



MAKHUDUTHAMAGA
LOCAL MUNICIPALITY

ANNUAL ADJUSTED BUDGET
OF
Makhuduthamaga Local Municipality

2020/21 - 2022/23

(28 February 2021)

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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 Programme		
IGF	Internally Generated Funds		
FY	Full Year		



1.1 Executive Summary.

Makhuduthamaga Local Municipality has prepared its annual adjusted budget for the 2020/21 financial year in accordance with section 28(2)(a)(d) of the Municipal Finance Management Act and Chapter 2, part 4 of the Municipal Budget and Reporting Regulations as published under GN 393 in GG 32141 dated 17 April 2009. No budget adjustments were effected on both the revenue and expenditure forecasts for the two outer years 2021/22 and 2022/23 of the MTREF.

The municipality's financial management strategies and service delivery priorities were reviewed as part of the mid-year budget and performance assessment in terms of section 72 of the Municipal Finance Management Act. Where appropriate, funds were transferred from low- to high-priority programmes and funds not utilised as planned during the compilation of the annual budget were also re-allocated to other programmes to ensure services delivery and accurately satisfactory spending at the end of the financial year. The municipal has originally budgeted in total **R 444 097 762.00** annual revenue for the 2020/21 financial year. The total annual revenue budget was increased to **R 500 645 762.00** through the special adjustment budget in September 2020. The total annual revenue budget has now reduced to **R 497 680 814.00** for the 2020/21 financial year.

The following findings were established during the mid-year budget and performance assessment review in January 2021 and the senior management of the Municipality found it necessary to adjust the annual budget for 2020/21 as approved by council in September 2020:

ADJUSTMENTS ON REVENUE BUDGET

Interest on investment

The municipality has budgeted to earn an amount of **R 3 592 425.00** in interests on short term investments for the 2020/21 financial year. The budget has reduced to **1 447 378.00** as the municipality did not invest as budgeted for during the first half of the year, and it is less likely that the total budgeted revenue from short term investments will be realised in the last half of the financial year.

Other income

The municipality budgeted to receive **R 426 684.00** from the sales of tender documents and other sources of income for the 2020/21 financial year, however it became quite evident that municipality will not collect as anticipated in the last half of the financial year and the budget for other sources of income was then reduced to **R 267 782.00**.

Traffic Fines

The **R 730 000** budget on traffic fines has reduced to **R 69 000** as the municipality did not collect as anticipated on the traffic fines revenue during the first half of the financial year.



ADJUSTMENT ON TOTAL BUDGETED EXPENDITURE

The municipal has originally budgeted in total **R 444 097 762.00** annual expenditure for the 2020/21 financial year. The total annual expenditure budget was also increased to **R 500 645 762.00** through the special adjustment budget in September 2020. The total annual expenditure budget has also reduced to **R 497 680 814.00** for the 2020/21 financial year:

Adjustment on Operational Expense.

The municipality has originally budgeted **R 84 008 565.00** in employee related costs for the 2020/21 financial year. The budgeted expenditure increased to **R 89 792 837.00** through the special adjusted budget, the total annual employee related cost budgeted has now reduced to **R 83 159 394.00** for the 2020/21 financial year.

The annual contracted services budget was increased from **R 84 147 676** to **R 88 427 676** through the special adjusted budget, the annual budget on contracted services has further increased to **R 125 813 795.00** for the 2020/21 financial year.

The total annual budget on other expenditure was increased from **R 56 269 512.00** to **R 62 089 512.00** through the special adjusted budget, the total annual budget has reduced to **R 46 828 888.00** for the 2020/21 financial year.

Adjustment on Capital Expenditure

The municipality's annual capital budget was **R 126 118 127** as approved by council in May 2020. The annual capital was adjusted to **R 162 818 127.00** through the special adjusted budget in September 2020. The total annual capital budget has now reduced to **R 144 361 127.00** for the 2020/21 financial year.

Below are the capital projects which were affected by the 2020/21 budget adjustment processes:

Ga-Mampane access road 2020/21 - reduced by **R 1 500 000.00** to **R 8 966 000.00**.

Upgrading of Marishane Sports Ground 2020/21 – Increased by **R 2 500 000** to **R 4 094 390.00**.

Glen Cowie_Phokoane access road 2020/21 – Increased by **R 500 000.00** to **R 1 500 000.00**.

Marishane_Phaahla Internal Street 2020/21 – increased by **R 5 200 000** to **R 26 409 000.00**.

Mokwete Molepane access road 2020/21 – reduced by **R 15 000 000.00** to **R 17 000 000.00**.

Mashabela_Machacha access road 2020/21 – reduced by **R 10 000 000.00** to **R 22 000 000.00**.

Matulaneng access bridge 2020/21 – reduced by **R 3 057 000.00** to **R 0.00**



Maila Mapitsane_Magolego 2020/21 – reduced by **R 2 500 000.00** to **R 2 717 000.00**

No multi-year shifting of funds was done in relation to the capital expenditure budget for the 2019/20 financial year.

Table 1 Consolidated Overview of the Adjusted 2020/21 MTREF:

Description	Adjusted Budget 2019/20	Approved Budget 2020/21	Special Adjusted Budget 2020/21	Annual Budget Adjustments 2020/21	Adjusted Budget 2020/21	Adjusted Budget 2021/22	Adjusted Budget 2022/23
Total Revenue	428,378,031.07	444,097,762.07	500,645,762.07	- 2,964,947.33	497,680,814.74	469,990,823.19	488,844,646.99
Total Operating Expenditure	348,565,337.07	317,979,634.97	337,827,634.97	15,492,052.67	353,319,687.64	331,996,401.00	361,176,947.36
Operating Surplus/Deficit for the year	79,812,694.00	126,118,127.09	162,818,127.10	- 18,457,000.00	144,361,127.10	137,994,422.19	127,667,699.64
Cash backed reserves	-	-	-	-	-	-	-
VAT Refunds 2018/19(July 2018 - December 2018)	-	-	-	-	-	-	-
Total Funding for Capital Expenditure	79,812,694.00	126,118,127.09	162,818,127.10	- 18,457,000.00	144,361,127.10	137,994,422.19	127,667,699.64
Capital Expenditure	79,812,694.00	126,118,127.09	162,818,127.09	- 18,457,000.00	144,361,127.10	137,994,422.19	127,667,699.64
Total Surplus/Deficit	-	-	-	-	-	-	-

Total revenue has reduced by **R 2 964 947** to **R 497 680 814**. This reflects a 1% decrease as compared to the special adjusted revenue budget. For the two outer years, total revenue will remain unchanged at **R 469 990 823** and **R 488 844 646** respectively, equating to a total revenue growth of **R 60 466 615.00** over the MTREF when compared to the 2020/21 financial year. The total revenue includes the grants allocations from the national treasury and conditional grants.

Total operating expenditure budget for the 2020/21 financial year has increased by **R 15 492 052** and that translates into an operating budgeted surplus of **R 144 361 127.00** as indicated in table B4. As compared to the 2020/21 Adjusted Budget, operational expenditure has increased by 1%, decreases by 6% in 2021/22 and increases of 9% in 2022/23 financial year. The operating surplus for the two outer years decreases to **R 137 994 422** and then **R 127 667 699.00** respectively. These surpluses will be used to fund capital expenditure and to further ensure cash backing of reserves and funds.

The total approved capital budget decreased by **R 18 457 000.00** to **R 144 361 127.00** for the 2020/21 financial year and it increased by 80% as compared to the 2019/20 adjusted budget on capital projects.

The capital expenditure decreases to **R 137 994 422** in the 2021/22 financial year and decreases further to **R 127 667 699** in 2021/22. Of the total annual capital budget, an amount of **R 61 710 000.00** is funded by MIG for roads and bridges. The rest of the capital projects and acquisitions of new assets is being funded from the equitable share budget and Cash backed reserves.



Operating Revenue Framework

In order for the municipality to continue improving the quality of services provided to its communities it needs to generate the required sustainable revenue to meet its funding requirements. 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 in our municipality. The expenditure required to address these challenges will always exceed available funding; hence difficult choices have to be made in relation to balancing expenditures against realistically anticipated revenues. The fact is, we cannot increase the property rates tariffs in the near future as we still have very low level of revenue collection for the property rates which makes 48% of the total own revenue. Property rates tariffs remain unchanged at 0.16 cents in a rand.

In an attempt to ensure a strong revenue base, the municipality has also reviewed its revenue enhancement strategy to improve revenue collection in the 2020/21 financial year and the two outer years.

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

- National Treasury's guidelines and macroeconomic policy;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs; (e.g. Waste collection project)
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the adjusted 2020/21 MTREF (classified by main revenue source)

Table 2 Summary of revenue classified by main revenue source



Makhuduthamaga Local Municipality – LIM473 2020/21 Annual Adjusted Budget and MTREF

LIM473 Makhuduthamaga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28 February 2021								
Description	Ref	Budget Year 2020/21					Budget Year +1	Budget Year +2
		Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7	8	9	10		
R thousands	1	A	E	F	G	H		
Revenue By Source								
Property rates	2	43,378,417.67	-	-	-	43,378,417.67	43,475,572.90	43,587,473.33
Service charges - refuse revenue	2	151,200.00	-	-	-	151,200.00	181,200.00	240,000.00
Rental of facilities and equipment		131,596.60			-	131,596.60	138,176.43	140,808.36
Interest earned - external investments		3,592,425.75		(2,145,047.33)	(2,145,047.33)	1,447,378.42	3,726,208.96	3,813,775.39
Interest earned - outstanding debtors		39,101,845.46			-	39,101,845.46	39,173,657.85	39,568,625.99
Fines, penalties and forfeits		730,000.00		(661,000.00)	(661,000.00)	69,000.00	800,000.00	850,000.00
Agency services		6,624,594.47		-	-	6,624,594.47	6,657,357.05	6,814,617.45
Transfers and subsidies		288,251,000.00	56,548,000.00		56,548,000.00	344,799,000.00	308,384,000.00	322,462,000.00
Other revenue	2	426,682.12	-	(158,900.00)	(158,900.00)	267,782.12	429,650.00	452,346.47
Total Revenue (excluding capital transfers and contributions)		382,387,762.07	56,548,000.00	(2,964,947.33)	53,583,052.67	435,970,814.74	402,965,823.19	417,929,646.99
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		61,710,000.00	-	-	-	61,710,000.00	67,025,000.00	70,915,000.00
Total Revenue (Including capital transfers and contributions)		444,097,762.07	56,548,000.00	(2,964,947.33)	53,583,052.67	497,680,814.74	469,990,823.19	488,844,646.99

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 after adjustments amount to **R 435 970 814.00** for 2020/21, **R 402 965 823.00** for 2020/21 and **R 417 929 646** for 2021/22.

The revenue from government grants forms a significant percentage of the total operating revenue for the municipality for the entire 2020/21 MTREF. This clearly indicate that our municipality is dependent on government grants which contribute to 82% of the total operating revenue in 2020/21 budget year and 81% across the whole 2020/21 MTREF.

❖ **Operating Expenditure Framework**

As indicated in the original budget, the municipality’s expenditure framework for the 2020/21 budget and MTREF is informed by the following:

- The infrastructure projects plan in the IDP to address the backlog and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to backlog eradication plan;
- Operational gains/ surpluses will be directed to funding the capital budget.



Makhuduthamaga Local Municipality – LIM473 2020/21 Annual Adjusted Budget and MTREF

- Funding was allocated to only projects which have projects implementation plans to guard against under spending.

The following table is a high-level summary of the adjusted operational expenditure budget for 2020/21 and MTREF (classified per main type of operating expenditure):

Table 3 Summary of operating expenditure by standard classification item

LIM473 Makhuduthamaga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28 February 2021								
Description	Ref	Budget Year 2020/21					Budget Year +1	Budget Year +2
		Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			7	8	9	10		
R thousands	1	A	E	F	G	H		
Expenditure By Type								
Employee related costs		84,008,565.21	5,784,272.17	(6,633,442.70)	(849,170.53)	83,159,394.68	96,078,336.04	102,803,819.56
Remuneration of councillors		23,531,971.54		-	-	23,531,971.54	24,943,889.83	26,440,523.22
Debt impairment		39,101,845.46	3,733,727.84	-	3,733,727.84	42,835,573.30	39,173,657.85	39,568,625.99
Depreciation & asset impairment		30,920,063.53	230,000.00	-	230,000.00	31,150,063.53	34,319,555.52	37,645,260.22
Finance charges					-	-		
Bulk purchases		-	-	-	-	-	-	-
Other materials		5,000.00			-	5,000.00	5,000.00	5,000.00
Contracted services		84,147,676.91	4,280,000.00	37,386,119.00	41,666,119.00	125,813,795.91	83,841,603.07	97,624,619.54
Transfers and subsidies		4,800,000.00			-	4,800,000.00	5,000,000.00	5,300,000.00
Other expenditure		51,464,512.32	5,820,000.00	(15,260,623.63)	(9,440,623.63)	42,023,888.69	48,634,358.70	51,789,098.83
Losses					-	-		
Total Expenditure		317,979,634.97	19,848,000.01	15,492,052.67	35,340,052.68	353,319,687.65	331,996,401.00	361,176,947.36

Adjustment on employee related costs

The budget for Employee related costs has been reduced by **R 6 633 442** as a result of the following positions which were still vacant as at 31 December 2020 and the those which were filled during the first half of the financial year:

Department	Post name
Executive Support	1. Admin Assistant (Mayor's Office) x 1 2. Admin Assistant (Speaker's Office) x 1
Budget & Treasury	1. Revenue Manager x 1 2. SCM Manager x 1 3. Cashier x 1
Municipal Manager's Office	1. Senior Internal Audit x 1



	<ol style="list-style-type: none">2. Internal Auditors x 23. Personal Assistant x 1
Community Services	<ol style="list-style-type: none">1. Superintendent x 22. Management Rep (VTS) x 13. Examiners x 4
Economic Development and Planning	<ol style="list-style-type: none">1. LED Manager x 12. Senior Town Planner X 13. GIS Officer x 1
Infrastructure Development	<ol style="list-style-type: none">1. Heavy-duty diesel mechanic x 1

Remuneration of councillors

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality 's adjusted budget for 2020/21. The total amount of **R 23 531 971.00** was calculated on Grade 3 and includes budget for Councillor's allowance, cell phone allowance, data cards, pension and car allowance as contained in the circular received from the Minister of Co-operative Governance and Traditional Affairs. There are no budget adjustments on the annual total budgeted remuneration of councillors for the 2020/21 financial year.

