



MAKHUDUTHAMAGA  
LOCAL MUNICIPALITY

**FINAL ANNUAL BUDGET**  
**OF**  
**Makhuduthamaga Local Municipality**

**2023/25**

**To**

**2025/26**

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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 organizations
EE	Employment Equity	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
mSCOA	Municipal Standard Chart of Accounts	OP	Operational Plan
GRAP	General Recognised Accounting Practice	PMS	Performance Management System
HR	Human Resources	PPE	Property Plant and Equipment
IDP	Integrated Development Strategy	PPP	Public Private Partnership
IT	Information Technology	RG	Restructuring Grant
km	kilometre	SALGA	South African Local Government Association
DFS	Government Financial Statistics	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator	DOE	Department of Energy
LED	Local Economic Development	CBR	Cash Backed Reserves
MEC	Member of the Executive Committee		
MFMA	Municipal Financial Management Act		
IGF	Internally Generated Funds		
FY	Full Year		

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## 2 PART 1 – Annual Budget & MTREF

### 2.1 Mayor's report

The Honourable speaker of council, Executive committee members, the Chief whip of council, honourable Councillors, the Chairperson of MPAC, the Chair of chairs, the Municipal manager and her administration team, Managers from other government departments, Leaders of religious denominations, Members of ward committees, local Business leaders present here, Guests and all members of our communities.

Allow me to appreciate and thank all of you for honouring the honourable speaker's invitation to this special council sitting of today. Your presence here enables not only the implementation and compliance with the provisions of Section 16 (2) of the Municipal Finance Management Act No.56 of 2003 but mainly ensures that our responsibilities towards our people as enshrined in the Constitution of the Republic of South Africa are carried out effectively in the best interest of the people.

Honourable speaker,

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

Honourable speaker,

Guided by the provisions of the MFMA as indicated above and other relevant sections of the Act, and the Municipal Systems Act No.32 of 2000, the management of the municipality working together with all relevant stakeholders have implemented the IDP/Budget time schedule of key deadlines (process plan) as approved by council in July 2021 and performed the annual review of the municipality's Integrated Development Plan as first approved in May 2021 and it is the reviewed IDP that informed the annual budget to be tabled in this council today.

Management have further presented to the Executive Committee, the reviewed budget related policies which are consistent with the applicable legislation, regulations and guidelines by the National Treasury. To ensure effective and efficient implementation of the municipality's IDP and Budget for the 2022/23 MTREF, the Service Delivery and Budget Implementation Plan has been prepared together with the procurement plan for the 2022/23 budget year.

Honourable Speaker.

To achieve the 2022/23 MTREF service delivery objectives as set out in the budget, developmental projects were identified in consultation with the communities of the municipality and performance indicators were set as well as the annual targets to be achieved over the 2022/23 MTREF.

Honourable speaker

Guided by the time schedule adopted by council, we have followed all the necessary processes to ensure that our Integrated Development Plan is not just a compliance document but a plan that carries solution for the needs of our communities.

On behalf of the executive committee of the municipality, I hereby present a projected total revenue budget to the amount of **R 474 million** for 2022/23 budget year, **R 484 million** and **R 510 million** for the 2023/24 and 2024/25 financial years respectively. The total revenue budget for 2022/23 consists of **R 410.7 million** from national transfers and grants and **R 63.8 million** from own sources of revenue. The following table summarizes the sources of our projected revenue for the 2022/23 budget year:

#### National Transfers and grants

Source of revenue	2022/2023 Annual Budget
Equitable share	R 324.2 million
Finance Management Grant	R 1.7 million

Municipal Infrastructure Grant	R 76.9 million
Expanded Public Works Programme	R 1.9 million
Integrated National Electrification Programme	R 6 MILLION
<b>Total national transfers and grants</b>	<b>R 410.7 million</b>

### Own revenue sources

Source of revenue	2021/2022 Annual Budget
Property rates	R 51 million
Interests on outstanding debtors and investments	R 2.7 million
Agency services (Licenses and permits)	R 7 million
Other revenue	R 3.1 million
<b>Total national transfers and grants</b>	<b>R 63.8 million</b>

The total National transfers and grants for 2023/2024 and 2024/2025 amount to **R 419 million** and **R 443.3 million** respectively. The total amount from own revenue sources is **R 65.5 million** and **R 66.9 million** for the two outer years respectively.

Honourable speaker

The total revenue, presented above is used to fund the total annual budgeted expenditure to the amount of **R 374.9 million** for the 2022/23 financial year. The total annual budgeted expenditure for the two outer years amounts to **R 354.8 million** and **R 360 million** for 2023/25 and 2025/26 respectively. Out of the total **R 563.5 million** budgeted expenditure for 2022/23, we are funding capital projects with an amount of **R 188.6 million** and the operational expenditure is covered by the remaining **R 374.9 million**.

The total expenditure budget for 2022/23 is allocated per municipal vote as follows:

<b>Vote - Department</b>	<b>2022/2023 Annual Budget</b>
Executive Support	R 58.9 million
Municipal Manager's Office	R 16.5 million.
Community services	R 63.3 million
Budget and Treasury Office	R 147.2 million
Corporate Services	R 40.1 million
Economic Development and Planning	R 17.3 million
Infrastructure Development	R 220.2 million
<b>Total</b>	<b>R 563.5 million</b>

Honourable speaker

The operational expenditure of **R 374.9 million** for 2022/23 is allocated as follows per expenditure standard classification:

<b>Vote - Department</b>	<b>2022/2023 Annual Budget</b>
Employee related costs	R 113.6 million
Remuneration of councillors	R 23.6 million.
Debt impairment	R 7.3 million
Depreciation & assets impairments	R 37.1 million
Inventory consumed	R 2.6 Million
Contracted services	R 127.2 million
Transfers and subsidies	R 9.2 Million



Other expenditure	R 54.1 million
<b>Total</b>	<b>R 374.9 million</b>

Honourable speaker

The municipality has allocated a total amount of **R 188.5 million** for capital expenditure budget to be implemented in 2022/23 budget year. The capital expenditure for the two outer years of the MTREF amounts to **R 129 million** and **R 146 million** for 2023/24 and 2024/25 respectively. We tried our best to cover as many of our wards as possible with the limited financial resources available to our municipality, to ensure that service delivery is spread fairly to all wards of the municipality. We have budgeted **R 1 million** for the IT Infrastructure and **R 19.5 million** for the purchase of other property, plant & equipment.

Honourable speaker

We have allocated total of **R 168 million** for roads, bridges and storm water construction in 2022/23 budget year and we also allocated **R 129 million** and **R 146 million** for 2023/24 and 2024/25 respectively.

In the 2022/23 budget year we are going to implement the following capital projects which will be funded by a combination of the Municipal Infrastructure Grant and Equitable Share allocation;

No.	Name of project	Funding	2022/2023 Annual Budget
1.	Construction of Kome Internal Street phase 2_4.2km	MIG	R 550
2.	Construction of Mochadi access road and bridge _ 2.9km	MIG	R 21,470
3.	Construction of Manyeleti to Mamone central _ 2.6km	MIG	R 15,949
4.	Construction of Malegase to Mapulane access road and bridge _3,5Km	MIG	R 11,976
5.	Construction of Phaahla/Mamatjekele to Masehlaneng access road_10 km	MIG	R 1,450,
6.	Construction of access road and Bridge from Mathousand to Maraganeng	MIG	R 500
7.	Construction of Rietfontein(Ngwaritsi) sports facility	MIG	R 9,536
8.	Construction of access road from Jane Furse RDP to Mogorwane(5.8Km)	MIG	R 550
9.	Construction Access road and bridge from Makgeru Moshate to Mantime Primary School(0.85Km)	MIG	R11,088
	<b>Total MIG funded projects</b>		<b>R 73,069</b>

10.	Glen Cowie_Phokwane Old Post Office Access Road_7km	CBR	R 15,000
11.	Construction Mashabala Machacha Access Road_5.5 km	CBR	R 20,500
12.	Designs and Construction of Mamone Internal Street _4km	CBR	R 10,000
13.	Construction of Maila Mapitsa_Magolego Access Road_7.5km	CBR	R 5,000
	<b>Total CBR funded projects</b>		<b>R 50,500</b>
14.	Upgrading of Marishane Sports facility Phase 2	E/S	R 5,000
15.	Construction of Mokwete_Molepane/Ntwane Access Road _3.5km (10km overall)	E/S	R 18,000
16.	Construction of Lobethal_Tisane Access Road_4.2km	E/S	R 15,000
17.	Rehabilitation of Hlalanikahle access road_1km	E/S	R 5,000
18.	Construction of Access Road from motor gate wonderboom to R579_10km	E/S	R 500
19.	Construction Road of Masemola Mashate to Mohloding / Mamatjekele access road_10km	E/S	R 500
20.	Construction of Soetveld to Kgaruthuthu access Road_6km	E/S	R 500
21.	Construction of Access road from Marulaneng to Manganeng(9Km)	E/S	R 5,000
	<b>Total ES projects</b>		<b>R 44,500</b>

Honourable speaker

Due to funding constraints, we are forced to implement the longer roads in phases and provide for their funding in multi years. Seven of the above mentioned projects will be continued in 2023/24 and 2024/25 where applicable to be completed.

Honorable speaker

I hereby table to this honourable council the following documents for noting and public consultation as mandated by section 16(2) of MFMA read with section 74 and 75a of MSA and Municipal Property Rates Act of 2004:

1. 2022/23 – 2025/26 IDP
2. The 2022/23 MTREF Annual Budget.
3. Reviewed budget related policies.
4. National Treasury MFMA circular No.107 and 108 for adoption.

The Executive committee of the municipality recommends that, the documents as stated above be tabled and noted by council and the documents must be publicized for community and stakeholder consultation before the IDP and the Annual budget are approved 30 days before the start of the financial year.

I thank you.

## 2.2 Executive Summary.

### Legislative background

In terms of the Municipal Finance Management Act No. 56 of 2003 section 16 (1), the council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year. It is a requirement in terms of section 16 (2) that at least 90 days before the start of the financial year, the Mayor of the municipality must table in a council meeting the annual budget before the start of the financial year.

Complying with section 21 (b) of the MFMA, the mayor of Makhuduthamaga Local Municipality has tabled in a council meeting held in July 2021 a time schedule outlining key deadlines for:

- (i) the preparation, tabling and approval of the annual budget;
- (ii) the annual review of :
  - The integrated development plan in terms of section 34 of the Municipal Systems Act; and
  - The budget-related policies;
- (iii) the tabling and adoption of any amendments to the Integrated Development Plan and the budget-related policies; and
- (iv) All consultative processes forming part of the processes referred to in Subparagraphs (i), (ii)

### Budget principles and assumptions

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

The municipality's financial management strategies and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, considering the cost containment measures as approved by the cabinet, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. The municipality did consider MFMA budget circulars in the preparation on this draft budget for the 2022/23 MTREF.

The municipality has reviewed its revenue enhancement strategies to ensure that they are crafted to address the current revenue collection challenges considering the current circumstances and limitations within which the municipality operates. The current sources of revenue were reviewed to identify obstacles for revenue collection and strategies were put in place to improve and sustain collection of revenue from these sources. New available sources of revenue were also identified, and a plan of action was developed for implementation in the next financial years to start collecting revenue from such potential revenue sources.

- The main challenges experienced during the compilation of the 2022/23 MTREF can be summarised as follows:
  - The need to reprioritise infrastructure projects and necessary operational expenditure within the existing limited resources considering the cash flow realities and cash position of the municipality;
  - The municipality's inability to generate enough own revenue to assist in addressing the infrastructure and other service delivery challenges in our communities.
  - The land ownership issues which affect revenue base growth in our municipality and proper town planning in the Jane Furse area, which is the most prominent economic growth point for the municipality.

- The following budgeting principles and guidelines directly informed the compilation of the 2022/23 MTREF budget:
  - The annual budget for 2022/23 and the MTREF was prepared on a zero base principle, meaning that each item or programme was budgeted considering the specification of the project and not the historical expenditure.
  - The 2021/22 Adjustment Budget priorities and targets, as well as the base line allocations contained in that Adjustment Budget were considered as the upper limits for the new baselines for the 2022/23 annual budget where resources allow and necessary;
  - Only programmes and capital projects contained in the municipality's Integrated Development Plan will be budgeted for during the 2022/23 MTREF to ensure that the budget remain an implementation tool for the municipality's IDP.
  - For the 2022/23 financial year and throughout the MTREF, tariffs for property rates will be remain at 0.015 cents in a rand to make property rates affordable to our communities and to encourage debtors to pay their accounts.
  - There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

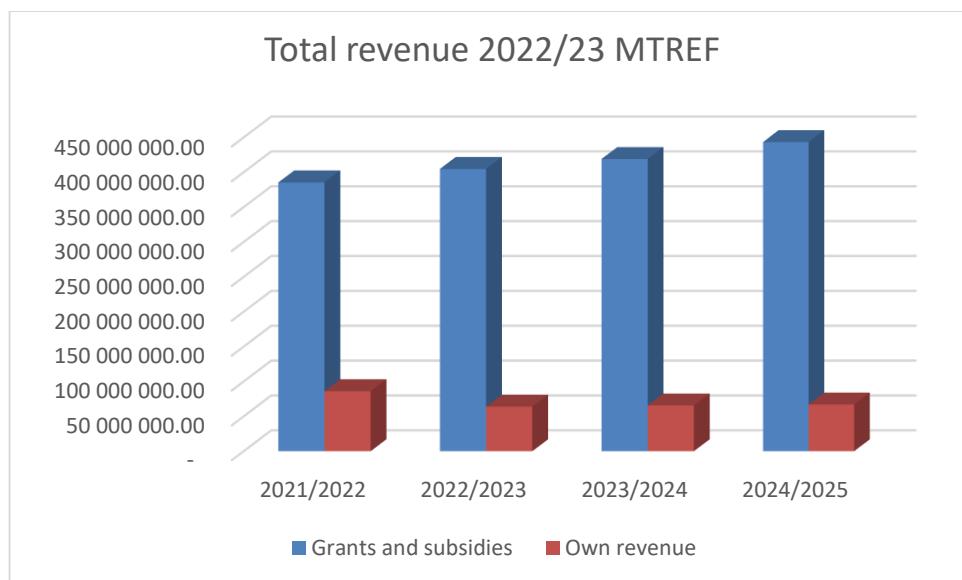
In view of the aforementioned, the following table is a consolidated overview of the 2022/23 Medium-term Revenue and Expenditure Framework as compared to the past budget year:

**Table 1 Consolidated Overview of the 2020/21 MTREF**

Description	Draft Annual Budget 2022/23	Draft Annual Budget 2023/24	Draft Annual Budget 2025/26
Total Revenue	474,520,901.76	484,312,387.80	509,815,795.55
Total Operating Expenditure	374,951,651.76	354,850,795.61	360,369,480.45
<b>Operating surplus/(Deficit)</b>	<b>99,569,250.00</b>	<b>129,461,592.18</b>	<b>149,446,315.10</b>
Cash backed reserves	89,000,000.00	-	-
<b>Total Funding for capital expenditure</b>	<b>188,569,250.00</b>	<b>129,461,592.18</b>	<b>149,446,315.10</b>
Capital Expenditure	188,569,250.00	129,461,592.18	149,446,315.10
<b>Total surplus/(Deficit)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

The municipality has budgeted a total Revenue of **R 474.5 million** for 2022/23 financial year, **R 484.3 million** and **R 509.8 million** for 2023/24 and 2024/25 respectively. Total revenue has increased by **R 3 million** for the 2022/23 financial year when compared to the 2021/22 adjusted revenue budget. For the two outer years, total revenue will increase by 2.1 per cent and 7.3 per cent respectively, equating to a total revenue growth of **R 35.3 million** over the MTREF when compared to the 2022/23 financial year. The total revenue for 2022/23 includes the grants allocations from the national treasury to the amount of **R 410.7 million** and own revenue sources to the amount of **R 63.8 million**. For the two outer years of the MTREF 2023/24 and 2024/25 total grants allocations included in total revenue amounts to **R 419 million** and **R 443.3 million** respectively while own revenue increases to **R 1.5 million** and **R 1,2 million** respectively.

The following bar chart indicates, the revenue growth level of the municipality for the 2022/23 MTREF including the comparison to the current financial year:



Total operating expenditure for the 2022/23 financial year has been appropriated at **R 374.9 million** and translates into an operating budgeted surplus of **R 90.4 million** as indicated in table A4.

This surplus is used to fund capital expenditure for 2022/23 as indicated in table 1 above. The operating surplus for 2022/23 increases by **R 16 million** as compared the 2021/22 operational surplus. The operating surplus for the two outer years increases to **R 119 million** for 2023/24 and to **R 138 million** in 2024/25 financial year. These surpluses will be used to fund capital projects for two outer years. The municipality will use cash backed reserves to an amount of **R 89 million** to fund the capital expenditure in excess of the budgeted revenue. This reserves are cash backed by the cash received from the department of public works during the 2021/2022 financial year for the property rates historic debt.

The total capital budget for 2022/23 financial year amounts to **R 188.6 million** and has increased by 33 per cent as compared to the 2021/22 adjusted capital budget of **R 141.8 million**. For 2023/24 and 2024/25 budget years, the capital expenditure is budgeted at **R 129 million** and **R 146 million** respectively. This reflects a decrease in the capital expenditure as the municipality will not have the cash backed reserves to add to the budget. The municipality's revenue enhancements strategies programme is aiming at amongst other things to address this reduction in capital expenditure in the future budget years.

### Operating Revenue Framework

The need to generate sustainable revenue is essential to meet funding requirements for Makhuduthamaga local municipality to continue improving the quality of services provided to its communities and to address the service delivery backlogs. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and high level of unemployment, inadequate town planning, and many other socio-economic challenges in our municipality which directly affects negatively the municipality's revenue generation and collection.

The expenditure required to address these challenges will always exceed available funding; hence difficult choices have to be made in relation to balance expenditures against realistically anticipated revenues. The municipal property rates tariffs remain unchanged at 0.016 cents in a rand due to a material increase in the values of properties

as per the new valuation roll for 2021 to 2026. Council will continue with programmes and steps that will ensure an improvement in community cooperation and improved collection on property rates as it is a major source of the municipality's own revenue. The municipality currently bill property rates on business properties and government properties only, due to the council resolution that was taken to exclude households pending certain processes to be completed.

In an attempt to ensure a strong revenue base, the municipality has also reviewed its revenue enhancement strategy to improve revenue collection in the 2022/23 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, business licensing)
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.
- The township establishment in Jane Furse as the primary note for development.

The following table is a summary of the 2022/23 MTREF (classified by main revenue source)

**Table 2 Summary of revenue classified by main revenue source;**

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

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>	<b>1</b>										
<b>Revenue By Source</b>											
Property rates	2	41,259	44,384	44,703	50,077	50,077	50,077	49,655	51,579	52,611	53,663
Service charges - electricity revenue	2	(5,080)	(5,200)	(7,900)	(7,900)	(7,900)	(8,000)	-	(9,200)	(10,347)	(11,500)
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	128	135	156	156	156	150	162	162	162
Rental of facilities and equipment		148	94	114	138	138	138	64	140	145	145
Interest earned - external investments		3,531	2,291	1,653	1,650	1,650	1,650	2,092	1,800	1,910	1,910
Interest earned - outstanding debtors		41,910	43,361	40,171	41,873	26,873	26,873	37,522	2,750	2,926	3,116
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		656	568	-	155	55	55	190	170	240	240
Licences and permits		-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		244,443	271,321	344,951	299,807	319,807	319,807	299,476	333,845	344,967	365,870
Other revenue	2	7,778	4,949	5,774	6,967	6,967	6,967	5,244	7,160	7,280	7,280
Gains		(348)	1,194	(1,434)	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>334,298</b>	<b>363,091</b>	<b>428,167</b>	<b>392,922</b>	<b>397,822</b>	<b>397,722</b>	<b>394,394</b>	<b>388,406</b>	<b>399,894</b>	<b>420,886</b>

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

The total revenue for the municipality excluding capital transfers amount to **R 388 million** for 2022/23, **R 399.9 million** for 2023/24 and **R 420.9 million** for 2024/25. The total amount for operational grants to be received for



2022/23 is **R 333.8 million**. For the two outer years the total operational grants to be received amounts to **R 344.9 million** and **R 365.8 million** for 2023/24 and 2024/25 financial years respectively.

Revenue from government grants forms a significant percentage of the total operating revenue for the municipality for all of the 2022/23 MTREF. This clearly indicate that our municipality is dependent on government grants which contribute 70.3 per cent of the total operating revenue in 2022/23 budget year and 71 percent in 2023/24 and 71.7 in 2024/25.

Revenue generated from property rates amount to **R 51.5 million** and the projected interest on property rates overdue accounts amounts to **R 2.9 million**. The projected interests were calculated considering the current outstanding accounts in the municipality's debtor's book. The total projected revenue from property rates when including the interests on overdue accounts amounts to **R 54.8 million** which is 85 per cent of the total own revenue budget for the 2022/23 financial year.

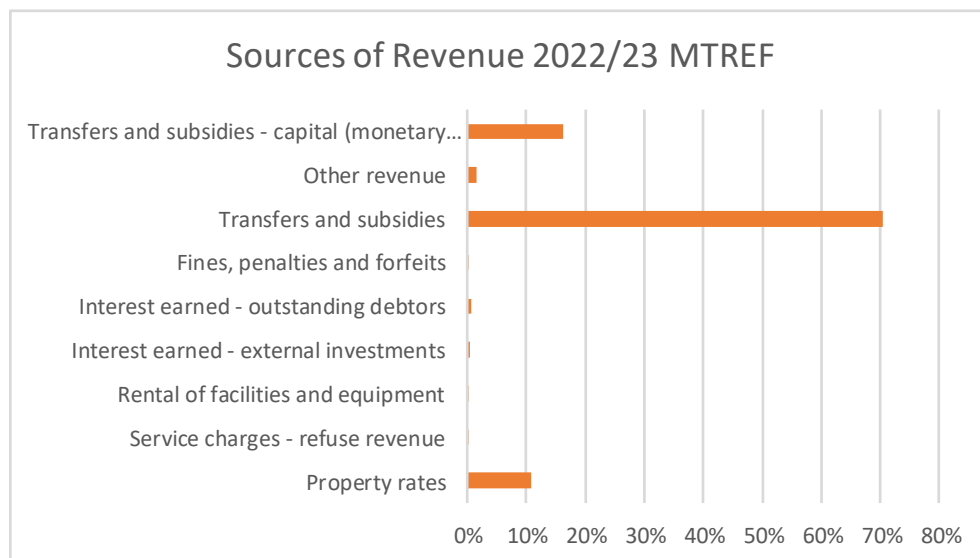
The revenue from Property rates is budgeted to grow to **R 52.6 million** in 2023/24 and **R 53.6 million** in 2024/25 financial year.

Revenue from Licenses and permits amount to **R 7 million** for 2022/23 budget year, **R 7.1 million** and **R 7.1 million** for 2023/24 and 2024/25 financial years respectively. The municipality is currently awaiting approval from the national department of transport to have the eNatis system operating from the municipal head office to accelerate the collection of revenue through the traffic licenses.

Other revenue consists of various items such as income received for selling tender documents, charges for suppliers database registration and other allocations from LG SITA for skills development.

The following graph indicates the total operational revenue per source and the percentage of each source to the total operational revenue of **R 474.5 million** for the 2022/23 financial year:

### Revenue per source graph





Sources	Amount	Percentage
Property rates	51,579	11%
Service charges - refuse revenue	162	0%
Rental of facilities and equipment	140	0%
Interest earned - external investments	1,800	0%
Interest earned - outstanding debtors	2,750	1%
Fines, penalties and forfeits	170	0%
Transfers and subsidies	333,845	70%
Other revenue	7,160	2%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	76,915	16%
	<b>474,521</b>	<b>100%</b>

### Operating Expenditure Framework

The municipality's expenditure framework for the 2022/23 budget and MTREF is informed by the following:

- The municipality's Spatial Development Framework.
- 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.
- Funding was allocated to only projects which have projects implementation plans to guard against under spending.
- The Demand management plan and procurement plan of the municipality.

The following table is a high level summary of the operating annual budget for 2022/23 and MTREF (classified per main type of operating expenditure):

**Table 5 Summary of operating expenditure by standard classification item**

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

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Expenditure By Type</b>											
Employee related costs	2	73,490	78,681	85,247	106,419	100,063	100,063	80,639	113,662	120,483	128,233
Remuneration of councillors		22,333	23,459	23,491	25,084	23,920	23,920	21,415	23,597	24,635	25,743
Debt impairment	3	63,133	73,332	71,777	41,873	6,873	6,873	374,764	7,340	7,810	8,318
Depreciation & asset impairment	2	28,680	31,551	33,762	29,199	35,486	35,486	27,233	37,189	38,826	40,573
Finance charges		490	1,839	1,517	-	-	-	-	-	-	-
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	-	(446)	(160)	3,500	2,500	2,500	3,324	2,620	2,735	2,858
Contracted services		200,323	165,298	140,554	112,662	173,775	173,775	132,667	127,224	100,886	91,678
Transfers and subsidies		6,252	9,068	4,777	5,200	7,200	7,200	6,634	9,200	10,347	11,500
Other expenditure	4, 5	59,818	47,462	38,685	37,339	39,253	39,253	41,088	54,120	49,129	51,466
Losses		-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>454,519</b>	<b>430,245</b>	<b>399,651</b>	<b>361,276</b>	<b>389,070</b>	<b>389,070</b>	<b>687,764</b>	<b>374,952</b>	<b>354,851</b>	<b>360,369</b>

### Employee Related Costs

The budget allocation for employee related costs for the 2022/23 financial year is **R 113.6 million**, which equals to 30 per cent of the total operating expenditure.

The total budget employee related costs has increased from **R 100 million** in 2021/22 adjusted budget to **R 113.6 million** in 2022/23 which reflect a 13.5 per cent increase. This is as a result of the inclusion of the vacant positions which couldn't be filled during the 2021/22 financial year together with other new vacant positions which are budgeted to be filled in the 2020/21 financial year.

As part of the municipality's cost reprioritization and cash management strategy to make enough funds available to fund capital projects, non-critical vacancies on the municipal structure were not funded. In addition, expenditure for overtime was only budgeted for the municipal drivers, political offices personnel and traffic officers for emergencies and strict measures has been put in place to ensure that it is not abused considering the cost containment measures as per MFMA circular number 82.

The following vacant positions are budgeted to be filled in the 2022/23 financial year.

POST	DEPARTMENT	MANAGEMENT
<b>POSTS ADVERTISED</b>		
Traffic Wardens (X8) - Permanent	Community Services	Lower Level Management
Labour Relations Officer (X1) - Permanent	Corporate Services	Lower Level Management
Management Rep: VTS (X1) - Permanent	Community Services	Lower Level Management
Examiner of Drivers Licence (X1) - Permanent	Community Services	Lower Level Management
Examiner: VTS (X1) - Permanent	Community Services	Lower Level Management
HIV/AIDS Officer (X1) - Permanent	Executive Support	Lower Level Management

Manager: Office of the Mayor (X1) - Linked to the term of Office of the Mayor	Executive Support	Middle Management
Receptionist (X1) - Permanent	Executive Support	Lower Level Management
VIP Protection Officer: Office of the Mayor (X2) - Linked to the term of Office of the Mayor	Executive Support	Lower Level Management
VIP Protection Officer: Office of the Speaker (X1) - Linked to the term of Office of the Speaker	Executive Support	Lower Level Management
Chauffer: Office of the Mayor (X1) - Linked to the term of Office of the Mayor	Executive Support	Lower Level Management
Chauffer: Office of the Speaker (X1) - Linked to the term of Office of the Speaker	Executive Support	Lower Level Management
Manager: Office of the Municipal Manager (X1) – 5 year contract	Office of the Municipal Manager	Middle Management
Cashier (X1) - Permanent	Budget & Treasury Office	Lower Level Management
Senior Town Planner (X1) - Permanent	Economic Development & Planning	Middle Management
GIS Officer (X1) - Permanent	Economic Development & Planning	Lower Level Management
<b>POSTS NOT ADVERTISED</b>		
Acquisition Officer (X1) - Permanent	Budget & Treasury Office	Lower Level Management
Senior Legal Services Officer (X1) - Permanent	Corporate Services	Middle Management
Manager: Intergovernmental Relations, Events & Protocol (X1) - Permanent	Executive Support	Middle Management
Personal Assistant (X1) - Contract	Executive Support	Non-Management Level
Bookkeeper: PMU (X1) - Permanent	Infrastructure Development	Non-Management Level
Heavy Duty Diesel Mechanic (X1) - Permanent	Infrastructure Development	Lower Level Management
Plant Operators (X2) - Permanent	Infrastructure Development	Lower Level Management
Operational Security Risk Officer (X1) - Permanent	MM's Office	Lower Level Management
Manager: Community & Social Services (X1) - Permanent	Community Services	Middle Management

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### 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 total budget for councillor allowances is **R 23.6 million** for 2022/23, **R 24.6 million** and **R 25.7 million** for 2023/24 and 2024/25 respectively. An increase was projected at 5 per cent for the 2019/20 financial year.

