



ADJUSTED BUDGET OF
**MAKHUDUTHAMAGA LOCAL
MUNICIPALITY**

2018/19

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- **At the reception of our municipal buildings**
- **All public libraries of the municipality**
- **At www.makhuduthamaga.gov.za**

Abbreviations and Acronyms

BPC	Budget Planning Committee	MIG	Municipal Infrastructure Grant
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
MM	Municipal Manager	MSA	Municipal Systems Act
CPI	Consumer Price Index	MTEF	Medium-term Expenditure Framework
CRRF	Capital Replacement Reserve Fund	MTREF	Medium-term Revenue and Expenditure Framework
DoRA	Division of Revenue Act	NGO	Non-Governmental organisations
EE	Employment Equity	NKPIs	National Key Performance Indicators
FBS	Free basic services	OHS	Occupational Health and Safety
GAMAP	Generally Accepted Municipal Accounting Practice	OP	Operational Plan
GRAP	General Recognised Accounting Practice	PMS	Performance Management System
HR	Human Resources	PPE	Property Plant and Equipment
IDP	Integrated Development Plan	PPP	Public Private Partnership
IT	Information Technology	RG	Restructuring Grant
km	kilometre	SALGA	South African Local Government Association
GFS	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		
MEC	Member of the Executive Committee		
MFMA	Municipal Financial Management Act Programme		
MBRR	Municipal Budget and Reporting Regulations		

TABLE OF CONTENTS

PART 1 – Adjustment BUDGET

- 1.1 Mayor's report*
- 1.2 Resolutions*
- 1.3 Executive summary*
- 1.4 Annual Budget Tables (B–schedule)*
 - 1.4.1 Table B1 – Budget Summary*
 - 1.4.2 Table B2 – Budgeted Financial Performance (Standard Classification)*
 - 1.4.3 Table B3 – Budgeted Financial Performance (Municipal Vote)*
 - 1.4.4 Table B4 – Budgeted Financial Performance (Operational Revenue and Expenditure)*
 - 1.4.5 Table B5 – Budgeted Capital Expenditure (By Vote & Standard Classification)*
 - 1.4.6 Table B6 – Budgeted Financial Position*
 - 1.4.7 Table B7 – Budgeted Cash Flows.*
 - 1.4.8 Table B8 – Cash backed reserves/Accumulated surplus reconciliation.*
 - 1.4.9 Table B9 – Asset Management.*
 - 1.4.10 Table B10 – Basic Service delivery measurement.*

PART 2 – SUPPORTING DOCUMENTS

- 2.1. Adjustments to budget assumptions.*
- 2.2. Adjustments to budget funding.*
- 2.3. Adjustments to expenditure on allocations and grant programmes.*
- 2.4. Adjustments to allocations and grants made by the municipality.*
- 2.5. Adjustments to councillor Allowances and employee benefits.*
- 2.6. Adjustments to service delivery and budget implementation plan.*
- 2.7. Adjustments to capital expenditure.*
- 2.8. Other Supporting documents.*
- 2.9. Municipal Manager's quality certification.*

1.1 Mayor's report.

Honourable speaker

The Executive committee

Our Traditional Leaders

Acting Municipal Manager

Honourable councillors

Senior Managers

Ladies and gentlemen

Let me acknowledge and welcome everyone and all local government stakeholders present in this council sitting of today, the 27th of February 2019. Allow me honourable speaker, to further extend my revolutionary greetings to all citizens of Makhuduthamaga and South Africa in General, in this very important year of national and provincial general elections. I like to encourage all citizens of our beloved country to participate in the upcoming general elections taking place on the 8th of May 2019. Let everyone of us here and all other South Africans ensure that as we wake up in preparation to go to the various voting stations on this important day, we do not forget our partners, children who are eligible to vote and other family members. Let's do our best to enlighten them about the importance of exercising this democratic right that was achieved through devastating sacrifices made by our fellow countrymen and women. Finally on this matter I wish to request all of us to pray from our diverse cultures and religions, that God help South Africa to have fair and peaceful elections and may the best party that will win the elections lead our beloved country well.

Honourable Speaker

The Local Government: Municipal Finance Management Act No.56 of 2003, section 72 subsection 1(a) states that:

“(1). the accounting officer of the municipality must by 25 January of each year –

(a) assess the performance of the municipality during the first half of the financial year, taking in to account (i) to (iv).”

Subsection 3 of the same section 72 of the MFMA, states that:

“(3). The accounting officer as part of the review –

(a) make recommendations as to whether an adjustment budget is necessary; and

(b) recommend revised projections for the revenue and expenditure to the extent that this may be necessary.”

Honourable speaker

The Midyear budget and performance assessment was completed by the accounting officer and was submitted to the office of the Mayor, the National Treasury and the Limpopo Provincial Treasury by 25th January 2019. The report has made recommendations that adjustments budget be considered by this council for the 2018/19 financial year due to revenue collection targets not met, VAT claims received during the first half of the financial year and some of the targets not met as planned.

We meet here today as the Council of Makhuduthamaga Municipality, guided by section 28 of the Municipal Finance Management Act No 56 of 2003, to consider approval of the adjustments proposed by the Executive Committee to the Annual budget of the municipality as approved in May 2018. The Service Delivery and Budget Implementation Plan (SDBIP) for 2018/19 has also been adjusted to reallocate targets not met in the first half of the 2018/19 financial year to the last two quarters of the financial year and to remove targets that will not be achieved during the current year due to insufficient funds.