Debt impairment

The provision for debt impairment for 2020/21 was determined based on the Debt Write-off Policy of the municipality. The total annual budget for debt impairment increased from **R 39 101 843.00** to **R 42 835 573.00** during the special adjustment period in September 2020. There are no further budget adjustments to the annual adjusted budget on debt impairment for the 2020/21 financial year. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Depreciation

Provision for depreciation and asset impairment is informed by the Municipality's Asset Management Policy and GRAP 17. The annual budget for depreciation and amortisation remains unchanged at **R 31 150 063.00** for the 2019/20 financial year.

Finance charges

The municipality is not planning to use borrowings to fund its projects in the near future due to revenue generation incapacity and collection challenges.



Contracted Services

Contracted services comprises of security services, cleaning services, repairs and maintenance for infrastructure assets and operating leases for office equipment and machinery as well as waste management expenses. For the current year budget, contracted services has been increased from **R 88 427 676.00** to **R 125 813 795.00** to try and close the backlog in the repairs and maintenance of the municipality’s infrastructure assets

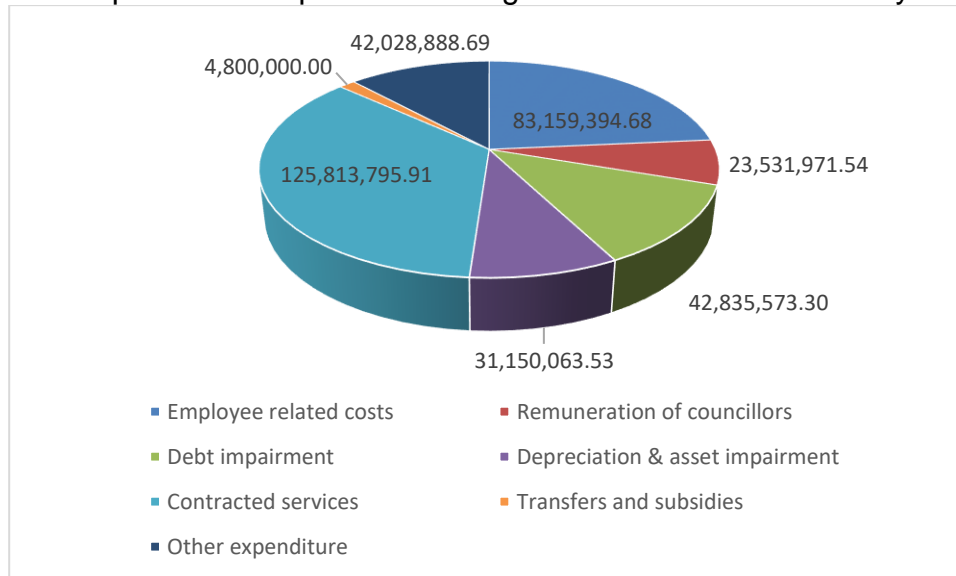
Other Expenditure

The budget for other expenditure has decreased from **R 62 089 512.00** to **R 646 828 888.00** for the 2020/21 financial year.

Further explanations and reasons for adjustments are provided under supporting documents of the adjustment budget under adjustments to Service Delivery and Implementation Plan.

The following bar chart gives a breakdown of the main expenditure categories for the 2020/21 financial year Adjustment Budget.

Main Operational Expenditure categories for 2020/21 financial year



Adjustments on repairs and maintenance

Considering national treasury circular number 54, 55, 58 and 59 our municipality has put repairs and maintenance as one of the priorities to preserving and maintaining the municipality’s current infrastructure, to ensure that the existing assets are good working conditions and to lengthen the assets life span. The 2020/21 budget and MTREF provide for a growth in the area of asset



maintenance, as informed by the repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. In our municipality's case, all repairs and maintenance services for our infrastructure assets will be done through contracted services as indicated in table SA1 of the B schedule. The total repairs and maintenance expenditure for the 2020/21 financial year has increased from **R 48 612 604.00** to **R 84 012 604.00** to cover the increase in the expenditure for the repairs and maintenance of the municipal infrastructure assets.

Adjustments on Free Basic Services: Electricity tokens

The municipality gives free basic electricity tokens to poor households within the municipal jurisdictions to assist them as they cannot afford the electricity costs. Our municipality does not have a licence to sell electricity and therefore buys the tokens from Eskom for the affected households who registered with the municipality. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. Details relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 16 MBRR Table B10 (Basic Service Delivery Measurement)

The cost of the free basic electricity of the registered indigent households is financed through the local government equitable share received in terms of the annual Division of Revenue Act. There were no adjustments done on the Free Basic Electricity budget for the 2020/21 financial year.

Capital expenditure

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



Table 4 Adjusted Capital budget per vote.

LIM473 Makhuduthamaga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28 February 2021								
Description	Ref	Budget Year 2020/21					Budget Year +1	Budget Year +2
		Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			9	10	11	12		
R thousands		A	E	F	G	H		
Capital expenditure - Vote								
Multi-year expenditure to be adjusted	2							
Vote 4 - Infrastructure Development		117,628,127.09	30,000,000.00	(20,857,000.00)	9,143,000.00	126,771,127.09	136,294,422.19	119,347,271.70
Capital multi-year expenditure sub-total	3	117,628,127.09	30,000,000.00	(20,857,000.00)	9,143,000.00	126,771,127.09	136,294,422.19	119,347,271.70
Single-year expenditure to be adjusted	2							
Vote 1 - Executive Support		-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager		-	-	-	-	-	-	-
Vote 3 - Economic Development and Planning		-	2,000,000.00	(1,000,000.00)	1,000,000.00	1,000,000.00	-	-
Vote 4 - Infrastructure Development		-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-
Vote 6 - Corporate Services		3,290,000.00	1,000,000.00	2,500,000.00	3,500,000.00	6,790,000.00	1,700,000.00	2,000,000.00
Vote 7 - Budget and Treasury		5,200,000.00	3,700,000.00	900,000.00	4,600,000.00	9,800,000.00	-	6,320,427.94
Capital single-year expenditure sub-total		8,490,000.00	6,700,000.00	2,400,000.00	9,100,000.00	17,590,000.00	1,700,000.00	8,320,427.94
Total Capital Expenditure - Vote		126,118,127.09	36,700,000.00	(18,457,000.00)	18,243,000.00	144,361,127.09	137,994,422.19	127,667,699.64

For the 2020/21 financial year an amount of **R 126 118 127.00** was originally appropriated for the capital expenditure to be funded by MIG grant and equitable share. For 2021/22 and 2022/23 the budget has been appropriated at **R 137 994 422.00** and **R 127 667 699.00**, respectively. The approved capital budget for 2019/20 has increased to **R 162 818 127.00** through the special adjusted budget, the budget has now reduced to **R 144 361 127.00** for the 2020/21 financial year.

Infrastructure and development vote is appropriated the highest allocation of **R 126 771 127.00** for 2019/20 which equates to 88% of the total capital budget, followed by budget & treasury at **R 9 800 000.00** (7%), Corporate Services at **R 6 790 000.00** (4%). The remaining 1% is allocated to economic development and planning at **R 1 000 000.00** of the total allocated capital budget for the year

No multi-year shifting of funds was done in relation to the capital expenditure budget for the 2020/21 financial year.

ADJUSTMENT BUDGET TABLES (B1 to B10)

The following are the ten main B schedule tables for the annual budget of Makhuduthamaga Local municipality for the 2020/21 MTREF.



Makhuduthamaga Local Municipality – LIM473 2020/21 Annual Adjusted Budget and MTREF

1.1.1 Table 5 MBRR B1 – Annual Budget Summary

LIM473 Makhuduthamaga - Table B1 Adjustments Budget Summary - 28 February 2021							
Description	Budget Year 2020/21					Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	1	6	7	8		
R thousands	A	A1	F	G	H		
Financial Performance							
Property rates	43,378	43,378	–	–	43,378	43,476	43,587
Service charges	–	–	151	151	151	181	240
Investment revenue	3,592	3,592	(2,145)	(2,145)	1,447	3,726	3,814
Transfers recognised - operational	288,251	344,799	–	–	344,799	308,384	322,462
Other own revenue	47,166	47,166	(971)	(971)	46,195	47,199	47,826
Total Revenue (excluding capital transfers and contributions)	382,388	438,936	(2,965)	(2,965)	435,971	402,966	417,930
Employee costs	84,778	90,519	(6,633)	(6,633)	83,885	96,078	102,804
Remuneration of councillors	23,532	23,532	–	–	23,532	24,944	26,441
Depreciation & asset impairment	30,920	31,150	–	–	31,150	34,320	37,645
Materials and bulk purchases	–	–	–	–	–	5	5
Transfers and grants	7,700	10,520	(4,320)	(4,320)	6,200	5,000	5,300
Other expenditure	171,050	182,107	26,445	26,445	208,552	171,650	188,982
Total Expenditure	317,980	337,828	15,492	15,492	353,320	331,996	361,177
Surplus/(Deficit)	64,408	101,108	(18,457)	(18,457)	82,651	70,969	56,753
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	61,710	61,710	–	–	61,710	67,025	70,915
Surplus/(Deficit) after capital transfers & contributions	126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668
Capital expenditure & funds sources							
Capital expenditure	126,118	–	18,243	18,243	144,361	137,994	127,668
Transfers recognised - capital	126,118	67,852	(8,000)	(8,000)	59,852	137,994	127,668
Total sources of capital funds	126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668
Financial position							
Total current assets	69,104	72,081	–	–	72,081	112,935	162,993
Total non current assets	491,128	371,260	(15,639)	(15,639)	355,621	529,654	530,497
Total current liabilities	34,500	45,500	–	–	45,500	60,050	63,000
Total non current liabilities	26,250	22,899	–	–	22,899	24,341	25,814
Community wealth/Equity	499,482	374,941	(15,639)	(15,639)	359,302	558,199	604,676
Cash flows							
Net cash from (used) operating	154,744	192,217	(18,457)	(18,457)	173,760	174,332	173,241
Net cash from (used) investing	(126,118)	(162,818)	18,457	18,457	(144,361)	(137,994)	(127,668)
Net cash from (used) financing	–	–	–	–	–	–	–
Cash/cash equivalents at the year end	37,679	40,655	–	–	40,655	76,992	122,566
Cash backing/surplus reconciliation							
Cash and investments available	37,678	40,655	–	–	40,655	76,992	122,113
Application of cash and investments	18,003	28,973	(151)	(151)	28,822	36,858	34,133
Balance - surplus (shortfall)	19,675	11,682	151	151	11,833	40,134	87,981
Asset Management							
Asset register summary (WDV)	373,500	223,631	131,989	131,989	355,621	391,450	402,620
Depreciation & asset impairment	30,920	31,150	–	–	31,150	34,320	37,645
Renewal and Upgrading of Existing Assets	–	1,594	2,500	2,500	4,094	–	–
Repairs and Maintenance	35,193	35,193	22,500	22,500	57,693	50,201	61,989



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1.1.2 Table 6 MBRR B2 – Budgeted Financial Performance (Standard Classification)