### Debt Impairment

The provision of debt impairment for 2019/20 was determined based on the Debt Write-off Policy of the municipality. For the 2022/23 financial year this amount equates to **R 7.3 million**, remains at **R 7.8 million** in 2023/24 and increases to **R 8.3 million** in 2024/25 respectively. This expenditure is projected for property rates debtors and is considered to be a non-cash flow item. This item is not cash funded as there is no service rendered that is associated with the billed debt and therefore no costs associated with rendering the services were determined, to require cash funding. Revenue generated from Property rates is used to fund this expenditure item to avoid cash flow problems that may arise when customers does not pay. For example, the expenditure for Debt recovery is funded through property rates as a percentage of the amount collected, which means, when there is no collection no expenditure will be incurred.

### Depreciation

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy and GRAP 17. The projections were made taking into consideration the municipality's assets value as recorded in the 2020/21 AFS and new acquisitions for the current year 2021/22 and 2022/23 budget year and the MTREF. Budget appropriations in this regard are **R 37.1 million** for the 2022/23 financial year and equates to 10.1 per cent of the total operating expenditure. It increases to **R 38.8 million** and **R 40.5 million** for 2023/24 and 2024/25 budget years respectively.

### Contracted Services

Contracted services comprises of security services, cleaning services, repairs and maintenance for infrastructure assets and operating leases for office equipment and machinery and maintenance of the landfill side. The budget on contracted service is **R 127 million** for the 2022/23 financial year, it decreases to **R 100.8million** and decreases to **R 91.8 million** in the 2023/24 and 2024/25 outer years.

Repairs and maintenance has been budgeted at 18% percent of the total operational budget and 21 per cent of the Asset value as per 2020/21 AFS taking in to consideration guidelines contained in MFMA circular number 66, 67, 70, 72, 74 ,75, 78, 79, 85, 86, 89,91,93,94,98 & 99.

### Other Expenditure

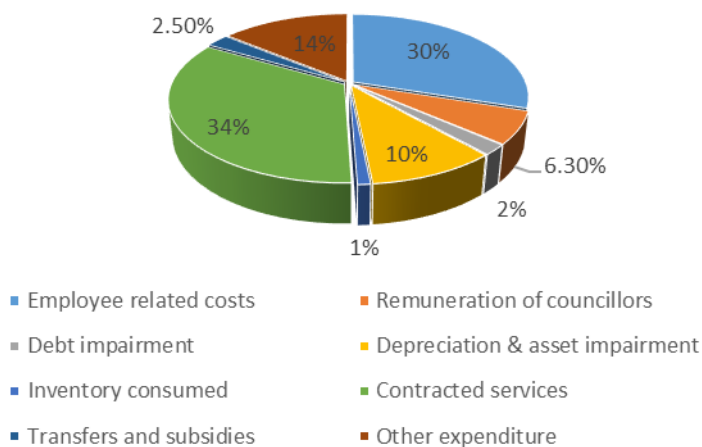
The municipality has also budgeted an amount of **R 54 million** on other general expenditure items for the 2022/23 financial year. The budget for the 2023/24 & 2024/25 is **R 49 million** & **R 51 million** for the general expenditure.

Furthermore, in compliance to the cost containment measures as approved by the cabinet, the municipality has reduced spending on excessive advertising, travelling, caterings, promotional materials and mandates that belong to other spheres of government for 2022/23 MTREF. For further details on other expenditure refer to table SA1.

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

Table 6 Main Operational Expenditure categories for 2022/23 financial year

### Sources of Expenditure 2022/2023 FY



Sources	Amount	Percentage
Employee related costs	113,662	30%
Remuneration of councillors	23,597	6.30%
Debt impairment	7,340	2%
Depreciation & asset impairment	37,189	10%
Inventory consumed	2,620	1%
Contracted services	127,224	34%
Transfers and subsidies	9,200	2.50%
Other expenditure	54,120	14%
	<b>374,952</b>	<b>100%</b>

### Free Basic Services: Electricity tokens

The municipality provides 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 license to provide 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 basic services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table MBRR Table A10 (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 and it has been allocated at **R 9.2 million** for 2022/23, **R 10.3million** and **R 11.5 million** for 2023/24 and 2024/25 respectively.

### Capital expenditure

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

LIM473 Makhuduthamaga - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>	<b>1</b>										
<b>Single-year expenditure appropriation</b>	<b>2</b>										
<b>Vote 2 - Finance &amp; Administration</b>		405,311	447,222	499,422	2,700	15,900	15,900	511,507	14,700	265	-
2.1 - Fleet Management		-	-	-	-	-	-	-	-	-	-
2.2 - Finance		1,431	3,597	-	-	-	-	-	-	-	-
2.3 - Asset Management		403,879	443,625	499,422	2,700	15,900	15,900	511,507	14,700	265	-
<b>Vote 3 - Finance &amp; Administration 2</b>		-	-	-	1,000	1,000	1,000	-	1,000	800	836
3.1 - Administrative and Corporate Support		-	-	-	-	-	-	-	-	-	-
3.2 - Information Technology		-	-	-	1,000	1,000	1,000	-	1,000	800	836
<b>Vote 4 - Community and Social Services</b>		2,257	2,257	2,257	-	-	-	2,257	-	-	-
4.2 - Community Halls and Facilities		-	-	-	-	-	-	-	-	-	-
		2,257	2,257	2,257	-	-	-	2,257	-	-	-
<b>Vote 5 - Planning and Development</b>		-	-	-	50	50	50	-	1,300	-	-
5.1 - Town Planning, Building Regulations and Enforcement		-	-	-	-	-	-	-	-	-	-
5.2 - Corporate Wide Strategic Planning (IDPs, LEDS)		-	-	-	-	-	-	-	-	-	-
5.3 - Economic Development/Planning		-	-	-	50	50	50	-	1,300	-	-
<b>Vote 7 - Energy Sources</b>		3,565	3,565	3,565	-	-	-	3,565	3,500	-	-
7.1 - Electricity		-	-	-	-	-	-	-	3,500	-	-
7.2 - Street Lighting and Signal Systems		3,565	3,565	3,565	-	-	-	3,565	-	-	-
<b>Vote 8 - Road Transport</b>		20,168	15,585	73,044	121,423	124,915	124,915	144,427	168,069	128,368	145,259
8.4 - Roads		20,168	15,585	73,044	121,423	124,915	124,915	144,427	168,069	128,368	145,259
<b>Vote 10 - Waste Management</b>		14,728	14,015	16,472	-	-	-	16,472	-	-	-
10.2 - Solid Waste Disposal (Landfill Sites)		-	-	-	-	-	-	-	-	-	-
		14,728	14,015	16,472	-	-	-	16,472	-	-	-
<b>Capital single-year expenditure sub-total</b>		446,029	482,645	594,760	125,173	141,865	141,865	678,229	188,569	129,433	146,095
<b>Total Capital Expenditure</b>		446,029	482,645	594,760	125,173	141,865	141,865	678,229	188,569	129,433	146,095

Table 3 2022/23 Medium-term capital budget per vote

### New and Existing Capital Assets

For 2022/23 an amount of **R 188.6 million** has been appropriated for the new capital expenditure which will be funded by MIG to the amount of **R 73 million** and equitable share & cash backed reserves to the amount of **R 115.6 million**. For 2023/24 and 2024/25 the budget has been appropriated at **R 129 million** and **R 146 million** respectively.

Infrastructure and Development vote is appropriated the highest allocation of **R 168 million** which amounts to 89 per cent of the total capital budget for 2022/23 to build roads and bridges, Corporate Services is allocated 0.5 per cent, Energy sources 2%, EDP 0.7% of the total capital budget. The remaining 7.7 per cent is allocated to Budget & Treasury Office.

**Below are the capital projects which form part of the total budgeted capital expenditure for the 2022/23 financial year and the MTREF:**

Project	Fund	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
Construction of Mochadi access road and bridge _ 2.9km	MIG	21,470,000.00		-
Construction of Manyeleti to Mamone central _ 2.6km	MIG	15,949,000.00	-	-
Construction of Malegase to Mapulane access road and bridge _3,5Km	MIG	11,976,000.00	-	-
Construction of Phaahla/Mamatjekele to Masehlaneng access road_ 10 km	MIG	1,450,000.00	13,536,250.00	21,000,000.00
Construction of access road and Bridge from Mathousand to Maraganeng	MIG	500,000.00	-	5,287,500.00
Construction of Rietfontein(Ngwaritsi) sports facility	MIG	9,536,250.00	5,463,750.00	-
Construction of access road from Jane Furse RDP to Mogorwane(5.8Km)	MIG	550,000.00	33,182,400.00	17,862,000.00
Construction Access road and bridge from Makgeru Moshate to Mantime Primary School(0.85Km)	MIG	11,088,000.00	-	-
Construction of Kome Internal Street phase2_ 4.2km	MIG	550,000.00	-	-
<b>Total MIG funded projects</b>		<b>73,069,250.00</b>	<b>52,182,400.00</b>	<b>44,149,500.00</b>
<b>Cash Backed Reserves (CBR) funded projects</b>				
Glen Cowie_Phokwane Old Post Office Access Road_ 7km	CBR	15,000,000.00	15,000,000.00	10,000,000.00
Construction Mashabala Machacha Access Road_5.5 km	CBR	20,500,000.00	-	-
Designs and Construction of Mamone Internal Street_ 4km	CBR	10,000,000.00	8,000,000.00	-
Construction of Maila Mapitsa_ Magolego Access Road_ 7.5km	CBR	5,000,000.00	15,000,000.00	15,000,000.00
<b>Total CBR funded projects</b>		<b>50,500,000.00</b>	<b>38,000,000.00</b>	<b>25,000,000.00</b>
<b>Equitable share funded projects</b>				
Upgrading of Marishane Sports facility Phase 2	E/S	5,000,000.00	-	-
Construction of Mokwete_ Molepane/Ntwane Access Roa _3.5km (10km overall)	E/S	18,000,000.00	20,000,000.00	20,000,000.00
Construction of Lobethal_ Tisane Access Road_4.2km	E/S	15,000,000.00	15,675,000.00	16,380,375.00
Construction of Access Road from motor gate wonderboom to R579_10km	E/S	500,000.00	522,500.00	546,012.50
Construction Road of Masemola Mashate to Mohloding / Mamatjekele access road_10km	E/S	500,000.00	522,500.00	546,012.50
Construction of Soetveld to Kgaruthuthu access Road_6km	E/S	500,000.00		6,200,000.00
Construction of Access road from Marulaneng to Manganeng(9Km)	E/S	-	-	18,000,000.00
<b>Total Equitable share funded projects</b>		<b>44,500,000.00</b>	<b>41,945,000.00</b>	<b>67,132,525.00</b>
<b>Total infrastructure projects</b>		<b>168,069,250.00</b>	<b>132,127,400.00</b>	<b>136,282,025.00</b>

Below are the consolidated detailed operational projects which form part of the total budgeted operational expenditure for the 2022/23 financial year and the MTREF:



Name	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Expenditure Budget 2024/25
<b>Excutive Support</b>					
<b>General Expenses</b>					
O0001/IE01581/F0041/X044/R0278/001/0000	Air Transport	Travel & Accomodation	18,000.00	20,000.00	20,900.00
O0001/IE00143/F0041/X044/R0278/001/0000	Car Rental	Travel & Accomodation	22,000.00	25,000.00	26,125.00
O0001/IE00062/F0041/X044/R0278/001/0000	Food and Beverage (Serve	Travel & Accomodation	85,000.00	89,000.00	93,005.00
O0001/IE00060/F0041/X044/R0278/001/0000	Accommodation	Travel & Accomodation	215,000.00	235,000.00	245,575.00
O0001/IE00144/F0041/X044/R0278/001/0000	Own Transport	Travel & Accomodation	88,894.59	92,805.95	96,982.22
			<b>428,894.59</b>	<b>461,805.95</b>	<b>482,587.22</b>
O1223-1/IE00059/F0041/X044/R0279/001/4520	National	Capacity Building Of Councilor	1,200,000.00	1,250,000.00	1,306,250.00
O0001/IE00586/F0041/X044/R0279/001/4520	Remuneration to Ward Com	Ward Committee Incentives	5,580,000.00	5,580,000.00	5,580,000.00
New account number to be allocated	Ward committee capacity bu	Ward committee capacity building	950,000.00	-	-
O0001/IE00592/F0041/X044/R0279/001/4520	Seating Allowance for Tr	Sitting Allowance	480,000.00	500,000.00	522,500.00
O1240-1/IE00571/F0041/X044/R0279/001/4520	Hire Charges	Public Participations	215,000.00	230,000.00	240,350.00
O1240-2/IE00703/F0041/X044/R0279/001/4520	Transport Services	Public Participations	65,000.00	70,000.00	73,150.00
O1240-1/IE00677/F0041/X044/R0279/001/4520	Catering Services	Public Participations	555,000.00	164,000.00	171,380.00
			<b>555,000.00</b>	<b>164,000.00</b>	<b>171,380.00</b>
O0001/IE00571/F0041/X044/R0278/001/4520	Hire Charges	Council Logistics	300,000.00	313,200.00	327,294.00
O0001/IE00677/F0041/X044/R0278/001/4520	Catering Services	Council Logistics	120,000.00	125,760.00	131,419.20
			<b>420,000.00</b>	<b>438,960.00</b>	<b>458,713.20</b>
O0001/IE00781/F0041/X044/R0278/001/4520	Total for All Other Coun	Whippery Support	200,000.00	55,000.00	57,475.00
New account number to be allocated	MPAC Projects	MPAC	600,000.00	626,400.00	654,588.00
O1293-1/IE00667/F0041/X044/R0278/001/4530	Stage and Sound Crew	Special Programmes	372,930.80	389,339.76	406,860.04
O1293-1/IE00677/F0041/X044/R0278/001/4530	Catering Services	Special Programmes	1,089,920.00	500,000.00	522,500.00
O1293-1/IE00754/F0041/X044/R0278/001/4530	Gifts and Promotional It	Special Programmes	1,422,974.40	450,000.00	470,250.00
O1293-1/IE00703/F0041/X044/R0278/001/4530	Transport Services	Special Programmes	217,774.40	100,000.00	104,500.00
O1293-1/IE00571/F0041/X044/R0278/001/4530	Hire Charges	Special Programmes	1,273,948.80	460,000.00	480,700.00
			<b>4,377,548.40</b>	<b>1,899,339.76</b>	<b>1,984,810.04</b>
O0001/IE00751/F0041/X044/R0278/001/4530	Corporate and Municipal	Corp Branding & Marketing	300,000.00	313,200.00	327,294.00
O0001/IE00769/F0041/X044/R0278/001/4530	Cellular Contract (Subsc	Multi-media bulk purchases	415,000.00	430,000.00	449,350.00
O0001/IE00583/F0045/X044/R0279/001/4530	Printing, Publications a	Publications	4,000,000.00	1,300,000.00	1,358,500.00
O1240-2/IE00667/F0041/X044/R0279/001/4530	Stage and Sound Crew	Outreach Programmes Mayor	209,000.00	218,000.00	227,810.00
O1240-2/IE00703/F0041/X044/R0279/001/4530	Transport Services	Outreach Programmes Mayor	215,000.00	220,000.00	229,900.00
O1240-2/IE00677/F0041/X044/R0279/001/4530	Catering Services	Outreach Programmes Mayor	420,000.00	445,000.00	465,025.00
O1240-2/IE00772/F0041/X044/R0279/001/4530	Radio and TV Transmissio	Outreach Programmes Mayor	300,000.00	340,000.00	355,300.00
O1240-2/IE00754/F0041/X044/R0279/001/4530	Gifts and Promotional It	Outreach Programmes Mayor	425,000.00	450,000.00	470,250.00
O1240-2/IE00571/F0041/X044/R0279/001/4530	Hire Charges	Outreach Programmes Mayor	520,000.00	535,000.00	559,075.00
			<b>6,089,000.00</b>	<b>3,508,000.00</b>	<b>3,665,860.00</b>
Name	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
<b>Municipal Manager's Office</b>					
<b>General Expenditure</b>					
O0001/IE00016/F0041/X056/R0278/001/4200	Business and Financial M	Risk Management Programmes	217,984.00	227,575.00	237,816.00
O0001/IE00833/F0041/X081/R0278/001/4200	Audit Committee	Perf Audit Committee Support	544,960.00	568,938.00	594,540.00
O0001/IE00015/F0041/X081/R0278/001/4200	Accounting and Auditing	Internal Audit programmes	2,500,000.00	566,000.00	1,636,470.00
			<b>3,262,944.00</b>	<b>1,362,513.00</b>	<b>2,468,826.00</b>





# Makhuduthamaga Local Municipality

# Draft Annual Budget and MTREF 2022/23

## Budget and Treasury

				37,189,190.44	38,825,514.82	40,572,662.99
<b>Contracted services</b>						
O1564-1/IE00651/F0041/X047/R0278/001/5200	Maintenance of Unspecifi	Rep & Main-Other Assets	2,900,000.00	3,000,000.00	3,950,000.00	
O0001/IE00678/F0041/X049/R0278/001/5200	Cleaning Services	Cleaning Services	5,617,486.66	5,864,656.08	6,128,565.60	
O0001/IE00698/F0041/X049/R0278/001/5200	Security Services	Security Services	19,159,001.74	20,001,997.81	20,902,087.72	
O0001/IE00805/F0041/X049/R0278/001/5200	Premiums	Insurance	1,742,195.20	1,818,851.79	1,900,700.12	
O0001/IE00835/F2496/X049/R0278/001/5200	Business and Financial M	Implementation of the mSCOA system	3,457,090.00	1,609,000.00	1,681,405.00	
O0001/IE00848/F2496/X049/R0278/001/5200	Valuer and Assessors	Mpra Expense	1,800,000.00	850,000.00	510,000.00	
O0001/IE00016/F0041/X049/R0278/001/5200	Business and Financial M	Financial Services Capacity	4,716,000.00	2,923,000.00	3,054,535.00	
O0001/IE00583/F0041/X049/R0278/001/5200	Printing, Publications a	Printing And Stationery	2,620,000.00	2,735,280.00	2,858,367.60	
O0001/IE00545/F0041/X049/R0278/001/5200	Machinery and Equipment	Contracted Services	3,563,200.00	3,719,980.80	3,887,379.94	
				<b>45,574,973.60</b>	<b>42,522,766.48</b>	<b>44,873,040.97</b>

## Genera Expenses

O0001/IE00605/F0041/X047/R0278/001/5200	Vehicle Tracking	Vehicle Tracking	97,988.00	102,299.47	106,902.95	
O0001/IE01581/F0041/X047/R0278/001/5200	Air Transport	Travel & Accommodation	32,697.60	34,136.29	35,672.43	
O0001/IE00143/F0041/X047/R0278/001/5200	Car Rental	Travel & Accommodation	32,697.60	34,136.29	35,672.43	
O0001/IE00060/F0041/X047/R0278/001/5200	Accommodation	Travel & Accommodation	54,496.00	56,893.82	59,454.05	
O0001/IE00062/F0041/X047/R0278/001/5200	Food and Beverage (Serve	Travel & Accommodation	54,391.20	56,784.41	59,339.71	
O0001/IE00060/F0041/X049/R0278/001/5200	Accommodation	Travel & Accommodation	126,661.60	132,234.71	138,185.27	
O0001/IE01581/F0041/X049/R0278/001/5200	Air Transport	Travel & Accommodation	32,666.16	34,103.47	35,638.13	
O0001/IE00062/F0041/X049/R0278/001/5200	Food and Beverage (Serve	Travel & Accommodation	54,443.60	56,839.12	59,396.88	
O0001/IE00061/F0041/X049/R0278/001/5200	Daily Allowance	Travel & Accommodation	54,443.60	56,839.12	59,396.88	
O0001/IE00143/F0041/X049/R0278/001/5200	Car Rental	Travel & Accommodation	17,299.91	18,061.11	18,873.86	
O0001/IE00144/F0041/X058/R0278/001/5200	Own Transport	Travel & Accommodation	253,196.80	264,337.46	276,232.64	
O0001/IE00062/F0041/X058/R0278/001/5200	Food and Beverage (Serve	Travel & Accommodation	27,248.00	28,446.91	29,727.02	
O0001/IE00759/F0041/X049/R0278/001/5200	Bank Accounts	Bank Charges	332,105.96	346,718.62	362,320.96	
O0001/IE00830/F0041/X049/R0278/001/5200	Accounting and Auditing	Audit Fees	5,000,000.00	5,750,000.00	5,900,000.00	
O0001/IE00579/F0041/X049/R0278/001/5200	Municipal Services	Electricity	2,724,800.00	2,844,691.20	2,972,702.30	
O0001/IE00607/F0041/X050/R0279/001/5200	Wet Fuel	Plant : Fuel And Oil	5,166,640.00	5,393,972.16	5,636,700.91	
O0001/IE00808/F0041/X050/R0278/001/5200	Motor Vehicle Licence an	Fleet Management And System	255,188.00	266,416.27	278,405.00	
O0001/IE00758/F0041/X049/R0278/001/5200	Tenders	Advertising	209,600.00	218,822.40	228,669.41	
				<b>14,526,564.03</b>	<b>15,695,732.85</b>	<b>16,293,290.83</b>

Name	Project	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
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## Community Services

### General expenses

O0001/IE00060/F0041/X006/R0278/001/5066	Municipal Running Cost	Accommodation	Travel & Accommodation	108,300.00	113,100.00	118,189.50
O0001/IE00062/F0041/X006/R0278/001/5066	Municipal Running Cost	Food and Beverage (Serve	Travel & Accommodation	43,350.00	45,300.00	47,338.50
O0001/IE01583/F0041/X006/R0278/001/5066	Municipal Running Cost	Road Transport	Travel and Accommodation	32,500.00	33,900.00	35,425.50
O0001/IE00143/F0041/X006/R0278/001/5066	Municipal Running Cost	Car Rental	Travel & Accommodation	43,300.00	45,200.00	47,234.00
O0001/IE00144/F0041/X006/R0278/001/5066	Municipal Running Cost	Own Transport	Travel & Accommodation	54,200.00	56,600.00	59,147.00
				<b>281,650.00</b>	<b>294,100.00</b>	<b>307,334.50</b>

Name	Project	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
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## Public Safety

### General Expenditure

O0001/IE00632/F0041/X153/R0279/001/8510	Municipal Running Cost	Catering Services	Road safety awareness campaign	100,000.00	104,400.00	109,098.00
O0001/IE00632/F0041/X153/R0279/001/8511	Municipal Running Cost	Intergrated Transport Plan	Intergrated Transport Plan	100,000.00	-	-

**Total General Expenditure** 200,000.00 104,400.00 109,098.00

Name	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
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## Sports Parks and Recreation

### General expenditure

O1333-1/IE00751/F0041/X125/R0279/001/8550	Corporate and Municipal	Sports & Culture Promotions	1,100,000.00	1,148,400.00	1,200,078.00
			<b>1,100,000.00</b>	<b>1,148,400.00</b>	<b>1,200,078.00</b>

Name		Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25	
Disaster Management							
O1265-1/IE01312/F0041/X019/R0279/001/8250		Clothing Provided	Disaster Relief Fund	800,000.00	835,200.00	872,784.00	
O1265-1/IE01321/F0041/X019/R0279/001/8250		Social Relief	Disaster Relief Fund	1,400,000.00	1,461,600.00	1,527,372.00	
O1265-1/IE01321/F0041/X019/R0279/001/8250		Social Relief	Disaster Awareness	100,000.00	150,000.00	200,000.00	
1/IE00573/F0041/X019/R5381/001/8250		Social Relief	Disaster Relief Fund	419,200.00	437,644.80	457,338.82	
				2,719,200.00	2,884,444.80	3,057,494.82	
Name		Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25	
Corporate Services							
General expenditure							
O0001/IE00579/F0041/X046/R0278/001/5520		Municipal Services	Telecommunications	1,089,920.00	1,137,876.48	1,189,080.92	
O1227-1/IE03752/F0041/X046/R0278/001/5520		Bursaries (Non-Employee)	Bursary Fund.	3,500,000.00	4,000,000.00	4,500,000.00	
O0001/IE01583/F0041/X046/R0278/001/5520		Road Transport	Travel and Accomodation	35,500.00	37,000.00	38,665.00	
O0001/IE01581/F0041/X046/R0278/001/5520		Air Transport	Travel & Accomodation	28,400.00	29,600.00	30,932.00	
O0001/IE00062/F0041/X046/R0278/001/5520		Food and Beverage (Serve	Travel & Accomodation	284,000.00	296,500.00	309,842.50	
O0001/IE00143/F0041/X046/R0278/001/5520		Car Rental	Travel & Accomodation	28,400.00	29,600.00	30,932.00	
O0001/IE00144/F0041/X046/R0278/001/5520		Own Transport	Travel & Accomodation	14,200.00	14,800.00	15,466.00	
O0001/IE00060/F0041/X046/R0278/001/5520		Accommodation	Travel & Accomodation	284,000.00	593,000.00	619,685.00	
O0001/IE00059/F0041/X046/R0278/001/5520		National	Training-Staff	1,650,000.00	700,000.00	800,000.00	
O1297-1/IE00571/F0041/X046/R0278/001/5520		Hire Charges	Development Of Ohs Standards	1,000,000.00	650,000.00	750,000.00	
O0001/IE00757/F0041/X051/R0278/001/5520		Staff Recruitment	Advertising	330,000.00	340,000.00	355,300.00	
O0001/IE00584/F0041/X051/R0278/001/5520		Professional Bodies, Mem	Administration Expenses	1,200,800.00	1,253,635.20	1,310,048.78	
O0001/IE00060/F0041/X051/R0278/001/5520		Accommodation	Travel & Accomodation	125,000.00	130,500.00	136,372.50	
O0001/IE00144/F0041/X051/R0278/001/5520		Own Transport	Travel & Accomodation	12,000.00	15,000.00	15,675.00	
O0001/IE00143/F0041/X051/R0278/001/5520		Car Rental	Travel & Accomodation	20,800.00	21,700.00	22,676.50	
O0001/IE01581/F0041/X051/R0278/001/5520		Air Transport	Travel & Accomodation	16,500.00	17,000.00	17,765.00	
O0001/IE00062/F0041/X051/R0278/001/5520		Food and Beverage (Serve	Travel & Accomodation	83,400.00	88,000.00	91,960.00	
O0001/IE00060/F0041/X052/R0278/001/5520		Accommodation	Travel & Accomodation	62,500.00	65,300.00	68,238.50	
O0001/IE00143/F0041/X052/R0278/001/5520		Car Rental	Travel & Accomodation	10,400.00	10,900.00	11,390.50	
O0001/IE00144/F0041/X052/R0278/001/5520		Own Transport	Travel & Accomodation	5,200.00	5,400.00	5,643.00	
O0001/IE00062/F0041/X052/R0278/001/5520		Food and Beverage (Serve	Travel & Accomodation	31,300.00	32,800.00	34,276.00	
O0001/IE01581/F0041/X052/R0278/001/5520		Air Transport	Travel & Accomodation	10,400.00	10,900.00	11,390.50	
O0001/IE00060/F0041/X053/R0278/001/5520		Accommodation	Travel & Accomodation	55,000.00	58,000.00	60,610.00	
O0001/IE00062/F0041/X053/R0278/001/5520		Food and Beverage (Serve	Travel & Accomodation	18,000.00	20,000.00	20,900.00	
O0001/IE00144/F0041/X053/R0278/001/5520		Own Transport	Travel & Accomodation	12,500.00	13,000.00	13,585.00	
O0001/IE00143/F0041/X053/R0278/001/5520		Car Rental	Travel & Accomodation	10,000.00	12,000.00	12,540.00	
O0001/IE01581/F0041/X053/R0278/001/5520		Air Transport	Travel & Accomodation	5,200.00	5,500.00	5,747.50	
O0001/IE00008/F0041/X064/R0278/001/5520		Legal Advice and Litigat	Legal Costs and Development of By-Laws	1,828,750.00	1,909,215.00	1,995,129.68	
O0001/IE00604/F0041/X046/R0279/001/5520		Protective clothing	Protective clothing	1,000,000.00	800,000.00	900,000.00	
O0001/IE00753/F0041/X054/R0278/001/5520		Customer/Client Informat	Customer Care	500,000.00	522,000.00	547,056.00	
O0001/IE00753/F0041/X054/R0278/001/5521		Internal Bursaries (Employees)	Internal Bursaries (Employees)	300,000.00	500,000.00	700,000.00	
				13,552,170.00	13,319,226.68	14,620,907.88	
Name		Project	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
Roads and Bridges							
General expenses							
O1278-2/IE00599/F1169/X116/R0279/001/7500		EPWP Projects	Supplier Development Pro	EPWP Expense	4,758,526.92	4,967,902.10	5,191,457.70
					4,758,526.92	4,967,902.10	5,191,457.70