Honourable Speaker

The municipality's total budgeted revenue for the 2018/19 financial year has no significant adjustments as the total annual revenue budget remains at **R 406 million** after the net off, of the adjustments made to individual sources of revenue. The total revenue of R406 million is made of **R 83 million** from own sources of revenue and **R 323 million** from government grants. The municipality has managed to collect R 28 million from SARS for VAT input claims and the cash backed reserves are increased by **R24 million** from this cash received from SARS to fund the repairs and maintenance account that has already been exhausted due to heavy rains the municipality experienced during the first half of the financial year. The municipality's approved cash backed reserves budget has increased from **R 16.4 million** to **R 39.9 million** during this budget adjustment period and the cash backed reserves are used to fund the expenditure programmes in excess of the total adjusted revenue budget for the 2018/19 financial year. The municipality's total funding for the 2018/19 financial year is **R 446.4 million** inclusive of the cash backed reserves.

Budgeted Expenditure

The municipality's total budgeted expenditure for the 2018/19 financial year has been adjusted from **R 422.5 million** to **R 446 million** which is made of operational expenditure to the amount of **R 343 million** and capital expenditure to the amount of **R 102.7 million**.

Adjustments on Operational Expenditure

- **Employee related costs**

Employee related costs has been reduced by **R 7.9 million** for vacant positions which were not filled as planned during the first half of the 2018/19 financial year. This amount was reallocated to the operational expenditure items that requires additional funding to accelerate the service delivery levels.

- **Depreciation**

Depreciation of assets has also increased from **R 22 million** to **R 25.7 million**.

- **Contracted services**

Contracted services has increased from **R 95 million** to **R 126 million** due to the increase in the amount of maintenance work to be done on the municipality's capital infrastructure assets.

- **Other expenditure**

Other expenditure has decreased from **R 64.7 million** to **R 63 million** due to the removal of some of the budgeted operational programmes which were budgeted for implementation in the first half of the financial year and it seems more unlikely that the municipality will be able to carry on with their implementation in the last half of the 2018/19 financial year as the budget allocations were insufficient. The full list of other expenditure items is attached under other supporting documents on part two of this adjustment budget document.

Adjustments on Capital Expenditure

The municipality's annual capital budget is **R 104 million** as approved by council in May 2018. The total approved annual budget of the municipality will be reduced to **R 102 million** by an LED project that was erroneously included in the capital budget, while operational in nature. The following Capital projects were affected by the adjustments through shifting of funds from one project to another as informed by the reviewed projects implementation plans:

- Rietfontein to Eensam access road 2018/19 (MIG) – Increased by **R 1.6 million to R 16.5 million**.
- Thabampshe Cross to Tswaing 2018/19 (MIG) - decreased by **R 3 million to R 1.3 million**.
- Glen Cowie Moloi access road 2018/19 (MIG) – Increased by **R 1.4 million**.
- Mashabela Machacha access road 2018/19 (MIG) – Increased by **R 1 million to R 2.7 million**.
- Mohlala Ngwanatshwane access bridge 2018/19 (ES) – Increased by **R 500 thousands**.
- Thusong centre 2018/19 (ES) – decreased by **R 2 million to R 2.2 million**.
- Manganeng Bridge 2018/19 (ES) – Increased by **R 590 thousands**
- Sekhukhune Traffic Station access road 2018/19 (ES) – Increased by **R 1.7 million to R 6.9 million**
- Cabrieve Khayelicha access bridge 2018/19 (ES) – decreased by **R 800 thousands R 7.9 million**

- Phaahla access road 2018/19 (ES) – **Increased by R 435 thousands to R 869 thousands**
- Glen Cowie_Post Office access road 2018/19 (ES) –**decreased by R 1.2 million to R 435 thousands**
- Grade A Testing Station_Ga Masemola 2018/19 (E/S) – **budget reduced to R 0 by R 1.7 million.**
- Mokwete Malekane access road 2018/19 (ES) – **budget increases by R 1.3 million to R 2.8 million.**
- Purchase of IT Equipments 2018/19 (E/S) – **budget decreases by R 1 million to R 1.5 million.**

Honourable speaker

Allow me to move for the approval and adoption of the tabled Adjustments Budgets for 2018/19 financial year.

Thank You.

1.3 Executive Summary.

Makhuduthamaga Local Municipality has prepared its annual adjusted budget for 2018/19 in accordance with section 28 of the Municipal Finance Management Act and Chapter 2, part 4 of the Municipal Budget and Reporting Regulations as published under GN 393 in GG 32141 dated 17 April 2009. Where appropriate, forecasts for both revenue and expenditure for outer years 2019/20 and 2020/21 have been adjusted accordingly to incorporate changes brought forward by the mid-year budget and performance assessment to ensure a well-funded budget for the MTREF.

The municipality's financial management strategies and service delivery priorities were reviewed as part of the mid-year budget and performance assessment in terms of section 72 of the Municipal Finance Management Act. Where appropriate, funds were transferred from low- to high-priority programmes and funds not utilised as planned during the compilation of the annual budget were also re-allocated to other programmes to ensure services delivery and accurately satisfactory spending at the end of the financial year. The VAT refunds from SARS are added to the municipality's total revenue budget to fund expenditure programmes in excess of the total revenue budgeted to be received in 2018/19 financial year.