Standard Description	Ref	Budget Year 2020/21					Budget Year	Budget Year
		Original	Prior	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Adjusts.	Adjusts.	Budget	Budget	Budget
		5	10	11	12			
R thousands	1, 4	A	A1	F	G	H		
Revenue - Functional								
Governance and administration		444,098	500,646	(2,965)	(2,965)	497,681	469,991	488,845
Executive and council		-	-	-	-	-	-	-
Finance and administration		444,098	500,646	(2,965)	(2,965)	497,681	469,991	488,845
Internal audit		-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-
Total Revenue - Functional	2	444,098	500,646	(2,965)	(2,965)	497,681	469,991	488,845
Expenditure - Functional								
Governance and administration		225,019	230,453	(9,124)	(9,124)	221,329	241,303	256,321
Executive and council		55,223	56,693	(3,219)	(3,219)	53,474	63,281	67,060
Finance and administration		168,117	172,081	(5,905)	(5,905)	166,176	176,232	187,379
Internal audit		1,679	1,679	-	-	1,679	1,790	1,882
Community and public safety		28,260	30,820	(4,374)	(4,374)	26,445	28,892	30,326
Community and social services		9,733	9,733	(1,859)	(1,859)	7,874	9,282	10,107
Sport and recreation		550	550	-	-	550	350	500
Public safety		15,477	18,036	(2,515)	(2,515)	15,521	16,560	17,718
Housing		2,500	2,500	-	-	2,500	2,700	2,000
Health		-	-	-	-	-	-	-
Economic and environmental services		43,506	55,362	16,140	16,140	71,502	53,307	65,696
Planning and development		11,806	22,108	(3,670)	(3,670)	18,438	8,227	9,308
Road transport		31,510	33,064	20,000	20,000	53,064	28,609	29,669
Environmental protection		190	190	(190)	(190)	-	16,471	26,720
Trading services		21,194	21,194	12,850	12,850	34,044	8,494	8,834
Energy sources		7,412	7,412	-	-	7,412	7,048	7,286
Waste management		13,782	13,782	12,850	12,850	26,632	1,446	1,548
Other		-	-	-	-	-	-	-
Total Expenditure - Functional	3	317,980	337,828	15,492	15,492	353,320	331,996	361,177
Surplus/ (Deficit) for the year		126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668



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1.1.3 Table 7 MBRR B3 – Budgeted Financial Performance (Municipal Vote)

LIM473 Makhuduthamaga - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 28 February 2021								
Vote Description <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2020/21					Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	8	9	10		
R thousands		A	A1	F	G	H		
Revenue by Vote	1							
Vote 2 - Vote 2 - Finance & Administration		444,098	500,646	(2,965)	(2,965)	497,681	469,991	488,845
Total Revenue by Vote	2	444,098	500,646	(2,965)	(2,965)	497,681	469,991	488,845
Expenditure by Vote	1							
Vote 1 - Vote 1 - Executive & Council		55,223	56,693	(3,219)	(3,219)	53,474	63,783	67,598
Vote 2 - Vote 2 - Finance & Administration		148,856	152,820	(3,855)	(3,855)	148,965	156,421	164,978
Vote 3 - Vote 3 - Finance & Administration 2		19,261	19,261	(2,050)	(2,050)	17,211	15,811	17,401
Vote 4 - Vote 4 - Community and Social Services		9,733	9,733	(1,859)	(1,859)	7,874	8,093	9,485
Vote 5 - Vote 5 - Planning and Development		11,806	22,108	(3,670)	(3,670)	18,438	10,796	12,057
Vote 6 - Vote 6 - Internal Audit		1,679	1,679	-	-	1,679	1,790	1,882
Vote 7 - Vote 7 - Energy Sources		7,412	7,412	-	-	7,412	7,048	7,286
Vote 8 - Vote 8 - Road Transport		31,510	33,064	20,000	20,000	53,064	27,988	29,074
Vote 9 - Vote 9 - Public Safety		15,477	18,036	(2,515)	(2,515)	15,521	19,298	20,648
Vote 10 - Vote 10 - Waste Management		13,972	13,972	12,660	12,660	26,632	17,918	28,267
Vote 11 - Vote 11 - Sports & Recreation		550	550	-	-	550	350	500
Vote 14 - Vote 14 - Housing		2,500	2,500	-	-	2,500	2,700	2,000
Total Expenditure by Vote	2	317,980	337,828	15,492	15,492	353,320	331,996	361,177
Surplus/ (Deficit) for the year	2	126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668



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1.1.4 Table 8 MBRR B4 – Budgeted Financial Performance (Operational Revenue and Expenditure)

LIM473 Makhuduthamaga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28 February 2021								
Description	Ref	Budget Year 2020/21					Budget Year	Budget Year
		Original	Prior	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Adjusts.	Adjusts.	Budget	Budget	Budget
		3	8	9	10			
R thousands	1	A	A1	F	G	H		
Revenue By Source								
Property rates	2	43,378	43,378	–	–	43,378	43,476	43,587
Service charges - refuse revenue	2	–	–	151	151	151	181	240
Rental of facilities and equipment		132	132	–	–	132	138	141
Interest earned - external investments		3,592	3,592	(2,145)	(2,145)	1,447	3,726	3,814
Interest earned - outstanding debtors		39,102	39,263	(161)	(161)	39,102	39,174	39,569
Fines, penalties and forfeits		730	730	(661)	(661)	69	800	850
Agency services		–	–	–	–	–	6,657	6,815
Transfers and subsidies		288,251	344,799	–	–	344,799	308,384	322,462
Other revenue	2	7,202	7,041	(149)	(149)	6,892	430	452
Gains								
Total Revenue (excluding capital transfers and contributions)		382,388	438,936	(2,965)	(2,965)	435,971	402,966	417,930
Expenditure By Type								
Employee related costs		84,778	90,519	(6,633)	(6,633)	83,885	96,078	102,804
Remuneration of councillors		23,532	23,532	–	–	23,532	24,944	26,441
Debt impairment		39,102	42,836	–	–	42,836	39,174	39,569
Depreciation & asset impairment		30,920	31,150	–	–	31,150	34,320	37,645
Other materials		–	–	–	–	–	5	5
Contracted services		90,468	93,748	33,404	33,404	127,152	83,842	97,625
Transfers and subsidies		7,700	10,520	(4,320)	(4,320)	6,200	5,000	5,300
Other expenditure		41,480	45,524	(6,959)	(6,959)	38,565	48,634	51,789
Losses								
Total Expenditure		317,980	337,828	15,492	15,492	353,320	331,996	361,177
Surplus/(Deficit)		64,408	101,108	(18,457)	(18,457)	82,651	70,969	56,753
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		61,710	61,710	–	–	61,710	67,025	70,915
Surplus/(Deficit) before taxation		126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668
Taxation								
Surplus/(Deficit) after taxation		126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668
Attributable to minorities								
Surplus/(Deficit) attributable to municipality		126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668
Share of surplus/ (deficit) of associate								
Surplus/ (Deficit) for the year		126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668



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1.1.5 Table 9 MBRR B5 – Budgeted Capital Expenditure (By Vote & Standard Classification)

LIM473 Makhuduthamaga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28 February 2021								
Description	Ref	Budget Year 2020/21					Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	10	11	12		
R thousands		A	A1	F	G	H		
Capital expenditure - Vote								
Multi-year expenditure to be adjusted	2							
Capital multi-year expenditure sub-total	3	-	-	-	-	-	-	-
Single-year expenditure to be adjusted	2							
Vote 2 - Vote 2 - Finance & Administration		5,200	-	4,600	4,600	9,800	1,700	8,320
Vote 3 - Vote 3 - Finance & Administration 2		3,290	-	3,500	3,500	6,790	-	-
Vote 4 - Vote 4 - Community and Social Services		450	-	(450)	(450)	-	-	-
Vote 5 - Vote 5 - Planning and Development		-	-	1,000	1,000	1,000	-	-
Vote 6 - Vote 6 - Internal Audit		-	-	-	-	-	-	-
Vote 7 - Vote 7 - Energy Sources		-	-	-	-	-	-	-
Vote 8 - Vote 8 - Road Transport		117,178	-	9,593	9,593	126,771	136,294	119,347
Capital single-year expenditure sub-total		126,118	-	18,243	18,243	144,361	137,994	127,668
Total Capital Expenditure - Vote		126,118	-	18,243	18,243	144,361	137,994	127,668
Capital Expenditure - Functional								
Governance and administration		8,490	13,190	3,400	3,400	16,590	1,700	8,320
Finance and administration		8,490	13,190	3,400	3,400	16,590	1,700	8,320
Community and public safety		-	-	-	-	-	-	-
Economic and environmental services		117,628	149,628	(21,857)	(21,857)	127,771	136,294	119,347
Planning and development			2,000	(1,000)	(1,000)	1,000	-	-
Road transport		117,628	147,628	(20,857)	(20,857)	126,771	136,294	119,347
Trading services		-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668
Funded by:								
National Government		126,118	67,852	(8,000)	(8,000)	59,852	137,994	127,668
Transfers recognised - capital	4	126,118	67,852	(8,000)	(8,000)	59,852	137,994	127,668
Total Capital Funding		126,118	162,818	(18,457)	(18,457)	144,361	137,994	127,668



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1.1.6 Table 10 MBRR B6 – Budgeted Financial Position

LIM473 Makhuduthamaga - Table B6 Adjustments Budget Financial Position - 28 February 2021									
Description	Ref	Budget Year 2020/21						Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	3	7	8	9	10		
		A	A1	E	F	G	H		
ASSETS									
Current assets									
Cash		37,678	40,655			-	40,655	76,992	122,113
Consumer debtors	1	5,870	5,870	-	-	-	5,870	6,120	7,330
Other debtors		24,356	24,356			-	24,356	29,023	32,500
Inventory		1,200	1,200			-	1,200	800	1,050
Total current assets		69,104	72,081	-	-	-	72,081	112,935	162,993
Non current assets									
Investment property		210	210			-	210	210	210
Property, plant and equipment	1	488,618	368,750	-	(15,639)	(15,639)	353,111	527,694	529,168
Intangible		2,300	2,300			-	2,300	1,750	1,120
Total non current assets		491,128	371,260	-	(15,639)	(15,639)	355,621	529,654	530,497
TOTAL ASSETS		560,232	443,341	-	(15,639)	(15,639)	427,702	642,589	693,491
LIABILITIES									
Current liabilities									
Trade and other payables		34,500	45,500	-	-	-	45,500	60,050	63,000
Provisions						-	-		
Total current liabilities		34,500	45,500	-	-	-	45,500	60,050	63,000
Non current liabilities									
Borrowing	1	-	-	-	-	-	-	-	-
Provisions	1	26,250	22,899	-	-	-	22,899	24,341	25,814
Total non current liabilities		26,250	22,899	-	-	-	22,899	24,341	25,814
TOTAL LIABILITIES		60,750	68,399	-	-	-	68,399	84,391	88,814
NET ASSETS	2	499,482	374,941	-	(15,639)	(15,639)	359,302	558,199	604,676
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)		499,482	374,941	-	(15,639)	(15,639)	359,302	558,199	604,676
Reserves		-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY		499,482	374,941	-	(15,639)	(15,639)	359,302	558,199	604,676



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1.1.7 Table 11 MBRR B7 – Budgeted Cash Flows

LIM473 Makhuduthamaga - Table B7 Adjustments Budget Cash Flows - 28 February 2021									
Description	Ref	Budget Year 2020/21					Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	+1 2021/22	+2 2022/23	
			3	8		10			
R thousands		A	A1	F	G	H			
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		13,736	13,736		-	13,736	16,283	20,740	
Service charges		39	129		-	129	142	155	
Other revenue		35,642	35,642		-	35,642	43,533	45,532	
Transfers and Subsidies - Operational	1	288,251	344,799		-	344,799	308,384	322,462	
Transfers and Subsidies - Capital	1	61,710	61,710		-	61,710	67,025	70,915	
Interest		3,324	3,324	(2,145)	(2,145)	1,179	3,656	4,022	
Payments									
Suppliers and employees		(243,158)	(262,323)	(16,312)	(16,312)	(278,635)	(259,692)	(285,285)	
Transfers and Grants	1	(4,800)	(4,800)		-	(4,800)	(5,000)	(5,300)	
NET CASH FROM/(USED) OPERATING ACTIVITIES		154,744	192,217	(18,457)	(18,457)	173,760	174,332	173,241	
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Payments									
Capital assets		(126,118)	(162,818)	18,457	18,457	(144,361)	(137,994)	(127,668)	
NET CASH FROM/(USED) INVESTING ACTIVITIES		(126,118)	(162,818)	18,457	18,457	(144,361)	(137,994)	(127,668)	
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Payments									
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	
NET INCREASE/ (DECREASE) IN CASH HELD									
Cash/cash equivalents at the year begin:	2	9,052	11,256		-	11,256	40,655	76,992	
Cash/cash equivalents at the year end:	2	37,679	40,655		-	40,655	76,992	122,566	



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1.1.8 Table 12 MBRR B8 – Cash backed reserves/Accumulated surplus reconciliation