Name	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
<b>Technical Services</b>					
<b>General expenditure</b>					
O0001/IE01581/F0041/X099/R0278/001/7350	Air Transport	Travel & Accomodation	14,672.00	15,318.00	16,007.00
O0001/IE01583/F0041/X099/R0278/001/7350	Road Transport	Travel & Accomodation	29,134.00	30,416.00	31,785.00
O0001/IE00144/F1182/X099/R0278/001/7350	Own Transport	Travel & Accomodation	145,672.00	152,082.00	158,926.00
O0001/IE00143/F0041/X099/R0278/001/7350	Car Rental	Travel & Accomodation	43,702.00	45,625.00	47,678.00
O0001/IE00060/F0041/X099/R0278/001/7350	Accommodation	Travel & Accomodation	101,656.00	106,129.00	110,905.00
O0001/IE00062/F0041/X099/R0278/001/7350	Food and Beverage (Serve	Travel & Accomodation	43,702.00	45,625.00	47,678.00
			<b>378,538.00</b>	<b>395,195.00</b>	<b>412,979.00</b>

Name	Project	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
<b>Economic Development and Planning</b>						

<b>General Expenses</b>						
O0001/IE00060/F0041/X098/R0278/001/6200	Municipal Running Cost	Accommodation	Travel & Accomodation	76,221.04	79,574.77	83,155.63
O0001/IE01583/F0041/X098/R0278/001/6200	Municipal Running Cost	Road Transport	Travel & Accomodation	21,777.44	22,735.65	23,758.75
O0001/IE01581/F0041/X098/R0278/001/6200	Municipal Running Cost	Air Transport	Travel & Accomodation	10,888.72	11,367.82	11,879.38
O0001/IE00062/F0041/X098/R0278/001/6200	Municipal Running Cost	Food and Beverage (Serve	Travel & Accomodation	32,666.16	34,103.47	35,638.13
O0001/IE00143/F0041/X098/R0278/001/6200	Municipal Running Cost	Car Rental	Travel & Accomodation	21,777.44	22,735.65	23,758.75
O0001/IE00144/F0041/X098/R0278/001/6200	Municipal Running Cost	Own Transport	Travel & Accomodation	32,666.16	34,103.47	35,638.13
O0025-3/IE00850/F0041/X101/R0279/001/6200	Building Regulations Awa	Architectural	Building Standards	60,000.00	-	-
O0025-1/IE00855/F2496/X098/R0279/001/6200	Spatial Planning (Demarc	Land and Quantity Survey	Spatial Planning (Demarcation of sites)	1,300,000.00	1,500,000.00	-
O0025-2/IE00001/F2495/X098/R0279/001/6200	Formalisation of Jane Fu	Town Planner	Establishment and Formalisation of Jane Furse Township	1,500,000.00	-	-
O0001/IE00848/F0041/X098/R0279/001/6200	Municipal Running Cost	Valuer and Assessors	Process of Acquiring Land	200,000.00	700,000.00	-
O0025-4/IE00853/F0041/X101/R0279/001/6200	GIS (Geographic Informat	Geoinformatic Services	GIS (Geographic Information System)	-	-	-
O1302-3/IE00843/F0041/X098/R0279/001/6200		Fire Engineering Studies	Fire Engineering Studies	500,000.00	-	-
				<b>3,755,996.96</b>	<b>2,404,620.83</b>	<b>213,828.76</b>

Name	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
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<b>Local Economic Development</b>					
<b>General expense</b>					
O1302-2/IE00835/F0041/X098/R0279/001/6250	LED Strategic Plan	LED Strategic Plan	50,000.00	-	-
O1249-1/IE03755-1/F2496/X096/R0279/001/6250	SMME Support	Smme Support	3,000,000.00	3,500,000.00	4,000,000.00
O1249-2/IE01361/F0041/X096/R0279/001/6250	Capacity Building Workshops Conducted	Smme Support	500,000.00	550,000.00	600,000.00
O1217-1/IE00843/F0041/X096/R0279/001/6250	Business plan for Apel Cross Agricultural scheme developed	Smme Support	1,300,000.00	-	-
O1243-1/IE00847/F0041/X096/R0279/001/6250	Feasibility Study Conducted	LED Strategic Plan	800,000.00	-	-
O1354-1/IE00571/F0041/X096/R0279/001/6250	Hire Charges	Hire Charges	50,000.00	-	-
			<b>5,700,000.00</b>	<b>4,050,000.00</b>	<b>4,600,000.00</b>

Name	Item	Old description	Final Annual Expenditure Budget 2022/23	Final Annual Expenditure Budget 2023/24	Final Annual Expenditure Budget 2024/25
<b>Waste Management</b>					

<b>General Expenses</b>					
O0001/IE00632/F0041/X039/R0279/001/7750	Catering Services	Environmental awareness Campaigns	65,000.00	68,000.00	71,060.00
O0001/IE00651/F0041/X004/R0279/001/7750	Maintenance of Unspecifi	Fencing of Cemeteries	800,000.00	1,150,000.00	1,201,750.00
			<b>865,000.00</b>	<b>1,218,000.00</b>	<b>1,272,810.00</b>

## 2.3 ANNUAL BUDGET TABLES (A1 to A10)

The following are the ten main A schedule tables for the annual budget of Makhuduthamaga municipality for the 2022/23 MTREF

### 2.3.1 Table 7 MBRR A1 – Annual Budget Summary



# Makhuduthamaga Local Municipality

# Draft Annual Budget and MTREF 2022/23

LIM473 Makhuduthamaga - Table A1 Budget Summary

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	41,259	44,384	44,703	50,077	50,077	50,077	49,655	51,579	52,611	53,663
Service charges	(5,080)	(5,072)	(7,765)	(7,744)	(7,744)	(7,844)	150	(9,039)	(10,185)	(11,339)
Investment revenue	3,531	2,291	1,653	1,650	1,650	1,650	2,092	1,800	1,910	1,910
Transfers recognised - operational	244,443	271,321	344,951	299,807	319,807	319,807	299,476	333,845	344,967	365,870
Other own revenue	50,144	50,167	44,625	49,133	34,033	34,033	43,021	10,220	10,591	10,781
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>334,298</b>	<b>363,091</b>	<b>428,167</b>	<b>392,922</b>	<b>397,822</b>	<b>397,722</b>	<b>394,394</b>	<b>388,406</b>	<b>399,894</b>	<b>420,886</b>
Employee costs	73,490	78,681	85,247	106,419	100,063	100,063	80,639	113,662	120,483	128,233
Remuneration of councillors	22,333	23,459	23,491	25,084	23,920	23,920	21,415	23,597	24,635	25,743
Depreciation & asset impairment	28,680	31,551	33,762	29,199	35,486	35,486	27,233	37,189	38,826	40,573
Finance charges	490	1,839	1,517	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	-	(446)	(160)	3,500	2,500	2,500	3,324	2,620	2,735	2,858
Transfers and grants	6,252	9,068	4,777	5,200	7,200	7,200	6,634	9,200	10,347	11,500
Other expenditure	323,274	286,092	251,017	191,874	219,900	219,900	548,519	188,684	157,825	151,462
<b>Total Expenditure</b>	<b>454,519</b>	<b>430,245</b>	<b>399,651</b>	<b>361,276</b>	<b>389,070</b>	<b>389,070</b>	<b>687,764</b>	<b>374,952</b>	<b>354,851</b>	<b>360,369</b>
<b>Surplus/(Deficit)</b>	<b>(120,221)</b>	<b>(67,155)</b>	<b>28,517</b>	<b>31,646</b>	<b>8,753</b>	<b>8,653</b>	<b>(293,370)</b>	<b>13,454</b>	<b>45,043</b>	<b>60,516</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	86,735	62,122	70,953	85,627	65,627	65,627	51,985	76,915	74,072	77,430
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(33,486)</b>	<b>(5,033)</b>	<b>99,469</b>	<b>117,273</b>	<b>74,380</b>	<b>74,280</b>	<b>(241,385)</b>	<b>90,369</b>	<b>119,115</b>	<b>137,946</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(33,486)</b>	<b>(5,033)</b>	<b>99,469</b>	<b>117,273</b>	<b>74,380</b>	<b>74,280</b>	<b>(241,385)</b>	<b>90,369</b>	<b>119,115</b>	<b>137,946</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>446,029</b>	<b>482,645</b>	<b>594,760</b>	<b>125,173</b>	<b>141,865</b>	<b>141,865</b>	<b>678,229</b>	<b>188,569</b>	<b>129,433</b>	<b>146,095</b>
Transfers recognised - capital	8,760	8,760	61,029	58,212	72,261	72,261	101,503	73,069	70,368	73,559
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	437,269	473,885	533,731	66,961	69,604	69,604	576,726	115,500	59,065	72,536
<b>Total sources of capital funds</b>	<b>446,029</b>	<b>482,645</b>	<b>594,760</b>	<b>125,173</b>	<b>141,865</b>	<b>141,865</b>	<b>678,229</b>	<b>188,569</b>	<b>129,433</b>	<b>146,095</b>
<b>Financial position</b>										
Total current assets	419,246	501,584	578,825	108,757	117,532	117,532	306,165	100,862	126,279	138,529
Total non current assets	317,981	323,388	384,123	348,666	442,876	442,876	900,249	489,630	130,276	146,937
Total current liabilities	401,035	494,528	527,524	(556,383)	36,281	36,281	415,796	(218,162)	(166,171)	(146,153)
Total non current liabilities	80,485	80,979	84,487	23,503	23,503	23,503	(84,487)	24,701	26,100	27,275
Community wealth/Equity	337,035	337,035	337,035	397,640	500,625	500,625	(1,466,870)	783,953	396,625	404,344
<b>Cash flows</b>										
Net cash from (used) operating	-	-	-	125,961	231,830	231,830	-	159,430	176,363	199,528
Net cash from (used) investing	-	-	-	(125,173)	(141,865)	(141,865)	-	(188,569)	(129,433)	(146,095)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,899</b>	<b>104,325</b>	<b>104,325</b>	<b>-</b>	<b>75,185</b>	<b>122,115</b>	<b>175,549</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	9,052	11,261	14,381	51,549	104,325	104,325	167,239	75,185	105,237	117,858
Application of cash and investments	494,641	578,148	612,455	(549,576)	29,497	29,497	333,381	(229,526)	(171,908)	(151,335)
<b>Balance - surplus (shortfall)</b>	<b>(485,589)</b>	<b>(566,887)</b>	<b>(598,074)</b>	<b>601,126</b>	<b>74,828</b>	<b>74,868</b>	<b>(166,142)</b>	<b>304,711</b>	<b>277,146</b>	<b>269,193</b>
<b>Asset management</b>										
Asset register summary (WDV)	317,981	323,388	384,123	348,666	442,876	442,876	442,876	489,630	130,276	146,937
Depreciation	27,282	31,551	33,762	29,199	35,486	35,486	35,486	37,189	38,826	40,573
Renewal and Upgrading of Existing Assets	7,284	8,290	4,693	2,000	-	-	-	10,000	-	-
Repairs and Maintenance	51,411	56,989	66,900	28,400	67,349	67,349	67,349	18,090	18,564	20,214
<b>Free services</b>										
Cost of Free Basic Services provided	5,080	5,200	7,900	7,900	7,900	8,000	9,200	9,200	10,347	11,500
Revenue cost of free services provided	(1,565)	(1,682)	(1,694)	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

### 2.3.2 Table MBRR A2 – Budgeted Financial Performance (Functional Classification)

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

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		422,983	427,049	503,632	486,449	471,349	471,349	474,521	484,312	509,816
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		422,983	427,049	503,632	486,449	471,349	471,349	474,521	484,312	509,816
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	<b>2</b>	<b>422,983</b>	<b>427,049</b>	<b>503,632</b>	<b>486,449</b>	<b>471,349</b>	<b>471,349</b>	<b>474,521</b>	<b>484,312</b>	<b>509,816</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		267,372	273,635	270,852	233,043	230,822	230,822	248,750	246,449	260,863
Executive and council		69,390	60,935	55,636	59,933	65,827	65,827	72,200	68,574	71,945
Finance and administration		193,432	207,974	211,593	171,490	161,874	161,874	173,505	176,741	186,687
Internal audit		4,550	4,726	3,623	1,620	3,120	3,120	3,045	1,135	2,231
<i>Community and public safety</i>		28,426	24,111	25,591	33,738	30,477	30,477	35,796	37,200	39,510
Community and social services		7,403	17,935	22,344	13,191	25,896	25,896	12,945	14,058	14,929
Sport and recreation		2,016	714	502	600	1,101	1,101	1,100	1,148	1,200
Public safety		13,169	2,286	67	17,747	180	180	19,251	19,994	21,291
Housing		5,839	3,176	2,677	2,200	3,300	3,300	2,500	2,000	2,090
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		116,203	98,248	69,065	43,964	70,752	70,752	50,055	38,248	38,326
Planning and development		13,444	10,359	13,410	16,471	17,471	17,471	19,355	16,980	16,015
Road transport		102,567	87,716	55,655	27,492	53,280	53,280	30,700	21,268	22,311
Environmental protection		193	173	–	–	–	–	–	–	–
<i>Trading services</i>		45,372	37,296	36,652	50,531	57,019	57,019	40,350	32,954	21,670
Energy sources		20,255	9,632	5,474	27,785	25,785	25,785	12,074	6,354	6,653
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		25,117	27,664	31,179	22,746	31,234	31,234	28,276	26,600	15,017
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>457,374</b>	<b>433,290</b>	<b>402,160</b>	<b>361,276</b>	<b>389,070</b>	<b>389,070</b>	<b>374,952</b>	<b>354,851</b>	<b>360,369</b>
<b>Surplus/(Deficit) for the year</b>		<b>(34,391)</b>	<b>(6,242)</b>	<b>101,472</b>	<b>125,173</b>	<b>82,280</b>	<b>82,280</b>	<b>99,569</b>	<b>129,462</b>	<b>149,446</b>



### 2.3.3 Table MBRR A3 – Budgeted Financial Performance (Municipal Vote)



# Makhuduthamaga Local Municipality

# Draft Annual Budget and MTREF 2022/23

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

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>										
<b>Revenue by Vote</b>	1									
<b>Vote 1 - Executive &amp; Council</b>		-	-	-	-	-	-	-	-	-
1.1 - Mayor and Council		-	-	-	-	-	-	-	-	-
1.2 - Municipal Manager, Town Secretary and Chief Executive Officer		-	-	-	-	-	-	-	-	-
<b>Vote 2 - Finance &amp; Administration</b>		422 983	427 049	503 632	486 449	471 349	471 349	474 521	484 312	509 816
2.1 - Fleet Management		-	-	-	-	-	-	-	-	-
2.2 - Finance		423 179	426 956	503 600	486 449	471 349	471 349	474 521	484 312	509 816
2.3 - Asset Management		(196)	93	32	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	422 983	427 049	503 632	486 449	471 349	471 349	474 521	484 312	509 816
<b>Expenditure by Vote</b>	1									
<b>Vote 1 - Executive &amp; Council</b>		69 390	60 935	55 636	59 933	65 827	65 827	72 200	68 574	71 945
1.1 - Mayor and Council		65 143	56 213	50 577	47 467	53 400	53 400	58 886	54 403	56 853
1.2 - Municipal Manager, Town Secretary and Chief Executive Officer		4 247	4 722	5 059	12 466	12 427	12 427	13 314	14 170	15 091
<b>Vote 2 - Finance &amp; Administration</b>		170 273	184 742	191 638	155 219	138 309	138 309	144 397	147 206	155 126
2.1 - Fleet Management		3 421	3 366	4 365	3 124	5 174	5 174	5 422	5 660	5 915
2.2 - Finance		118 508	134 888	133 470	105 206	71 348	71 348	79 356	78 804	82 353
2.3 - Asset Management		33 482	33 493	36 772	34 965	45 619	45 619	44 106	46 094	49 063
2.4 - Human Resources		6 012	4 706	6 798	4 395	7 019	7 019	5 850	6 368	6 912
2.5 - Legal Services		2 426	1 434	4 296	2 271	3 574	3 574	3 617	3 871	4 082
		-	-	-	-	-	-	-	-	-
2.7 - Risk Management		1 298	1 321	1 225	208	208	208	218	228	238
2.8 - Supply Chain Management		4 876	5 066	4 711	4 852	5 167	5 167	5 328	5 659	6 017
2.9 - Marketing, Customer Relations, Publicity and Media Co-ordination		248	468	-	200	200	200	500	522	547
		-	-	-	-	-	-	-	-	-
<b>Vote 3 - Finance &amp; Administration 2</b>		23 159	23 232	19 955	16 271	23 565	23 565	29 108	29 534	31 561
3.1 - Administrative and Corporate Support		12 408	12 444	6 830	10 940	8 935	8 935	14 360	14 083	15 356
3.2 - Information Technology		10 752	10 788	13 126	5 331	14 630	14 630	14 748	15 451	16 205
<b>Vote 4 - Community and Social Services</b>		7 403	17 935	22 344	13 191	25 896	25 896	12 945	14 058	14 929
		-	-	-	-	-	-	-	-	-
4.2 - Community Halls and Facilities		2 703	13 203	16 378	8 956	21 409	21 409	8 801	9 359	9 962
4.3 - Libraries and Archives		1 418	1 582	1 920	-	-	-	-	-	-
4.4 - Cemeteries, Funeral Parlours and Crematoriums		1 235	1 070	908	1 050	1 050	1 050	800	1 150	1 202
4.5 - Disaster Management		2 046	2 080	3 138	3 185	3 436	3 436	3 344	3 549	3 765
<b>Vote 5 - Planning and Development</b>		13 444	10 359	13 410	16 471	17 471	17 471	19 355	16 980	16 015
5.1 - Town Planning, Building Regulations and Enforcement		790	522	1 485	1 150	2 000	2 000	60	-	-
5.2 - Corporate Wide Strategic Planning (IDPs, LEDs)		1 175	1 617	495	3 548	4 548	4 548	7 838	6 378	7 080
5.3 - Economic Development/Planning		9 086	5 098	7 916	8 615	7 765	7 765	8 092	7 029	5 139
5.4 - Project Management Unit		2 392	3 122	3 514	3 158	3 158	3 158	3 365	3 573	3 797
<b>Vote 6 - Internal Audit</b>		4 550	4 726	3 623	1 620	3 120	3 120	3 045	1 135	2 231
6.1 - Governance Function		4 550	4 726	3 623	1 620	3 120	3 120	3 045	1 135	2 231
<b>Vote 7 - Energy Sources</b>		20 255	9 632	5 474	27 785	25 785	25 785	12 074	6 354	6 653
7.1 - Electricity		19 606	9 029	4 871	27 200	25 200	25 200	11 450	5 689	5 945
7.2 - Street Lighting and Signal Systems		649	603	602	585	585	585	625	665	708
<b>Vote 8 - Road Transport</b>		102 567	87 716	55 655	27 492	53 280	53 280	30 700	21 268	22 311
8.4 - Roads		102 567	87 716	55 655	27 492	53 280	53 280	30 700	21 268	22 311
<b>Vote 9 - Public Safety</b>		13 169	2 286	67	17 747	180	180	19 251	19 994	21 291
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
9.3 - Police Forces, Traffic and Street Parking Control		13 169	2 286	67	17 747	180	180	19 251	19 994	21 291
<b>Vote 10 - Waste Management</b>		25 310	27 837	31 179	22 746	31 234	31 234	28 276	26 600	15 017
		-	-	-	-	-	-	-	-	-
10.2 - Solid Waste Disposal (Landfill Sites)		25 078	25 902	28 935	18 971	27 426	27 426	24 265	22 332	10 472
10.3 - Solid Waste Removal		39	1 762	2 244	3 775	3 809	3 809	4 011	4 268	4 545
10.4 - Pollution Control		193	173	-	-	-	-	-	-	-
<b>Vote 11 - Sports &amp; Recreation</b>		2 016	714	502	600	1 101	1 101	1 100	1 148	1 200
		-	-	-	-	-	-	-	-	-
11.2 - Sports Grounds and Stadiums		2 016	714	502	600	1 101	1 101	1 100	1 148	1 200
<b>Vote 14 - Housing</b>		5 839	3 176	2 677	2 200	3 300	3 300	2 500	2 000	2 090
14.1 - Housing		5 839	3 176	2 677	2 200	3 300	3 300	2 500	2 000	2 090
<b>Total Expenditure by Vote</b>	2	457 374	433 290	402 160	361 276	389 070	389 070	374 952	354 851	360 369
<b>Surplus/(Deficit) for the year</b>	2	(34 391)	(6 242)	101 472	125 173	82 280	82 280	99 569	129 462	149 446



### 2.3.4 Table MBRR A4 – Budgeted Financial Performance (Operational Revenue and Expenditure)

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

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1										
<b>Revenue By Source</b>											
Property rates	2	41,259	44,384	44,703	50,077	50,077	50,077	36,501	51,579	52,611	53,663
Service charges - electricity revenue	2	(5)	(5)	(8)	(8)	(8)	(8)	–	(8)	(8)	(8)
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	–	128	135	156	156	156	113	162	162	162
Rental of facilities and equipment		148	94	114	138	138	138	50	140	145	145
Interest earned - external investments		3,531	2,291	1,653	1,650	1,650	1,650	1,254	1,800	1,910	1,910
Interest earned - outstanding debtors		41,910	43,361	40,171	41,873	26,873	26,873	26,685	2,750	2,926	3,116
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		656	568	–	155	55	55	117	170	240	240
Licences and permits		–	–	–	–	–	–	–	–	–	–
Agency services		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies		244,443	271,321	344,951	299,807	319,807	319,807	225,021	327,845	344,967	365,870
Other revenue	2	7,778	4,949	5,774	6,967	6,967	6,967	3,869	7,160	7,280	7,280
Gains		(348)	1,194	(1,434)	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		339,373	368,285	436,060	400,814	405,714	405,714	293,609	391,598	410,232	432,378
<b>Expenditure By Type</b>											
Employee related costs	2	73,490	78,681	85,247	106,419	100,063	100,063	59,013	113,662	120,483	128,233
Remuneration of councillors		22,333	23,459	23,491	25,084	23,920	23,920	15,512	25,086	26,190	27,369
Debt impairment	3	63,133	73,332	71,777	41,873	6,873	6,873	–	7,340	7,810	8,318
Depreciation & asset impairment	2	28,680	31,551	33,762	29,199	35,486	35,486	–	37,189	38,826	40,573
Finance charges		490	1,839	1,517	–	–	–	–	–	–	–
Bulk purchases - electricity	2	–	–	–	–	–	–	–	–	–	–
Inventory consumed	8	–	(446)	(160)	3,500	2,500	2,500	2,066	2,620	2,735	2,858
Contracted services		200,323	165,298	140,554	112,662	173,775	173,775	93,042	129,677	111,268	98,303
Transfers and subsidies		6,252	9,068	4,777	5,200	7,200	7,200	5,124	9,129	10,272	11,422
Other expenditure	4, 5	59,818	47,462	38,685	37,339	39,253	39,253	30,689	52,376	52,751	55,323
Losses		–	–	–	–	–	–	–	–	–	–
Total Expenditure		454,519	430,245	399,651	361,276	389,070	389,070	205,445	377,080	370,335	372,399
<b>Surplus/(Deficit)</b>											
		(115,146)	(61,960)	36,409	39,539	16,645	16,645	88,164	14,518	39,897	59,979
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		86,735	62,122	70,953	85,627	65,627	65,627	36,065	76,915	74,072	77,430
Surplus/(Deficit) for the year		(28,411)	162	107,361	125,166	82,272	82,272	124,229	91,433	113,969	137,409



### 2.3.5 Table 11 MBRR A5 – Budgeted Capital Expenditure (By Vote & Standard Classification)

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>	<b>1</b>										
<b>Single-year expenditure to be appropriated</b>	<b>2</b>										
Vote 1 - Executive & Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Finance & Administration		405,311	447,222	499,422	2,700	15,900	15,900	511,507	14,700	265	–
Vote 3 - Finance & Administration 2		–	–	–	1,000	1,000	1,000	–	1,000	800	836
Vote 4 - Community and Social Services		2,257	2,257	2,257	–	–	–	2,257	–	–	–
Vote 5 - Planning and Development		–	–	–	50	50	50	–	1,300	–	–
Vote 6 - Internal Audit		–	–	–	–	–	–	–	–	–	–
Vote 7 - Energy Sources		3,565	3,565	3,565	–	–	–	3,565	3,500	–	–
Vote 8 - Road Transport		20,168	15,585	73,044	121,423	124,915	124,915	144,427	168,069	128,368	145,259
Vote 9 - Public Safety		–	–	–	–	–	–	–	–	–	–
Vote 10 - Waste Management		14,728	14,015	16,472	–	–	–	16,472	–	–	–
Vote 11 - Sports & Recreation		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - Waste Water Management		–	–	–	–	–	–	–	–	–	–
Vote 14 - Housing		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
<b>Capital single-year expenditure sub-total</b>		<b>446,029</b>	<b>482,645</b>	<b>594,760</b>	<b>125,173</b>	<b>141,865</b>	<b>141,865</b>	<b>678,229</b>	<b>188,569</b>	<b>129,433</b>	<b>146,095</b>
<b>Total Capital Expenditure - Vote</b>		<b>446,029</b>	<b>482,645</b>	<b>594,760</b>	<b>125,173</b>	<b>141,865</b>	<b>141,865</b>	<b>678,229</b>	<b>188,569</b>	<b>129,433</b>	<b>146,095</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>405,311</b>	<b>447,222</b>	<b>499,422</b>	<b>3,700</b>	<b>16,900</b>	<b>16,900</b>	<b>–</b>	<b>15,700</b>	<b>1,065</b>	<b>836</b>
Executive and council		–	–	–	–	–	–	–	–	–	–
Finance and administration		405,311	447,222	499,422	3,700	16,900	16,900	–	15,700	1,065	836
Internal audit		–	–	–	–	–	–	–	–	–	–
<b>Community and public safety</b>		<b>2,257</b>	<b>2,257</b>	<b>2,257</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Community and social services		2,257	2,257	2,257	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		<b>20,168</b>	<b>15,585</b>	<b>73,044</b>	<b>121,473</b>	<b>124,965</b>	<b>124,965</b>	<b>–</b>	<b>169,369</b>	<b>128,368</b>	<b>145,259</b>
Planning and development		–	–	–	50	50	50	–	1,300	–	–
Road transport		20,168	15,585	73,044	121,423	124,915	124,915	–	168,069	128,368	145,259
Environmental protection		–	–	–	–	–	–	–	–	–	–
<b>Trading services</b>		<b>18,293</b>	<b>17,580</b>	<b>20,037</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>3,500</b>	<b>–</b>	<b>–</b>
Energy sources		3,565	3,565	3,565	–	–	–	–	3,500	–	–
Waste management		14,728	14,015	16,472	–	–	–	–	–	–	–
<b>Other</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Expenditure - Functional</b>	<b>3</b>	<b>446,029</b>	<b>482,645</b>	<b>594,760</b>	<b>125,173</b>	<b>141,865</b>	<b>141,865</b>	<b>–</b>	<b>188,569</b>	<b>129,433</b>	<b>146,095</b>
<b>Funded by:</b>											
National Government		8,760	8,760	61,029	58,212	72,261	72,261	–	73,069	70,368	73,559
Transfers recognised - capital	<b>4</b>	<b>8,760</b>	<b>8,760</b>	<b>61,029</b>	<b>58,212</b>	<b>72,261</b>	<b>72,261</b>	<b>–</b>	<b>73,069</b>	<b>70,368</b>	<b>73,559</b>
Borrowing	<b>6</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Internally generated funds		437,269	473,885	533,731	66,961	69,604	69,604	–	115,500	59,065	72,536
<b>Total Capital Funding</b>	<b>7</b>	<b>446,029</b>	<b>482,645</b>	<b>594,760</b>	<b>125,173</b>	<b>141,865</b>	<b>141,865</b>	<b>–</b>	<b>188,569</b>	<b>129,433</b>	<b>146,095</b>