The following findings were established during the mid-year budget and performance assessment review in January 2019 and the senior management of the Municipality found it necessary to adjust the annual budget for 2018/19 as approved in May 2018:

ADJUSTMENTS ON REVENUE

VAT refunds

The municipality collected R28 million from SARS for VAT input claims as at February 2019 and this amount is not committed to any programme. There is a need for adjustments budget to allocate the funds to service delivery projects.

Property Rates

The revenue from the property rates billing is increased by **R 892 thousands** for the 2018/19 financial year.

Interest received (Outstanding debtors)

The municipality has originally budgeted to collect **R 29 million** from interest charged on long-overdue debtors accounts for the 2018/19 financial year, however due to non-payment of such debtor accounts and as a result an increase in the amount of outstanding debtors, it was deemed necessary to increase the original budget by **R 3.3 million** as more interest charges are expected from long-overdue debtor accounts.

Interest on investment

The municipality has budgeted to earn an amount of **R 10.2 million** in a form of interest on short term investments for the 2018/19 financial year. The budget is been reduced by **R 4.9 million** as the

municipality did not invest as budgeted for during the first half of the year, and it is less likely that the total budgeted revenue from short term investments will be realised in the last half of the financial year.

Other income

The municipality budgeted to receive **R 682 thousands** from the sales of tender documents and other sources of income for the 2018/19 financial year, however it became quite evident that municipality will not collect as anticipated for the last half of the financial year and the budget for other sources of income was then reduced by **R 60 thousands**. The municipality received **R 28 million** from SARS for VAT refunds during the first half of the 2018/19 financial year. Though the VAT refunds are not recognised as revenue in terms of GRAP, they'll be included in the total budget funding of the municipality as the internally generated funds for reallocation in the expenditure budget of programmes already approved by council for the 2018/19 financial year.

Licenses and permits (Agency Services)

The municipality did manage to collect more on the budgeted revenue from the issuing of licences and permits during the first half of the 2018/19 financial year, it was therefore deemed necessary that the annual revenue from licenses and permits to the amount of **R 5.6 million** be increased by R 400 thousands as it is expected that more revenue will be collected from the issuing of licenses and permits during the second half of the financial year.

Municipal Infrastructure Grant

The municipality did budget an amount of **R 66 million** for the infrastructure projects to be implemented during the 2018/19 financial year, this amount is the expected to be received from the national treasury in a form of MIG as per the DoRA.

Traffic Fines

The **R 150 thousands** budget on traffic fines is been increased by **R 400 thousands** as the municipality did bill more on the traffic fines during the first half of the financial year, though the billing on traffic fines has been increased thus far, it remains a serious challenge for the municipality to collect on the billed revenue from traffic fines.

ADJUSTMENT ON TOTAL BUDGETED EXPENDITURE

The municipality has originally budgeted a total expenditure of **R 414 million** and this budget is being adjusted to **R 476 million** as guided by Mid- year budget and performance assessment reports:

Adjustment on Operational Expense.

The municipality did have some savings of about **R 7.9 million** on the employee related costs for the 2018/19 financial year due to some vacant positions which were not filled as planned and budgeted for

during the first half of the year. It was therefore deemed appropriate, as guided by section 28(1) (2) d of the MFMA, to reallocate these savings to some of the operational expenditure items which were likely to overspend and required additional funding to accelerate the service delivery levels.

Debt Impairment remained unchanged at **R 29 million** for the 2018/19 financial year.

The depreciation of capital assets in increased by **R 4.3 million** for the 2018/19 financial year.

The annual contracted services budget is being increased by **R 31 million** due to the increase in the amount of maintenance work that needs to be done on the municipal infrastructure assets which were severely damaged by the heavy rains and storms which occurred during the festive season. The increase in the repairs and maintenance budget is funded through the VAT refunds from SARS as received during the first half of the financial year and also the refunds to be received in from SARS in the half of the financial year.

Adjustment on Capital Expenditure

The municipality's annual capital budget is **R 104 million** as approved by council in May 2018. The total approved annual budget of the municipality will be reduced to **R 102 million** for the year and there will also be a reallocation of funds amongst the approved capital projects for the year. The reallocation is informed more by the spending on capital projects during the first half of the financial year and it will be implemented without either increasing or reducing the total annual capital budget. The **R 2 million** reduction in the total capital budget is informed by the adjustments in the capital budget of the Planning & Development Department, It was discovered during the first half of the financial year that the approved capital budget of the department has included in it the budget on some of the operational projects which formed part of the 2018/19 SDBIP.

Below are the capital projects which were affected by the 2018/19 budget adjustment processes:

Rietfontein to Eensam access road 2018/19 (MIG) – Increased by **R 1.6 million to R 16.5 million.**

Thabampshe Cross to Tswaing 2018/19 (MIG) - decreased by **R 3 million to R 1.3 million.**

Glen Cowie Moloi access road 2018/19 (MIG) – Increased by **R 1.4 million.**

Mashabela Machacha access road 2018/19 (MIG) – Increased by **R 1 million to R 2.7 million.**

Mohlala Ngwanatshwane access bridge 2018/19 (ES) – Increased by **R 500 thousands.**

Thusong centre 2018/19 (ES) – decreased by **R 2 million to R 2.2 million.**

Manganeng Bridge 2018/19 (ES) – Increased by **R 590 thousands**

Sekhukhune Traffic Station access road 2018/19 (ES) – **Increased by R 1.7 million to R 6.9 million**

Cabrieve Khayelicha access bridge 2018/19 (ES) – **decreased by R 800 thousands R 7.9 million**