LIM473 Makhuduthamaga - Table B8 Cash backed reserves/accumulated surplus reconciliation - 28 February 2021										
Description	Ref	Budget Year 2020/21							Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	6 D	7 E	8 F	9 G	10 H		
R thousands										
Cash and investments available										
Cash/cash equivalents at the year end	1	37,679	40,655	-	-	-	-	40,655	76,992	122,566
Other current investments > 90 days		(0)	0	-	-	-	-	0	-	(452)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-
Cash and investments available:		37,678	40,655	-	-	-	-	40,655	76,992	122,113
Applications of cash and investments										
Unspent conditional transfers		-	-	-	-	-	-	-	-	-
Unspent borrowing										
Statutory requirements										
Other working capital requirements	2	18,003	28,973			(151)	(151)	28,822	36,858	34,133
Other provisions										
Long term investments committed		-	-			-	-	-	-	-
Reserves to be backed by cash/investments		-	-			-	-	-	-	-
Total Application of cash and investments:		18,003	28,973	-	-	(151)	(151)	28,822	36,858	34,133
Surplus(shortfall)		19,675	11,682	-	-	151	151	11,833	40,134	87,981



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1.1.9 Table 13 MBRR table B9 – Asset Management

LIM473 Makhuduthamaga - Table B9 Asset Management - 28 February 2021								
Description	Ref	Budget Year 2020/21					Budget Year	Budget Year
		Original	Prior	Other	Total Adjusts.	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Adjusts.		Budget	Budget	Budget
		7	12	13	14			
		A	A1	F	G	H		
R thousands								
CAPITAL EXPENDITURE								
Total New Assets to be adjusted	1	126,118	161,224	(20,957)	(20,957)	141,767	137,994	127,668
<i>Roads Infrastructure</i>		117,628	146,034	(23,357)	(23,357)	122,677	136,294	119,347
Infrastructure		117,628	146,034	(23,357)	(23,357)	122,677	136,294	119,347
Operational Buildings		1,500	–	–	–	1,500	–	–
Other Assets	6	1,500	1,700	1,300	1,300	4,500	–	–
Licences and Rights		2,000	2,000	(1,000)	(1,000)	1,000	–	1,500
Intangible Assets		2,000	2,000	(1,000)	(1,000)	1,000	–	1,500
Computer Equipment		3,290	4,290	2,500	2,500	6,790	1,700	2,000
Furniture and Office Equipment		1,200	1,200	600	600	1,800	–	2,800
Machinery and Equipment		500	500	–	–	500	–	2,020
Transport Assets		–	3,500	–	–	3,500	–	–
Total Renewal of Existing Assets to be adjusted	2	–	–	–	–	–	–	–
Total Capital Expenditure to be adjusted	4	126,118	162,818	(18,457)	(18,457)	145,861	137,994	127,668
<i>Roads Infrastructure</i>		117,628	146,034	(23,357)	(23,357)	122,677	136,294	119,347
Infrastructure		117,628	146,034	(23,357)	(23,357)	122,677	136,294	119,347
Operational Buildings		1,500	1,594	2,500	2,500	5,594	–	–
Other Assets		1,500	3,294	3,800	3,800	8,594	–	–
Licences and Rights		2,000	2,000	(1,000)	(1,000)	1,000	–	1,500
Intangible Assets		2,000	2,000	(1,000)	(1,000)	1,000	–	1,500
Computer Equipment		3,290	4,290	2,500	2,500	6,790	1,700	2,000
Furniture and Office Equipment		1,200	1,200	600	600	1,800	–	2,800
Machinery and Equipment		500	500	–	–	500	–	2,020
Transport Assets		–	3,500	–	–	3,500	–	–
TOTAL CAPITAL EXPENDITURE to be adjusted	4	126,118	162,818	(18,457)	(18,457)	145,861	137,994	127,668
ASSET REGISTER SUMMARY - PPE (WDV)	5	373,500	223,631	131,989	131,989	355,621	391,450	402,620
<i>Roads Infrastructure</i>					–	–	300,145	301,180
Infrastructure		–	–	–	–	–	300,145	301,180
Investment properties		210	210	–	–	210	210	210
Other Assets		365,700	209,332	131,489	131,489	340,821	89,346	100,111
Intangible Assets		2,300	2,300	–	–	2,300	1,750	1,120
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	373,500	223,631	131,989	131,989	355,621	391,450	402,620
EXPENDITURE OTHER ITEMS								
Depreciation & asset impairment		30,920	31,150	–	–	31,150	34,320	37,645
Repairs and Maintenance by asset class	3	35,193	35,193	22,500	22,500	57,693	50,201	61,989
<i>Roads Infrastructure</i>		25,333	25,333	20,000	20,000	45,333	24,035	24,950
Electrical Infrastructure		–	–	–	–	–	1,500	1,400
Solid Waste Infrastructure		–	–	–	–	–	16,156	26,389
Infrastructure		25,333	25,333	20,000	20,000	45,333	41,691	52,739
Operational Buildings		2,500	2,500	–	–	2,500	2,810	2,950
Other Assets		2,500	2,500	–	–	2,500	2,810	2,950
Computer Equipment		3,800	3,800	2,500	2,500	6,300	3,000	4,300
Transport Assets		2,560	2,560	–	–	2,560	2,700	2,000
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		66,113	66,343	22,500	22,500	88,843	84,521	99,634



1.1.10 Table 14 MBRR table B10 – Basic Service Delivery Measurement

LIM473 Makhuduthamaga - Table B10 Basic service delivery measurement - 30 September 2020													
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		A	7	8	9	10	11	12	13	14			
		A1	B	C	D	E	F	G	H				
Highest level of free service provided													
Property rates (R'000 value threshold)										-	-		
Water (kilolitres per household per month)										-	-		
Sanitation (kilolitres per household per month)										-	-		
Sanitation (Rand per household per month)										-	-		
Electricity (kw per household per month)		4,800,000.00								-	4,800,000	5,000,000.00	5,300,000.00
Refuse (average litres per week)										-	-		

2 PART 2 – SUPPORTING DOCUMENTS

2.1 Adjustments to budget assumptions.

2.1.1. External factors

- The municipality’s operational revenue and cash inflows remain increased to ensure credibility of the budget and to avoid cash flow problems and the total expenditure budget together with the total cash outflow has been adjusted accordingly to be within the municipality’s available cash due to the following factors:
 - ✚ Non-payment of long outstanding debtors which have a negative impact on the cash flow management of the municipality.
 - The government departments owe the municipality a total of **R 459 million** as at 28 February 2021.

2.1.2. General inflation outlook and its impact on the municipal activities

- The following key factors were considered during the preparation of the adjusted budget for the 2020/21 MTREF:
 - National Government macro-economic targets;
 - The general inflationary outlook and the impact on municipality’s residents and businesses
 - The impact of municipal cost drivers;
 - The increase in prices for electricity and water; and
 - The decrease in the employee related cost.
- No adjustment has been done to the assumptions as per the original budget.



2.1.3. 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 due to collection problems and therefore no interests are to be paid.

2.2 Adjustments to budget funding

2.2.1 Medium-term outlook: operating revenue

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

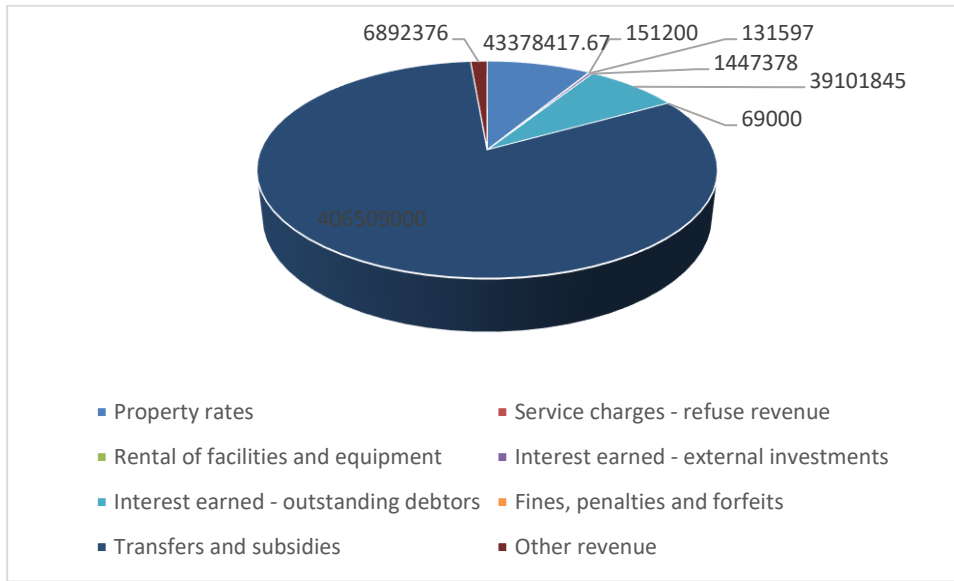
Table 15 Breakdown of the adjusted operating revenue over the medium-term

LIM473 Makhuduthamaga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28 February 2021								
Description	Ref	Budget Year 2020/21					Budget Year	Budget Year
		Original	Prior	Other	Total	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Adjusts.	Adjusts.	Budget	Budget	Budget
		3	8	9	10			
R thousands	1	A	A1	F	G	H		
Revenue By Source								
Property rates	2	43,378	43,378	–	–	43,378	43,476	43,587
Service charges - refuse revenue	2	–	–	151	151	151	181	240
Rental of facilities and equipment		132	132	–	–	132	138	141
Interest earned - external investments		3,592	3,592	(2,145)	(2,145)	1,447	3,726	3,814
Interest earned - outstanding debtors		39,102	39,263	(161)	(161)	39,102	39,174	39,569
Fines, penalties and forfeits		730	730	(661)	(661)	69	800	850
Agency services		–	–	–	–	–	6,657	6,815
Transfers and subsidies		288,251	344,799	–	–	344,799	308,384	322,462
Other revenue	2	7,202	7,041	(149)	(149)	6,892	430	452
Gains					–	–		
Total Revenue (excluding capital transfers and contributions)		382,388	438,936	(2,965)	(2,965)	435,971	402,966	417,930
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		61,710	61,710		–	61,710	67,025	70,915
Total Revenue (Including capital transfers and contributions)		444,098	500,646	(2,965)	(2,965)	497,681	469,991	488,845

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



Makhuduthamaga Local Municipality – LIM473 2020/21 Annual Adjusted Budget and MTREF



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:

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

The above principles guide the annual increase/decrease in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The approved tariff rates for the 2020/21 MTREF for Property rates remain unadjusted and can be shown as follows:

Table 16 Approved tariff reduction over the medium-term

Revenue Category	Approved Tarrif 2017/18	Approved Tarrif 2018/19	Approved Tarrif 2019/20	Approved Tarrif 2020/21
Property Rates	0.16 cents	0.16 cents	0.16 cents	0.16 cents



Revenue to be generated from property rates remains unchanged as originally budgeted at **R 43.3 million** for the 2020/21 financial year.

Operational grants and subsidies amount to **R 344.7 million**, **R 308.3 million** and **R 322.4 million** for 2020/21, 2021/22 and 2022/23 respectively. The annual budget for the operational grants increased by **R 56.5 million** to **R 401 million** during the special adjustment period and it will remain **R 401 million** for the 2020/21 financial year..

Investment revenue decreased from **R 3.5 million** to **R 1.4 million** for the 2020/21 financial year.

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The 2020/21 MTREF adjusted budget shows an operating surplus to the amount of **R 144.3 million** (2020/21), **R 137.9 million** (2021/22) and **R 127.6 million** (2022/23). The budgeted surplus for the 2020/21 will partly be used to fund the budgeted capital projects for the financial year.

2.2.2. Medium-term outlook: capital revenue

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

Table 17 Sources of capital revenue over the MTREF

LIM473 Makhuduthamaga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28 February 2021												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Transfers recognised - capital	4	126,118	67,852	-	-	-	-	(8,000)	(8,000)	59,852	137,994	127,668
Internally generated funds			94,966					(10,457)	(10,457)	84,509		
Total Capital Funding		126,118	162,818	-	-	-	-	(18,457)	(18,457)	144,361	137,994	127,668

The total adjusted capital budget of **R 144.3 million** is funded by government grants in a form of MIG **R 59.8 million** and Equitable share **R 84.5 million** for the 2020/21 financial year.