### 2.3.6 Table MBRR A6 – Budgeted Financial Position

**LIM473 Makhuduthamaga - Table A6 Budgeted Financial Position**

Description		Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS												
Current assets												
Cash			8,247	10,460	13,518	51,549	104,325	104,325	166,377	75,185	105,237	117,858
Call investment deposits	1		805	801	863	—	—	—	863	—	—	—
Consumer debtors	1		402,416	473,157	544,904	38,700	2,700	2,700	112,476	13,561	8,633	7,704
Other debtors			7,020	16,038	18,426	17,380	9,380	9,380	25,329	11,058	10,816	11,303
Current portion of long-term receivables			—	—	—	—	—	—	—	—	—	—
Inventory	2		758	1,128	1,115	1,127	1,127	1,127	1,120	1,057	1,592	1,664
Total current assets			419,246	501,584	578,825	108,757	117,532	117,532	306,165	100,862	126,279	138,529
Non current assets												
Long-term receivables			—	—	—	—	—	—	—	—	—	—
Investments			—	—	—	—	—	—	—	—	—	—
Investment property			210	210	210	210	210	210	210	210	210	210
Investment in Associate			—	—	—	—	—	—	—	—	—	—
Property, plant and equipment	3		315,074	321,472	383,330	346,900	442,034	442,034	899,941	488,788	129,433	146,095
Biological			—	—	—	—	—	—	—	—	—	—
Intangible			2,697	1,707	583	1,556	633	633	98	633	633	633
Other non-current assets			—	—	—	—	—	—	—	—	—	—
Total non current assets			317,981	323,388	384,123	348,666	442,876	442,876	900,249	489,630	130,276	146,937
TOTAL ASSETS			737,227	824,971	962,948	457,423	560,409	560,409	1,206,414	590,492	256,555	285,466
LIABILITIES												
Current liabilities												
Bank overdraft	1		—	—	—	—	—	—	—	—	—	—
Borrowing	4		—	—	—	—	—	—	—	—	—	—
Consumer deposits			—	—	—	—	—	—	—	—	—	—
Trade and other payables	4		62,643	82,545	41,249	(556,513)	36,151	36,151	(70,479)	(218,296)	(166,311)	(146,300)
Provisions			338,392	411,982	486,275	130	130	130	486,275	135	140	147
Total current liabilities			401,035	494,528	527,524	(556,383)	36,281	36,281	415,796	(218,162)	(166,171)	(146,153)
Non current liabilities												
Borrowing			—	—	—	—	—	—	—	—	—	—
Provisions			80,485	80,979	84,487	23,503	23,503	23,503	(84,487)	24,701	26,100	27,275
Total non current liabilities			80,485	80,979	84,487	23,503	23,503	23,503	(84,487)	24,701	26,100	27,275
TOTAL LIABILITIES			481,520	575,506	612,011	(532,880)	59,784	59,784	331,308	(193,461)	(140,070)	(118,878)
NET ASSETS			255,707	249,465	350,937	990,304	500,625	500,625	875,106	783,953	396,625	404,344
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)			337,035	337,035	337,035	397,640	500,625	500,625	(1,466,870)	783,953	396,625	404,344
Reserves	4		—	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY			337,035	337,035	337,035	397,640	500,625	500,625	(1,466,870)	783,953	396,625	404,344

### 2.3.7 Table MBRR A7 – Budgeted Cash Flows

LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows

Description		Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES												
Receipts												
Property rates			-	-	-	19,970	160,545	160,545	-	41,263	47,350	49,481
Service charges			-	-	-	156	56	56	-	99	99	99
Other revenue			-	-	-	7,105	30,856	30,856	-	35,930	39,335	41,105
Transfers and Subsidies - Operational		1	-	-	-	319,807	319,807	319,807	-	333,845	344,967	365,870
Transfers and Subsidies - Capital		1	-	-	-	65,627	65,627	65,627	-	76,915	74,072	77,430
Interest			-	-	-	-	1,650	1,650	-	1,800	1,910	1,996
Dividends			-	-	-	-	-	-	-	-	-	-
Payments												
Suppliers and employees			-	-	-	(281,504)	(339,511)	(339,511)	-	(330,422)	(331,369)	(336,452)
Finance charges			-	-	-	-	-	-	-	-	-	-
Transfers and Grants		1	-	-	-	(5,200)	(7,200)	(7,200)	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	-	-	125,961	231,830	231,830	-	159,430	176,363	199,528
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds on disposal of PPE			-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables										-	-	-
Decrease (increase) in non-current investments										-	-	-
Payments												
Capital assets			-	-	-	(125,173)	(141,865)	(141,865)	-	(188,569)	(129,433)	(146,095)
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	-	-	(125,173)	(141,865)	(141,865)	-	(188,569)	(129,433)	(146,095)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Short term loans			-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing			-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits			-	-	-	-	-	-	-	-	-	-
Payments												
Repayment of borrowing			-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD			-	-	-	787	89,965	89,965	-	(29,139)	46,929	53,434
Cash/cash equivalents at the year begin:		2	-	-	-	49,112	14,360	14,360	-	104,325	75,185	122,115
Cash/cash equivalents at the year end:		2	-	-	-	49,899	104,325	104,325	-	75,185	122,115	175,549

## Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. The 2022/23 MTREF provide for a net decrease in cash of **R 29 million** for the 2022/23 financial year, net increase of **R 47 million** 2023/24 and net increase of **R 53 million** in 2024/25.
4. Cash Flow from Operating activities;  
The municipality has projected to receive **R 41.2 million** from Property rates and **R 36 million** from other revenue which consists mainly of VAT recovery for capital expenditure and other contracted services for operational purposes. Transfers from National government are projected to be received 100%. Trade and other payables as indicated in table A6 has been subtracted from the total expenditure included in the cash flow and non-cash flow items such as depreciation and debt impairment has been disregarded in the calculations.
5. Property Rates
  - The municipality has budgeted to collect about **R 41. million** from the property rates billing during the 2020/21 budget year.
6. Other Revenue
  - Other revenue sources include, rental of facilities and agency services income.
  - The municipality is anticipating 100% collection on these items of revenue on the basis that collection on all these revenue items has already went above 100% in the current 2022/23 financial year.
7. Government Grants & Transfers Cash Flow Assumptions
  - All government grants are projected to be received at 100% and all conditional grants are projected to be spent at 100% during the 2021/22 budget year.
8. Interest on investments Cash Flow Assumptions
  - The interest on investments is projected to be received at 100%. All budgeted investments will be carried out as and when there is surplus cash available in the municipality's primary bank accounts and such available cash surpluses are not currently committed. The interest projection was made considering the fact that, irrespective of a separate investment account being opened, the positive balance in the municipality's primary account earn +/- 7.5% interests p.a.

### 2.3.8 Table MBRR A8 – Cash backed reserves/*Accumulated surplus reconciliation*

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that for the period 2022/23 to 2024/25 the municipality's budget is properly funded and reflect surplus.

6. Considering the requirements of section 18 of the MFMA, it can be concluded that the 2022/23 MTREF was fully funded.
7. The municipality does not have non-current investments and no projection has been made for unspent conditional grants as we plan to utilize 100% of the allocation by year end.
8. The municipality is planning to spend 100% of its conditional grants.
9. VAT input will always be more than VAT output which is reflecting in the cash flow from operating activities and therefore no amount will reflect under statutory requirements.
10. The municipality's third party payments such as SARS under the statutory requirements are accounted for under the employee related costs on B7 as part of the payments to suppliers and employees over the 2021/22 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.
11. 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.

Table MBRR table A9 – Asset Management

LIM473 Makhuduthamaga - Table A9 Asset Management

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	438,745	474,355	590,067	123,173	141,865	141,865	178,569	129,433	146,095
Roads Infrastructure		291,826	310,677	416,456	119,423	124,915	124,915	158,069	128,368	142,759
Storm water Infrastructure		–	–	–	–	–	–	–	–	2,500
Electrical Infrastructure		7,298	7,298	7,298	–	–	–	3,500	–	–
Solid Waste Infrastructure		14,898	14,015	16,472	–	–	–	–	–	–
Infrastructure		314,022	331,990	440,225	119,423	124,915	124,915	161,569	128,368	145,259
Community Facilities		7,670	16,660	16,660	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		7,670	16,660	16,660	–	–	–	–	–	–
Operational Buildings		46,399	52,952	55,898	–	5,900	5,900	–	–	–
Housing		1,562	–	–	–	3,000	3,000	5,000	–	–
Other Assets		47,962	52,952	55,898	–	8,900	8,900	5,000	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		7,821	8,215	8,215	50	50	50	–	–	–
Intangible Assets		7,821	8,215	8,215	50	50	50	–	–	–
Computer Equipment		18,704	21,182	23,742	1,000	1,000	1,000	1,000	800	836
Furniture and Office Equipment		7,426	7,426	9,397	500	1,500	1,500	5,000	–	–
Machinery and Equipment		–	–	–	200	–	–	1,200	265	–
Transport Assets		34,875	35,665	35,665	2,000	5,500	5,500	3,500	–	–
Land		265	265	265	–	–	–	1,300	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
<u>Total Renewal of Existing Assets</u>	2	1,431	3,597	–	–	–	–	5,000	–	–
Roads Infrastructure		1,431	3,597	–	–	–	–	5,000	–	–
Infrastructure		1,431	3,597	–	–	–	–	5,000	–	–
<u>Total Upgrading of Existing Assets</u>	6	5,853	4,693	4,693	2,000	–	–	5,000	–	–
Roads Infrastructure		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		3,565	3,565	3,565	–	–	–	–	–	–
Infrastructure		3,565	3,565	3,565	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		2,287	1,127	1,127	2,000	–	–	5,000	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		2,287	1,127	1,127	2,000	–	–	5,000	–	–
<u>Total Capital Expenditure</u>	4	446,029	482,645	594,760	125,173	141,865	141,865	188,569	129,433	146,095
Roads Infrastructure		293,258	314,274	416,456	119,423	124,915	124,915	163,069	128,368	142,759
Storm water Infrastructure		–	–	–	–	–	–	–	–	2,500
Electrical Infrastructure		10,863	10,863	10,863	–	–	–	3,500	–	–
Solid Waste Infrastructure		14,898	14,015	16,472	–	–	–	–	–	–
Infrastructure		319,019	339,152	443,791	119,423	124,915	124,915	166,569	128,368	145,259
Community Facilities		7,670	16,660	16,660	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		7,670	16,660	16,660	–	–	–	–	–	–
Operational Buildings		48,687	54,080	57,026	2,000	5,900	5,900	5,000	–	–
Housing		1,562	–	–	–	3,000	3,000	5,000	–	–
Other Assets		50,249	54,080	57,026	2,000	8,900	8,900	10,000	–	–
Licences and Rights		7,821	8,215	8,215	50	50	50	–	–	–
Intangible Assets		7,821	8,215	8,215	50	50	50	–	–	–
Computer Equipment		18,704	21,182	23,742	1,000	1,000	1,000	1,000	800	836
Furniture and Office Equipment		7,426	7,426	9,397	500	1,500	1,500	5,000	–	–
Machinery and Equipment		–	–	–	200	–	–	1,200	265	–
Transport Assets		34,875	35,665	35,665	2,000	5,500	5,500	3,500	–	–
Land		265	265	265	–	–	–	1,300	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		446,029	482,645	594,760	125,173	141,865	141,865	188,569	129,433	146,095

**LIM473 Makhuduthamaga - Table A9 Asset Management**

<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	317,981	323,388	384,123	348,666	442,876	442,876	489,630	130,276	146,937
Roads Infrastructure		222,254	226,991	294,537	119,423	340,415	340,415	378,569	128,368	142,759
Storm water Infrastructure		-	-	-	-	-	-	-	-	2,500
Electrical Infrastructure		7,018	6,531	6,045	-	-	-	3,500	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		14,898	11,295	9,633	-	11,450	11,450	11,450	-	-
<b>Infrastructure</b>		<b>244,170</b>	<b>244,817</b>	<b>310,215</b>	<b>119,423</b>	<b>351,864</b>	<b>351,864</b>	<b>393,519</b>	<b>128,368</b>	<b>145,259</b>
<b>Community Assets</b>		<b>5,864</b>	<b>14,578</b>	<b>13,932</b>	<b>-</b>	<b>12,320</b>	<b>12,320</b>	<b>12,320</b>	<b>-</b>	<b>-</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investment properties</b>		<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>	<b>210</b>
<b>Other Assets</b>		<b>36,701</b>	<b>38,390</b>	<b>38,974</b>	<b>224,477</b>	<b>47,663</b>	<b>47,663</b>	<b>52,263</b>	<b>-</b>	<b>-</b>
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible Assets</b>		<b>2,697</b>	<b>1,707</b>	<b>583</b>	<b>1,556</b>	<b>633</b>	<b>633</b>	<b>633</b>	<b>633</b>	<b>633</b>
<b>Computer Equipment</b>		<b>7,409</b>	<b>6,983</b>	<b>6,385</b>	<b>1,000</b>	<b>7,983</b>	<b>7,983</b>	<b>7,983</b>	<b>800</b>	<b>836</b>
<b>Furniture and Office Equipment</b>		<b>2,530</b>	<b>1,827</b>	<b>3,032</b>	<b>-</b>	<b>1,827</b>	<b>1,827</b>	<b>1,827</b>	<b>-</b>	<b>-</b>
<b>Machinery and Equipment</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>5,500</b>	<b>5,500</b>	<b>1,200</b>	<b>265</b>	<b>-</b>
<b>Transport Assets</b>		<b>18,135</b>	<b>14,612</b>	<b>10,527</b>	<b>-</b>	<b>14,612</b>	<b>14,612</b>	<b>18,112</b>	<b>-</b>	<b>-</b>
<b>Land</b>		<b>265</b>	<b>265</b>	<b>265</b>	<b>-</b>	<b>265</b>	<b>265</b>	<b>1,565</b>	<b>-</b>	<b>-</b>
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>317,981</b>	<b>323,388</b>	<b>384,123</b>	<b>348,666</b>	<b>442,876</b>	<b>442,876</b>	<b>489,630</b>	<b>130,276</b>	<b>146,937</b>
<b>EXPENDITURE OTHER ITEMS</b>		<b>78,692</b>	<b>88,540</b>	<b>100,662</b>	<b>57,599</b>	<b>102,835</b>	<b>102,835</b>	<b>55,280</b>	<b>57,389</b>	<b>60,787</b>
<b>Depreciation</b>	7	27,282	31,551	33,762	29,199	35,486	35,486	37,189	38,826	40,573
<b>Repairs and Maintenance by Asset Class</b>	3	51,411	56,989	66,900	28,400	67,349	67,349	18,090	18,564	20,214
Roads Infrastructure		34,314	42,760	49,051	20,500	44,745	44,745	-	-	-
<b>Infrastructure</b>		<b>34,314</b>	<b>42,760</b>	<b>49,051</b>	<b>20,500</b>	<b>44,745</b>	<b>44,745</b>	<b>-</b>	<b>-</b>	<b>-</b>
Community Facilities		1,235	1,070	908	1,050	1,050	1,050	800	1,150	1,202
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>1,235</b>	<b>1,070</b>	<b>908</b>	<b>1,050</b>	<b>1,050</b>	<b>1,050</b>	<b>800</b>	<b>1,150</b>	<b>1,202</b>
<b>Heritage Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Operational Buildings		5,839	3,176	2,677	2,200	3,300	3,300	2,500	2,000	2,090
Housing		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		<b>5,839</b>	<b>3,176</b>	<b>2,677</b>	<b>2,200</b>	<b>3,300</b>	<b>3,300</b>	<b>2,500</b>	<b>2,000</b>	<b>2,090</b>
<b>Intangible Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Computer Equipment</b>		<b>8,379</b>	<b>8,480</b>	<b>10,671</b>	<b>2,650</b>	<b>11,890</b>	<b>11,890</b>	<b>11,890</b>	<b>12,414</b>	<b>12,972</b>
<b>Furniture and Office Equipment</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Machinery and Equipment</b>		<b>1,644</b>	<b>1,503</b>	<b>3,594</b>	<b>2,000</b>	<b>6,364</b>	<b>6,364</b>	<b>2,900</b>	<b>3,000</b>	<b>3,950</b>
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>78,692</b>	<b>88,540</b>	<b>100,662</b>	<b>57,599</b>	<b>102,835</b>	<b>102,835</b>	<b>55,280</b>	<b>57,389</b>	<b>60,787</b>
<b>Renewal and upgrading of Existing Assets as % of total capex</b>		1.6%	1.7%	0.8%	1.6%	0.0%	0.0%	5.3%	0.0%	0.0%
<b>Renewal and upgrading of Existing Assets as % of deprecn</b>		26.7%	26.3%	13.9%	6.8%	0.0%	0.0%	26.9%	0.0%	0.0%
<b>R&amp;M as a % of PPE</b>		16.3%	17.7%	17.5%	8.2%	15.2%	15.2%	3.7%	14.3%	13.8%
<b>Renewal and upgrading and R&amp;M as a % of PPE</b>		18.0%	20.0%	19.0%	9.0%	15.0%	15.0%	6.0%	14.0%	14.0%



### 2.3.9 Table 16 MBRR table A10 – Basic Service delivery measurement

#### Explanatory notes to Table A10 - Basic Service Delivery Measurement

LIM473 Makhuduthamaga - Table A10 Basic service delivery measurement

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–
Electricity/other energy (50kwh per indigent household per month)		5,080	5,200	7,900	7,900	7,900	8,000	9,200	10,347	11,500
Refuse (removed once a week for indigent households)		–	–	–	–	–	–	–	–	–
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>		–	–	–	–	–	–	–	–	–
<b>Total cost of FBS provided</b>		<b>5,080</b>	<b>5,200</b>	<b>7,900</b>	<b>7,900</b>	<b>7,900</b>	<b>8,000</b>	<b>9,200</b>	<b>10,347</b>	<b>11,500</b>

- Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
- The municipality continues to make good progress with the eradication of backlogs on services that are within the functions of the municipality in terms of the South African Constitution and Municipal Systems Act. The municipality performs only the function of providing indigents registered in the municipality's indigent register with electricity tokens (Free Basic Electricity) and the other basic services as listed in table A10 are performed by the Greater Sekhukhune District Municipality. It must be noted also that as the municipality does not sell electricity, but purchase the electricity from Eskom, therefore the revenue costs for providing free basic electricity is Zero.
- The following are the services that are provided by the district municipality and hence, no information has been completed on the table A10 of the municipality's Annual budget for 2022/23 MTREF:
  - Water services
  - Sanitation services
  - Electricity services
  - Refuse services
- The budget provides for 7900 households to be registered as indigent in 2022/23, and therefore entitled to receiving Free Basic Services. It is anticipated that these Free Basic Services will cost the municipality **R 9.2 million** in 2022/23, increasing to **R 10.3million** in 2023/24 and **R 11.5 million** in 2024/25. This is covered by the municipality's equitable share allocation from national government.

## 3 PART 2 – SUPPORTING DOCUMENTS

### 3.1 Overview of municipal budget process.

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

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

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

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

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

### **3.1.1 Budget Process Overview**

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2020) a time schedule that sets out the process to revise the IDP and prepare the budget.

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

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

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

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

The Process Plan applicable to the first revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP

The SDBIP for 2022/23 has been completed and will be submitted to the relevant stakeholders within 28 days from the date of adopting the budget by council.

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

As part of the compilation of the 2022/23 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2022/23 MTREF:

- Municipality's growth

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

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

### 3.1.4 Community Consultation

The below consultation schedule for 2022/23 MTREF which was tabled before Council on 30<sup>th</sup> of July 2020 and was also published on the municipality's website, and hard copies were made available at customer care offices, municipal notice boards and the municipality's community libraries and at tribal offices.

Month	Action	Target date
<b>PREPARATORY PHASE</b>		
July 2021	○ Review of previous year's IDP/Budget process	July 2021
	○ Exco provides political guidance over the budget process and priorities that must inform preparations of the budget	
	○ IDP/Budget Steering Committee meeting	
	○ Submit IDP/Budget Process Plan for 2022/23 to Council	
	○ 4 <sup>th</sup> Quarter Performance Lekgotla (2020-21)	
	○ All Senior Managers and Municipal Manager's annual performance agreements signed and submitted to MEC for CoGHSTA.	
August 2021	○ Ward to Ward based data collection	August 2021
	○ Collate information from ward based data	
	○ Submit Annual Financial Statements for 2020/21 to AG	
	○ Submit 2020/21 cumulative Performance Report to AG and Council Structures	
	○ <b>Operational Risk Assessment for 2021/2022</b>	
Month	Activity	Target date
<b>ANALYSIS PHASE</b>		

September 2021	<ul style="list-style-type: none"> <li>○ Council determines strategic objectives for service delivery through IDP review processes and the development of the next 3 year budget (including review of sector department plan)</li> </ul>	September 2021
	<ul style="list-style-type: none"> <li>○ Consult provincial and national sector departments on sector specific programmes for alignment (libraries, schools, clinics, water, electricity, roads, sanitation, etc.)</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Finalise ward based data compilation</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Update Council Structures on updated data</li> </ul>	
<b>Month</b>	<b>Activity</b>	<b>Target date</b>
<b>STRATEGIES PHASE</b>		
October 2021	<ul style="list-style-type: none"> <li>○ Quarterly (1<sup>st</sup>) review of the 2021/22 budget, related policies, amendments (if necessary), any related process</li> </ul>	October 2021
	<ul style="list-style-type: none"> <li>○ Begin preliminary preparations on proposed budget for 2022/23 financial year</li> </ul>	
	<ul style="list-style-type: none"> <li>○ 1<sup>st</sup> Quarter Performance Lekgotla (2021/22)</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Submission of 2021/22 1<sup>st</sup> quarter performance report to council</li> </ul>	
<b>Month</b>	<b>Activity</b>	<b>Target date</b>
<b>PROJECTS PHASE</b>		
November 2021	<ul style="list-style-type: none"> <li>○ Confirm IDP Projects with District and Sector departments</li> </ul>	November 2021
	<ul style="list-style-type: none"> <li>○ Review and effect changes on the initial IDP draft</li> </ul>	
<b>Month</b>	<b>Activity</b>	<b>Target date</b>
<b>INTEGRATION PHASE</b>		
December 2021	<ul style="list-style-type: none"> <li>○ Review budget performance and prepare for 2021/22 budget adjustment</li> </ul>	December 2021
	<ul style="list-style-type: none"> <li>○ Consolidated Analysis Phase in Place</li> </ul>	
	<ul style="list-style-type: none"> <li>○ IDP/Budget Steering Committee meeting</li> </ul>	
	<ul style="list-style-type: none"> <li>○ IDP Representative Forum</li> </ul>	
January 2022	<ul style="list-style-type: none"> <li>○ Table Draft 2020/21 Annual Report to Council</li> </ul>	January 2022
	<ul style="list-style-type: none"> <li>○ Submit Draft Annual Report to AG, PT and CoGHSTA</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Publish Draft Annual Report in the Municipal jurisdiction (website etc.)</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Prepare Oversight Report for 2020/21 financial year</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Mid-Year Performance Lekgotla</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Table Mid-year Performance assessment report to council and submit to National Treasury, Provincial Treasury, CoGHSTA and Mayor</li> </ul>	
	<ul style="list-style-type: none"> <li>○ Strategic Planning Session (Review of IDP/Budget, related policies)</li> </ul>	

Month	Activity	Target date
February 2022	<ul style="list-style-type: none"> <li>Table 2021/22 Budget Adjustment (if necessary)</li> <li>Submission of Draft IDP/Budget for 2022/23 to Management, relevant stakeholders and structures</li> <li>Table adjusted SDBIP</li> <li>Conduct Mid-year Performance assessment for Municipal Manager and all Senior Managers for 2021/22 financial Year.</li> <li>Conduct individual performance assessments</li> <li>Submit and Present Mid-Year performance assessment report and adjustment budget to Provincial Treasury.</li> </ul>	February 2022
March 2022	<ul style="list-style-type: none"> <li>Council considers the 2022/2023 Draft IDP/Budget /SDBIP</li> <li>Adoption of Oversight Report for 2020/21</li> </ul>	March 2022
	<b>APPROVAL PHASE</b>	<b>Target date</b>
April 2022	<ul style="list-style-type: none"> <li>Publish the 2022/23 IDP/Budget for public comments.</li> <li>Submit 2022/23 Draft IDP/Budget to the National Treasury, Provincial Treasury , CoGHSTA and SDM in both printed and electronic formats</li> <li>Community consultation and with key stakeholders</li> <li><b>Strategic Risk Assessment for 2021/2022</b></li> <li>3<sup>rd</sup> Quarter Performance Lekgotla (2021/22)</li> <li>Submission of 3<sup>rd</sup> quarter performance report to council</li> </ul>	April 2022
May 2022	<ul style="list-style-type: none"> <li>IDP/Budget steering committee meeting</li> <li>Submission of Draft IDP/Budget for 2022/23 with incorporated comments from stakeholders 'consultation to council for approval</li> <li>Submit final annual procurement plan to Mayor, Provincial Treasury and National Treasury.</li> <li>Table Municipal policies and By-Laws to council for approval.</li> <li>Prepare SDBIP for 2022/23</li> <li><b>Prepare operational Risk assessment for 2022/2023</b></li> </ul>	May 2022
June 2022	<ul style="list-style-type: none"> <li>Publish the approved 2022/23 IDP/Budget</li> <li>Submission of the SDBIP to the Mayor for approval.</li> <li>Develop Performance Agreements (Performance Plans) of MM and Senior Managers for 2022/23 Performance year</li> <li>Submission of approved IDP/Budget and SDBIP to MEC for CoGHSTA / National and Provincial Treasury and to SDM</li> </ul>	June 2022

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

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

Our municipal IDP that provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the municipal council, was first adopted in July 2019. This plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. The municipality's IDP is therefore a key instrument which was used to provide vision, leadership and direction to all those that have a role to play in the development of the municipality. The IDP enables the municipality to make the best use of scarce resources and speed up service delivery.

