by uniform rate/variable rate?		Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
Valuation reductions:																	
Valuation reductions-other (Rm)	2	250,000	250,000	250,000	250,000	250,000	250,000	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																	
Rating:																	
Average rate	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue budget (R '000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special rating areas (R'000)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates,exemptns,eductns,discs (R'000)																	

Table 55 MBRR Table SA12b – Property rates by category (Budget year)

LIM473 Makhuduthamaga - Supporting Table SA12b Property rates by category (budget year)																	
Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum'ts	Public benefit organs.	Mining Props.
Budget Year 2021/22																	
Valuation:																	
No. of properties		4,052	-	1,214	-	555	53	-	-	-	1	-	-	-	-	160	-
Supplementary valuation (Rm)		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Years since last valuation (select)		3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Frequency of valuation (select)		<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)		Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Combination of rating types used? (Y/N)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flat rate used? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Is balance rated by uniform rate/variable rate?		Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
Valuation reductions:																	
Valuation reductions-other (Rm)	2	250,000	250,000	250,000	250,000	250,000	250,000	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																	
Rating:																	
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total rebates,exemptns,eductns,discs (R'000)																	

Table 56 MBRR Table SA13a – Service tariffs by category.

LIM473 Makhuduthamaga - Supporting Table SA13a Service Tariffs by category									
Description	Ref	Provide description of tariff structure where appropriate	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
							Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Property rates (rate in the Rand)	1								
Farm properties - used			0.1500	0.1500	0.1600	0.1600	0.1600	0.1600	0.1600
Farm properties - not used									
Industrial properties			0.1500	0.1500	0.1600	0.1600	0.1600	0.1600	0.1600
Business and commercial properties			0.1500	0.1500	0.1600	0.1600	0.1600	0.1600	0.1600
State-owned properties			0.1500	0.1500	0.1600	0.1600	0.1600	0.1600	0.1600
Exemptions, reductions and rebates (Rands)									
<i>Residential properties</i>									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
Water tariffs									
<i>Domestic</i>									
<i>Other</i>	2								
Waste water tariffs									
<i>Domestic</i>									
<i>Other</i>	2								
Electricity tariffs									
<i>Domestic</i>									
Basic charge/ fixed fee (Rands/month)									
<i>Other</i>	2								
Waste management tariffs									
<i>Domestic</i>									
Street cleaning charge			-	-	2,500	2,500	2,500	2,500	2,500

Table 57 MBRR Table SA13b – Service tariffs by category (explanatory).

Description	Ref	Provide description of tariff structure where appropriate	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
							Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Exemptions, reductions and rebates (Rands)									
Property rates exemptions		Properties with a market value equals and less than R 250 000.00 are exempted from the property rate billing within the jurisdiction of the Municipality.	-	-	-	-	-	-	-
Water tariffs									
[Insert blocks as applicable]		(fill in thresholds)							
Waste water tariffs									
[Insert blocks as applicable]		(fill in structure)							
Electricity tariffs									
[Insert blocks as applicable]		(fill in thresholds)							

Table 58 MBRR Table SA14 – Household bills.

LIM473 Makhuduthamaga - Supporting Table SA14 Household bills											
Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
Rand/cent								% incr.			
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total large household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-	-	-	-	-
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-	-	-	-	-
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-	-	-	-	-



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Table 59 MBRR Table SA15 – Investment particulars by type.

LIM473 Makhuduthamaga - Supporting Table SA15 Investment particulars by type										
Investment type	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand										
Parent municipality										
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										
Municipal Bonds										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
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										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		-	-	-	-	-	-	-	-	-



Table 60 MBRR Table SA16 – Investment particulars by maturity.

LIM473 Makhuduthamaga - Supporting 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												
Parent municipality														-
														-
														-
														-
														-
														-
Municipality sub-total										-		-	-	-
Entities														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									-		-	-	-

Table 61 MBRR Table SA17 – Borrowing.

LIM 473 Makhuduthamaga - Supporting Table SA17 Borrowing									
Borrowing - Categorised by type R thousand	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 medium term Revenue & Expenditure Framework	
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23
Parent municipality									
Annuity and Bullet Loans									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Municipality sub-total	1	-	-	-	-	-	-	-	-
Entities									
Annuity and Bullet Loans									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Entities sub-total	1	-	-	-	-	-	-	-	-
Total Borrowing	1	-	-	-	-	-	-	-	-
Unspent Borrowing - Categorised by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Municipality sub-total	1	-	-	-	-	-	-	-	-
Entities									
Long-Term Loans (annuity/reducing balance)									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Entities sub-total	1	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-



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2.1 Annual Budget of Municipal entities

- The municipality does not have entities.