NB: Details of the capital projects and adjustments are in table SB 19 (List of capital programmes and projects affected by adjustments)

2.2.3. Cash Flow Management

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

- Clear separation of receipts and payments within each cash flow category;



Makhuduthamaga Local Municipality – LIM473 2020/21 Annual Adjusted Budget and MTREF

- 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 18 MBRR Table B7 – Adjusted Budget cash flow statement

LIM473 Makhuduthamaga - Table B7 Adjustments Budget Cash Flows - 28 February 2021										
Description	Ref	Budget Year 2020/21					Budget Year +1 2021/22	Budget Year +2 2022/23		
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget		
			3	8	9	10				
R thousands		A	A1	F	G	H				
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		13,736	13,736		-	13,736	16,283	20,740		
Service charges		39	129		-	129	142	155		
Other revenue		35,642	35,642		-	35,642	43,533	45,532		
Transfers and Subsidies - Operational	1	288,251	344,799		-	344,799	308,384	322,462		
Transfers and Subsidies - Capital	1	61,710	61,710		-	61,710	67,025	70,915		
Interest		3,324	3,324	(2,145)	(2,145)	1,179	3,656	4,022		
Payments										
Suppliers and employees		(243,158)	(262,323)	(16,312)	(16,312)	(278,635)	(259,692)	(285,285)		
Transfers and Grants	1	(4,800)	(4,800)		-	(4,800)	(5,000)	(5,300)		
NET CASH FROM/(USED) OPERATING ACTIVITIES		154,744	192,217	(18,457)	(18,457)	173,760	174,332	173,241		
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Payments										
Capital assets		(126,118)	(162,818)	18,457	18,457	(144,361)	(137,994)	(127,668)		
NET CASH FROM/(USED) INVESTING ACTIVITIES		(126,118)	(162,818)	18,457	18,457	(144,361)	(137,994)	(127,668)		
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Payments										
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-		
NET INCREASE/ (DECREASE) IN CASH HELD										
		28,626	29,399	-	-	29,399	36,337	45,573		
Cash/cash equivalents at the year begin:	2	9,052	11,256		-	11,256	40,655	76,992		
Cash/cash equivalents at the year end:	2	37,679	40,655	-	-	40,655	76,992	122,566		

The above table shows a **R 29.3 million** net increase in cash held for the 2020/21 financial year and is boosted by the **R 11.2 million** positive opening balance of the municipality's bank account, the municipality's cash flow position improves over the 2020/21 MTREF with increasing net increases in the cash flow.

Property Rates



- The municipality has managed to collect **R 7.6 million** from government departments and local businesses by the end of January 2021. The municipality has also considered the customers who pay their accounts on a monthly basis in its calculation for the budgeted cash flow from this source of revenue. It is therefore expected that the municipality will be able to reach its targeted inflow of **R 13.7 million** from property rates by the end of the financial year.

Other Revenue

- Other revenue sources include the rental of facilities, traffic fines, VAT refunds and agency income. The municipality has managed to collect **R 20.5 million** for this sources of cash flow combined by 31 January 2021, with about 90% of the collection coming from the VAT refunds covering the 1st & 2nd quarters of the 2020/21 financial year.
- All other revenue sources are projected to be collected at 100% as per the adjustments budget.

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% by end of the financial year.

Interest on investments Cash Flow Assumptions

- The municipality is expecting to receive 100% of the annual adjusted budget on revenue from interests on positive bank balances.

2.2.4. Cash Backed Reserves/Accumulated Surplus Reconciliation.

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

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

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). 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 19 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

LIM473 Makhuduthamaga - Table B8 Cash backed reserves/accumulated surplus reconciliation - 28 February 2021										
Description	Ref	Budget Year 2020/21							Budget Year	Budget Year
		Original	Prior	Unfore.	Nat. or Prov.	Other	Total Adjusts.	Adjusted	Adjusted	Adjusted
		Budget	Adjusted	Unavoid.	Govt	Adjusts.		Budget	Budget	Budget
		3	6	7	8	9	10			
R thousands		A	A1	D	E	F	G	H		
Cash and investments available										
Cash/cash equivalents at the year end	1	37,679	40,655	-	-	-	-	40,655	76,992	122,566
Other current investments > 90 days		(0)	0	-	-	-	-	0	-	(452)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-
Cash and investments available:		37,678	40,655	-	-	-	-	40,655	76,992	122,113
Applications of cash and investments										
Unspent conditional transfers		-	-	-	-	-	-	-	-	-
Unspent borrowing										
Statutory requirements										
Other working capital requirements	2	18,003	28,973			(151)	(151)	28,822	36,858	34,133
Other provisions										
Long term investments committed		-	-			-	-	-	-	-
Reserves to be backed by cash/investments		-	-			-	-	-	-	-
Total Application of cash and investments:		18,003	28,973	-	-	(151)	(151)	28,822	36,858	34,133
Surplus(shortfall)		19,675	11,682	-	-	151	151	11,833	40,134	87,981

From the above table it can be seen that the cash and investments available was unadjusted at **R 40.6 million** for the 2020/21 financial year.

The municipality is planning to spend on all the conditional grants received during the 2020/21 financial year, therefore the balances on unspent conditional grants are zero throughout the MTREF.

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.

The main purpose of the 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 adjusted budget statement 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 20 MBRR SB6 – Funding compliance measurement

LIM473 Makhuduthamaga - Supporting Table SB6 Adjustments Budget - funding measurement - 28 February 2021										
Description	Ref	MFMA section	2017/18	2018/19	2019/20	Medium Term Revenue and Expenditure Framework				
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2021/22	Budget Year +2 2022/23
Funding measures										
Cash/cash equivalents at the year end - R'000	1	18(1)b	19,278	9,052	11,875	37,679	40,655	40,655	76,992	122,566
Cash + investments at the yr end less applications - R'000	2	18(1)b	37,443	28,737	3,073	19,675	11,682	11,833	40,134	87,981
Cash year end/monthly employee/supplier payments	3	18(1)b	0	0	0	0	0	0	0	0
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	(66,834)	(34,839)	79,813	126,118	162,818	144,361	137,994	127,668
Service charge rev % change - macro CPIX target exclusive	5	18(1)a,(2)	-6.5%	-4.9%	-6.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)	179.4%	166.6%	105.9%	89.9%	98.4%	98.1%	89.4%	90.0%
Capital payments % of capital expenditure	8	18(1)c;19	87.8%	105.8%	94.7%	100.0%	100.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				100.0%	718.9%	100.0%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	11	18(1)a	17.9%	8.1%	0.0%	0.0%	0.0%	0.0%	16.3%	13.3%
Long term receivables % change - incr(decr)	12	18(1)a	0.0%	0.0%	0.0%	13.4%	13.4%	13.4%	0.0%	0.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)	14.5%	24.5%	14.3%	9.4%	15.7%	16.2%	12.8%	15.4%
Asset renewal % of capital budget	14	20(1)(vi)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

2.3 Adjustments to expenditure on allocations and grant programmes.

- No further budget adjustments effected on the municipality’s transfers and grants for the 2020/21 financial year.

2.4 Adjustments to allocations and grants made by the municipality.

Our municipality does not make any allocations or any grants transferred to other municipalities or entities.

2.5 Adjustments to councillor Allowances and employee benefits.

The following tables indicate the adjustments done on employee related costs and councillor allowances.

Table 21:



Makhuduthamaga Local Municipality – LIM473 2020/21 Annual Adjusted Budget and MTREF

LIM473 Makhuduthamaga - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 28 February 2021											
Summary of remuneration	Ref	Budget Year 2020/21									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
			5	6	7	8	9	10	11	12	
R thousands		A	A1	B	C	D	E	F	G	H	
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages		13,078							-	13,078	0.0%
Pension and UIF Contributions		2,314							-	2,314	0.0%
Motor Vehicle Allowance		4,748							-	4,748	0.0%
Cellphone Allowance		2,638							-	2,638	
Other benefits and allowances		755							-	755	
Sub Total - Councillors		23,532	-			-		-	-	23,532	0.0%
% increase			(0)							-	
Senior Managers of the Municipality											
Basic Salaries and Wages		3,420							-	3,420	0.0%
Pension and UIF Contributions		259							-	259	0.0%
Medical Aid Contributions		506							-	506	0.0%
Motor Vehicle Allowance		1,218							-	1,218	0.0%
Cellphone Allowance		98							-	98	0.0%
Housing Allowances		137							-	137	
Other benefits and allowances		65							-	65	
Sub Total - Senior Managers of Municipality		5,701	-	-		-		-	-	5,701	0.0%
% increase			(0)							-	
Other Municipal Staff											
Basic Salaries and Wages		43,059	46,300					(2,947)	(2,947)	43,353	0.7%
Pension and UIF Contributions		8,000	8,558					(651)	(651)	7,907	-1.2%
Medical Aid Contributions		6,046	6,411					(511)	(511)	5,900	-2.4%
Overtime		786	816					(60)	(60)	756	-3.8%
Motor Vehicle Allowance		10,375	11,130					(912)	(912)	10,218	-1.5%
Cellphone Allowance		1,890	2,062					(160)	(160)	1,902	0.6%
Housing Allowances		3,760	4,067					(311)	(311)	3,757	
Other benefits and allowances		4,392	4,748					(356)	(356)	4,392	
Sub Total - Other Municipal Staff		78,307	84,092	-	-	-	-	(5,907)	(5,907)	78,184	-0.2%
% increase											
Total Parent Municipality		107,541	84,092	-	-	-	-	(5,907)	(5,907)	107,417	-0.1%
TOTAL SALARY, ALLOWANCES & BENEFITS		107,541	84,092	-	-	-	-	(5,907)	(5,907)	107,417	-0.1%
% increase											
TOTAL MANAGERS AND STAFF		84,009	84,092	-	-	-	-	(5,907)	(5,907)	83,885	-0.1%



2.6 Adjustments to service delivery and budget implementation plan.

- SDBIP for the municipality was reviewed taking in to account the actual performance in the budget by the 31st December 2020. The Adjusted SDBIP was tabled in council on the 25th January 2021.

2.7 Adjustments to capital expenditure.

- The following table indicates the adjustments on capital projects for 2020/21 MTREF

Table 25:

LIM473 Makhuduthamaga - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 28 February 2021										
Function	Project Description	Asset Class	Asset Sub-Class	Ward Location	Medium Term Revenue and Expenditure Framework					
					Budget Year 2020/21		Budget Year +1 2021/22		Budget Year +2 2022/23	
					Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget
R thousands										
Parent municipality:										
<i>List all capital projects grouped by Function</i>										
Vote 4 - Infrastructure Development	RD Ga-Mampane-Phase 4	Infrastructure - Road transport	Roads, Pavements & Bridges	Ward 31	7,466	8,966	-	-	-	-
Vote 4 - Infrastructure Development	Moloi_Glen Cowie_5km access road	Infrastructure - Road transport	Roads, Pavements & Bridges	Ward 8	1,000	1,500	12,000	-	25,000	-
Vote 4 - Infrastructure Development	Upgrading of Marishane sports complex	Infrastructure - Road transport	Roads, Pavements & Bridges	Ward 26	1,594	4,095	-	-	-	-
Vote 4 - Infrastructure Development	Marishane/Phaahla_Internal streets	Infrastructure - Road transport	Roads, Pavements & Bridges	Ward 26	21,209	26,409	-	-	-	-
Vote 4 - Infrastructure Development	RD Mokwe_Molap/Ntw _10km	Infrastructure - Road transport	Roads, Pavements & Bridges	Ward 11	20,000	17,000	16,000	-	13,200	-
Vote 4 - Infrastructure Development	Mashabela_Machacha 10km	Infrastructure - Road transport	Roads, Pavements & Bridges	Ward 25	14,000	22,000	16,000	-	13,200	-
Vote 4 - Infrastructure Development	Matulaneng_Access_Bridge	Infrastructure - Road transport	Roads, Pavements & Bridges	Ward 21	3,057	-	-	-	-	-
Vote 3 - Economic Development and Planning	Acquisition of Land	Electrical Infrastructure	Other	Ward 18	2,000	1,000	-	-	-	-
Vote 6 - Corporate Services	Acquisition of IT Infrastructure Assets	Computer Equipment	Computer Software and Applications	Ward 18	5,290	7,790	1,700	-	2,000	-
Vote 7 - Budget and Treasury	Purchases of Office Furniture and Equipment	Other Assets	Other	Ward 18	1,200	1,800	-	-	-	-
Vote 7 - Budget and Treasury	Petitioning of new municipal building	Other Assets	Other	Ward 18	1,500	3,000	-	-	-	-

2.8 Other Supporting documents.

2.8.1 Table 26: SB1

LIM473 Makhuduthamaga - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 28 February 2021								
Description	Ref	Budget Year 2020/21					Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted 6	Other Adjusts. 11	Total Adjusts. 12	Adjusted Budget 13	Adjusted Budget	Adjusted Budget
R thousands		A	A1	F	G	H		
REVENUE ITEMS								
Property rates								
Total Property Rates		43,378	43,378		–	43,378	43,476	43,587
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)					–	–		
Net Property Rates		43,378	43,378	–	–	43,378	43,476	43,587
Service charges - refuse revenue								
Total refuse removal revenue				151	151	151	181	240
less Cost of Free Basis Services (removed once a week to indigent households)		–	–	–	–	–	–	–
Net Service charges - refuse revenue		–	–	151	151	151	181	240
Other Revenue By Source								
Fuel Levy		159			–	159	159	160
Other Revenue		7,043	7,041	(149)	(149)	6,892	270	292
Total 'Other' Revenue	1	7,202	7,041	(149)	(149)	7,052	430	452
EXPENDITURE ITEMS								
Employee related costs								
Basic Salaries and Wages		48,034	51,200	(6,533)	(6,533)	44,667	53,199	56,923
Pension and UIF Contributions		8,258	9,098	(100)	(100)	8,998	9,431	10,091
Medical Aid Contributions		6,552	6,913	–	–	6,913	7,401	7,919
Overtime		–	–	–	–	–	873	934
Motor Vehicle Allowance		11,592	12,330	–	–	12,330	13,212	14,137
Cellphone Allowance		1,988	2,148	–	–	2,148	2,311	2,472
Housing Allowances		3,897	4,196	0	0	4,196	4,498	4,813
Other benefits and allowances		4,457	769	0	0	769	5,152	5,513
sub-total		84,778	90,519	(6,633)	(6,633)	83,885	96,078	102,804
Less: Employees costs capitalised to PPE					–	–		
Total Employee related costs	1	84,778	90,519	(6,633)	(6,633)	83,885	96,078	102,804
Depreciation & asset impairment								
Depreciation of Property, Plant & Equipment		30,920	29,647		–	29,647	34,320	37,645
Total Depreciation & asset impairment	1	30,920	31,150	–	–	31,150	34,320	37,645
Contracted services								
Outsourced Services		48,613	41,096	12,470	12,470	53,566	50,201	61,989
Consultants and Professional Services		23,406	14,729	(1,186)	(1,186)	13,544	24,576	25,805
Contractors		18,449	37,923	22,120	22,120	60,043	9,064	9,831
Total contracted services		90,468	93,748	33,404	33,404	127,152	83,842	97,625
Other Expenditure By Type								
Audit fees		3,800	3,800		–	3,800	3,990	4,190
Other Expenditure		37,680	41,724	(6,959)	(6,959)	34,765	44,644	47,600
Total Other Expenditure	1	41,480	45,524	(6,959)	(6,959)	38,565	48,634	51,789
Repairs and Maintenance by Expenditure Item								
Contracted Services	14	48,613		35,400	35,400	84,013	50,201	61,989
Total Repairs and Maintenance Expenditure	15	48,613	–	35,400	35,400	84,013	50,201	61,989