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

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

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2020/21 MTREF and further planning refinements that have directly informed the compilation of the budget:

**Table 17 IDP Strategic Objectives**

2021/22 Financial year	2022/23 Financial year
To ensure sustainable use of land and promote Growth and development.	To ensure sustainable use of land and promote Growth and development.
To improve quality of life of our citizens through sustainable roads infrastructure.	To improve quality of life of our citizens through sustainable roads infrastructure.
To create an environment that will develop, stimulate and strengthen local economic growth.	To create an environment that will develop, stimulate and strengthen local economic growth.
To provide sound and sustainable management	To provide sound and sustainable management

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

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

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

1. Provision of quality basic services and infrastructure which includes, amongst others:
  - Provide waste removal;
  - Provide roads and storm water;
  - Provide municipal planning services; and
  - Maintaining the infrastructure of the municipality.
2. Economic growth and development that leads to sustainable job creation by:
  - Ensuring there is a clear structural plan for the municipality;
  - Ensuring planning processes function in accordance with set timeframes;
  - Facilitating the use of labour intensive approaches through the EPWP programme in the delivery of services and the building of infrastructure.
- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
  - Effective implementation of the Indigent Policy;
  - Working with the provincial department of health to assist on matters affecting primary health care.
  - Extending waste removal services and ensuring effective municipal cleansing;
  - Working with strategic partners such as SAPS to address crime;
  - Ensuring safe working environments by effective enforcement of building and health regulations;
  - Promote viable, sustainable communities through proper zoning; and
  - Promote environmental sustainability by protecting wetlands and key open spaces.
- 3.2 Integrated Social Services for empowered and sustainable communities
  - Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly coordinated.
  - Provision of bursaries for well deserving students who are financially needy.
4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:



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

5.1 Promote sound governance and transparency through:

- Publishing the outcomes of all tender processes on the municipal website

5.2 Ensure financial sustainability through:

- Reviewing the use of contracted services
- Continuing to implement the infrastructure management strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure capacity to achieve set objectives

- Review of the organizational structure to optimize the use of personnel;

The 2021/22 budget and the MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

**Table 18 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue**

LIM473 Makhuduthamaga - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand												
Administrative Support Services	Responsive, accountable, effective and efficient local government	9	—	(152)	1,102	(1,466)	—	—	—	—	—	—
Financial Viability and Management	A comprehensive, responsive and sustainable social protection system	13	—	(1,565)	(1,682)	(1,694)	—	—	—	—	—	—
Financial Viability and Management	Responsive, accountable, effective and efficient local government	9	—	424,700	427,629	506,792	(486,449)	(471,349)	(471,349)	(468,521)	(484,312)	(509,816)
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	422,983	427,049	503,632	(486,449)	(471,349)	(471,349)	(468,521)	(484,312)	(509,816)



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



# Makhuduthamaga Local Municipality

# Draft Annual Budget and MTREF 2022/23

**LIM473 Makhuduthamaga - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)**

Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand												
Administrative Support Services	A long and healthy life for all South Africans	2	—	2,043	1,667	189	750	1,477	1,477	1,000	650	750
Administrative Support Services	A skilled and capable workforce to support an inclusive growth path	5	—	4,024	6,250	2,006	2,600	2,800	2,800	3,500	4,000	4,500
Administrative Support Services	An efficient, effective and development-oriented public service	12	—	8,379	8,480	10,671	2,650	11,890	11,890	11,890	12,414	12,972
Administrative Support Services	Sustainable human settlements and improved quality of household life	8	—	29,582	27,554	30,533	31,631	34,147	34,147	39,262	38,764	42,440
Basic Service Delivery and Poverty Alleviation	A comprehensive, responsive and sustainable social protection system	13	—	2,751	2,560	3,341	3,650	3,850	3,850	3,419	3,884	4,059
Basic Service Delivery and Poverty Alleviation	A long and healthy life for all South Africans	2	—	570	—	—	—	—	—	—	—	—
Basic Service Delivery and Poverty Alleviation	An efficient, effective and development-oriented public service	12	—	1,446	714	502	600	1,101	1,101	1,200	1,148	1,200
Basic Service Delivery and Poverty Alleviation	Protect and enhance our environmental assets and natural resources	10	—	24,143	25,759	28,900	18,909	27,364	27,364	24,200	22,264	10,401
Basic Service Delivery and Poverty Alleviation	Sustainable human settlements and improved quality of household life	8	—	19,153	19,738	21,349	31,125	26,096	26,096	32,753	34,503	36,777
Financial Viability and Management	An efficient, effective and development-oriented public service	12	—	1,644	1,503	3,594	2,000	6,364	6,364	2,900	3,000	3,950
Financial Viability and Management	Responsive, accountable, effective and efficient local government	9	—	1,398	—	(29)	—	—	—	7,340	7,810	8,318
Financial Viability and Management	Sustainable human settlements and improved quality of household life	8	—	154,993	171,967	173,312	145,945	120,744	120,744	123,972	125,408	131,080
Good Governance & Public Participation	A skilled and capable workforce to support an inclusive growth path	5	—	3,936	1,244	503	500	1,221	1,221	2,150	1,250	1,306
Good Governance & Public Participation	An efficient, effective and development-oriented public service	12	—	8,780	7,386	1,607	1,551	4,177	4,177	4,378	1,899	1,985
Good Governance & Public Participation	Sustainable human settlements and improved quality of household life	8	—	52,428	47,583	48,467	45,416	48,002	48,002	52,358	51,254	53,562
Infrastructure Development and Maintenance	An efficient, competitive and responsive economic infrastructure network	6	—	112,162	85,185	51,027	42,700	66,945	66,945	30,206	14,407	15,055
Infrastructure Development and Maintenance	An efficient, effective and development-oriented public service	12	—	8,134	5,994	5,768	5,400	7,841	7,841	7,259	6,968	7,281
Infrastructure Development and Maintenance	Responsive, accountable, effective and efficient local government	9	—	—	—	—	—	3,000	3,000	—	—	—
Infrastructure Development and Maintenance	Sustainable human settlements and improved quality of household life	8	—	10,756	12,467	10,524	12,535	7,737	7,737	11,175	11,820	12,515

LIM473 Makhuduthamaga - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Supporting Table 6.1: Reconciliation of MDG Strategic Objectives and Budget (Operating Expenditure)													
Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
R thousand													
Local Economic Development			—	—	—	—	—	—	—	500	—	—	
Local Economic Development	A comprehensive, responsive and sustainable social protection system	13	—	560	1,043	202	1,000	2,000	2,000	4,300	4,050	4,600	
Local Economic Development	An efficient, effective and development-oriented public service	12	—	3,730	1,400	6,465	5,250	6,000	6,000	2,960	1,500	—	
Local Economic Development	Responsive, accountable, effective and efficient local government	9	—	—	—	—	350	—	—	—	—	—	
Local Economic Development	Sustainable human settlements and improved quality of household life	8	—	6,761	4,794	3,229	6,714	6,314	6,314	6,930	7,857	7,618	
Local Economic Development	Vibrant, equitable, sustainable rural communities contributing towards food security for all	7	—	—	—	—	—	—	—	1,300	—	—	
Allocations to other priorities													
Total Expenditure				1	457,374	433,290	402,160	361,276	389,070	389,070	374,952	354,851	360,369

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

**LIM473 Makhuduthamaga - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)**

Supporting Table 3A: Reconciliation of IDP Strategic Objectives and Budget (Capital Expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand												
Administrative Support Services	An efficient, effective and development-oriented public service	12	–	–	–	–	1,000	1,000	1,000	1,000	800	836
Basic Service Delivery and Poverty Alleviation	An efficient, effective and development-oriented public service	12	–	2,257	2,257	2,257	–	–	–	1,700	265	–
Ensure ease of access	An efficient, competitive and responsive economic infrastructure network	6	–	–	–	29,525	–	18,998	18,998	–	–	–
Ensure ease of access	An efficient, effective and development-oriented public service	12	–	1,127	1,127	1,127	–	–	–	–	–	–
Financial Viability and Management	An efficient, competitive and responsive economic infrastructure network	6	–	296,263	319,818	368,309	–	–	–	–	–	–
Financial Viability and Management	An efficient, effective and development-oriented public service	12	–	120,903	140,108	147,584	2,700	12,900	12,900	8,000	–	–
Financial Viability and Management	Sustainable human settlements and improved quality of household life	8	–	1,562	–	–	–	3,000	3,000	5,000	–	–
Infrastructure Development and Maintenance			–	–	–	–	–	–	–	3,500	–	–
Infrastructure Development and Maintenance	An efficient, competitive and responsive economic infrastructure network	6	–	22,756	19,333	45,957	119,423	105,917	105,917	163,069	128,368	145,259
Infrastructure Development and Maintenance	An efficient, effective and development-oriented public service	12	–	1,160	–	–	2,000	–	–	5,000	–	–
Local Economic Development	An efficient, effective and development-oriented public service	12	–	–	–	–	50	50	50	1,300	–	–
Allocations to other priorities			3									
Total Capital Expenditure			1	446,029	482,645	594,760	125,173	141,865	141,865	188,569	129,433	146,095

### 3.3 Measurable performance objectives and indicators

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

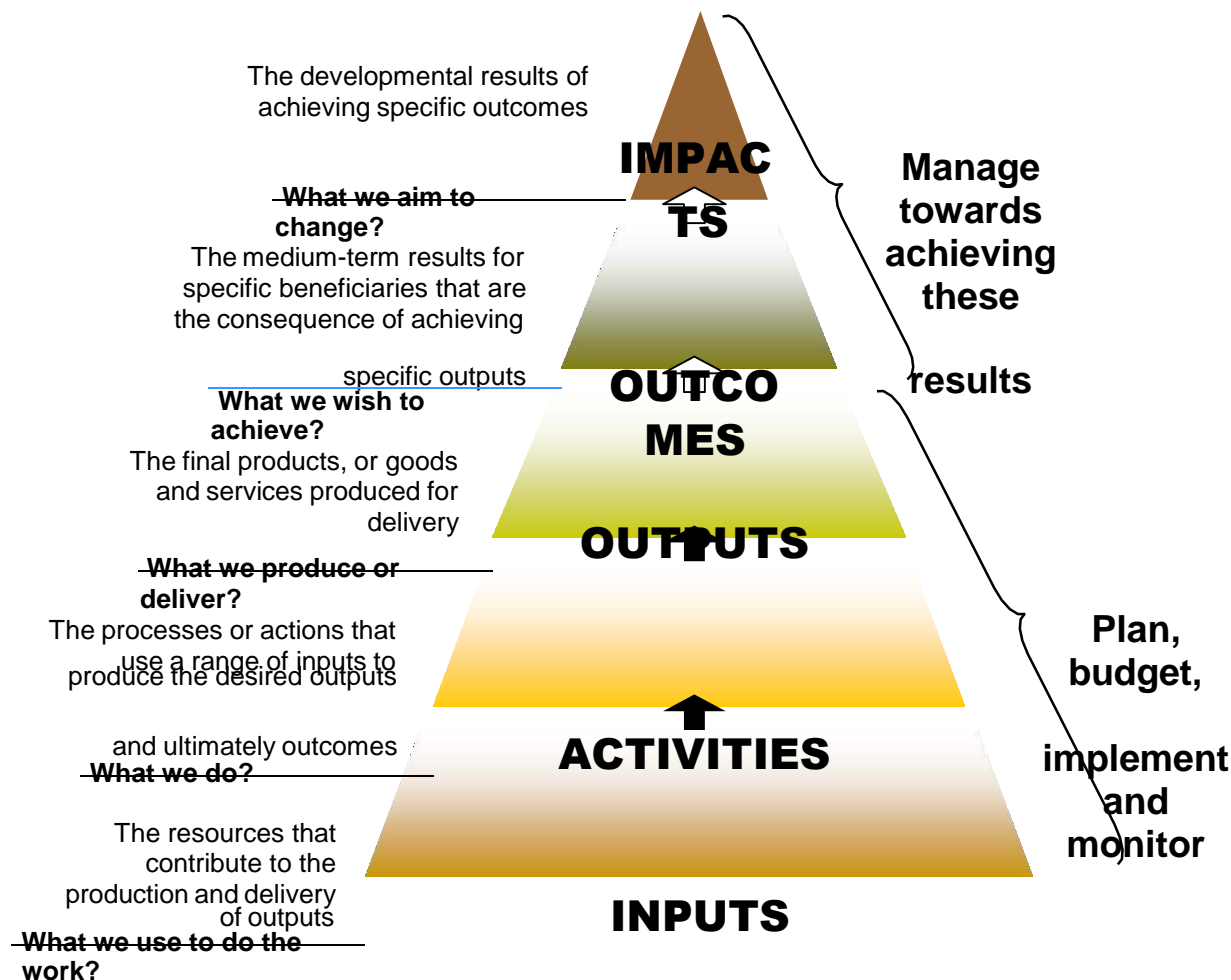
At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information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

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The

municipality therefore has adopted one integrated performance management system which encompasses:

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

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



**Figure 1 Definition of performance information concepts**

The following table sets out the municipalities main performance objectives and benchmarks for the 2022/23 MTREF.

**Table 21 MBRR Table SA8 - Performance indicators and benchmarks**

### 3.3.1 Performance indicators and benchmarks

**LIM473 Makhuduthamaga - Supporting Table SA8 Performance indicators and benchmarks**

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.1%	0.4%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.5%	2.0%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	1.0	1.0	1.1	(0.2)	3.2	3.2	0.7	(0.5)	(0.8)	(0.9)
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.0	1.0	1.1	(0.2)	3.2	3.2	0.7	(0.5)	(0.8)	(0.9)
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0	0.0	0.0	(0.1)	2.9	2.9	0.4	(0.3)	(0.6)	(0.8)
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	0.0%	0.0%	47.5%	379.4%	380.3%	0.0%	97.2%	111.8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	0.0%	0.0%	47.5%	379.4%	380.3%	0.0%	97.2%	111.8%	117.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	122.5%	134.7%	131.6%	14.3%	3.0%	3.0%	34.9%	6.3%	4.9%	4.5%
Creditors to Cash and Investments		0.0%	0.0%	0.0%	82.9%	41.6%	41.6%	0.0%	-290.3%	-136.2%	-83.3%
Employee costs	Employee costs/(Total Revenue - capital revenue)	22.0%	21.7%	19.9%	27.1%	25.2%	25.2%	20.4%	29.3%	30.1%	30.5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	28.7%	28.1%	25.4%	33.5%	31.2%	31.2%	35.3%	35.3%	36.3%	36.6%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	15.4%	15.7%	15.6%	7.2%	16.9%	16.9%	4.7%	4.7%	4.6%	4.8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	8.7%	9.2%	8.2%	7.4%	8.9%	8.9%	6.9%	9.6%	9.7%	9.6%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	-	-	-	56.4	56.4	56.4	52.7	28.6	27.5	27.6
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	1127.1%	1241.4%	1520.4%	132.0%	28.4%	28.5%	276.3%	57.7%	45.7%	44.8%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	-	-	-	1.9	3.8	3.8	-	3.0	5.1	7.3

#### 3.3.1.1 Borrowing Management

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

and financial position. Our municipality is not planning to make use of borrowed funds to fund its capital expenditure for 2022/23 MTREF due to poor own revenue collection rate.

### 3.3.1.2 *Safety of Capital*

- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, and over and tax provisions as a percentage of funds and reserves. The debt equity ratio of our municipality remains at 0:1 or zero per cent for 2022/23 as our municipality does not have borrowings or over and the ratio remain stable for the two outer years.

### 3.3.1.3 *Liquidity*

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the municipality has set a limit of 1, hence at no point in time should this ratio be less than 1. For the 2019/20 financial year the current ratio is 0.4 as per the audited annual financial statements for 30 June 2020. For the 2019/20 financial year, it is estimated to be at 3.6. It is further estimated to be at 2.6 for the 2020/21 budget year and 4.0 & 6.0 for 2022/23 & 2023/24 respectively. Going forward it will be necessary to maintain these levels.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to settle its current liabilities as they fall due. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1 or more. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2022/23 MTREF our municipality ratio indicates that we will be able to meet our creditor obligations. This is also supported by the cash flow projections appropriated to ensure that cash out flow is always covered by cash inflow or availability of surplus funds to settle the obligations.

### 3.3.1.4 *Revenue Management*

- As part of the financial sustainability strategy, an aggressive revenue management framework has been put in place to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, and credit control and debt collection.
- The significant percentage of our debtors are government departments which did not pay their accounts because of various reasons provided to the municipality which includes budget issues and lack of certain information from the municipality's side. We have worked hard to compile all information required to prove the accuracy of the billings and submitted it to all affected departments.

### 3.3.1.5 *Creditors Management*

- The municipality has managed to ensure that creditors are settled within the legislated 30 days of the receipt of the invoice in the previous financial year. As our liquidity ratio is in good order we will not encounter cash flow problems to ensure a 100 per cent compliance rate to this legislative obligation in 2022/23 and the MTREF. This has had a favourable impact on suppliers' perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.



### 3.3.1.6 Other Indicators

- Employee costs as a percentage of operating revenue continues to increase for the 2022/23 MTREF as the municipality continues to implement three year collective agreement on municipal salaries for the year.
- Repairs and maintenance as percentage of operating expenditure is 13% for 2022/23 budget year. The municipality will always ensure that its existing assets are properly maintained and repaired to lengthen their life span and to keep them in good working conditions.

### 3.3.2 Free Basic Services: basic electricity tokens for indigent households

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

For the 2021/22 financial year registered indigents are been provided with a fifty (50) KWh token per household per month at a total cost **R 8 million** to the municipality. The cost of free basic electricity increases to **R 9.2 million** in 2022/23 financial year and increases to **R10.3 million** and **R 11.5 million** in 2023/24 and 2024/25 respectively. The total amount of units provided per household remains at 50 KWh for the 2021/22 MTREF.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 16 MBRR A10 (Basic Service Delivery Measurement)

## 3.4 Overview of budget related-policies

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

### 3.4.1 Review of credit control and debt collection procedures/policies

The Debt Collection Policy as approved by Council in May 2020 was reviewed. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review the tariff for property rates and certain components to encourage our customers to pay their accounts as they complained with current rate and to achieve a higher collection rate. In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

The 2022/23 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 65 per cent on current debtors. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the municipality's cash levels and since these overdue debtors has not paid in the past two financial years and an impairment was made to their balances as at 30 June 2021, the municipality has not made any projection for them in the cash flow statement for 2022/23 MTREF. In addition, the payment incentive scheme was consulted with the customers and is being implemented to encourage customers who were not paying to start paying by taking advantage of the settlement offer by the municipality.

### **3.4.2 Budget Policy**

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

### **3.4.3 Supply Chain Management Policy**

The Supply Chain Management Policy was adopted by Council in May 2020 and reviewed during the course of the 2021/22 financial year.

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

The municipality's Cash Management and Investment Policy was adopted by Council in May 2020. The aim of the policy is to ensure that the municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduce time frames to achieve certain benchmarks.

### **3.4.5 Tariff Policies**

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

## **3.5 Overview of budget assumptions**

### **3.5.1 External factors**

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

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

There are five key factors that have been taken into consideration in the compilation of the 2022/23 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 increase in the cost of remuneration.

### **3.5.3 Interest rates for borrowing and investment of funds**

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

### 3.5.4 Collection rate for revenue services

The municipality's assumption is that, the reduction of the property rates tariff implemented from 1 July 2016 will be affordable to the rate payers and collection will increase significantly as compared to the previous years. The settlement offer by the municipality to the property rates customers has also resulted in an increased collection rate during the 2021/22 financial year and the municipality remain positive that it will encourage the other to come on board.

### 3.5.5 Salary increases

We have budgeted salary increases as per the National Treasury Circular number 115. We budgeted an increase of 6.5 per cent for 2022/23 financial year.

### 3.5.6 Impact of national, provincial and local policies

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

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

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

## 3.6 Overview of budget funding

### 3.6.1 Medium-term outlook: operating revenue

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

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

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

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

- 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 determination of the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff reduction for the 2022/23 MTREF for Property rates can be shown as follows:

Revenue Category	Approved Tariff 2018/19	Approved Tariff 2019/20	Approved Tariff 2020/21	Approved Tariff 2022/23
Property Rates	0.16	0.16	0.16	0.16

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

### 3.6.2 Cash Flow Management

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

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

**Table 28 MBRR Table A7 - Budget cash flow statement**
**LIM473 Makhuduthamaga - Table A7 Budgeted Cash Flows**

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	19,970	160,545	160,545	–	41,263	47,350	49,481
Service charges		–	–	–	156	56	56	–	99	99	99
Other revenue		–	–	–	7,105	30,856	30,856	–	35,930	39,335	41,105
Transfers and Subsidies - Operational	1	–	–	–	319,807	319,807	319,807	–	333,845	344,967	365,870
Transfers and Subsidies - Capital	1	–	–	–	65,627	65,627	65,627	–	76,915	74,072	77,430
Interest		–	–	–	–	1,650	1,650	–	1,800	1,910	1,996
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		–	–	–	(281,504)	(339,511)	(339,511)	–	(330,422)	(331,369)	(336,452)
Finance charges		–	–	–	–	–	–	–	–	–	–
Transfers and Grants	1	–	–	–	(5,200)	(7,200)	(7,200)	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	–	–	125,961	231,830	231,830	–	159,430	176,363	199,528
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables									–	–	–
Decrease (increase) in non-current investments									–	–	–
Payments											
Capital assets		–	–	–	(125,173)	(141,865)	(141,865)	–	(188,569)	(129,433)	(146,095)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	–	–	(125,173)	(141,865)	(141,865)	–	(188,569)	(129,433)	(146,095)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		–	–	–	787	89,965	89,965	–	(29,139)	46,929	53,434
Cash/cash equivalents at the year begin:	2	–	–	–	49,112	14,360	14,360	–	104,325	75,185	122,115
Cash/cash equivalents at the year end:	2	–	–	–	49,899	104,325	104,325	–	75,185	122,115	175,549

The above table shows a net decrease in cash held for 2022/23 and net increase for both 2023/24 & 2024/25 financial years.

### 3.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

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

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

LIM473 Makhuduthamaga - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>											
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	–	–	–	49,899	104,325	104,325	–	75,185	122,115	175,549
Other current investments > 90 days		9,052	11,261	14,381	1,650	(0)	(0)	167,239	–	(16,878)	(57,691)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
<b>Cash and investments available:</b>		<b>9,052</b>	<b>11,261</b>	<b>14,381</b>	<b>51,549</b>	<b>104,325</b>	<b>104,325</b>	<b>167,239</b>	<b>75,185</b>	<b>105,237</b>	<b>117,858</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		42	24	114	(592,664)	–	–	(30,331)	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	3	75,722	85,163	41,579	19,455	5,864	5,824	(38,075)	(254,361)	(198,149)	(178,757)
Other provisions		418,877	492,961	570,762	23,633	23,633	23,633	401,788	24,836	26,241	27,422
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5	–	–	–	–	–	–	–	–	–	–
<b>Total Application of cash and investments:</b>		<b>494,641</b>	<b>578,148</b>	<b>612,455</b>	<b>(549,576)</b>	<b>29,497</b>	<b>29,457</b>	<b>333,381</b>	<b>(229,526)</b>	<b>(171,908)</b>	<b>(151,335)</b>
<b>Surplus(shortfall)</b>		<b>(485,589)</b>	<b>(566,887)</b>	<b>(598,074)</b>	<b>601,126</b>	<b>74,828</b>	<b>74,868</b>	<b>(166,142)</b>	<b>304,711</b>	<b>277,146</b>	<b>269,193</b>

From the above table it can be seen that the cash and investments available total is **R 75 million** in the 2022/23 financial year and increases to **R 122 million** by 2023/24 and **R 176 million** by 2024/25.

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

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

### Funding compliance measurement

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

**Table 30 MBRR SA10 – Funding compliance measurement**

LIM473 Makhuduthamaga Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	–	–	–	49,899	104,325	104,325	–	75,185	122,115	175,549
Cash + investments at the yr end less applications - R'000	18(1)b	2	(485,589)	(566,887)	(598,074)	601,126	74,828	74,868	(166,142)	304,711	277,146	269,193
Cash year end/monthly employee/supplier payments	18(1)b	3	–	–	–	1.9	3.8	3.8	–	3.0	5.1	7.3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(33,486)	(5,033)	99,469	117,273	74,380	74,280	(241,385)	90,369	119,115	137,946
Service charge rev % change - macro CPI target exclusive	18(1)a,(2)	5	N.A.	2.7%	(12.0%)	8.6%	(6.0%)	(6.2%)	11.9%	(5.5%)	(6.3%)	(6.2%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	0.0%	0.0%	0.0%	29.8%	250.7%	251.0%	0.0%	146.5%	163.7%	170.8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	174.5%	186.5%	194.3%	98.9%	16.2%	16.3%	752.5%	17.3%	18.4%	19.7%
Capital payments % of capital expenditure	18(1)c;19	8	0.0%	0.0%	0.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10	–	–	–	–	–	–	–	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	19.5%	15.2%	(90.0%)	(78.5%)	0.0%	1040.7%	103.8%	(21.0%)	(2.3%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	16.3%	17.7%	17.5%	8.2%	15.2%	15.2%	2.0%	3.7%	14.3%	13.8%
Asset renewal % of capital budget	20(1)(vi)	14	0.3%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	2.7%	0.0%	0.0%
Supporting indicators												
% incr total service charges (incl prop rates)	18(1)a			8.7%	(6.0%)	14.6%	0.0%	(0.2%)	17.9%	0.5%	(0.3%)	(0.2%)
% incr Property Tax	18(1)a			7.6%	0.7%	12.0%	0.0%	0.0%	(0.8%)	3.0%	2.0%	2.0%
% incr Service charges - electricity revenue	18(1)a			2.4%	51.9%	0.0%	0.0%	1.3%	(100.0%)	16.5%	12.5%	11.1%
% incr Service charges - water revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - sanitation revenue	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
% incr Service charges - refuse revenue	18(1)a			0.0%	5.3%	15.4%	0.0%	0.0%	(3.4%)	3.8%	0.0%	0.0%
% incr in	18(1)a			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total billable revenue	18(1)a		36,179	39,312	36,938	42,333	42,333	42,233	49,806	42,541	42,426	42,324
Service charges			36,179	39,312	36,938	42,333	42,333	42,233	49,806	42,541	42,426	42,324
Property rates			41,259	44,384	44,703	50,077	50,077	50,077	49,655	51,579	52,611	53,663
Service charges - electricity revenue			(5,080)	(5,200)	(7,900)	(7,900)	(7,900)	(8,000)	–	(9,200)	(10,347)	(11,500)
Service charges - water revenue			–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue			–	–	–	–	–	–	–	–	–	–
Service charges - refuse removal			–	128	135	156	156	156	150	162	162	162
Service charges - other			–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment			148	94	114	138	138	138	64	140	145	145
Capital expenditure excluding capital grant funding			437,269	473,885	533,731	66,961	69,604	69,604	678,229	115,500	59,065	72,536
Cash receipts from ratepayers	18(1)a		–	–	–	27,231	191,456	191,456	–	77,292	86,783	90,684
Ratepayer & Other revenue	18(1)a		86,671	88,285	82,998	91,465	76,365	76,265	92,826	52,761	53,017	53,106
Change in consumer debtors (current and non-current)			162,098	79,759	74,134	(507,249)	(551,249)	(551,249)	(425,524)	(31,461)	(5,169)	(443)
Operating and Capital Grant Revenue	18(1)a		331,179	333,443	415,904	385,434	385,434	385,434	351,461	410,760	419,039	443,300
Capital expenditure - total	20(1)(vi)		446,029	482,645	594,760	125,173	141,865	141,865	678,229	188,569	129,433	146,095
Capital expenditure - renewal	20(1)(vi)		1,431	3,597	–	–	–	–	–	5,000	–	–
Supporting benchmarks												
Growth guideline maximum			6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline			4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
Trend												
Change in consumer debtors (current and non-current)			162,098	79,759	74,134	(425,524)	(31,461)	(5,169)	(443)	–	–	–



LIM473 Makhuduthamaga Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Total Operating Revenue</b>			334,298	363,091	428,167	392,922	397,822	397,722	394,394	388,406	399,894	420,886
<b>Total Operating Expenditure</b>			454,519	430,245	399,651	361,276	389,070	389,070	687,764	374,952	354,851	360,369
<b>Operating Performance Surplus/(Deficit)</b>			(120,221)	(67,155)	28,517	31,646	8,753	8,653	(293,370)	13,454	45,043	60,516
<b>Cash and Cash Equivalents (30 June 2012)</b>										75,185		
<b>Revenue</b>												
% Increase in Total Operating Revenue				8.6%	17.9%	(8.2%)	1.2%	(0.0%)	(0.8%)	(2.4%)	3.0%	5.2%
% Increase in Property Rates Revenue				7.6%	0.7%	12.0%	0.0%	0.0%	(0.8%)	3.0%	2.0%	2.0%
% Increase in Electricity Revenue				2.4%	51.9%	0.0%	0.0%	1.3%	(100.0%)	16.5%	12.5%	11.1%
% Increase in Property Rates & Services Charges				8.7%	(6.0%)	14.6%	0.0%	(0.2%)	17.9%	0.5%	(0.3%)	(0.2%)
<b>Expenditure</b>												
% Increase in Total Operating Expenditure				(5.3%)	(7.1%)	(9.6%)	7.7%	0.0%	76.8%	(3.6%)	(5.4%)	1.6%
% Increase in Employee Costs				7.1%	8.3%	24.8%	(6.0%)	0.0%	(19.4%)	13.6%	6.0%	6.4%
% Increase in Electricity Bulk Purchases				0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Average Cost Per Budgeted Employee Position (Remuneration)					572126.8658	682174.6987				728604.4423		
Average Cost Per Councillor (Remuneration)					378886.5806	404577.1613				380590.8387		
R&M % of PPE			16.3%	17.7%	17.5%	8.2%	15.2%	15.2%		3.7%	14.3%	13.8%
Asset Renewal and R&M as a % of PPE			18.0%	20.0%	19.0%	9.0%	15.0%	15.0%		6.0%	14.0%	14.0%
Debt Impairment % of Total Billable Revenue			174.5%	186.5%	194.3%	98.9%	16.2%	16.3%	752.5%	17.3%	18.4%	19.7%
<b>Capital Revenue</b>												
Internally Funded & Other (R'000)			437,269	473,885	533,731	66,961	69,604	69,604	–	115,500	59,065	72,536
Borrowing (R'000)			–	–	–	–	–	–	–	–	–	–
Grant Funding and Other (R'000)			8,760	8,760	61,029	58,212	72,261	72,261	–	73,069	70,368	73,559
Internally Generated funds % of Non Grant Funding			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	100.0%	100.0%	100.0%
Borrowing % of Non Grant Funding			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Funding % of Total Funding			2.0%	1.8%	10.3%	46.5%	50.9%	50.9%	0.0%	38.7%	54.4%	50.3%
<b>Capital Expenditure</b>												
Total Capital Programme (R'000)			446,029	482,645	594,760	125,173	141,865	141,865	–	188,569	129,433	146,095
Asset Renewal			7,284	8,290	4,693	2,000	–	–	–	10,000	–	–
Asset Renewal % of Total Capital Expenditure			1.6%	1.7%	0.8%	1.6%	0.0%	0.0%	0.0%	5.3%	0.0%	0.0%
<b>Cash</b>												
Cash Receipts % of Rate Payer & Other			0.0%	0.0%	0.0%	29.8%	250.7%	251.0%	0.0%	146.5%	163.7%	170.8%
Cash Coverage Ratio			–	–	–	0	0	0	–	0	0	0
<b>Borrowing</b>												
Credit Rating (2009/10)										0		
Capital Charges to Operating			0.1%	0.4%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Borrowing Receipts % of Capital Expenditure			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Reserves</b>												
Surplus/(Deficit)			(485,589)	(566,887)	(598,074)	601,126	74,828	74,868	(166,142)	304,711	277,146	269,193
<b>Free Services</b>												
Free Basic Services as a % of Equitable Share			2.1%	1.9%	2.8%	2.7%	2.7%	2.7%		2.8%	3.0%	3.2%
Free Services as a % of Operating Revenue (excl operational transfers)			(1.7%)	(1.8%)	(2.0%)	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
<b>High Level Outcome of Funding Compliance</b>												
Total Operating Revenue			334,298	363,091	428,167	392,922	397,822	397,722	394,394	388,406	399,894	420,886
Total Operating Expenditure			454,519	430,245	399,651	361,276	389,070	389,070	687,764	374,952	354,851	360,369
Surplus/(Deficit) Budgeted Operating Statement			(120,221)	(67,155)	28,517	31,646	8,753	8,653	(293,370)	13,454	45,043	60,516
Surplus/(Deficit) Considering Reserves and Cash Backing			(485,589)	(566,887)	(598,074)	601,126	74,828	74,868	(166,142)	304,711	277,146	269,193
<b>MTREF Funded (1) / Unfunded (0)</b>		15	0	0	0	1	1	1	0	1	1	1
<b>MTREF Funded ✓ / Unfunded ✗</b>		15	✗	✗	✗	✓	✓	✓	✗	✓	✓	✓