Phaahla access road 2018/19 (ES) – **Increased by R 435 thousands to R 869 thousands**

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Grade A Testing Station_Ga Masemola 2018/19 (E/S) – **budget reduced to R 0 by R 1.7 million.**

Mokwete_Molepane access road 2018/19 (ES) – **budget increases by R 1.3 million to R 2.8 million.**

Purchase of IT Equipments 2018/19 (E/S) – **budget decreases by R 1 million to R 1.5 million.**

The following projects were not affected by the 2018/19 budget adjustment processes:

Makgwabe_Mphane access road 2018/19 (MIG) – **budget remains R 29 million**

Matulaneng access bridge 2018/19 (ES) – **budget remains R 435 thousands**

Lobethal_Tisane access road 2018/19 (ES) – **budget remains R 639 thousands**

Seruteng access bridge 2018/19 (ES) – **budget remains R 435 thousands**

Maila Mapitsane_Magolego access road 2018/19 (ES) – **budget remains R 435 thousands**

Mampane access road 2018/19 (ES) – **budget remains R 1.7 million**

Refurbishment of municipal building 2018/19 (ES) – **budget remains R 2.5 million**

Upgrading of Marishane sports ground 2018/19 (ES) – **budget remains R 4.2 million**

Rietfontein Stormwater 2018/19 (ES) – **budget remains R 6.1 million**

Stocking Internal Streets 2018/19 (E/S) – **budget remains R 435 thousands**

Madibong Weigh Bridge 2018/19 (E/S) – **budget remains R 4.9 million**

Marishane_Phaahla 2018/19 (E/S) – **budget remains R 435 thousands**

No multi-year shifting of funds was done in relation to the capital expenditure budget for the 2018/19 financial year.

Table 1 Consolidated Overview of the Adjusted 2018/19 MTREF:

Description	Adjusted Budget 2017/18	Approved Budget 2018/19	Adjustments Increase/Decrease	Adjusted Budget 2018/19	Adjusted Budget 2019/20	Adjusted Budget 2020/21
Total Revenue	410,499,412.33	406,197,848.76	1,000.00	406,198,848.76	412,127,024.09	434,431,512.27
Total Operating Expenditure	327,150,038.01	318,399,544.77	24,851,974.93	343,251,519.70	326,972,523.17	341,007,240.47
Operating Surplus/Deficit for the year	83,349,374.32	87,798,303.99	- 24,850,974.93	62,947,329.06	85,154,500.91	93,424,271.80
Cash backed reserves	79,211,195.00	16,469,799.68	-	16,469,799.68	-	-
VAT Refunds 2018/19(July 2018 - December 2018)			23,494,903.15	23,494,903.15		
Total Funding for Capital Expenditure	162,560,569.32	104,268,103.67	- 1,356,071.78	102,912,031.89	85,154,500.91	93,424,271.80
Capital Expenditure	160,759,599.01	104,112,173.72	- 1,330,000.00	102,782,173.71	84,955,652.06	93,219,721.60
Total Surplus/Deficit	1,800,970.30	155,929.95	- 26,071.78	129,858.18	198,848.85	204,550.20

Total revenue was increased by only **R 1 thousand** to **R 406 million**. This reflects a 0% increase as compared to the original budget. For the two outer years, total revenue will remain unchanged at **R 412 million** and **R 434 million** respectively, equating to a total revenue growth of **R 24 million** over the MTREF when compared to the 2017/18 financial year. The total revenue includes the grants allocations from the national treasury and conditional grants.

The municipality included the cash backed reserves to the amount of **R 39.9 million** in the adjustment budget for 2018/19 financial year to fund the increase in the operational expenditure for 2018/19 financial year. This reserves are backed by cash in bank resulting from the under spending of the budget in the previous financial years and amount received from SARS for VAT input which is not committed to any other service delivery programmes.

Total operating expenditure budget for the 2018/19 financial year has been adjusted from **R 318 million** to **R 343 million** and translates into an operating budgeted surplus of **R 63 million** as indicated in table B4. As compared to the 2017/18 Adjustments Budget, operational expenditure has increased by 5% in the 2018/19 adjusted budget, declined by 4% for 2019/20 and an increase of 4% per cent for 2020/21 financial year. The operating surplus for the two outer years steadily increases to **R 85 million** and then **R 93 million** respectively. These surpluses will be used to fund capital expenditure and to further ensure cash backing of reserves and funds.

The capital budget of **R 104 million** for 2018/19 has been adjusted to **R 102 million** and decreased by 37 per cent as compared to the 2017/18 adjusted budget on capital projects.

The capital expenditure decreases to **R 84 million** in the 2019/20 financial year and increases to **R 93 million** in 2020/21. Of the total capital budget an amount of **R 66 million** is funded by MIG for roads and bridges. The rest of the capital projects and acquisitions of new assets is being funded from the equitable share budget and Cash backed reserves.

Operating Revenue Framework

For Makhuduthamaga Local Municipality to continue improving the quality of services provided to its communities it needs to generate the required sustainable revenue to meet its funding requirements. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and high level of unemployment in our municipality. The expenditure required to address these challenges will always exceed available funding; hence difficult choices have to be made in relation to balancing expenditures against realistically anticipated revenues. The fact is, we cannot increase the property rates tariffs in the near future as we still have very low level of revenue collection for the property rates which makes 48% of the total own revenue. Property rates tariffs remain unchanged at 0.15 cents in a rand.