2.8.2 Table 27: SB2

LIM473 Makhuduthamaga - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 28 February 2021							
Description	Ref	Budget Year 2020/21				Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
R thousands		A	4	9	10	11	
		A	A1	F	G	H	
ASSETS							
Consumer debtors							
Consumer debtors		5,870	5,870		-	5,870	6,120
Less: provision for debt impairment		-	-	-	-	-	-
Total Consumer debtors	1	5,870	5,870	-	-	5,870	6,120
Debt impairment provision							
Balance at end of year		-	-	-	-	-	-
Property, plant & equipment							
PPE at cost/valuation (excl. finance leases)		488,618	368,750	(15,639)	(15,639)	353,111	527,694
Leases recognised as PPE	2				-	-	
Less: Accumulated depreciation					-	-	
Total Property, plant & equipment	1	488,618	368,750	(15,639)	(15,639)	353,111	527,694
LIABILITIES							
Current liabilities - Borrowing							
Total Current liabilities - Borrowing		-	-	-	-	-	-
Trade and other payables							
Trade Payables		34,500	45,500		-	45,500	60,050
Total Trade and other payables	1	34,500	45,500	-	-	45,500	60,050
Non current liabilities - Borrowing							
Total Non current liabilities - Borrowing		-	-	-	-	-	-
Provisions - non current							
Retirement benefits					-	-	
Refuse landfill site rehabilitation		26,250	22,899		-	22,899	24,341
Total Provisions - non current		26,250	22,899	-	-	22,899	24,341
CHANGES IN NET ASSETS							
Accumulated surplus/(Deficit)							
Accumulated surplus/(Deficit) - opening balance		373,364	212,123	2,818	2,818	214,941	420,204
Restated balance		373,364	212,123	2,818	2,818	214,941	420,204
Surplus/(Deficit)		126,118	162,818	(18,457)	(18,457)	144,361	137,994
Accumulated Surplus/(Deficit)	1	499,482	374,941	(15,639)	(15,639)	359,302	558,199
Reserves							
Total Reserves	2	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	499,482	374,941	(15,639)	(15,639)	359,302	558,199

2.8.4 Table 28: SB7

LIM473 Makhuduthamaga - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 28 February 2021										
Description	Ref	Budget Year 2020/21							Budget Year	Budget Year
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7	8	9	10	11	12	+1 2021/22	+2 2022/23
R thousands		A1	B	C	D	E	F			
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		-	-	288,251	56,548	-	344,799	344,799	308,384	322,462
Local Government Equitable Share				285,383	56,548		341,931	341,931	304,684	320,692
Finance Management	3			1,700			1,700	1,700	1,700	1,770
Municipal Systems Improvement				-			-	-	-	-
EPWP Incentive				1,168			1,168	1,168	2,000	-
Total Operating Transfers and Grants	6	-	-	288,251	56,548	-	344,799	344,799	308,384	322,462
Capital Transfers and Grants										
National Government:		-	-	61,710	-	-	61,710	61,710	67,025	70,915
Municipal Infrastructure Grant (MIG)				61,710			61,710	61,710	67,025	70,915
Total Capital Transfers and Grants	6	-	-	61,710	-	-	61,710	61,710	67,025	70,915
TOTAL RECEIPTS OF TRANSFERS & GRANTS		-	-	349,961	56,548	-	406,509	406,509	375,409	393,377

2.8.5 Table 29: SB8

LIM473 Makhuduthamaga - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 28 February 2021										
Description	Ref	Budget Year 2020/21							Budget Year	Budget Year
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	2	3	4	5	6	7		
R thousands		A1	B	C	D	E	F			
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
Operating expenditure of Transfers and Grants										
National Government:		288,251	-	-	56,548	-	56,548	344,799	308,384	322,462
Local Government Equitable Share		285,383			56,548		56,548	341,931	304,684	320,692
Finance Management		1,700					-	1,700	1,700	1,770
EPWP Incentive		1,168					-	1,168	2,000	-
Total operating expenditure of Transfers and Grants:		288,251	-	-	56,548	-	56,548	344,799	308,384	322,462
Capital expenditure of Transfers and Grants										
National Government:		61,710	-	-	-	-	-	61,710	67,025	70,915
Municipal Infrastructure Grant (MIG)		61,710					-	61,710	67,025	70,915
Total capital expenditure of Transfers and Grants		61,710	-	-	-	-	-	61,710	67,025	70,915
Total capital expenditure of Transfers and Grants		349,961	-	-	56,548	-	56,548	406,509	375,409	393,377

2.8.6 Table 30: SB9

LIM473 Makhuduthamaga - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 28 February 2021										
Description	Ref	Budget Year 2020/21						Budget Year	Budget Year	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	2 A1	3 B	4 C	5 D	6 E	7 F	+1 2021/22	+2 2022/23
R thousands										
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		288,251	56,548	-		-	56,548	344,799	308,384	322,462
Local Government Equitable Share		285,383	56,548				56,548	341,931	304,684	320,692
Finance Management		1,700					-	1,700	1,700	1,770
EPWP Incentive		1,168					-	1,168	2,000	-
Total operating expenditure of Transfers and Grants:		288,251	56,548	-		-	56,548	344,799	308,384	322,462
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		61,710	-	-		-	-	61,710	67,025	70,915
Municipal Infrastructure Grant (MIG)		61,710					-	61,710	67,025	70,915
Total capital expenditure of Transfers and Grants		61,710	-	-		-	-	61,710	67,025	70,915
Total capital expenditure of Transfers and Grants		349,961	56,548	-		-	56,548	406,509	375,409	393,377



Makhuduthamaga Local Municipality – LIM473 2020/21 Annual Adjusted Budget and MTREF

2.8.7 Table 31: SB12

LIM473 Makhuduthamaga - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 28 February 2021																		
Description	Ref	Budget Year 2020/21												Full year budget	Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23	
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget	
Revenue by Vote																		
Vote 2 - Vote 2 - Finance & Administration		110,489	25,915	22,631	22,226	164,837	14,030	8,031	8,038	95,450	7,906	7,798	10,331	497,681	497,681	469,991	488,845	
Vote 7 - Vote 7 - Energy Sources														-	-	-	-	
Total Revenue by Vote		110,489	25,915	22,631	22,226	164,837	14,030	8,031	8,038	95,450	7,906	7,798	10,331	497,681	497,681	469,991	488,845	
Expenditure by Vote																		
Vote 1 - Vote 1 - Executive & Council		4,133	3,695	4,095	3,515	3,990	3,490	3,890	4,490	3,495	3,823	3,495	11,361	53,474	53,474	63,783	67,598	
Vote 2 - Vote 2 - Finance & Administration		971	1,387	1,053	958	887	1,026	1,426	1,046	925	1,174	974	137,140	148,965	148,965	156,421	164,978	
Vote 3 - Vote 3 - Finance & Administration 2		683	708	1,383	1,923	3,082	2,733	1,033	883	962	506	532	2,781	17,211	17,211	15,811	17,401	
Vote 4 - Vote 4 - Community and Social Services		2,981	4,306	3,721	3,959	3,571	3,581	4,624	2,384	3,755	5,331	4,681	(35,018)	7,874	7,874	8,093	9,485	
Vote 5 - Vote 5 - Planning and Development		4,582	2,821	4,270	2,280	3,581	2,751	4,556	2,713	3,384	2,488	4,335	(19,321)	18,438	18,438	10,796	12,057	
Vote 6 - Vote 6 - Internal Audit		2,699	5,971	2,191	1,841	1,879	1,832	1,296	1,267	1,231	1,264	1,661	(21,449)	1,679	1,679	1,790	1,882	
Vote 7 - Vote 7 - Energy Sources		21,925	8,223	12,533	12,102	12,110	11,112	12,330	12,387	11,977	9,997	8,987	(126,271)	7,412	7,412	7,048	7,286	
Vote 8 - Vote 8 - Road Transport													53,064	53,064	53,064	27,988	29,074	
Vote 9 - Vote 9 - Public Safety													15,521	15,521	15,521	19,298	20,648	
Vote 10 - Vote 10 - Waste Management													26,632	26,632	26,632	17,918	28,267	
Vote 11 - Vote 11 - Sports & Recreation													550	550	550	350	500	
Vote 14 - Vote 14 - Housing													2,500	2,500	2,500	2,700	2,000	
Total Expenditure by Vote		37,974	27,109	29,245	26,577	29,098	26,524	29,154	25,171	25,730	24,582	24,664	47,491	353,320	353,320	331,996	361,177	
Surplus/ (Deficit)		72,515	(1,194)	(6,615)	(4,351)	135,738	(12,494)	(21,123)	(17,133)	69,720	(16,676)	(16,866)	(37,159)	144,361	144,361	137,994	127,668	



Makhuduthamaga Local Municipality – LIM473 2020/21 Annual Adjusted Budget and MTREF

2.8.7 Table 32: SB13

LIM473 Makhuduthamaga - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) - 28 February 2021																	
Description - Standard classification	Ref	Budget Year 2020/21												Full year budget	Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June		Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional																	
<i>Governance and administration</i>		110,489	25,915	22,631	22,226	164,837	14,030	8,031	8,038	95,450	7,906	7,798	10,331	497,681	497,681	469,991	488,845
Executive and council														-	-	-	-
Finance and administration		110,489	25,915	22,631	22,226	164,837	14,030	8,031	8,038	95,450	7,906	7,798	10,331	497,681	497,681	469,991	488,845
Internal audit														-	-	-	-
Total Revenue - Functional		110,489	25,915	22,631	22,226	164,837	14,030	8,031	8,038	95,450	7,906	7,798	10,331	497,681	497,681	469,991	488,845
Expenditure - Functional																	
<i>Governance and administration</i>		29,764	15,005	19,871	18,415	18,865	17,459	19,541	19,383	18,157	18,590	15,116	11,161	221,329	221,329	241,303	256,321
Executive and council		7,133	4,942	5,008	4,333	4,737	4,376	4,676	5,397	3,250	3,887	3,829	1,906	53,474	53,474	63,281	67,060
Finance and administration		22,491	9,923	14,724	13,942	13,988	12,943	14,725	13,846	14,767	14,563	11,147	9,115	166,176	166,176	176,232	187,379
Internal audit		140	140	140	140	140	140	140	140	140	140	140	140	1,679	1,679	1,790	1,882
<i>Community and public safety</i>		2,344	3,023	2,833	2,142	3,013	2,613	3,118	1,783	1,878	2,650	2,497	(1,448)	26,445	26,445	28,892	30,326
Community and social services		107	2,405	395	754	1,030	475	970	-	350	583	259	545	7,874	7,874	9,282	10,107
Sport and recreation		-	140	-	50	75	-	110	45	-	30	100	-	550	550	350	500
Public safety		2,238	138	2,238	1,338	1,238	2,138	1,738	1,738	1,238	1,738	1,738	(1,993)	15,521	15,521	16,560	17,718
Housing		-	340	200	-	670	-	300	-	290	300	400	-	2,500	2,500	2,700	2,000
<i>Economic and environmental services</i>		5,212	8,528	5,648	5,457	6,397	5,898	5,592	3,248	4,892	2,388	6,297	11,945		71,502	53,307	65,696
Planning and development		683	708	1,383	1,923	3,082	2,733	1,933	1,483	992	1,173	532	1,810		18,438	8,227	9,308
Road transport		1,573	7,795	2,740	3,508	2,190	3,140	1,533	1,740	2,775	1,190	3,640	21,240		53,064	28,609	29,669
Environmental protection		2,956	25	1,525	25	1,125	25	2,125	25	1,125	25	2,125	(11,106)		-	16,471	26,720
<i>Trading services</i>		653	553	893	563	823	553	903	757	803	953	753	25,833	34,044	34,044	8,494	8,834
Energy sources		541	441	781	451	711	441	791	644	691	841	641	441	7,412	7,412	7,048	7,286
Waste management		113	113	113	113	113	113	113	113	113	113	113	25,393		26,632	1,446	1,548
<i>Other</i>																	
Total Expenditure - Functional		37,974	27,109	29,245	26,577	29,098	26,524	29,154	25,171	25,730	24,582	24,664	47,491	281,818	353,320	331,996	361,177
Surplus/ (Deficit) 1.		72,515	(1,194)	(6,615)	(4,351)	135,738	(12,494)	(21,123)	(17,133)	69,720	(16,676)	(16,866)	(37,159)	215,863	144,361	137,994	127,668