### 3.7 Expenditure on allocations and grants programmes

**Table 30 MBRR SA18 - Transfers and Grants Received**

LIM473 Makhuduthamaga - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>										
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
National Government:		244,825	270,771	288,251	299,807	299,807	299,807	333,845	344,967	365,870
Local Government Equitable Share		241,518	267,931	285,383	296,332	296,332	296,332	324,200	343,247	364,150
Finance Management	–	1,770	1,770	1,700	1,650	1,650	1,650	1,720	1,720	1,720
Integrated National Electrification Programme	–	–	–	–	–	–	–	6,000	–	–
EPWP Incentive	–	1,537	1,070	1,168	1,825	1,825	1,825	1,925	–	–
<b>Total Operating Transfers and Grants</b>	5	244,825	270,771	288,251	299,807	299,807	299,807	333,845	344,967	365,870
<b>Capital Transfers and Grants</b>										
National Government:		66,000	62,122	61,710	85,627	65,627	85,627	76,915	74,072	77,430
Municipal Infrastructure Grant (MIG)		66,000	62,122	61,710	65,627	65,627	65,627	76,915	74,072	77,430
Integrated National Electrification Programme Grant	–	–	–	–	20,000	–	20,000	–	–	–
<b>Total Capital Transfers and Grants</b>	5	66,000	62,122	61,710	85,627	65,627	85,627	76,915	74,072	77,430
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		310,825	332,893	349,961	385,434	365,434	385,434	410,760	419,039	443,300

**Table 31 MBRR SA19 - Expenditure on Transfers & Grants**

LIM473 Makhuduthamaga - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	-	-	299,807	299,807	299,807	333,845	344,967	365,870
Local Government Equitable Share					296,332	296,332	296,332	324,200	343,247	364,150
EPWP Incentive	-	-	-	-	1,825	1,825	1,825	1,925	-	-
Local Government Financial Management Grant	-	-	-	-	1,650	1,650	1,650	1,720	1,720	1,720
Integrated National Electrification Programme Grant		-	-	-	-	-	-	6,000	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		-	-	-	299,807	299,807	299,807	333,845	344,967	365,870
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		-	-	-	85,627	85,627	85,627	76,915	74,072	77,430
Integrated National Electrification Programme Grant	-	-	-	-	20,000	20,000	20,000	-	-	-
Municipal Infrastructure Grant	-	-	-	-	65,627	65,627	65,627	76,915	74,072	77,430
<b>Total capital expenditure of Transfers and Grants</b>		-	-	-	85,627	85,627	85,627	76,915	74,072	77,430
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	-	-	385,434	385,434	385,434	410,760	419,039	443,300

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

LIM473 Makhuduthamaga - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>										
<b>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year										
Current year receipts		244,825	270,771	288,251	(299,807)	(299,807)	(299,807)	(333,845)	(344,967)	(365,870)
Conditions met - transferred to revenue		489,650	541,542	576,502	(599,614)	(599,614)	(599,614)	(667,690)	(689,934)	(731,740)
Conditions still to be met - transferred to liabilities		(244,825)	(270,771)	(288,251)	299,807	299,807	299,807	333,845	344,967	365,870
<b>Total operating transfers and grants revenue</b>		<b>489,650</b>	<b>541,542</b>	<b>576,502</b>	<b>(599,614)</b>	<b>(599,614)</b>	<b>(599,614)</b>	<b>(667,690)</b>	<b>(689,934)</b>	<b>(731,740)</b>
<b>Total operating transfers and grants - CTBM</b>	2	<b>(244,825)</b>	<b>(270,771)</b>	<b>(288,251)</b>	<b>299,807</b>	<b>299,807</b>	<b>299,807</b>	<b>333,845</b>	<b>344,967</b>	<b>365,870</b>
<b>Capital transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year										
Current year receipts		66,000	62,122	61,710	(85,627)	(65,627)	(85,627)	(76,915)	(74,072)	(77,430)
Conditions met - transferred to revenue		-	-	-	(171,254)	(151,254)	(171,254)	(153,830)	(148,144)	(154,860)
Conditions still to be met - transferred to liabilities		66,000	62,122	61,710	85,627	85,627	85,627	76,915	74,072	77,430
Current year receipts		66,000	62,122	61,710	-	-	-	-	-	-
Conditions met - transferred to revenue		66,000	62,122	61,710	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>		<b>66,000</b>	<b>62,122</b>	<b>61,710</b>	<b>(171,254)</b>	<b>(151,254)</b>	<b>(171,254)</b>	<b>(153,830)</b>	<b>(148,144)</b>	<b>(154,860)</b>
<b>Total capital transfers and grants - CTBM</b>	2	<b>66,000</b>	<b>62,122</b>	<b>61,710</b>	<b>85,627</b>	<b>85,627</b>	<b>85,627</b>	<b>76,915</b>	<b>74,072</b>	<b>77,430</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>555,650</b>	<b>603,664</b>	<b>638,212</b>	<b>(770,868)</b>	<b>(750,868)</b>	<b>(770,868)</b>	<b>(821,520)</b>	<b>(838,078)</b>	<b>(886,600)</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		<b>(178,825)</b>	<b>(208,649)</b>	<b>(226,541)</b>	<b>385,434</b>	<b>385,434</b>	<b>385,434</b>	<b>410,760</b>	<b>419,039</b>	<b>443,300</b>

### 3.8 Allocations and grants made by the municipality.

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

LIM473 Makhuduthamaga - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
<b>Cash Transfers to other municipalities</b>											
<i>Insert description</i>	1	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Entities/Other External Mechanisms</b>											
<i>Insert description</i>	2	-	-	-	-	-	-	-	500	550	600
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	500	550	600
<b>Cash Transfers to other Organs of State</b>											
<i>Insert description</i>	3	151	249	137	-	-	-	180	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Other Organs Of State:</b>		151	249	137	-	-	-	180	-	-	-
<b>Cash Transfers to Organisations</b>											
<i>Insert description</i>		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Groups of Individuals</b>											
<i>Insert description</i>		6,100	8,783	4,640	5,200	7,200	7,200	6,454	8,700	9,797	10,900
		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Groups Of Individuals:</b>		6,100	8,783	4,640	5,200	7,200	7,200	6,454	8,700	9,797	10,900
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	6	6,252	9,033	4,777	5,200	7,200	7,200	6,634	9,200	10,347	11,500
<b>Non-Cash Transfers to other Organs of State</b>											
<i>Insert description</i>	3	-	36	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Other Organs Of State:</b>		-	36	-	-	-	-	-	-	-	-
<b>Total Non-Cash Grants To Groups Of Individuals:</b>		-	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>		-	36	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS</b>	6	6,252	9,068	4,777	5,200	7,200	7,200	6,634	9,200	10,347	11,500

### 3.9 Councillor and employee benefits

**Table 33 MBRR SA22 - Summary of councillor and staff benefits**

LIM473 Makhuduthamaga - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		12,483	13,259	13,221	13,445	13,066	13,066	12,200	12,737	13,310
Pension and UIF Contributions		2,203	2,311	2,333	4,170	2,389	2,389	2,509	2,619	2,737
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		–	–	–	169	84	84	89	92	97
Cellphone Allowance		2,753	2,922	2,925	2,601	2,923	2,923	3,069	3,204	3,348
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		4,895	4,967	5,012	4,699	5,457	5,457	5,730	5,982	6,252
<b>Sub Total - Councillors</b>		<b>22,333</b>	<b>23,459</b>	<b>23,491</b>	<b>25,084</b>	<b>23,920</b>	<b>23,920</b>	<b>23,597</b>	<b>24,635</b>	<b>25,743</b>
% increase	4		5.0%	0.1%	6.8%	(4.6%)	–	(1.4%)	4.4%	4.5%
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		2,698	3,051	2,862	2,982	2,982	2,982	3,185	3,389	3,609
Pension and UIF Contributions		304	763	950	1,059	801	801	1,030	1,096	1,167
Medical Aid Contributions		344	493	506	1,123	736	736	1,153	1,227	1,307
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance	3	958	1,173	1,197	2,100	1,507	1,507	2,099	2,234	2,379
Cellphone Allowance	3	64	97	104	280	226	226	291	310	330
Housing Allowances	3	152	129	140	1,043	616	616	693	738	786
Other benefits and allowances	3	1	1	1	7	6	6	6	7	7
Payments in lieu of leave		32	–	–	–	343	343	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
<b>Sub Total - Senior Managers of Municipality</b>		<b>4,552</b>	<b>5,707</b>	<b>5,760</b>	<b>8,595</b>	<b>7,216</b>	<b>7,216</b>	<b>8,458</b>	<b>9,000</b>	<b>9,585</b>
% increase	4		25.4%	0.9%	49.2%	(16.0%)	–	17.2%	6.4%	6.5%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		36,345	40,134	43,740	58,199	55,106	55,106	62,381	66,073	70,293
Pension and UIF Contributions		6,990	7,990	8,641	10,367	9,618	9,618	11,250	11,929	12,704
Medical Aid Contributions		3,655	4,108	4,593	7,355	6,391	6,391	7,961	8,438	8,987
Overtime		960	792	673	198	534	534	211	225	239
Performance Bonus		3,028	3,399	3,707	5,262	4,709	4,709	4,641	4,917	5,230
Motor Vehicle Allowance	3	8,595	9,268	10,031	10,723	11,140	11,140	11,596	12,305	13,104
Cellphone Allowance	3	1,531	1,694	1,835	2,683	2,313	2,313	2,863	3,035	3,232
Housing Allowances	3	2,405	2,536	2,694	3,021	3,017	3,017	4,273	4,532	4,827
Other benefits and allowances	3	307	101	73	17	19	19	29	31	33
Payments in lieu of leave		4,296	2,035	2,670	–	–	–	–	–	–
Long service awards		825	917	829	–	–	–	–	–	–
Post-retirement benefit obligations	6	–	–	–	–	–	–	–	–	–
<b>Sub Total - Other Municipal Staff</b>		<b>68,938</b>	<b>72,975</b>	<b>79,486</b>	<b>97,824</b>	<b>92,847</b>	<b>92,847</b>	<b>105,204</b>	<b>111,483</b>	<b>118,648</b>
% increase	4		5.9%	8.9%	23.1%	(5.1%)	–	13.3%	6.0%	6.4%
<b>Total Parent Municipality</b>		<b>95,823</b>	<b>102,140</b>	<b>108,738</b>	<b>131,503</b>	<b>123,983</b>	<b>123,983</b>	<b>137,259</b>	<b>145,118</b>	<b>153,976</b>
			6.6%	6.5%	20.9%	(5.7%)	–	10.7%	5.7%	6.1%
<b>Total Municipal Entities</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>95,823</b>	<b>102,140</b>	<b>108,738</b>	<b>131,503</b>	<b>123,983</b>	<b>123,983</b>	<b>137,259</b>	<b>145,118</b>	<b>153,976</b>
% increase	4		6.6%	6.5%	20.9%	(5.7%)	–	10.7%	5.7%	6.1%
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>73,490</b>	<b>78,681</b>	<b>85,247</b>	<b>106,419</b>	<b>100,063</b>	<b>100,063</b>	<b>113,662</b>	<b>120,483</b>	<b>128,233</b>

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

**LIM473 Makhuduthamaga - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)**

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<b>Councillors</b>	3							
Speaker	4		458,795	260,884	50,324			770,003
Chief Whip			430,121	75,904	218,527			724,552
Executive Mayor			573,494	326,104	51,190			950,788
Deputy Executive Mayor			–	–	–			–
Executive Committee			4,360,479	2,483,135	1,790,592			8,634,205
Total for all other councillors			7,622,561	4,334,397	2,047,279			14,004,237
<b>Total Councillors</b>	8	–	<b>13,445,450</b>	<b>7,480,424</b>	<b>4,157,912</b>			<b>25,083,785</b>
<b>Senior Managers of the Municipality</b>	5							
Municipal Manager (MM)			731,997	201,015	346,517			1,279,529
Chief Finance Officer			613,283	99,775	358,959			1,072,018
Senior Manager - Corporate Services			613,283	153,451	305,190			1,071,924
Senior Manager - Infrastructure Development			613,283	165,399	294,513			1,073,196
Senior Manager - Community Services			613,283	80,822	377,868			1,071,973
Senior Manager - Economic Development & Planning			613,283	244,113	216,055			1,073,450
<b>Total Senior Managers of the Municipality</b>	8,10	–	<b>3,798,412</b>	<b>944,575</b>	<b>1,899,102</b>	–		<b>6,642,089</b>
<b>A Heading for Each Entity</b>	6,7							
<b>Total for municipal entities</b>	8,10	–	–	–	–	–		–
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	10	–	<b>17,243,861</b>	<b>8,424,999</b>	<b>6,057,015</b>	–		<b>31,725,875</b>

## 3. SA24 Indicates the Personnel Numbers

**LIM473 Makhuduthamaga - Supporting Table SA24 Summary of personnel numbers**

Summary of Personnel Numbers	Ref	2020/21			Current Year 2021/22			Budget Year 2022/23		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)	4	62		62	62		62	62		
Board Members of municipal entities	5									
<b>Municipal employees</b>										
Municipal Manager and Senior Managers	3	6		6	6		6	6		
Other Managers	7									
Professionals		104	101	11	119	116	11	119	116	
Finance		48	48	8	48	48	8	48	48	
Spatial/town planning		9	8	1	9	8	1	9	8	
Information Technology		4	4	–	4	4	–	4	4	
Roads		6	4	2	6	4	2	6	4	
Electricity		1	1	–	1	1	–	1	1	
Other		36	36	–	51	51	–	51	51	
Technicians		–	–	–	–	–	–	–	–	
Other										
Clerks (Clerical and administrative)		31	27	4	31	27	4	31	27	
<b>TOTAL PERSONNEL NUMBERS</b>	9	<b>203</b>	<b>128</b>	<b>83</b>	<b>218</b>	<b>143</b>	<b>83</b>	<b>218</b>	<b>143</b>	
% increase					7.4%	11.7%	–	–	–	

### 3.10 Monthly targets for revenue, expenditure and cash flow

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





Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

**Table 364 MBRR SA25 - Budgeted monthly revenue and expenditure**

## Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

**LIM473 Makhuduthamaga - Supporting Table SA25 Budgeted monthly revenue and expenditure**

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>																
<b>Revenue By Source</b>																
Property rates		4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	4,298	51,579	52,611	53,663
Service charges - electricity revenue		(767)	(767)	(767)	(767)	(767)	(767)	(767)	(767)	(767)	(767)	(767)	(767)	(9,200)	(10,347)	(11,500)
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		13	13	13	13	13	13	13	13	13	13	13	13	162	162	162
Rental of facilities and equipment		12	12	12	12	12	12	12	12	12	12	12	12	140	145	145
Interest earned - external investments		150	150	150	150	150	150	150	150	150	150	150	150	1,800	1,910	1,910
Interest earned - outstanding debtors		229	229	229	229	229	229	229	229	229	229	229	229	2,750	2,926	3,116
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		14	14	14	14	14	14	14	14	14	14	14	14	170	240	240
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies		27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	333,845	344,967	365,870
Other revenue		597	597	597	597	597	597	597	597	597	597	597	597	7,160	7,280	7,280
Gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contribution)</b>		<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>32,367</b>	<b>388,406</b>	<b>399,894</b>	<b>420,886</b>
<b>Expenditure By Type</b>																
Employee related costs		9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	113,662	120,483	128,233
Remuneration of councillors		1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	1,966	23,597	24,635	25,743
Debt impairment		612	612	612	612	612	612	612	612	612	612	612	612	7,340	7,810	8,318
Depreciation & asset impairment		3,099	3,099	3,099	3,099	3,099	3,099	3,099	3,099	3,099	3,099	3,099	3,099	37,189	38,826	40,573
Finance charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inventory consumed		218	218	218	218	218	218	218	218	218	218	218	218	2,620	2,735	2,858
Contracted services		10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	127,224	100,886	91,678
Transfers and subsidies		767	767	767	767	767	767	767	767	767	767	767	767	9,200	10,347	11,500
Other expenditure		4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	4,510	54,120	49,129	51,466
Losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>31,246</b>	<b>374,952</b>	<b>354,851</b>	<b>360,369</b>
<b>Surplus/(Deficit)</b>		<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>1,121</b>	<b>13,454</b>	<b>45,043</b>	<b>60,516</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	76,915	74,072	77,430
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>90,369</b>	<b>119,115</b>	<b>137,946</b>
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>7,531</b>	<b>90,369</b>	<b>119,115</b>	<b>137,946</b>

## Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

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

LIM473 Makhuduthamaga - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description		Ref	Budget Year 2022/23											Medium Term Revenue and Expenditure Framework		
R thousand	July		August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Revenue by Vote</b>																
Vote 1 - Executive & Council			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration			39,043	39,043	39,043	39,043	39,043	39,043	39,043	39,043	39,043	39,043	39,043	468,521	484,312	509,816
Vote 3 - Finance & Administration 2			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Development			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Internal Audit			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Energy Sources			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Road Transport			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Public Safety			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Waste Management			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Sports & Recreation			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Housing			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue by Vote			39,043	39,043	39,043	39,043	39,043	39,043	39,043	39,043	39,043	39,043	39,043	468,521	484,312	509,816
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Executive & Council			5,974	5,974	5,974	5,974	5,974	5,974	5,974	5,974	5,974	5,974	5,974	71,687	72,988	76,809
Vote 2 - Finance & Administration			12,072	12,072	12,072	12,072	12,072	12,072	12,072	12,072	12,072	12,072	12,072	144,860	151,447	159,380
Vote 3 - Finance & Administration 2			2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	2,342	28,108	29,534	31,561
Vote 4 - Community and Social Services			1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	1,065	12,774	13,834	14,651
Vote 5 - Planning and Development			1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	1,721	20,655	16,980	16,015
Vote 6 - Internal Audit			170	170	170	170	170	170	170	170	170	170	170	2,045	2,135	2,231
Vote 7 - Energy Sources			506	506	506	506	506	506	506	506	506	506	506	6,074	6,354	6,653
Vote 8 - Road Transport			2,817	2,817	2,817	2,817	2,817	2,817	2,817	2,817	2,817	2,817	2,817	33,800	24,268	25,446
Vote 9 - Public Safety			1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,608	1,608	19,301	20,150	21,455
Vote 10 - Waste Management			2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	28,276	29,600	15,017
Vote 11 - Sports & Recreation			83	83	83	83	83	83	83	83	83	83	83	1,000	1,044	1,091
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Housing			208	208	208	208	208	208	208	208	208	208	208	2,500	2,000	2,090
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote			30,923	30,923	30,923	30,923	30,923	30,923	30,923	30,923	30,923	30,923	30,923	371,080	370,335	372,399
Surplus/(Deficit) before assoc.			8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	97,441	113,977	137,417
Taxation			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		1	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	8,120	97,441	113,977	137,417

Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

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

LIM473 Makhuduthamaga - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>																
<b>Revenue by Vote</b>																
Vote 1 - Executive & Council		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Finance & Administration		39,543	39,543	39,543	39,543	39,543	39,543	39,543	39,543	39,543	39,543	39,543	39,543	474,521	484,312	509,816
<b>Total Revenue by Vote</b>		<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>39,543</b>	<b>474,521</b>	<b>484,312</b>	<b>509,816</b>
<b>Expenditure by Vote to be appropriated</b>																
Vote 1 - Executive & Council		6,017	6,017	6,017	6,017	6,017	6,017	6,017	6,017	6,017	6,017	6,017	6,017	72,200	68,574	71,945
Vote 2 - Finance & Administration		12,033	12,033	12,033	12,033	12,033	12,033	12,033	12,033	12,033	12,033	12,033	12,033	144,397	147,206	155,126
Vote 3 - Finance & Administration 2		2,426	2,426	2,426	2,426	2,426	2,426	2,426	2,426	2,426	2,426	2,426	2,426	29,108	29,534	31,561
Vote 4 - Community and Social Services		1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	12,945	14,058	14,929
Vote 5 - Planning and Development		1,613	1,613	1,613	1,613	1,613	1,613	1,613	1,613	1,613	1,613	1,613	1,613	19,355	16,980	16,015
Vote 6 - Internal Audit		254	254	254	254	254	254	254	254	254	254	254	254	3,045	1,135	2,231
Vote 7 - Energy Sources		506	506	506	506	506	506	506	506	506	506	506	506	6,074	6,354	6,653
Vote 8 - Road Transport		2,558	2,558	2,558	2,558	2,558	2,558	2,558	2,558	2,558	2,558	2,558	2,558	30,700	21,268	22,311
Vote 9 - Public Safety		1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604	1,604	19,251	19,994	21,291
Vote 10 - Waste Management		2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	2,356	28,276	26,600	15,017
Vote 11 - Sports & Recreation		92	92	92	92	92	92	92	92	92	92	92	92	1,100	1,148	1,200
Vote 14 - Housing		208	208	208	208	208	208	208	208	208	208	208	208	2,500	2,000	2,090
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure by Vote</b>		<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>30,746</b>	<b>368,952</b>	<b>354,851</b>	<b>360,369</b>
<b>Surplus/(Deficit) before assoc.</b>		<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>105,569</b>	<b>129,462</b>	<b>149,446</b>
Taxation		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Attributable to minorities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>8,797</b>	<b>105,569</b>	<b>129,462</b>	<b>149,446</b>

# Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

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

LIM473 Makhuduthamaga - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>																
<b>Multi-year expenditure to be appropriated</b>	1															
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Finance & Administration 2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Energy Sources		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Road Transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Sports & Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>																
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance & Administration		1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225	1,225	14,700	265	-
Vote 3 - Finance & Administration 2		83	83	83	83	83	83	83	83	83	83	83	83	1,000	800	836
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Planning and Development		108	108	108	108	108	108	108	108	108	108	108	108	1,300	-	-
Vote 6 - Internal Audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Energy Sources		292	292	292	292	292	292	292	292	292	292	292	292	3,500	-	-
Vote 8 - Road Transport		14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	168,069	128,368	145,259
Vote 9 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Waste Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Sports & Recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Waste Water Management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 14 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	2	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	188,569	129,433	146,095
<b>Total Capital Expenditure</b>	2	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	188,569	129,433	146,095

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

LIM473 Makhuduthamaga - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)																
Description	Ref	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Capital Expenditure - Functional</b>	1															
<b>Governance and administration</b>		1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	15,700	1,065	836
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	1,308	15,700	1,065	836
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		14,114	14,114	14,114	14,114	14,114	14,114	14,114	14,114	14,114	14,114	14,114	14,114	169,369	128,368	145,259
Planning and development		108	108	108	108	108	108	108	108	108	108	108	108	1,300	-	-
Road transport		14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	14,006	168,069	128,368	145,259
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		292	292	292	292	292	292	292	292	292	292	292	292	3,500	-	-
Energy sources		292	292	292	292	292	292	292	292	292	292	292	292	3,500	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	2	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	188,569	129,433	146,095
<b>Funded by:</b>																
National Government		6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	73,069	70,368	73,559
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	6,089	73,069	70,368	73,559
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	9,625	115,500	59,065	72,536
<b>Total Capital Funding</b>		15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	188,569	129,433	146,095



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



## Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

**LIM473 Makhuduthamaga - Supporting Table SA30 Budgeted monthly cash flow**

MONTHLY CASH FLOWS	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Cash Receipts By Source</b>															
Property rates	3,439	3,439	3,439	3,439	3,439	3,439	3,439	3,439	3,439	3,439	3,439	3,439	41,263	47,350	49,481
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	8	8	8	8	8	8	8	8	8	8	8	8	99	99	99
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - external investments	150	150	150	150	150	150	150	150	150	150	150	150	1,800	1,910	1,996
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	14	14	14	14	14	14	14	14	14	14	14	14	170	240	251
Licences and permits	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	2,969	35,630	38,945	40,698
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational	27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	27,820	333,845	344,967	365,870
Other revenue	11	11	11	11	11	11	11	11	11	11	11	11	130	150	157
<b>Cash Receipts by Source</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>34,411</b>	<b>412,937</b>	<b>433,660</b>	<b>458,550</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	6,410	76,915	74,072	77,430
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>40,821</b>	<b>489,852</b>	<b>507,732</b>	<b>535,980</b>
<b>Cash Payments by Type</b>															
Employee related costs	11,438	11,438	11,438	11,438	11,438	11,438	11,438	11,438	11,438	11,438	11,438	11,438	137,259	146,673	155,602
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions - water & other inventory	213	213	213	213	213	213	213	213	213	213	213	213	2,550	3,400	3,553
Contracted services	10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	10,602	127,224	100,886	91,678
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	5,282	63,390	80,410	85,619
<b>Cash Payments by Type</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>27,535</b>	<b>330,422</b>	<b>331,369</b>	<b>336,452</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	15,714	188,569	129,433	146,095
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>43,249</b>	<b>518,991</b>	<b>460,803</b>	<b>482,546</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(2,428)</b>	<b>(29,139)</b>	<b>46,929</b>	<b>53,434</b>
Cash/cash equivalents at the month/year begin:	104,325	101,897	99,468	97,040	94,612	92,183	89,755	87,327	84,899	82,470	80,042	77,614	104,325	75,185	179,15
Cash/cash equivalents at the month/year end:	101,897	99,468	97,040	94,612	92,183	89,755	87,327	84,899	82,470	80,042	77,614	75,185	75,185	122,115	175,549



### 3.11 Contracts having future budgetary implications

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

### 3.12 Capital expenditure details

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

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

LIM473 Makhuduthamaga - Supporting Table SA34a Capital expenditure on new assets by asset class										
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand										
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		314,022	331,990	440,225	119,423	124,915	124,915	161,569	128,368	145,259
Roads Infrastructure		291,826	310,677	416,456	119,423	124,915	124,915	158,069	128,368	142,759
Roads		–	–	51,583	78,923	83,972	83,972	93,099	93,368	107,759
Road Structures		291,826	310,677	364,873	40,500	40,943	40,943	64,970	35,000	35,000
Road Furniture		–	–	–	–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	2,500
Drainage Collection		–	–	–	–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–	–	–	2,500
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		7,298	7,298	7,298	–	–	–	3,500	–	–
MV Networks		7,298	7,298	7,298	–	–	–	–	–	–
LV Networks		–	–	–	–	–	–	3,500	–	–
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		14,898	14,015	16,472	–	–	–	–	–	–
Landfill Sites		14,898	14,015	16,472	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Community Assets										
Community Facilities		7,670	16,660	16,660	–	–	–	–	–	–
Halls		–	–	–	–	–	–	–	–	–
Centres		2,257	2,257	2,257	–	–	–	–	–	–
Markets		5,413	14,403	14,403	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–