In an attempt to ensure a strong revenue base, the municipality has also reviewed its revenue enhancement strategy to improve revenue collection in the 2018/19 financial year and the two outer years.

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

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

The following table is a summary of the adjusted 2018/19 MTREF (classified by main revenue source)

Table 2 Summary of revenue classified by main revenue source

LIM473 Makhuduthamaga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28022019

Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	8	9	10			
R thousands	1	A	A1	F	G	H		
Revenue By Source								
Property rates	2	37,237	–	892	892	38,129	37,124	37,086
Service charges - other					–	–		
Rental of facilities and equipment		130		–	–	130	141	155
Interest earned - external investments		10,235		(4,930)	(4,930)	5,304	10,746	9,723
Interest earned - outstanding debtors		29,343		3,299	3,299	32,642	24,941	23,474
Dividends received		–		–	–	–	–	–
Fines, penalties and forfeits		150		400	400	550	180	200
Licences and permits		–		–	–	–	–	–
Agency services		5,584		400	400	5,984	6,254	6,754
Transfers and subsidies		256,837		–	–	256,837	269,899	290,739
Other revenue	2	682	–	(60)	(60)	622	720	731
Gains on disposal of PPE					–	–		
Total Revenue (excluding capital transfers and contributions)		340,198	–	1	1	340,199	350,005	368,863
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		66,000		–	–	66,000	62,122	65,569
Total Revenue (Including capital transfers and contributions)		406,198	–	1	1	406,199	412,127	434,432

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

The total revenue for the municipality excluding capital transfers after adjustments amount to **R 406 million** for 2018/19, **R 412 million** for 2019/20 and **R 434 million** for 2020/21. As indicated in the table above, revenue from interest on investment was decreased by **R 4.9 million** as the municipality did not invest as budgeted for the first half of the 2018/19 financial year. Other revenue is also adjusted down by **R 60 thousands** as a result of lower sales on tender documents. No adjustments on the revenue budget for the grants and subsidies for the financial year.

The revenue budget for the licenses and permits increases by **R 400 thousands to R 5.9 million**.

Revenue from government grants forms a significant percentage of the total operating revenue for the municipality for the entire 2018/19 MTREF. This clearly indicate that our municipality is dependent on government grants which contribute 76% of the total operating revenue in 2018/19 budget year and 77% across the whole 2018/19 MTREF.

❖ Operating Expenditure Framework

As indicated in the original budget, the municipality's expenditure framework for the 2018/19 budget and MTREF is informed by the following:

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

The following table is a high level summary of the adjusted operational expenditure budget for 2018/19 and MTREF (classified per main type of operating expenditure):

Table 3 Summary of operating expenditure by standard classification item

LIM473 Makhuduthamaga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	8		9	10		
R thousands	1	A	A1	F	G	H		
Expenditure By Type								
Employee related costs		-	(7,900)		(7,900)	74,095	87,243	92,914
Remuneration of councillors		24,909	-	-	-	24,909	26,503	28,226
Debt impairment		29,343	-	-	-	29,343	19,860	20,897
Depreciation & asset impairment		22,198	-	4,313	4,313	26,511	23,397	24,683
Finance charges		-	-	-	-	-	-	-
Bulk purchases		-	-	-	-	-	-	-
Other materials		-	-	-	-	-	-	-
Contracted services		95,199	-	30,896	30,896	126,096	98,529	99,702
Transfers and subsidies		-	-	-	-	-	-	-
Other expenditure		64,755	-	(2,457)	(2,457)	62,297	71,441	74,584
Loss on disposal of PPE		-	-	-	-	-	-	-
Total Expenditure		318,400	-	24,852	24,852	343,252	326,973	341,007

Adjustment on employee related costs

The budget for Employee related costs has been reduced by **R 7.9 million** as a result of the following positions which were still vacant as at 31 December 2018:

Department	Post name
Executive Support	<ol style="list-style-type: none"> 1. Deputy Senior Manager x 1 2. Council Secretary x 1 3. Secretary (Chief Whip) x 1 4. MPAC Secretary x 1
Corporate Services	<ol style="list-style-type: none"> 1. HR Officer x 1 2. HR Manager x 1
Budget & Treasury	<ol style="list-style-type: none"> 1. Deputy CFO x 1
Community Services	<ol style="list-style-type: none"> 1. Library Assistant x 2 2. Environmental Manager x 1 3. Waste Management Officer x 1 4. General workers x 4 5. Land Fill Operator X 2 6. Compactor Operator x 1
Economic Development and Planning	<ol style="list-style-type: none"> 1. LED Manager x 1
Infrastructure Development	<ol style="list-style-type: none"> 1. Senior Manager x 1 2. Plant Operator x 1 3. General Worker x 4

Remuneration of councillors

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality's adjusted budget for 2018/19. The total amount of **R 24.9 million** was calculated on Grade 3 and includes budget for Councillors allowance, cell phone allowance, data cards, pension and car allowance as contained in the circular received from the Minister of Co-operative Governance and Traditional Affairs.

Debt impairment

The provision of debt impairment for 2018/19 was determined based on the Debt Write-off Policy of the municipality. For the 2018/19 financial year this amount was originally budgeted at **R 29 million** and it remains unchanged for the remainder of the financial year. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Depreciation

Provision for depreciation and asset impairment is informed by the Municipality's Asset Management Policy and GRAP 17. The original budget appropriations in this regard total **R 22 million** for the 2018/19 financial year and it increases by **R 4.3 million** to cover the increases in the expenditure on depreciation for the year.