Makhuduthamaga Local Municipality – LIM473 2020/21 Adjusted Budget and MTREF

2.8.8 Table 33: SB18a

LIM473 Makhuduthamaga - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 28 February 2021												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure on new assets by Asset Class/Sub-class												
Infrastructure		117,628	146,034	-	-	-	-	(23,357)	(23,357)	122,677	136,294	119,347
Roads Infrastructure		117,628	146,034	-	-	-	-	(23,357)	(23,357)	122,677	136,294	119,347
Roads		117,628	146,034					(23,357)	(23,357)	122,677	136,294	119,347
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Stalls												
Other assets		1,500	1,700	-	-	-	-	1,300	1,300	3,000	-	-
Operational Buildings		1,500	-	-	-	-	-	-	-	1,500	-	-
Municipal Offices		1,500								1,500		
Housing		-	1,700	-	-	-	-	1,300	1,300	3,000	-	-
Intangible Assets		2,000	2,000	-	-	-	-	(1,000)	(1,000)	1,000	-	1,500
Servitudes												
Licences and Rights		2,000	2,000	-	-	-	-	(1,000)	(1,000)	1,000	-	1,500
Computer Software and Applications		2,000	2,000					(1,000)	(1,000)	1,000	-	1,500
Computer Equipment		3,290	4,290	-	-	-	-	2,500	2,500	6,790	1,700	2,000
Computer Equipment		3,290	4,290					2,500	2,500	6,790	1,700	2,000
Furniture and Office Equipment		1,200	1,200	-	-	-	-	600	600	1,800	-	2,800
Furniture and Office Equipment		1,200	1,200					600	600	1,800	-	2,800
Machinery and Equipment		500	500	-	-	-	-	-	-	500	-	2,020
Machinery and Equipment		500	500							500	-	2,020
Transport Assets		-	3,500	-	-	-	-	-	-	3,500	-	-
Transport Assets			3,500							3,500		
Land		-	2,000	-	-	-	-	(1,000)	(1,000)	1,000	-	-
Land			2,000					(1,000)	(1,000)	1,000		
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals												
Total Capital Expenditure on new assets to be adjusted	1	126,118	161,224	-	-	-	-	(20,957)	(20,957)	140,267	137,994	127,668

2.8.9 Table 34: SB18b

LIM473 Makhuduthamaga - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 28 February 2021												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
Capital expenditure on renewal of existing assets by Asset Class/Sub-class												
Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-
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 renewal of existing assets to be adjusted	1	-	-	-	-	-	-	-	-	-	-	-

2.8.10 Table 34: SB18c

LIM473 Makhuduthamaga - Supporting Table SB18c Adjustments Budget - expenditure on repairs and maintenance by asset class - 28 February 2021												
Description	Ref	Budget Year 2020/21									Budget Year +1 2021/22	Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	7	8	9	10	11	12	13	14		
		A1	B	C	D	E	F	G	H			
Repairs and maintenance expenditure by Asset Class/Sub-class												
Infrastructure		25,333	25,333	-	-	-	-	20,000	20,000	45,333	41,691	52,739
Roads Infrastructure		25,333	25,333	-	-	-	-	20,000	20,000	45,333	24,035	24,950
Roads		25,333	25,333					20,000	20,000	45,333	24,035	24,950
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-	1,500	1,400
LV Networks											1,500	1,400
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	16,156	26,389
Landfill Sites											16,156	26,389
Community Assets		1,000	1,000	-	-	-	-	-	-	1,000	-	-
Community Facilities		1,000	1,000	-	-	-	-	-	-	1,000	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-
Other assets		2,500	2,500	-	-	-	-	-	-	2,500	2,810	2,950
Operational Buildings		2,500	2,500	-	-	-	-	-	-	2,500	2,810	2,950
Municipal Offices											2,810	2,950
Housing		-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets												
Intangible Assets		-	-	-	-	-	-	-	-	-	-	-
Servitudes												
Licences and Rights		-	-	-	-	-	-	-	-	-	-	-
Computer Equipment		3,800	3,800	-	-	-	-	2,500	2,500	6,300	3,000	4,300
Computer Equipment		3,800	3,800					2,500	2,500	6,300	3,000	4,300
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment												
Machinery and Equipment		-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment												
Transport Assets		2,560	2,560	-	-	-	-	-	-	2,560	2,700	2,000
Transport Assets		2,560	2,560							2,560	2,700	2,000
Land		-	-	-	-	-	-	-	-	-	-	-
Land												
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals												
Total Repairs and Maintenance Expenditure to be adjusted	1	35,193	35,193	-	-	-	-	22,500	22,500	57,693	50,201	61,989



Makhuduthamaga Local Municipality – LIM473 2020/21 Annual Adjusted Budget and MTREF

2.8.11 Table 35: General Expenses

Special Adjusted Annual Expenditure Budget 2020/21 MTREF						
Status	Name	Project	Item	Adjusted Annual Budget 2020/21	Draft Annual Budget 2021/22	Draft Annual Budget 2022/23
Executive Support						
4	O0001/IE01581/F0041/X044/R0278/001/0000	Municipal Running Cost	Air Transport	16,000.00	16,800.00	17,640.00
4	O0001/IE00143/F0041/X044/R0278/001/0000	Municipal Running Cost	Car Rental	45,000.00	47,250.00	49,612.50
4	O0001/IE00062/F0041/X044/R0278/001/0000	Municipal Running Cost	Food and Beverage (Serve	100,000.00	105,000.00	110,250.00
4	O0001/IE00060/F0041/X044/R0278/001/0000	Municipal Running Cost	Accommodation	100,000.00	105,000.00	110,250.00
4	O0001/IE00586/F0041/X044/R0279/001/4520	Municipal Running Cost	Remuneration to Ward Com	3,705,070.00	5,240,000.00	5,400,000.00
4	O0001/IE00592/F0041/X044/R0279/001/4520	Municipal Running Cost	Seating Allowance for Tr	510,000.00	550,000.00	600,000.00
4	O1240-1/IE00571/F0041/X044/R0279/001/4520	Public Participation Mee	Hire Charges	100,000.00	273,000.00	286,650.00
4	O1240-2/IE00626/F0041/X044/R0279/001/4520	Public Participation Mee	Artists and Performers	50,000.00	52,500.00	55,125.00
4	O1240-2/IE00703/F0041/X044/R0279/001/4520	Public Participation Mee	Transport Services	60,000.00	252,000.00	264,600.00
4	O1240-2/IE00667/F0041/X044/R0279/001/4520	Public Participation Mee	Stage and Sound Crew	50,000.00	210,000.00	220,500.00
4	O1240-1/IE00677/F0041/X044/R0279/001/4520	Public Participation Mee	Catering Services	100,000.00	315,000.00	330,750.00
4	O0001/IE00571/F0041/X044/R0278/001/4520	Municipal Running Cost	Hire Charges	250,000.00	262,500.00	275,625.00
4	O0001/IE00677/F0041/X044/R0278/001/4520	Municipal Running Cost	Catering Services	200,000.00	210,000.00	220,500.00
4	O1293-1/IE00667/F0041/X044/R0278/001/4530	Special Events and Funct	Stage and Sound Crew	300,000.00	315,000.00	330,750.00
4	O1293-1/IE00675/F0041/X044/R0278/001/4530	Special Events and Funct	Burial Services	100,000.00	105,000.00	110,250.00
4	O1293-1/IE00677/F0041/X044/R0278/001/4530	Special Events and Funct	Catering Services	500,000.00	525,000.00	551,250.00
4	O1293-1/IE00754/F0041/X044/R0278/001/4530	Special Events and Funct	Gifts and Promotional It	100,000.00	105,000.00	110,250.00
4	O1293-1/IE00703/F0041/X044/R0278/001/4530	Special Events and Funct	Transport Services	200,000.00	210,000.00	220,500.00
4	O1293-1/IE00571/F0041/X044/R0278/001/4530	Special Events and Funct	Hire Charges	200,000.00	840,000.00	882,000.00
4	O0001/IE00751/F0041/X044/R0278/001/4530	Municipal Running Cost	Corporate and Municipal	500,000.00	700,000.00	750,000.00
4	O0001/IE00769/F0041/X044/R0278/001/4530	Municipal Running Cost	Cellular Contract (Subsc	200,000.00	1,200,000.00	1,250,000.00
4	O1220-1/IE00571/F0041/X044/R0279/001/4530	_LIM473_4530_HIV Aware	Hire Charges	200,000.00	340,000.00	357,000.00
				7,586,070.00	11,979,050.00	12,503,502.00
Municipal Manager's Office						
4	O0001/IE00016/F0041/X056/R0278/001/4200	Municipal Running Cost	Business and Financial M	200,000.00	250,000.00	200,000.00
4	O0001/IE00833/F0041/X081/R0278/001/4200	Municipal Running Cost	Audit Committee	500,000.00	600,000.00	680,000.00
				700,000.00	850,000.00	880,000.00
Budget and Treasury						
4	O0001/IE00605/F0041/X047/R0278/001/5200	Municipal Running Cost	Vehicle Tracking	90,000.00	105,000.00	120,000.00
4	O0001/IE01581/F0041/X047/R0278/001/5200	Municipal Running Cost	Air Transport	30,000.00	31,500.00	33,075.00
4	O0001/IE00143/F0041/X047/R0278/001/5200	Municipal Running Cost	Car Rental	30,000.00	31,500.00	33,075.00
4	O0001/IE00060/F0041/X047/R0278/001/5200	Municipal Running Cost	Accommodation	50,000.00	52,500.00	55,125.00
4	O0001/IE00062/F0041/X047/R0278/001/5200	Municipal Running Cost	Food and Beverage (Serve	50,000.00	52,500.00	55,125.00
4	O0001/IE00759/F0041/X049/R0278/001/5200	Municipal Running Cost	Bank Accounts	305,000.00	320,250.00	336,262.50
4	O0001/IE00805/F0041/X049/R0278/001/5200	Municipal Running Cost	Premiums	800,000.00	840,000.00	882,000.00
4	O0001/IE00830/F0041/X049/R0278/001/5200	Municipal Running Cost	Accounting and Auditing	1,560,882.32	1,990,000.00	2,189,500.00
4	O0001/IE00835/F2496/X049/R0278/001/5200	Municipal Running Cost	Business and Financial M	1,250,000.00	1,300,000.00	1,500,000.00
4	O0001/IE00848/F2496/X049/R0278/001/5200	Municipal Running Cost	Valuer and Assessors	800,000.00	1,000,000.00	1,000,000.00
4	O0001/IE00835/F1177/X049/R0278/001/5200	Municipal Running Cost	Business and Financial M	500,000.00	850,000.00	890,000.00
4	O0001/IE00835/F0041/X049/R0278/001/5200	Municipal Running Cost	Business and Financial M	600,000.00	2,081,871.75	2,676,115.88
4	O0001/IE00579/F0041/X049/R0278/001/5200	Municipal Running Cost	Municipal Services	1,500,000.00	2,800,000.00	2,950,000.00
4	O0001/IE00060/F0041/X049/R0278/001/5200	Municipal Running Cost	Accommodation	600,000.00	642,000.00	686,940.00
4	O0001/IE01581/F0041/X049/R0278/001/5200	Municipal Running Cost	Air Transport	30,000.00	32,100.00	34,347.00
4	O0001/IE00062/F0041/X049/R0278/001/5200	Municipal Running Cost	Food and Beverage (Serve	50,000.00	53,500.00	57,245.00
4	O0001/IE00061/F0041/X049/R0278/001/5200	Municipal Running Cost	Daily Allowance	50,000.00	53,500.00	57,245.00
4	O0001/IE00143/F0041/X049/R0278/001/5200	Municipal Running Cost	Car Rental	60,000.00	64,200.00	68,694.00
4	O0001/IE00144/F0041/X049/R0278/001/5200	Municipal Running Cost	Own Transport	100,000.00	107,000.00	114,490.00
4	O0001/IE00607/F0041/X050/R0279/001/5200	Municipal Running Cost	Wet Fuel	3,300,500.00	5,540,000.00	5,700,000.00
4	O0001/IE00808/F0041/X050/R0278/001/5200	Municipal Running Cost	Motor Vehicle Licence an	240,000.00	265,000.00	270,000.00
4	O0001/IE01581/F0041/X058/R0278/001/5200	Municipal Running Cost	Air Transport	25,000.00	26,150.00	27,352.90
4	O0001/IE01583/F0041/X058/R0278/001/5200	Municipal Running Cost	Road Transport	10,000.00	10,460.00	10,941.16
4	O0001/IE00143/F0041/X058/R0278/001/5200	Municipal Running Cost	Car Rental	20,000.00	20,920.00	21,882.32
4	O0001/IE00144/F0041/X058/R0278/001/5200	Municipal Running Cost	Own Transport	140,000.00	146,440.00	153,176.24
4	O0001/IE00062/F0041/X058/R0278/001/5200	Municipal Running Cost	Food and Beverage (Serve	75,000.00	78,450.00	82,058.70
4	O0001/IE00060/F0041/X058/R0278/001/5200	Municipal Running Cost	Accommodation	50,000.00	52,300.00	54,705.80
				12,316,382.32	20,547,141.75	22,059,355.88