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**LIM473 Makhuduthamaga - Supporting Table SA34a Capital expenditure on new assets by asset class**

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>	<b>1</b>									
<b><u>Heritage assets</u></b>		-	-	-	-	-	-	-	-	-
<b><u>Investment properties</u></b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<b><u>Other assets</u></b>		<b>47,962</b>	<b>52,952</b>	<b>55,898</b>	<b>-</b>	<b>8,900</b>	<b>8,900</b>	<b>5,000</b>	<b>-</b>	<b>-</b>
Operational Buildings		46,399	52,952	55,898	-	5,900	5,900	-	-	-
Municipal Offices		43,293	49,386	52,286	-	-	-	-	-	-
Workshops		3,107	3,566	3,612	-	-	-	-	-	-
Yards		-	-	-	-	5,900	5,900	-	-	-
Housing		1,562	-	-	-	3,000	3,000	5,000	-	-
Staff Housing		1,562	-	-	-	3,000	3,000	5,000	-	-
<b><u>Biological or Cultivated Assets</u></b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b><u>Intangible Assets</u></b>		7,821	8,215	8,215	50	50	50	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		7,821	8,215	8,215	50	50	50	-	-	-
Computer Software and Applications		7,821	8,215	8,215	50	50	50	-	-	-
<b><u>Computer Equipment</u></b>		18,704	21,182	23,742	1,000	1,000	1,000	1,000	800	836
Computer Equipment		18,704	21,182	23,742	1,000	1,000	1,000	1,000	800	836
<b><u>Furniture and Office Equipment</u></b>		7,426	7,426	9,397	500	1,500	1,500	5,000	-	-
Furniture and Office Equipment		7,426	7,426	9,397	500	1,500	1,500	5,000	-	-
<b><u>Machinery and Equipment</u></b>		-	-	-	200	-	-	1,200	265	-
Machinery and Equipment		-	-	-	200	-	-	1,200	265	-
<b><u>Transport Assets</u></b>		34,875	35,665	35,665	2,000	5,500	5,500	3,500	-	-
Transport Assets		34,875	35,665	35,665	2,000	5,500	5,500	3,500	-	-
<b><u>Land</u></b>		265	265	265	-	-	-	1,300	-	-
Land		265	265	265	-	-	-	1,300	-	-
<b><u>Zoo's, Marine and Non-biological Animals</u></b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>438,745</b>	<b>474,355</b>	<b>590,067</b>	<b>123,173</b>	<b>141,865</b>	<b>141,865</b>	<b>178,569</b>	<b>129,433</b>	<b>146,095</b>

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

LIM473 Makhuduthamaga - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class										
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		1,431	3,597	-	-	-	-	5,000	-	-
Roads Infrastructure		1,431	3,597	-	-	-	-	5,000	-	-
Roads		-	-	-	-	-	-	5,000	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		1,431	3,597	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>1</b>	<b>1,431</b>	<b>3,597</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>-</b>

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

LIM473 Makhuduthamaga - Supporting Table SA34c Repairs and maintenance expenditure by asset class										
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		34,314	42,760	49,051	20,500	44,745	44,745	25,000	15,000	15,675
Roads Infrastructure		34,314	42,760	49,051	20,500	44,745	44,745	25,000	15,000	15,675
Roads		34,314	42,760	49,051	20,500	44,745	44,745	25,000	15,000	15,675
<u>Community Assets</u>										
		1,235	1,070	908	1,050	1,050	1,050	800	1,150	1,202
Community Facilities		1,235	1,070	908	1,050	1,050	1,050	800	1,150	1,202
Cemeteries/Crematoria		1,235	1,070	908	1,050	1,050	1,050	800	1,150	1,202
<u>Other assets</u>										
		5,839	3,176	2,677	2,200	3,300	3,300	2,500	2,000	2,090
Operational Buildings		5,839	3,176	2,677	2,200	3,300	3,300	2,500	2,000	2,090
Municipal Offices		-	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		5,839	3,176	2,677	2,200	3,300	3,300	2,500	2,000	2,090
<u>Computer Equipment</u>										
		8,379	8,480	10,671	2,650	11,890	11,890	11,890	12,414	12,972
Computer Equipment		8,379	8,480	10,671	2,650	11,890	11,890	11,890	12,414	12,972
<u>Furniture and Office Equipment</u>										
		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<u>Machinery and Equipment</u>										
		1,644	1,503	3,594	2,000	6,364	6,364	2,900	3,000	3,950
Machinery and Equipment		1,644	1,503	3,594	2,000	6,364	6,364	2,900	3,000	3,950
<u>Transport Assets</u>										
		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
<u>Land</u>										
		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>										
		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	51,411	56,989	66,900	28,400	67,349	67,349	43,090	33,564	35,889

**Table 45 MBRR SA34d – Depreciation by Asset class**

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**LIM473 Makhuduthamaga - Supporting Table SA34d Depreciation by asset class**

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand	1									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		15,852	19,723	21,562	17,534	21,034	21,034	22,043	23,013	24,049
Roads Infrastructure		15,418	16,501	16,958	16,947	20,447	20,447	21,428	22,371	23,377
Roads		15,418	16,501	16,958	16,947	20,447	20,447	21,428	22,371	23,377
Electrical Infrastructure		434	502	487	587	587	587	616	643	672
LV Networks		434	502	487	587	587	587	616	643	672
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	2,720	4,118	-	-	-	-	-	-
Landfill Sites		-	2,720	4,118	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		177	277	645	136	323	323	338	353	369
Community Facilities		177	277	645	136	323	323	338	353	369
Stalls		177	277	645	136	323	323	338	353	369
<b>Other assets</b>		2,125	2,142	2,362	2,452	2,452	2,452	2,570	2,683	2,804
Operational Buildings		2,125	2,142	2,362	2,452	2,452	2,452	2,570	2,683	2,804
Municipal Offices		2,125	2,142	2,362	2,452	2,452	2,452	2,570	2,683	2,804
<b>Intangible Assets</b>		1,459	1,384	1,124	1,205	1,205	1,205	1,263	1,318	1,378
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		1,459	1,384	1,124	1,205	1,205	1,205	1,263	1,318	1,378
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		1,459	1,384	1,124	1,205	1,205	1,205	1,263	1,318	1,378
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		2,842	3,009	3,217	2,189	3,489	3,489	3,657	3,817	3,989
Computer Equipment		2,842	3,009	3,217	2,189	3,489	3,489	3,657	3,817	3,989
<b>Furniture and Office Equipment</b>		436	433	511	636	636	636	667	696	728
Furniture and Office Equipment		436	433	511	636	636	636	667	696	728
<b>Machinery and Equipment</b>		264	269	256	1,082	1,082	1,082	1,133	1,183	1,237
Machinery and Equipment		264	269	256	1,082	1,082	1,082	1,133	1,183	1,237
<b>Transport Assets</b>		4,128	4,313	4,085	3,965	5,265	5,265	5,518	5,760	6,020
Transport Assets		4,128	4,313	4,085	3,965	5,265	5,265	5,518	5,760	6,020
<b>Total Depreciation</b>	1	27,282	31,551	33,762	29,199	35,486	35,486	37,189	38,826	40,573

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

LIM473 Makhuduthamaga - Supporting Table SA34e Capital expenditure on the upgrading of existing assets by asset class										
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		3,565	3,565	3,565	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		3,565	3,565	3,565	-	-	-	-	-	-
MV Networks		3,565	3,565	3,565	-	-	-	-	-	-
<b>Other assets</b>		2,287	1,127	1,127	2,000	-	-	5,000	-	-
Operational Buildings		2,287	1,127	1,127	2,000	-	-	5,000	-	-
Municipal Offices		2,287	1,127	1,127	2,000	-	-	5,000	-	-
<b>Total Capital Expenditure on upgrading of existing assets</b>	<b>1</b>	<b>5,853</b>	<b>4,693</b>	<b>4,693</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>-</b>
<i>Upgrading of Existing Assets as % of total capex</i>		0.0%	1.0%	0.8%	1.6%	0.0%	0.0%	2.7%	0.0%	0.0%
<i>Upgrading of Existing Assets as % of deprecn"</i>		21.5%	14.9%	13.9%	6.8%	0.0%	0.0%	13.4%	0.0%	0.0%

Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

**Table 47 MBRR SA35 - Future financial implications of the capital budget**

**LIM473 Makhuduthamaga - Supporting Table SA35 Future financial implications of the capital budget**

Vote Description	Ref	2022/23 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Present value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 1 - Executive & Council		–	–	–				
Vote 2 - Finance & Administration		14,700	265	–				
Vote 3 - Finance & Administration 2		1,000	800	836				
Vote 4 - Community and Social Services		–	–	–				
Vote 5 - Planning and Development		1,300	–	–				
Vote 6 - Internal Audit		–	–	–				
Vote 7 - Energy Sources		3,500	–	–				
Vote 8 - Road Transport		168,069	128,368	145,259				
Vote 9 - Public Safety		–	–	–				
Vote 10 - Waste Management		–	–	–				
Vote 11 - Sports & Recreation		–	–	–				
Vote 12 - [NAME OF VOTE 12]		–	–	–				
Vote 13 - Waste Water Management		–	–	–				
Vote 14 - Housing		–	–	–				
Vote 15 - [NAME OF VOTE 15]		–	–	–				
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>188,569</b>	<b>129,433</b>	<b>146,095</b>	–	–	–	–
<b>Total future revenue</b>		–	–	–	–	–	–	–
<b>Net Financial Implications</b>		<b>188,569</b>	<b>129,433</b>	<b>146,095</b>	–	–	–	–

**Table 48 MBRR SA36 - Detailed capital budget per municipal vote**



## Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality: List all capital projects grouped by Function																
061e1e5d-5805-402b-45dc-3b64853290d	Budget and Treasury Office	10050000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Operational Buildings	Yards	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73500061	-	-	-	-	17,700
061e1e5d-5805-402b-45dc-3b64853290d	Budget and Treasury Office	10010000000000000000	-	human settlements and improved quality of ho	Growth	Financial Viability and Management	Housing	Staff Housing	ac1c37c9-1f19-42b0-8034-a5ed8bf5b0fb	29.83519036	-24.73500061	-	15,000	-	-	9,000
061e1e5d-5805-402b-45dc-3b64853290d	Budget and Treasury Office	00000000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Furniture and Office Equipment	Furniture and Office Equipment	ac1c37c9-1f19-42b0-8034-a5ed8bf5b0fb	29.83519036	-24.73500061	-	15,000	-	-	4,500
061e1e5d-5805-402b-45dc-3b64853290d	Budget and Treasury Office	00000000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Transport Assets	Transport Assets	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73500061	-	9,000	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Budget and Treasury Office	00000000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Transport Assets	Transport Assets	ac1c37c9-1f19-42b0-8034-a5ed8bf5b0fb	29.83519036	-24.73500061	-	-	-	-	16,500
061e1e5d-5805-402b-45dc-3b64853290d	Public Safety	00000000000000000000	-	ent, effective and development-oriented public	Growth	Service Delivery and Poverty Allevi	Machinery and Equipment	Machinery and Equipment	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73629951	-	3,000	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Public Safety	00000000000000000000	-	ent, effective and development-oriented public	Growth	Service Delivery and Poverty Allevi	Machinery and Equipment	Machinery and Equipment	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73629951	-	600	795	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Public Safety	00000000000000000000	-	ent, effective and development-oriented public	Growth	Service Delivery and Poverty Allevi	Transport Assets	Transport Assets	ac1c37c9-1f19-42b0-8034-a5ed8bf5b0fb	29.83519036	-24.73629951	-	1,500	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	70000000000000000000	-	competitive and responsive economic infrastru	Growth	Financial Viability and Management	Electrical Infrastructure	MV Networks	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	21,893	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	20000000000000000000	-	competitive and responsive economic infrastru	Growth	Financial Viability and Management	Roads Infrastructure	Road Structures	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	92,178	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	20000000000000000000	-	competitive and responsive economic infrastru	Growth	Financial Viability and Management	Roads Infrastructure	Road Structures	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	941,441	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	00000000000000000000	-	ent, effective and development-oriented public	Spatial integration	Financial Viability and Management	Land	Land	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	795	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	10170000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Community Facilities	Markets	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	43,208	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	10170000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Operational Buildings	Municipal Offices	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	156,859	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	10400000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Operational Buildings	Workshops	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	10,836	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	00000000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Computer Equipment	Computer Equipment	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	71,225	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	00000000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Furniture and Office Equipment	Furniture and Office Equipment	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	28,190	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	20040000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Licences and Rights	Computer Software and Applications	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	24,645	-	-	-	-
061e1e5d-5805-402b-45dc-3b64853290d	Statement of Financial Position	00000000000000000000	-	ent, effective and development-oriented public	Growth	Financial Viability and Management	Transport Assets	Transport Assets	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	106,994	-	-	-	-
5eb282ba-c786-49af-8a50-44ab222b67f1	Upgrading of Marishane Sports Facility	10070000000000000000	-	competitive and responsive economic infrastru	Inclusion and access	structure Development and Mainten	Electrical Infrastructure	MV Networks	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	30	-24	10,696	-	-	-	-
ff14151e16f4-42cb-a263-a000785b2bc5	Construction of Thungone Centre	10020000000000000000	-	ent, effective and development-oriented public	Growth	Service Delivery and Poverty Allevi	Community Facilities	Centres	2c200772-0672-4023-ac4f-1b7804044ac	29.36894989	-24.31172752	6,772	-	-	-	-
91039af9-bf16-404d-8908-6abf7eaac37a	Infrastructure - Building and Electricity		-			Infrastructure Development and Maintenance			a5996b0d-9e4b-4a82-8294-26b6c74c35b	29.83519036	-24.73600088	-	3,500	-	-	-
84c380c3-3071-4f6e-b3e1-ca880365dc85	Statement of Financial Position	10000000000000000000	-	competitive and responsive economic infrastru	Growth	Financial Viability and Management	Solid Waste Infrastructure	Landfill Sites	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	29.83519036	-24.73649979	49,415	-	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Phahlamane/Mapetle to Maselane/eng	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	e84bcd15-2d72-448d-9dc1-9c8ba06e3ba3	1234	1234	-	4,350	40,609	63,000	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road to Kome	10000000000000000000	-	competitive and responsive economic infrastru	Growth	Ensure ease of access	Roads Infrastructure	Roads	ch00a59-4f14141-80a2-1e0f09a4553	0.1000000001	0.1000000001	17,216	-	-	-	56,994
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Makhosi to Mant	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	f1c512c0-8898-4996-9177-324017e7ed59	123	123	-	33,264	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road and Bridge from Mathusand	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	a037485-e053-414b-918e-8e9f8d6f7963	1234	1234	-	1,500	-	-	15,863
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Brooklyn to Makos	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	4699b11-50a3-4073-9a8b-5e6f08a5457d	1234	1234	-	-	29,346	22,227	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Jane Furse RDP to Mo	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	c759f16-5a02-45a8-b63c-ea8b5c40842	1234	1234	-	1,650	99,547	53,596	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Maruleng to Mar	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	7a6b04b-4a93-4a02-b63c-ea8b5c40842	123	123	-	1,500	-	-	54,000
2e27370b-2916-4a89-ba14-65993216a3f7	Road from Masemola Moshate to Mof	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	b242f49-9742-4a0e-b099-1d7ae710387d	1234	1234	-	1,500	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Mathupisa to Soe	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	8a6fc7a9-1414-429e-8e49-5d8fb6c800ec	1234	1234	-	1,500	-	-	18,600
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Makhosi Mamone-R579	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	a5996b0d-9e4b-4a82-8294-26b6c74c35b	123	123	-	-	25,212	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	2c200772-0672-4023-ac4f-1b7804044ac	1234	1234	-	1,500	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	055e5d53-9e01-45ae-a899-8cb02333bea9	1234	1234	-	-	-	-	66,000
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	4ece45b8-4e02-4a02-4a08-b51751f6b8	24568	12345	-	35,928	-	-	62,136
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	8cde1f3b-6ef1-4a71-8cfe-50613d022390	1234	1234	-	28,609	16,391	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	4ece45b8-4e02-4a02-4a08-b51751f6b8	29.44449425	-24.38953972	-	61,500	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	055e5d53-9e01-45ae-a899-8cb02333bea9	29.50166512	-24.46458817	-	49,400	60,000	60,000	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	1fa8a493-028c-4a02-a075-4e7113b51a	12345	12345	-	15,000	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	1c22e736-9b5b-43e3-a3b4-7877f9b6e22b	30	-34	4,761	45,000	45,000	30,000	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	1de29b67-884d-4d0d-9e15-7f8727a135	29.48779962	-24.50130844	(0)	-	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	5b07ac1f-c444-4f63-9538-010538b981	30.05980075	-24.40114212	4,328	15,000	45,000	45,000	4,328
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	e0b01e0d-a5f1-4a0d-acf2-9f7d0bca98de	30.04985046	-24.45722961	0	-	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	c050e10a-e5a5-47a0-a095-0e5d7117518a	29.47437477	-24.50529671	-	64,410	-	-	13,500
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	8b6fc7a9-1414-429e-8e49-5d8fb6c800ec	29.32814026	-24.35149384	23,972	-	-	-	68,140
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	c759f16-5a02-45a8-b63c-ea8b5c40842	29.32814026	-24.35149384	-	1,650	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	7e0ba0b4-4a93-4a02-bb3c-ea8b5c45bb1d	29.58979898	-24.40568924	0	-	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Storm Water Infrastructure	Storm water Conveyance	08961677-35d1-4890-ad50-63202121d7ee	1234	1234	-	-	7,500	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	08961677-35d1-4890-ad50-63202121d7ee	29.48277092	-24.43600208	1,497	-	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	8cde1f3b-6ef1-4a71-8cfe-50613d022390	29.51933127	-24.56529214	0	-	-	-	-
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Roads	e84bcd15-2d72-448d-9dc1-9c8ba06e3ba3	29.44209099	-24.41142654	3,237	45,000	-	-	45,000
2e27370b-2916-4a89-ba14-65993216a3f7	Access road from Motor-Gate Wander	10000000000000000000	-	competitive and responsive economic infrastru	Growth	structure Development and Mainten	Roads Infrastructure	Road Structures	4ece45b8-4e02-4a02-4a08-b51751f6b8	29.44449425	-24.38953972	50,706	-	-	-	78,000
2e27370b-2916-4a89-ba14-659																



## Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

### Table 49 MBRR SA37 – Projects delayed from previous years

LIM473 Makhuduthamaga - Supporting Table SA37 Projects delayed from previous financial years															2022/23 Medium Term Revenue & Expenditure Framework				
R thousand	Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2021/22		2022/23 Medium Term Revenue & Expenditure Framework			
														Original Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
Parent municipality:																			
List all capital projects grouped by Function																			
0651e5d3-5805-402b-45dc-3b94852c2b0	Budget and Treasury Office		0050000000000000	–	and development-o	Growth	Viability and Man	Operational Buildings	Yards	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73500061	0	–	70.800	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Budget and Treasury Office		0010000000000000	–	ments and improv	Growth	Viability and Man	Housing	Staff Housing	acfc37c9-91f9-42b0-8034-45e08bf500fb	29.83519936	-24.73500061	0	60,000	36,000	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Budget and Treasury Office		0000000000000000	–	and development-o	Growth	Viability and Man	Furniture and Office Equipment	Furniture and Office Equipment	acfc37c9-91f9-42b0-8034-45e08bf500fb	29.83519936	-24.73500061	0	60,000	18,000	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Budget and Treasury Office		0000000000000000	–	and development-o	Growth	Viability and Man	Transport Assets	Transport Assets	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73500061	0	9,000	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Budget and Treasury Office		0000000000000000	–	and development-o	Growth	Viability and Man	Transport Assets	Transport Assets	acfc37c9-91f9-42b0-8034-45e08bf500fb	29.83519936	-24.73500061	0	–	66,000	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Public Safety		0000000000000000	–	and development-o	Growth	Delivery and Powe	Machinery and Equipment	Machinery and Equipment	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73299591	0	12,000	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Public Safety		0000000000000000	–	and development-o	Growth	Delivery and Powe	Machinery and Equipment	Machinery and Equipment	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73299591	0	2,400	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Public Safety		0000000000000000	–	and development-o	Growth	Delivery and Powe	Transport Assets	Transport Assets	acfc37c9-91f9-42b0-8034-45e08bf500fb	29.83519936	-24.73299591	0	6,000	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0000000000000000	–	nd responsive econo	Growth	Viability and Man	Electrical Infrastructure	MV Networks	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0000000000000000	–	nd responsive econo	Growth	Viability and Man	Electrical Infrastructure	MV Networks	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0000000000000000	–	nd responsive econo	Growth	Viability and Man	Roads Infrastructure	Road Structures	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0000000000000000	–	nd responsive econo	Growth	Viability and Man	Roads Infrastructure	Road Structures	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0000000000000000	–	and development-o	Growth	Spatial integration	Land	Land	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0170000000000000	–	and development-o	Growth	Viability and Man	Community Facilities	Markets	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0010000000000000	–	and development-o	Growth	Viability and Man	Operational Buildings	Municipal Offices	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0040000000000000	–	and development-o	Growth	Viability and Man	Operational Buildings	Workshops	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0000000000000000	–	and development-o	Growth	Viability and Man	Computer Equipment	Computer Equipment	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0000000000000000	–	and development-o	Growth	Viability and Man	Furniture and Office Equipment	Furniture and Office Equipment	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0000000000000000	–	and development-o	Growth	Viability and Man	Computer Software and Applications	Computer Software and Applications	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0020000000000000	–	and development-o	Growth	Viability and Man	Non-revenue Generating	Unimproved Property	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
0651e5d3-5805-402b-45dc-3b94852c2b0	Statement of Financial Position		0000000000000000	–	and development-o	Growth	Viability and Man	Transport Assets	Transport Assets	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	
5ef628bc-c786-89af-8a5f-44a8b229b7f1	Upgrading of Marishane Sports Facility		0070000000000000	–	nd responsive econo	Growth	Development and	Electrical Infrastructure	MV Networks	1c22e736-9505-43a3-a3b4-7877f9b9e22b	30	-24	–	–	–	–	–	–	
8734761f-1db2-421f-a89a-8b7677291eb	Statement of Financial Position		0000000000000000	–	nd responsive econo	Growth	Viability and Man	Roads Infrastructure	Road Structures	acfc37c9-91f9-42b0-8034-45e08bf500fb	29.83519936	-24.73649979	0	(1,697,123)	(1,276,785)	(1,164,901)	(1,314,851)	–	–
8734761f-1db2-421f-a89a-8b7677291eb	Statement of Financial Position		0010000000000000	–	and development-o	Growth	Viability and Man	Operational Buildings	Municipal Offices	acfc37c9-91f9-42b0-8034-45e08bf500fb	29.83519936	-24.73649979	0	335,364	–	–	–	–	–
89f4415-164-42cb-a263-a0b007852bc5	Construction of Thungu Centre		0020000000000000	–	and development-o	Growth	Delivery and Powe	Community Facilities	Centres	2c200772-0b77-4023-ac4f-1b7804d4ac	29.36894969	-24.31172752	–	–	–	–	–	–	–
81039af-b7f6-4d44-8908-6ab7faa337a	Infrastructure - Building and Electricity		0000000000000000	–	nd responsive econo	Growth	Infrastructure Development and Maintenance	Solid Waste Infrastructure	Landfill Sites	a599b0d-9e4b-4a62-9294-2a06b74c35	29.83519936	-24.73590088	0	14,000	–	–	–	–	–
84c386c3-3b7d-4ffe-b3af-cd80356485	Statement of Financial Position		0000000000000000	–	nd responsive econo	Growth	Viability and Man	Roads Infrastructure	Road Structures	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.83519936	-24.73649979	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	Phaalani/Mamagileto to Masehlangane access		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	84dc0bf5-5b72-44b4-94c1-9c68a6b3e3a3	1234	1234	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	Access road to Kome		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	cfc005a9-4414-11a1-80a2-1af0d56e4553	0.1000000001	0.1000000001	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	and bridge from Mageru Moshate to Mantini		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	11c5120-6886-4596-917f-32a017e7a59	123	123	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	of access road and Bridge from Mathusani to		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	a0374495-e053-414b-91a8-9e69f80763	1234	1234	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	tion of access road from Brooklyn to Makosha		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	41d0011-0da3-4073-9aeb-5edf0a5457d	1234	1234	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	of access road from Jane Fure RDP to Mogosi		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	c75014f-5a02-45ab-be07-7ccca254b42	1234	1234	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	on of Access road from Marulanang to Mageru		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	7e60a8b4-4a63-4a0d-bb3c-ae8b5c45bb1d	123	123	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	on of Access road from Masemola Moshate to Mholingoni		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	b822ed9f-4d42-4a0e-b009-1d7aee7c38d1	1234	1234	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	tion of Access Road from Mathupaisa to Soetev		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	6bfc7a59-1414-429e-bd99-5dfb6c600ec	1234	1234	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	access road from Molelia Mamone-R579 from		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	a599b0d-9e4b-4a62-9294-2a06b74c35	123	123	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	on of Access Road from Motor-Gate Wonderbo		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	2c200772-0b77-4023-ac4f-1b7804d4ac	1234	1234	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	Construction of Cahreue Internal Road (2.8km)		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	055e5d3-9e01-45ae-aab9-9c02353ba9a9	1234	1234	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	of Malesage to Mapulane access road and bri		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	4ece49b-4ec5-4a02-4a6b-85751f0b8f	24568	12345	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	struction of Rietfontein(Ngwarisi) sports f		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	8cfe1f3b-6a1f-4a7f-8c9e-50613d022390	1234	1234	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	of road from Mashabela Tribal office to Mpha		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Road Structures	4ece49b-4ec5-4a02-4a6b-85751f0b8f	29.44449425	-24.38853972	0	61,500	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	tion of road from Mokweto to Molapane/Nwan		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Road Structures	055e5d3-9e01-45ae-aab9-9c02353ba9a9	29.50166512	-24.46458817	0	54,000	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	Rehabilitation of Access Road at Hlalanikahle		0010000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	11a8a949-2f6-4a82-a075-457e13b651a	12345	12345	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	tion of Access Road from Glen Cowle to Mo		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Roads	1c22e736-9505-43a3-a3b4-7877f9b9e22b	30	-24	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	of access road from Maita Maphisane to Mageru		0000000000000000	–	nd responsive econo	Growth	Development and	Roads Infrastructure	Road Structures	1c22e736-9505-43a3-a3b4-7877f9b9e22b	29.49277892	-24.43800228	–	–	–	–	–	–	–
8267370b-2864-4a89-ba14-65993216e3f7	of access road from Maita Maphisane to Mageru		0000																



## Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

### Table 50 MBRR SA38 – Consolidated Detailed Operational Projects

LIM473 Makhuduthamaga - Supporting Table SA38 Consolidated detailed operational projects																	
R thousand	Function	Project Description	Project Number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Prior year outcomes		2022/23 Medium Term Revenue & Expenditure Framework		
													Audited Outcome 2020/21	Current Year 2021/22 Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Parent municipality: List all operational projects grouped by Function																	
R thousand	Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete				
Parent municipality: List all capital projects grouped by Function																	
Parent Operational expenditure																	
Entities: List all Operational projects grouped by Entity																	
Entity A																	
Water project A																	
Entity B																	
Electricity project B																	
Entity Operational expenditure																	
Total Operational expenditure																	
Entity Operational expenditure																	
Total Operational expenditure																	

### 3.13 Legislation compliance status

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

1. In year reporting  
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.
2. Internship programme  
The municipality is participating in the Municipal Financial Management Internship programme and has employed six interns undergoing training in various divisions of the Budget and Treasury Department, Risk management and Audit section. Since the introduction of the Internship programme the municipality has successfully trained 22 interns and employed 10 of the total trained on permanent positions. Three of this total was permanently employed by the district municipality and two was recently employed by our municipality.
3. Budget and Treasury Office  
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee  
An Audit Committee has been established and is fully functional.
5. Service Delivery and Implementation Plan  
The detail SDBIP is and aligned with the 2022/23 budget & MTREF.
6. Annual Report  
Annual report is compiled in terms of the MFMA and National Treasury requirements.
7. MFMA Training  
The MFMA training module in electronic format is presented at the municipality and training is ongoing.
8. Policies  
An amendment of the Municipal Property Rates Regulations as published in Government Notice 363 of 27 March 2009 was announced in Government Gazette 33016 on 12 March 2010. The ratios as prescribed in the Regulations have been complied with.