Finance charges

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

Contracted Services

Contracted services comprises of security services, cleaning services, repairs and maintenance for infrastructure assets and operating leases for office equipment and machinery as well as waste management expenses. For the current year budget, contracted services has been increased from **R 95 million** to **R 126 million** to provide for the significant increase in the repairs and maintenance expenditure of the municipal infrastructure assets for the 2018/19 financial year. The municipality's infrastructure assets were severely damaged by the heavy rains and storms which occurred over the festive season around the Makhuduthamaga area where most municipal roads and bridges were damaged. It was then deemed necessary that the repairs and maintenance budget be increased to cover the additional repairs and maintenance expenses. The **30.8 million** increase in the expenditure for the contracted services will be funded through the savings in the employee related costs of about **R 7.9 million** and the VAT refunds received from SARS to the amount of **R 23 million**.

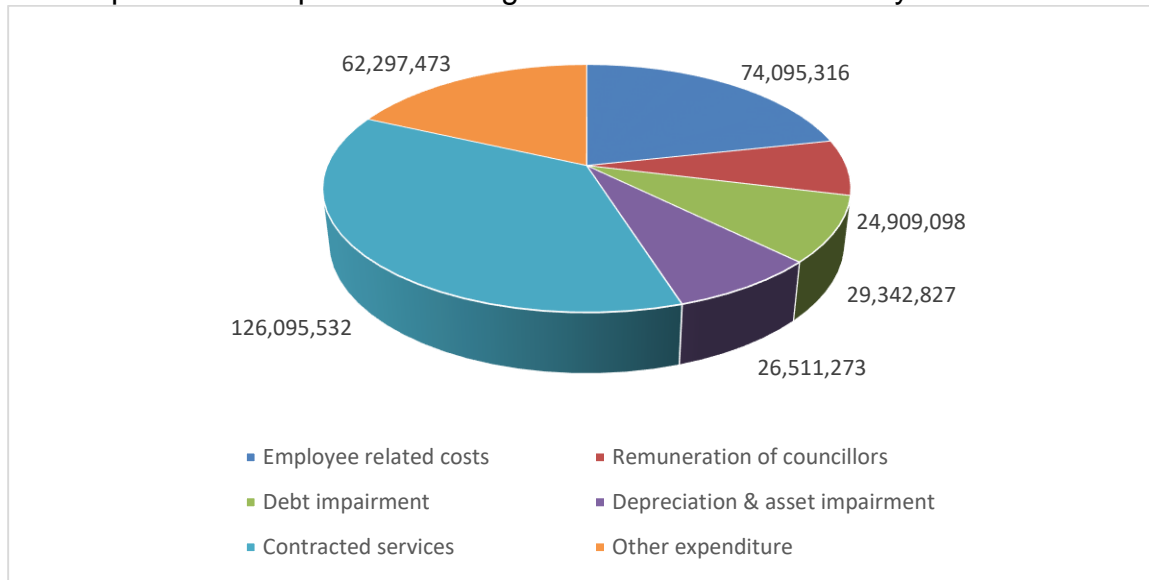
Other Expenditure

The budget for other expenditure has been decreased from **R 64.7 million** to **R 62.3 million** for the 2018/19 financial year.

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

The following bar chart gives a breakdown of the main expenditure categories for the 2018/19 financial year Adjustment Budget.

Main Operational Expenditure categories for 2018/19 financial year



Adjustments on repairs and maintenance

Considering national treasury circular number 54, 55, 58 and 59 our municipality has put repairs and maintenance as one of the priorities to preserving and maintaining the municipality's current infrastructure, to ensure that the existing assets are good working conditions and to lengthen the assets life span. The 2018/19 budget and MTREF provide for a growth in the area of asset maintenance, as informed by the repairs and maintenance plan of the municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. In our municipality's case, all repairs and maintenance services for our infrastructure assets will be done through contracted services as indicated in table SA1 of the B schedule. The total repairs and maintenance expenditure for the 2018/19 financial year has increased from **R 53 million** to **R 77 million** to cover the increase in the expenditure for the repairs and maintenance of the municipal infrastructure assets.

Adjustments on Free Basic Services: Electricity tokens

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

The cost of the free basic electricity of the registered indigent households is financed through the local government equitable share received in terms of the annual Division of Revenue Act. There were no adjustments done on the Free Basic Electricity budget for the 2018/19 financial year.

Capital expenditure

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

Table 4 Adjusted Capital budget per vote.

LIM473 Makhuduthamaga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	10	11	12		
R thousands		A	A1	F	G	H		
Capital expenditure - Vote								
Multi-year expenditure to be adjusted	2							
Vote 4 - Infrastructure Development		92,390	–	1,300	1,300	93,690	75,412	85,002
Capital multi-year expenditure sub-total	3	92,390	–	1,300	1,300	93,690	75,412	85,002
Single-year expenditure to be adjusted	2							
Vote 1 - Executive Support		–	–	–	–	–	–	–
Vote 2 - Office of the Municipal Manager		–	–	–	–	–	–	–
Vote 3 - Economic Development and Planning		3,200	–	(1,630)	(1,630)	1,570	2,500	3,000
Vote 4 - Infrastructure Development		–	–	–	–	–	–	–
Vote 5 - Community Services		1,217	–	–	–	1,217	–	–
Vote 6 - Corporate Services		2,522	–	(1,000)	(1,000)	1,522	2,261	435
Vote 7 - Budget and Treasury		4,783	–	–	–	4,783	4,783	4,783
Capital single-year expenditure sub-total		11,722	–	(2,630)	(2,630)	9,092	9,543	8,217
Total Capital Expenditure - Vote		104,112	–	(1,330)	(1,330)	102,782	84,956	93,220

For 2018/19 financial year an amount of **R 104 million** was originally appropriated for the capital expenditure to be funded by MIG grant and equitable share. For 2019/20 and 2020/21 the budget has been appropriated at **R 85 million** and **R 93 million** respectively. The approved capital budget for 2018/19 has decreased by **R 1.6 million** in the Economic Development & Planning department, increased by **R 1.3 million** in the Infrastructure Development department and decreased by **R 1 million** in the corporate services department.