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Community Services						
4	O0001/IE00060/F0041/X006/R0278/001/5066	Municipal Running Cost	Accommodation	100,000.00	104,600.00	109,411.60
4	O0001/IE00062/F0041/X006/R0278/001/5066	Municipal Running Cost	Food and Beverage (Serve	40,000.00	41,840.00	43,764.64
4	O0001/IE01583/F0041/X006/R0278/001/5066	Municipal Running Cost	Road Transport	30,000.00	31,380.00	32,823.48
4	O0001/IE00143/F0041/X006/R0278/001/5066	Municipal Running Cost	Car Rental	40,000.00	41,840.00	43,764.64
4	O0001/IE00144/F0041/X006/R0278/001/5066	Municipal Running Cost	Own Transport	50,000.00	52,300.00	54,705.80
4	O0001/IE00754/F0041/X007/R0278/001/5066	Municipal Running Cost	Gifts and Promotional It	200,000.00	210,000.00	220,000.00
				460,000.00	481,960.00	504,470.00
Corporate Services						
4	O1235-1/IE00751/F0041/X046/R0278/001/5520	Bathopele Service Delive	Corporate and Municipal	200,000.00	210,000.00	225,000.00
4	O0001/IE00783/F0041/X046/R0278/001/5520	Municipal Running Cost	Senior Management	50,000.00	50,000.00	50,000.00
4	O0001/IE00579/F0041/X046/R0278/001/5520	Municipal Running Cost	Municipal Services	1,400,000.00	1,450,000.00	1,500,000.00
4	O1227-1/IE03752/F0041/X046/R0278/001/5520	Centre of Learning Econo	Bursaries (Non-Employee)	1,000,000.00	1,600,000.00	1,100,000.00
	O0001/IE00555/F0041/X051/R0279/001/5520		Bursaries (Employee)	500,000.00	700,000.00	700,000.00
4	O0001/IE01583/F0041/X046/R0278/001/5520	Municipal Running Cost	Road Transport	15,000.00	15,690.00	16,411.74
4	O0001/IE01581/F0041/X046/R0278/001/5520	Municipal Running Cost	Air Transport	15,000.00	15,690.00	16,411.74
4	O0001/IE00062/F0041/X046/R0278/001/5520	Municipal Running Cost	Food and Beverage (Serve	20,000.00	20,920.00	21,882.32
4	O0001/IE00143/F0041/X046/R0278/001/5520	Municipal Running Cost	Car Rental	18,000.00	18,828.00	19,694.09
4	O0001/IE00144/F0041/X046/R0278/001/5520	Municipal Running Cost	Own Transport	25,000.00	26,150.00	27,352.90
4	O0001/IE00060/F0041/X046/R0278/001/5520	Municipal Running Cost	Accommodation	50,000.00	52,300.00	54,705.80
4	O1297-1/IE00059/F0041/X046/R0278/001/5520	Municipal Health Service	National	400,000.00	500,000.00	600,000.00
4	O0001/IE00059/F0041/X046/R0278/001/5520	Municipal Running Cost	National	500,000.00	400,000.00	400,000.00
4	O1297-1/IE00571/F0041/X046/R0278/001/5520	Municipal Health Service	Hire Charges	800,000.00	1,000,000.00	1,100,000.00
4	O0001/IE00757/F0041/X051/R0278/001/5520	Municipal Running Cost	Staff Recruitment	200,000.00	270,000.00	300,000.00
4	O0001/IE00584/F0041/X051/R0278/001/5520	Municipal Running Cost	Professional Bodies, Mem	500,000.00	1,250,000.00	1,300,000.00
4	O0001/IE00060/F0041/X051/R0278/001/5520	Municipal Running Cost	Accommodation	70,000.00	73,220.00	76,588.12
4	O0001/IE00144/F0041/X051/R0278/001/5520	Municipal Running Cost	Own Transport	40,000.00	41,840.00	43,764.64
4	O0001/IE00143/F0041/X051/R0278/001/5520	Municipal Running Cost	Car Rental	40,000.00	41,840.00	43,764.64
4	O0001/IE01581/F0041/X051/R0278/001/5520	Municipal Running Cost	Air Transport	30,000.00	31,380.00	32,823.48
4	O0001/IE00062/F0041/X051/R0278/001/5520	Municipal Running Cost	Food and Beverage (Serve	40,000.00	41,840.00	43,764.64
4	O0001/IE00060/F0041/X052/R0278/001/5520	Municipal Running Cost	Accommodation	40,000.00	41,840.00	43,764.64
4	O0001/IE00143/F0041/X052/R0278/001/5520	Municipal Running Cost	Car Rental	30,000.00	31,380.00	32,823.48
4	O0001/IE00144/F0041/X052/R0278/001/5520	Municipal Running Cost	Own Transport	30,000.00	31,380.00	32,823.48
4	O0001/IE00062/F0041/X052/R0278/001/5520	Municipal Running Cost	Food and Beverage (Serve	35,000.00	36,610.00	38,294.06
4	O0001/IE01581/F0041/X052/R0278/001/5520	Municipal Running Cost	Air Transport	25,000.00	26,150.00	27,352.90
4	O0001/IE00060/F0041/X053/R0278/001/5520	Municipal Running Cost	Accommodation	40,000.00	41,840.00	43,764.64
4	O0001/IE00062/F0041/X053/R0278/001/5520	Municipal Running Cost	Food and Beverage (Serve	15,000.00	15,690.00	16,411.74
4	O0001/IE00144/F0041/X053/R0278/001/5520	Municipal Running Cost	Own Transport	20,000.00	20,920.00	21,882.32
4	O0001/IE00143/F0041/X053/R0278/001/5520	Municipal Running Cost	Car Rental	35,000.00	36,610.00	38,294.06
4	O0001/IE01581/F0041/X053/R0278/001/5520	Municipal Running Cost	Air Transport	30,000.00	31,380.00	32,823.48
4	O0001/IE00008/F0041/X064/R0278/001/5520	Municipal Running Cost	Legal Advice and Litigat	900,000.00	400,000.00	300,000.00
4	O0001/IE00753/F0041/X054/R0278/001/5520	Municipal Running Cost	Customer/Client Informat	500,000.00	-	-
4	O0001/IE00758/F0041/X058/R0278/001/5520	Municipal Running Cost	Tenders	500,000.00	540,000.00	600,000.00
				8,113,000.00	9,063,498.00	8,900,399.00
Economic Development and Planning						
4	O0001/IE00848/F0041/X098/R0279/001/6200	Municipal Running Cost	Valuer and Assessors	300,000.00	-	-
4	O0022-1/IE00021/F0041/X098/R0279/001/6200	Municipal Running Cost	_LIM473_6200_Developm	-	-	-
4	O0001/IE00060/F0041/X098/R0278/001/6200	Municipal Running Cost	Accommodation	70,000.00	73,220.00	76,588.12
4	O0001/IE01583/F0041/X098/R0278/001/6200	Municipal Running Cost	Road Transport	20,000.00	20,920.00	21,882.32
4	O0001/IE01581/F0041/X098/R0278/001/6200	Municipal Running Cost	Air Transport	10,000.00	10,460.00	10,941.16
4	O0001/IE00062/F0041/X098/R0278/001/6200	Municipal Running Cost	Food and Beverage (Serve	30,000.00	31,380.00	32,823.48
4	O0001/IE00143/F0041/X098/R0278/001/6200	Municipal Running Cost	Car Rental	20,000.00	20,920.00	21,882.32
4	O0001/IE00144/F0041/X098/R0278/001/6200	Municipal Running Cost	Own Transport	30,000.00	31,380.00	32,823.48
				480,000.00	188,280.00	196,940.00



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	Local Economic Development					
4	O1302-1/IE00667/F0041/X096/R0279/001/6250	LED Summit & Forums & Di	Stage and Sound Crew	40,000.00	-	
4	O1302-1/IE00677/F0041/X096/R0279/001/6250	LED Summit & Forums & Di	Catering Services	70,000.00	80,000.00	90,000.00
4	O1302-1/IE00754/F0041/X096/R0279/001/6250	LED Summit & Forums & Di	Gifts and Promotional It	40,000.00	-	-
4	O1302-1/IE00571/F0041/X096/R0279/001/6250	LED Summit & Forums & Di	Hire Charges	400,000.00	-	-
4	O1249-1/IE03755-1/F2496/X096/R0279/001/6250	SMME Support	SMME Support	520,000.00	500,000.00	1,000,000.00
4	O1354-1/IE00571/F0041/X096/R0279/001/6250	_LIM473_6250_Tourism Di	Hire Charges	650,000.00	-	-
				1,720,000.00	580,000.00	1,090,000.00
	Electricity and Housing					
4	O0293-1/IE00634/F0041/X032/R0279/001/7200	Maintenance of electrici	Electrical	2,100,000.00	1,500,000.00	1,400,000.00
				2,100,000.00	1,500,000.00	1,400,000.00
	Technical Services					
4	O0001/IE01581/F0041/X099/R0278/001/7350	Municipal Running Cost	Air Transport	10,000.00	10,600.00	11,236.00
4	O0001/IE01583/F0041/X099/R0278/001/7350	Municipal Running Cost	Road Transport	20,000.00	21,200.00	22,472.00
4	O0001/IE00144/F1182/X099/R0278/001/7350	Municipal Running Cost	Own Transport	200,000.00	212,000.00	224,720.00
4	O0001/IE00143/F0041/X099/R0278/001/7350	Municipal Running Cost	Car Rental	30,000.00	31,800.00	33,708.00
4	O0001/IE00060/F0041/X099/R0278/001/7350	Municipal Running Cost	Accommodation	70,000.00	74,200.00	78,652.00
4	O0001/IE00062/F0041/X099/R0278/001/7350	Municipal Running Cost	Food and Beverage (Serve	30,000.00	31,800.00	33,708.00
				360,000.00	381,600.00	404,496.00
	Public Safety					
4	O0001/IE00632/F0041/X153/R0279/001/8510	Municipal Running Cost	Catering Services	40,000.00	42,000.00	44,100.00
				40,000.00	42,000.00	44,100.00
	Roads and Bridges (Operational Expenditure)					
4	O1346-1/IE00080/F0041/X116/R0279/001/7500	Development of Road Mas	Civil	1,739,130.00	-	-
				1,739,130.00	-	-
	Waste Management					
4	O0001/IE00651/F0041/X004/R0279/001/7750	Municipal Running Cost	Maintenance of Unspecifi	1,000,000.00	400,000.00	400,000.00
4	O0001/IE00632/F0041/X039/R0279/001/7750	Municipal Running Cost	Catering Services	110,000.00	115,500.00	121,275.00
4	O1275-1/IE00751/F0041/X039/R0279/001/7750	Environmental awareness	Corporate and Municipal	50,000.00	52,500.00	55,125.00
4	O0001/IE00571/F0041/X039/R0279/001/7750	Municipal Running Cost	Hire Charges	100,000.00	105,000.00	110,250.00
4	O0001/IE00667/F0041/X039/R0279/001/7750	Municipal Running Cost	Stage and Sound Crew	40,000.00	42,000.00	44,100.00
				1,300,000.00	715,000.00	730,750.00
	Sports Parks and Recreation					
4	O1333-1/IE00751/F0041/X125/R0279/001/8550	Sports & Culture Promoti	Corporate and Municipal	550,000.00	350,000.00	500,000.00
				550,000.00	350,000.00	500,000.00
	Disaster Management					
4	O1235-2/IE00754/F0041/X019/R0279/001/8250	Disaster awareness campa	Gifts and Promotional It	100,000.00	95,000.00	95,000.00
4	O1265-1/IE01312/F0041/X019/R0279/001/8250	Disaster relief fund	Clothing Provided	400,000.00	420,000.00	441,000.00
4	O1265-1/IE01321/F0041/X019/R0279/001/8250	Disaster relief fund	Social Relief	600,000.00	1,440,828.79	2,039,086.81
				1,100,000.00	1,960,829.00	2,575,085.95
				38,564,582.32	48,634,358.70	51,789,098.83

2.9 Municipal Manager's quality certificate