### 3.14 Other supporting documents

**Table 51 MBRR Table SA1 - Supporting detail to budgeted financial performance**

LIM473 Makhuduthamaga - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		39,694	42,702	43,009	50,077	50,077	50,077	47,502	51,579	52,611	53,663
Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		(1,565)	(1,682)	(1,694)				(2,153)			
Net Property Rates		41,259	44,384	44,703	50,077	50,077	50,077	49,655	51,579	52,611	53,663
Service charges - electricity revenue	6										
Total Service charges - electricity revenue											
Less Revenue Foregone (in excess of 50 kwh per indigent household per month)											
Less Cost of Free Basis Services (50 kwh per indigent household per month)		5,080	5,200	7,900	7,900	7,900	8,000		9,200	10,347	11,500
Net Service charges - electricity revenue		(5,080)	(5,200)	(7,900)	(7,900)	(7,900)	(8,000)	-	(9,200)	(10,347)	(11,500)
Service charges - refuse revenue	6										
Total refuse removal revenue			128	135	156	156	156	150	162	162	162
Total landfill revenue											
Less Revenue Foregone (in excess of one removal a week to indigent households)											
Less Cost of Free Basis Services (removed once a week to indigent households)		-	-	-	-	-	-		-	-	-
Net Service charges - refuse revenue		-	128	135	156	156	156	150	162	162	162
Other Revenue by source											
Administrative Handling Fees		5,812	4,540	5,481	6,800	6,800	6,800	4,970	7,000	7,100	7,100
Incidental Cash Surpluses		195	-	-	-	-	-	-	-	-	-
Insurance Refund		15	5	-	-	-	-	-	-	-	-
Other Revenue		1,756	405	293	167	167	167	274	160	180	180
Total 'Other' Revenue	1	7,778	4,949	5,774	6,967	6,967	6,967	5,244	7,160	7,280	7,280



LIM473 Makhuduthamaga - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
<b>EXPENDITURE ITEMS:</b>											
<b>Employee related costs</b>											
Basic Salaries and Wages	2	39,043	43,185	46,603	61,181	58,089	58,089	45,791	65,566	69,462	73,902
Pension and UIF Contributions		7,294	8,752	9,591	11,426	10,419	10,419	9,279	12,280	13,024	13,871
Medical Aid Contributions		3,998	4,601	5,099	8,478	7,127	7,127	4,754	9,114	9,665	10,293
Overtime		960	792	673	198	534	534	973	211	225	239
Performance Bonus		3,028	3,399	3,707	5,262	4,709	4,709	3,694	4,641	4,917	5,230
Motor Vehicle Allowance		9,552	10,442	11,229	12,823	12,647	12,647	10,369	13,695	14,538	15,483
Cellphone Allowance		1,596	1,791	1,939	2,962	2,539	2,539	1,932	3,154	3,345	3,563
Housing Allowances		2,558	2,665	2,834	4,064	3,633	3,633	2,640	4,966	5,270	5,612
Other benefits and allowances		307	102	74	24	25	25	55	35	37	40
Payments in lieu of leave		4,328	2,035	2,670	–	343	343	1,046	–	–	–
Long service awards		825	917	829	–	–	–	106	–	–	–
Post-retirement benefit obligations	4	–	–	–	–	–	–	–	–	–	–
<b>sub-total</b>	5	73,490	78,681	85,247	106,419	100,063	100,063	80,639	113,662	120,483	128,233
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–	–
<b>Total Employee related costs</b>	1	73,490	78,681	85,247	106,419	100,063	100,063	80,639	113,662	120,483	128,233
<b>Depreciation &amp; asset impairment</b>											
Depreciation of Property, Plant & Equipment		25,823	30,167	32,638	27,994	34,281	34,281	26,749	35,926	37,507	39,195
Lease amortisation		1,459	1,384	1,124	1,205	1,205	1,205	484	1,263	1,318	1,378
Capital asset impairment		1,398	–	–	–	–	–	–	–	–	–
<b>Total Depreciation &amp; asset impairment</b>	1	28,680	31,551	33,762	29,199	35,486	35,486	27,233	37,189	38,826	40,573
<b>Bulk purchases - electricity</b>											
Electricity bulk purchases		–	–	–	–	–	–	–	–	–	–
<b>Total bulk purchases</b>	1	–	–	–	–	–	–	–	–	–	–
<b>Transfers and grants</b>											
Cash transfers and grants		6,252	9,033	4,777	5,200	7,200	7,200	6,634	9,200	10,347	11,500
Non-cash transfers and grants		–	36	–	–	–	–	–	–	–	–
<b>Total transfers and grants</b>	1	6,252	9,068	4,777	5,200	7,200	7,200	6,634	9,200	10,347	11,500
<b>Contracted services</b>											
Outsourced Services		70,136	56,905	59,019	71,823	87,045	87,045	57,233	59,193	53,622	44,258
Consultants and Professional Services		74,218	46,849	12,424	9,766	16,535	16,535	9,301	18,987	13,514	11,336
Contractors		55,969	61,544	69,111	31,072	70,195	70,195	66,134	49,043	33,750	36,084
<b>Total contracted services</b>		200,323	165,298	140,554	112,662	173,775	173,775	132,667	127,224	100,886	91,678
<b>Other Expenditure By Type</b>											
Collection costs		–	–	–	–	–	–	–	–	–	–
Contributions to 'other' provisions		–	–	–	–	–	–	–	–	–	–
Audit fees		–	–	–	–	–	–	–	–	–	–
Other Expenditure		59,818	47,462	38,685	37,339	39,253	39,253	41,088	54,120	49,129	51,466
<b>Total 'Other' Expenditure</b>	1	59,818	47,462	38,685	37,339	39,253	39,253	41,088	54,120	49,129	51,466
<b>by Expenditure Item</b>											
Employee related costs	8										
Inventory Consumed (Project Maintenance)											
Contracted Services		51,411	56,989	66,900	28,400	67,349	67,349	64,723	18,090	18,564	20,214
Other Expenditure											
<b>Total Repairs and Maintenance Expenditure</b>	9	51,411	56,989	66,900	28,400	67,349	67,349	64,723	18,090	18,564	20,214
<b>Inventory Consumed</b>											
Inventory Consumed - Water		–	–	–	–	–	–	–	–	–	–
Inventory Consumed - Other		–	(446)	(160)	3,500	2,500	2,500	(160)	2,620	2,735	2,858
<b>Total Inventory Consumed &amp; Other Material</b>		–	(446)	(160)	3,500	2,500	2,500	(160)	2,620	2,735	2,858

Table 52 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

LIM473 Makhuduthamaga - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive & Council	Vote 2 - Finance & Administration	Vote 3 - Finance & Administration 2	Vote 4 - Community and Social Services	Vote 5 - Planning and Development	Vote 6 - Internal Audit	Vote 7 - Energy Sources	Vote 8 - Road Transport	Vote 9 - Public Safety	Vote 10 - Waste Management	Vote 11 - Sports & Recreation	Vote 12 - [NAME OF VOTE 12]	Vote 13 - Waste Water Management	Vote 14 - Housing	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates		–	51,579	–	–	–	–	–	–	–	–	–	–	–	–	–	51,579
Service charges - electricity revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		–	162	–	–	–	–	–	–	–	–	–	–	–	–	–	162
Rental of facilities and equipment		–	140	–	–	–	–	–	–	–	–	–	–	–	–	–	140
Interest earned - external investments		–	1,800	–	–	–	–	–	–	–	–	–	–	–	–	–	1,800
Interest earned - outstanding debtors		–	2,750	–	–	–	–	–	–	–	–	–	–	–	–	–	2,750
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	170	–	–	–	–	–	–	–	–	–	–	–	–	–	170
Licences and permits		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other revenue		–	333,845	–	–	–	–	–	–	–	–	–	–	–	–	–	333,845
Transfers and subsidies		–	7,160	–	–	–	–	–	–	–	–	–	–	–	–	–	7,160
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contribution		–	397,606	–	–	–	–	–	–	–	–	–	–	–	–	–	397,606
Expenditure By Type																	
Employee related costs		25,012	34,506	8,120	9,084	9,443	–	620	4,013	18,885	3,980	–	–	–	–	–	113,662
Remuneration of councillors		23,597	–	–	–	–	–	–	–	–	–	–	–	–	–	–	23,597
Debt impairment		–	7,340	–	–	–	–	–	–	–	–	–	–	–	–	–	7,340
Depreciation & asset impairment		–	37,189	–	–	–	–	–	–	–	–	–	–	–	–	–	37,189
Finance charges		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Inventory consumed		–	2,620	–	–	–	–	–	–	–	–	–	–	–	–	–	2,620
Contracted services		3,865	44,643	11,890	900	5,710	3,045	2,306	21,900	200	24,265	–	–	–	2,500	–	121,224
Transfers and subsidies		–	–	3,500	2,200	3,500	–	–	–	–	–	–	–	–	–	–	9,200
Other expenditure		19,727	18,099	5,597	761	702	–	3,149	4,787	166	31	1,100	–	–	–	–	54,120
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		72,200	144,397	29,108	12,945	19,355	3,045	6,074	30,700	19,251	28,276	1,100	–	–	2,500	–	368,952
Surplus/(Deficit)		(72,200)	253,209	(29,108)	(12,945)	(19,355)	(3,045)	(6,074)	(30,700)	(19,251)	(28,276)	(1,100)	–	–	(2,500)	–	28,654
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	76,915	–	–	–	–	–	–	–	–	–	–	–	–	–	76,915
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(72,200)	330,124	(29,108)	(12,945)	(19,355)	(3,045)	(6,074)	(30,700)	(19,251)	(28,276)	(1,100)	–	–	(2,500)	–	105,569


**Table 53 MBRR Table SA3 – Supporting detail to Statement of Financial Position**

LIM473 Makhuduthamaga - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
R thousand											
<b>ASSETS</b>											
<b>Consumer debtors</b>											
Consumer debtors		402,416	473,157	544,904	38,700	2,700	2,700	112,476	13,561	8,633	7,704
Less: Provision for debt impairment		-	-	-	-	-	-	-	-	-	-
<b>Total Consumer debtors</b>	2	<b>402,416</b>	<b>473,157</b>	<b>544,904</b>	<b>38,700</b>	<b>2,700</b>	<b>2,700</b>	<b>112,476</b>	<b>13,561</b>	<b>8,633</b>	<b>7,704</b>
<b>Debt impairment provision</b>											
<b>Standard Rated</b>											
<b>Opening Balance</b>		-	-	-	-	-	-	-	-	-	-
Acquisitions	7	-	-	-	3,500	2,513	2,513	-	2,550	3,400	3,553
Issues	8	-	-	-	(3,500)	-	-	-	-	-	-
Adjustments	9	-	-	-	-	-	-	-	-	-	-
Write-offs		-	-	-	-	-	-	-	-	-	-
<b>Closing balance - Consumables Standard Rated</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,513</b>	<b>2,513</b>	<b>-</b>	<b>2,550</b>	<b>3,400</b>	<b>3,553</b>
<b>Zero Rated</b>											
<b>Closing Balance - Land</b>		-	-	-	-	-	-	-	-	-	-
<b>Closing Balance - Inventory &amp; Consumables</b>		<b>758</b>	<b>1,128</b>	<b>1,115</b>	<b>1,127</b>	<b>1,127</b>	<b>1,127</b>	<b>1,120</b>	<b>1,057</b>	<b>1,592</b>	<b>1,664</b>
<b>Property, plant and equipment (PPE)</b>											
PPE at cost/valuation (excl. finance leases)		455,648	492,108	586,545	346,900	442,034	442,034	669,978	488,788	129,433	146,095
Leases recognised as PPE	3	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation		140,574	170,636	203,214	-	-	-	(229,963)	-	-	-
<b>Total Property, plant and equipment (PPE)</b>	2	<b>315,074</b>	<b>321,472</b>	<b>383,330</b>	<b>346,900</b>	<b>442,034</b>	<b>442,034</b>	<b>899,941</b>	<b>488,788</b>	<b>129,433</b>	<b>146,095</b>
<b>LIABILITIES</b>											
<b>Current liabilities - Borrowing</b>											
Short term loans (other than bank overdraft)		-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities		-	-	-	-	-	-	-	-	-	-
<b>Total Current liabilities - Borrowing</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Trade and other payables</b>											
Trade Payables	5	75,722	85,163	41,579	41,351	43,351	43,351	(38,075)	(218,296)	(166,311)	(146,300)
Other creditors		-	-	-	(5,200)	(7,200)	(7,200)	-	-	-	-
Unspent conditional transfers		42	24	114	(592,664)	-	-	(30,331)	-	-	-
VAT		(13,121)	(2,641)	(444)	-	-	-	(2,073)	-	-	-
<b>Total Trade and other payables</b>	2	<b>62,643</b>	<b>82,545</b>	<b>41,249</b>	<b>(556,513)</b>	<b>36,151</b>	<b>36,151</b>	<b>(70,479)</b>	<b>(218,296)</b>	<b>(166,311)</b>	<b>(146,300)</b>
<b>Non current liabilities - Borrowing</b>											
Borrowing	4	-	-	-	-	-	-	-	-	-	-
Finance leases (including PPP asset element)		-	-	-	-	-	-	-	-	-	-
<b>Total Non current liabilities - Borrowing</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Provisions - non-current</b>											
Retirement benefits		-	-	-	-	-	-	-	-	-	-
Refuse landfill site rehabilitation		-	-	-	-	23,503	23,503	-	24,701	26,100	27,275
Other		80,485	80,979	84,487	23,503	-	-	(84,487)	-	-	-
<b>Total Provisions - non-current</b>		<b>80,485</b>	<b>80,979</b>	<b>84,487</b>	<b>23,503</b>	<b>23,503</b>	<b>23,503</b>	<b>(84,487)</b>	<b>24,701</b>	<b>26,100</b>	<b>27,275</b>
<b>CHANGES IN NET ASSETS</b>											
<b>Accumulated Surplus/(Deficit)</b>											
Accumulated Surplus/(Deficit) - opening balance		-	-	-	128,282	418,346	418,346	-	684,384	267,164	254,897
GRAP adjustments		-	-	-	-	-	-	-	-	-	-
Restated balance		-	-	-	128,282	418,346	418,346	-	684,384	267,164	254,897
Surplus/(Deficit)		(33,486)	(5,033)	99,469	117,273	74,380	74,280	(241,385)	90,369	119,115	137,946
Transfers to/from Reserves		-	-	-	-	-	-	-	-	-	-
Depreciation offsets		-	-	-	-	-	-	-	-	-	-
Other adjustments		-	-	-	-	-	-	-	-	-	-
<b>Accumulated Surplus/(Deficit)</b>	1	<b>(33,486)</b>	<b>(5,033)</b>	<b>99,469</b>	<b>245,555</b>	<b>492,725</b>	<b>492,625</b>	<b>(241,385)</b>	<b>774,753</b>	<b>386,278</b>	<b>392,844</b>
<b>Reserves</b>											
Housing Development Fund		-	-	-	-	-	-	-	-	-	-
Capital replacement		-	-	-	-	-	-	-	-	-	-
Self-insurance		-	-	-	-	-	-	-	-	-	-
Other reserves		-	-	-	-	-	-	-	-	-	-
Revaluation		-	-	-	-	-	-	-	-	-	-
<b>Total Reserves</b>	2	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>(33,486)</b>	<b>(5,033)</b>	<b>99,469</b>	<b>245,555</b>	<b>492,725</b>	<b>492,625</b>	<b>(241,385)</b>	<b>774,753</b>	<b>386,278</b>	<b>392,844</b>





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### Table 54 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

LIM473 Makhuduthamaga - Supporting Table SA9 Social, economic and demographic statistics and assumptions												
Description of economic indicator	Ref	Basis of calculation	2001 Census	2007 Survey	2011 Census	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b>Demographics</b>		Census 2001 - Census 2007 - Census 2011	264	262	300	274	300	300	300	300	300	300
Population		Census 2001 - Census 2007 - Census 2011	-	-	300	60	177	177	177	177	177	177
Females aged 5 - 14		Census 2001 - Census 2007 - Census 2011	-	-	123	60	123	123	123	123	123	123
Males aged 5 - 14		Census 2001 - Census 2007 - Census 2011	-	-	-	47	-	-	-	-	-	-
Females aged 15 - 34		Census 2001 - Census 2007 - Census 2011	-	-	-	36	-	-	-	-	-	-
Males aged 15 - 34		Census 2001 - Census 2007 - Census 2011	-	-	24	33	21	21	21	21	21	21
Unemployment		Census 2001 - Census 2007 - Census 2011	-	-	-	-	-	-	-	-	-	-
<b>Monthly household income (no. of households)</b>	1, 12	Statistics South Africa 2007 & 2011	-	-	144,105	121,946	144,105	144,105	144,105	144,105	144,105	144,105
No income		(Community Survey)	-	-	-	1,311,130	-	-	-	-	-	-
R1 - R1 600		Statistics South Africa 2007 & 2011	-	-	-	-	-	-	-	-	-	-
R1 601 - R3 200		(Community Survey)	-	-	-	3,945	-	-	-	-	-	-
R3 201 - R6 400		Statistics South Africa 2007 & 2011	-	-	-	-	-	-	-	-	-	-
R6 401 - R12 800		(Community Survey)	-	-	-	-	-	-	-	-	-	-
R12 801 - R25 600		Statistics South Africa 2007 & 2011	-	-	60,966	2,894	60,966	60,966	60,966	60,966	60,966	60,966
R25 601 - R51 200		(Community Survey)	-	-	-	-	-	-	-	-	-	-
R52 201 - R102 400		Statistics South Africa 2007 & 2011	-	-	32,154	3,281	32,154	32,154	32,154	32,154	32,154	32,154
R102 401 - R204 800		(Community Survey)	-	-	-	-	-	-	-	-	-	-
R204 801 - R409 600		Statistics South Africa 2007 & 2011	-	-	2,128	2,028	2,128	2,128	2,128	2,128	2,128	2,128
R409 601 - R819 200		(Community Survey)	-	-	-	-	-	-	-	-	-	-
> R819 200		Statistics South Africa 2007 & 2011	-	-	2,637	346	2,637	2,637	2,637	2,637	2,637	2,637
<b>Poverty profiles (no. of households)</b>	13	Statistics South Africa 2007 & 2011	-	-	3,829	57	3,829	3,829	3,829	3,829	3,829	3,829
< R2 060 per household per month		(Community Survey)	-	-	-	-	-	-	-	-	-	-
Insert description	2	Statistics South Africa 2007 & 2011	-	-	718	73	718	718	718	718	718	718
<b>Household/demographics (000)</b>		(Community Survey)	-	-	-	-	-	-	-	-	-	-
Number of people in municipal area		Statistics South Africa 2007 & 2011	-	-	9	9	9	9	9	9	9	9
Number of poor people in municipal area		(Community Survey)	-	-	-	-	-	-	-	-	-	-
Number of households in municipal area		Statistics South Africa 2007 & 2011	-	-	235	235	235	235	235	235	235	235
Number of poor households in municipal area		(Community Survey)	-	-	-	-	-	-	-	-	-	-
Definition of poor household (R per month)		(Community Survey)	-	-	-	-	-	-	-	-	-	-
<b>Housing statistics</b>	3	Statistics South Africa 2007 & 2011 (Community Survey)	-	-	247,632	247,632	247,632	247,632	247,632	247,632	247,632	247,632
Formal		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	-	0	0	0	0	0	0	0
Informal		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	-	-	-	-	-	-	-	-
Dwellings provided by municipality	4	Statistics South Africa 2007 & 2011 (Community Survey)	-	-	-	-	-	-	-	-	-	-
Dwellings provided by province/s		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	-	-	-	-	-	-	-	-
Dwellings provided by private sector	5	Statistics South Africa 2007 & 2011 (Community Survey)	274,358	274,358	274,358	274	274	274	274	274	274	274
<b>Total new housing dwellings</b>		Statistics South Africa 2007 & 2011 (Community Survey)	-	-	-	-	-	-	-	-	-	-
<b>Economic</b>	6	Statistics South Africa 2007 & 2011 (Community Survey)	65,217	65,217	65,217	65	65	65	65	65	65	65
Inflation/inflation outlook (CPIX)			-	-	-	-	-	-	-	-	-	-
Interest rate - borrowing			-	-	-	-	-	-	-	-	-	-
Interest rate - investment			-	-	-	-	-	-	-	-	-	-
Remuneration increases			-	-	-	-	-	-	-	-	-	-
Consumption growth (electricity)			-	-	-	-	-	-	-	-	-	-
Consumption growth (water)			-	-	-	-	-	-	-	-	-	-
<b>Collection rates</b>	7		-	-	-	-	-	-	-	-	-	-
Property tax/service charges			-	-	-	-	-	-	-	-	-	-
Rental of facilities & equipment			-	-	-	-	-	-	-	-	-	-
Interest - external investments			-	-	-	29.00%	29%	29.00%	29.00%	35.00%	39.00%	51.00%
Interest - debtors			-	-	-	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Revenue from agency services			-	-	-	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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## Table 55 MBRR Table SA11 – Property rates summary

LIM473 Makhuduthamaga - Supporting Table SA11 Property rates summary

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Valuation:</b>	1									
Date of valuation:		7/1/2011	7/1/2011	7/1/2011						
Financial year valuation used		2018/19	2019/20	2020/21						
Municipal by-laws s6 in place? (Y/N)	2	Yes	Yes	Yes						
Municipal/assistant valuer appointed? (Y/N)		Yes	Yes	Yes						
Municipal partnership s38 used? (Y/N)		NO	NO	NO	NO	NO	NO	NO	NO	NO
No. of assistant valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of data collectors (FTE)	3	-	-	-	-	-	-	-	-	-
No. of internal valuers (FTE)	3	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	3	1	1	1	1	1	1	1	1	1
No. of additional valuers (FTE)	4	-	-	-	-	-	-	-	-	-
Valuation appeal board established? (Y/N)		Yes	Yes	Yes						
Implementation time of new valuation roll (mths)		48	48	48						
No. of properties	5	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797
No. of sectional title values	5	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)		-	-	-	-	-	-	-	-	-
No. of supplementary valuations		1	1	1	1	1	1	1	1	1
No. of valuation roll amendments										
No. of objections by rate payers										
No. of appeals by rate payers										
No. of successful objections	8									
No. of successful objections > 10%	8									
Supplementary valuation										
Public service infrastructure value (Rm)	5									
Municipality owned property value (Rm)										
<b>Valuation reductions:</b>										

# Makhuduthamaga Local Municipality 2021/22 Annual Budget and MTREF

## Table 56 MBRR Table SA12a – Property rates by category (current year)

LIM473 Makhuduthamaga - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
<b>Current Year 2021/22</b>																	
<b>Valuation:</b>																	
No. of properties		4,052	–	1,198	–	555	53	–	–	–	1	–	–	–	–	160	–
No. of sectional title property values		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of unreasonably difficult properties s7(2)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of supplementary valuations		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Supplementary valuation (Rm)		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
No. of valuation roll amendments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of objections by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of appeals by rate-payers finalised		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
No. of successful objections > 10%	5	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Estimated no. of properties not valued		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Years since last valuation (select)		3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Frequency of valuation (select)		<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4	<4
Method of valuation used (select)		Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)		Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.
Phasing-in properties s21 (number)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Combination of rating types used? (Y/N)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Flat rate used? (Y/N)		Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
Is balance rated by uniform rate/variable rate?		Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform	Uniform
<b>Valuation reductions:</b>																	
Valuation reductions-public infrastructure (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-nature reserves/park (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-mineral rights (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-R15,000 threshold (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-public worship (Rm)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Valuation reductions-other (Rm)	2	0	0	0	0	0	0	–	–	–	–	–	–	–	–	–	–
<b>Rating:</b>																	
Average rate	3	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue budget (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rate revenue expected to collect (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Expected cash collection rate (%)	4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Special rating areas (R'000)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total rebates,exemptns,eductns,discs (R'000)</b>																	

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**Table 57 MBRR Table SA13a – Service tariffs by category.**

**LIM473 Makhuduthamaga - Supporting Table SA13a Service Tariffs by category**

Description	Ref	Provide description of tariff structure where appropriate	2018/19	2019/20	2020/21	Current Year 2021/22	2022/23 Medium Term Revenue & Expenditure Framework		
							Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>Property rates</b> <i>(rate in the Rand)</i>	1								
Residential properties			0.1500	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
Residential properties - vacant land									
Formal/informal settlements									
Small holdings			0.1500	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
Farm properties - used			0.1500	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
Farm properties - not used			0.1500	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600
<b>Exemptions, reductions and rebates</b> <i>(Rands)</i>									
<b>Residential properties</b>									
R15 000 threshold rebate			15,000	15,000	15,000	15,000	15,000	15,000	15,000
<b>Waste management tariffs</b>									
<b>Domestic</b>									
Street cleaning charge			2,500	2,500	2,500	2,500	2,500	2,500	2,500
Basic charge/fixed fee									
80l bin - once a week									
250l bin - once a week									



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**Table 59 MBRR Table SA14 – Household bills.**

LIM473 Makhuduthamaga - Supporting Table SA14 Household bills											
Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23 % incr.	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total large household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-
Monthly Account for Household - 'Indigent'	3										
Household receiving free basic services											
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption											
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal											
Other											
sub-total		-	-	-	-	-	-	-	-	-	-
VAT on Services											
Total small household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-

**Table 60 MBRR Table SA15 – Investment particulars by type.**

LIM473 Makhuduthamaga - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government		-	-	-	-	-	-	-	-	-
Listed Corporate Bonds		-	-	-	-	-	-	-	-	-
Deposits - Bank		-	-	-	-	-	-	-	-	-
Deposits - Public Investment Commissioners		-	-	-	-	-	-	-	-	-
Deposits - Corporation for Public Deposits		-	-	-	-	-	-	-	-	-
Bankers Acceptance Certificates		-	-	-	-	-	-	-	-	-
Negotiable Certificates of Deposit - Banks		-	-	-	-	-	-	-	-	-
Guaranteed Endowment Policies (sinking)		-	-	-	-	-	-	-	-	-
Repurchase Agreements - Banks		-	-	-	-	-	-	-	-	-
Municipal Bonds		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Entities</b>										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
<b>Entities sub-total</b>		-	-	-	-	-	-	-	-	-
<b>Consolidated total:</b>		-	-	-	-	-	-	-	-	-



**Table 61 MBRR Table SA16 – Investment particulars by maturity.**

LIM473 Makhuduthamaga - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
Parent municipality														-
														-
														-
														-
Municipality sub-total										-		-	-	-
Entities														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	1									-		-	-	-





**Table 62 MBRR Table SA17 – Borrowing.**

**LIM473 Makhuduthamaga - Supporting Table SA17 Borrowing**

Borrowing - Categorised by type	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
<b>R thousand</b>										
<b><u>Parent municipality</u></b>										
Annuity and Bullet Loans		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b><u>Entities</u></b>										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Borrowing</b>	1	-	-	-	-	-	-	-	-	-

<b>Unspent Borrowing - Categorised by type</b>										
<b><u>Parent municipality</u></b>										
Long-Term Loans (annuity/reducing balance)		-	-	-	-	-	-	-	-	-
Long-Term Loans (non-annuity)		-	-	-	-	-	-	-	-	-
Local registered stock		-	-	-	-	-	-	-	-	-
Instalment Credit		-	-	-	-	-	-	-	-	-
Financial Leases		-	-	-	-	-	-	-	-	-
PPP liabilities		-	-	-	-	-	-	-	-	-
Finance Granted By Cap Equipment Supplier		-	-	-	-	-	-	-	-	-
Marketable Bonds		-	-	-	-	-	-	-	-	-
Non-Marketable Bonds		-	-	-	-	-	-	-	-	-
Bankers Acceptances		-	-	-	-	-	-	-	-	-
Financial derivatives		-	-	-	-	-	-	-	-	-
Other Securities		-	-	-	-	-	-	-	-	-
<b>Municipality sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b><u>Entities</u></b>										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Entities sub-total</b>	1	-	-	-	-	-	-	-	-	-
<b>Total Unspent Borrowing</b>	1	-	-	-	-	-	-	-	-	-



## Makhuduthamaga Local Municipality 2022/23 Annual Budget and MTREF

### **2.1 Annual Budget of Municipal entities**

- The municipality does not have entities.