Infrastructure and development vote is appropriated the highest allocation of **R 93.6 million** for 2018/19 which equates to 91% of the total capital budget, followed by budget & treasury at **R 4.8 million** which makes about 5% of the total capital budget. The remaining 4% is allocated to corporate services at **R 1.5 million** which makes about 1%, community services at **R 1.2 million** which makes about 1%, Economic Development & Planning at **R 1.6 million** which makes about 2% of the total capital budget of **R 102 million** for 2018/19 financial year.

1.4 ADJUSTMENT BUDGET TABLES (B1 to B10)

The following are the ten main B schedule tables for the annual budget of Makhuduthamaga Local municipality for the 2018/19 MTREF.

1.4.1 Table 5 MBRR B1 – Annual Budget Summary

LIM473 Makhuduthamaga - Table B1 Adjustments Budget Summary - 28022019							
Description	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1	6	7	8		
	A	A1	F	G	H		
Financial Performance							
Property rates	37,237	–	892	892	38,129	37,124	37,086
Investment revenue	10,235	–	(4,930)	(4,930)	5,304	10,746	9,723
Transfers recognised - operational	256,837	–	–	–	256,837	269,899	290,739
Other own revenue	35,889	–	4,039	4,039	39,928	32,236	31,314
Total Revenue (excluding capital transfers and contributions)	340,198	–	1	1	340,199	350,005	368,863
Employee costs	81,996	–	(7,900)	(7,900)	74,095	87,243	92,914
Remuneration of councillors	24,909	–	–	–	24,909	26,503	28,226
Depreciation & asset impairment	22,198	–	4,313	4,313	26,511	23,397	24,683
Other expenditure	189,297	–	28,439	28,439	217,736	189,829	195,184
Total Expenditure	318,400	–	24,852	24,852	343,252	326,973	341,007
Surplus/(Deficit)	21,798	–	(24,851)	(24,851)	(3,053)	23,033	27,855
Transfers recognised - capital	66,000	–	–	–	66,000	62,122	65,569
Surplus/(Deficit) after capital transfers & contributions	87,798	–	(24,851)	(24,851)	62,947	85,155	93,424
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	87,798	–	(24,851)	(24,851)	62,947	85,155	93,424
Capital expenditure & funds sources							
Capital expenditure	104,112	–	(1,330)	(1,330)	102,782	84,956	93,220
Transfers recognised - capital	104,112	–	(1,330)	(1,330)	102,782	84,956	93,220
Total sources of capital funds	104,112	–	(1,330)	(1,330)	102,782	84,956	93,220
Financial position							
Total current assets	86,039	–	(44,642)	(44,642)	41,397	55,912	69,983
Total non current assets	386,222	–	(61,660)	(61,660)	324,562	336,168	361,915
Total current liabilities	17,726	–	–	–	17,726	18,896	19,935
Total non current liabilities	4,616	–	–	–	4,616	4,921	5,192
Community wealth/Equity	449,918	–	(106,301)	(106,301)	343,617	368,263	406,771
Cash flows							
Net cash from (used) operating	110,907	–	(2,207)	(2,207)	108,700	107,972	127,564
Net cash from (used) investing	(119,729)	–	–	–	(119,729)	(97,699)	(107,203)
Cash/cash equivalents at the year end	10,406	–	(2,207)	(2,207)	8,199	18,472	38,833
Cash backing/surplus reconciliation							
Cash and investments available	22,841	–	(14,642)	(14,642)	8,199	18,472	38,833
Application of cash and investments	(12,937)	–	8,587	8,587	(4,350)	(2,316)	985
Balance - surplus (shortfall)	35,778	–	(23,229)	(23,229)	12,549	20,788	37,848
Asset Management							
Asset register summary (WDV)	386,222	–	(61,660)	(61,660)	324,562	336,168	361,915
Depreciation & asset impairment	22,198	–	4,313	4,313	26,511	23,397	24,683
Renewal of Existing Assets	2,550	–	–	–	2,550	2,174	–
Repairs and Maintenance	53,022	–	24,300	24,300	77,322	59,132	62,428
Free services							
Cost of Free Basic Services provided	10	–	–	–	10	10	10
Revenue cost of free services provided	605	–	–	–	605	605	605

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

LIM473 Makhuduthamaga - Table B2 Adjustments Budget Financial Performance (functional classification) - 28022019

Standard Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			5	10	11	12		
R thousands	1, 4	A	A1	F	G	H		
<u>Revenue - Functional</u>								
<i>Governance and administration</i>		406,198	–	1	1	406,199	412,127	434,432
Executive and council		–	–	–	–	–	–	–
Finance and administration		406,198	–	1	1	406,199	412,127	434,432
Internal audit		–	–	–	–	–	–	–
<i>Other</i>		–	–	–	–	–	–	–
Total Revenue - Functional	2	406,198	–	1	1	406,199	412,127	434,432
<u>Expenditure - Functional</u>								
<i>Governance and administration</i>		209,667	–	6,155	6,155	215,821	213,356	223,765
Executive and council		73,467	–	1,831	1,831	75,298	78,549	81,118
Finance and administration		134,600	–	4,323	4,323	138,923	133,307	142,647
Internal audit		1,600	–	–	–	1,600	1,500	–
<i>Community and public safety</i>		25,197	–	(2,106)	(2,106)	23,091	27,910	27,664
Community and social services		8,993	–	(1,186)	(1,186)	7,807	10,054	8,895
Sport and recreation		1,550	–	(570)	(570)	980	2,350	1,900
Public safety		12,153	–	(350)	(350)	11,803	13,006	13,869
Housing		2,500	–	–	–	2,500	2,500	3,000
Health		–	–	–	–	–	–	–
<i>Economic and environmental services</i>		63,162	–	22,009	22,009	85,171	68,724	72,598
Planning and development		14,507	–	656	656	15,162	14,286	16,057
Road transport		22,144	–	21,404	21,404	43,548	24,766	23,154
Environmental protection		26,511	–	(50)	(50)	26,461	29,672	33,387
<i>Trading services</i>		20,374	–	(1,172)	(1,172)	19,203	16,983	16,981
Energy sources		17,132	–	1,000	1,000	18,132	13,534	13,307
Waste management		3,242	–	(2,172)	(2,172)	1,071	3,450	3,674
<i>Other</i>		–	–	–	–	–	–	–
Total Expenditure - Functional	3	318,400	–	24,887	24,887	343,286	326,973	341,007
Surplus/ (Deficit) for the year		87,798	–	(24,886)	(24,886)	62,913	85,155	93,424

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

LIM473 Makhuduthamaga - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 28022019

Vote Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	8	9	10		
<i>[Insert departmental structure etc]</i>								
R thousands		A	A1	F	G	H		
Revenue by Vote	1							
Vote 1 - Executive Support		–	–	–	–	–	–	–
Vote 2 - Office of the Municipal Manager		–	–	–	–	–	–	–
Vote 3 - Economic Development and Planning		–	–	–	–	–	–	–
Vote 4 - Infrastructure Development		–	–	–	–	–	–	–
Vote 5 - Community Services		–	–	–	–	–	–	–
Vote 6 - Corporate Services		–	–	–	–	–	–	–
Vote 7 - Budget and Treasury		406,198	–	1	1	406,199	412,127	434,432
Total Revenue by Vote	2	406,198	–	1	1	406,199	412,127	434,432
Expenditure by Vote	1							
Vote 1 - Executive Support		62,300	–	1,031	1,031	63,331	66,541	68,367
Vote 2 - Office of the Municipal Manager		12,767	–	800	800	13,567	13,508	12,751
Vote 3 - Economic Development and Planning		11,908	–	1,221	1,221	13,129	11,526	13,120
Vote 4 - Infrastructure Development		44,375	–	21,839	21,839	66,214	43,559	42,398
Vote 5 - Community Services		52,450	–	(4,362)	(4,362)	48,088	58,531	61,724
Vote 6 - Corporate Services		28,225	–	(236)	(236)	27,989	30,417	34,831
Vote 7 - Budget and Treasury		106,374	–	4,560	4,560	110,934	102,891	107,816
Total Expenditure by Vote	2	318,400	–	24,852	24,852	343,252	326,973	341,007
Surplus/ (Deficit) for the year	2	87,798	–	(24,851)	(24,851)	62,947	85,155	93,424

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

LIM473 Makhuduthamaga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28022019

Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted 3	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	F	G	H		
Revenue By Source								
Property rates	2	37,237	–	892	892	38,129	37,124	37,086
Rental of facilities and equipment		130		–	–	130	141	155
Interest earned - external investments		10,235		(4,930)	(4,930)	5,304	10,746	9,723
Interest earned - outstanding debtors		29,343		3,299	3,299	32,642	24,941	23,474
Fines, penalties and forfeits		150		400	400	550	180	200
Agency services		5,584		400	400	5,984	6,254	6,754
Transfers and subsidies		256,837		–	–	256,837	269,899	290,739
Other revenue	2	682	–	(60)	(60)	622	720	731
Gains on disposal of PPE					–	–		
Total Revenue (excluding capital transfers and contributions)		340,198	–	1	1	340,199	350,005	368,863
Expenditure By Type								
Employee related costs		81,996	–	(7,900)	(7,900)	74,095	87,243	92,914
Remuneration of councillors		24,909		–	–	24,909	26,503	28,226
Debt impairment		29,343		–	–	29,343	19,860	20,897
Depreciation & asset impairment		22,198	–	4,313	4,313	26,511	23,397	24,683
Contracted services		95,199	–	30,896	30,896	126,096	98,529	99,702
Other expenditure		64,755	–	(2,457)	(2,457)	62,297	71,441	74,584
Loss on disposal of PPE					–	–		
Total Expenditure		318,400	–	24,852	24,852	343,252	326,973	341,007
Surplus/(Deficit)		21,798	–	(24,851)	(24,851)	(3,053)	23,033	27,855
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		66,000		–	–	66,000	62,122	65,569
Surplus/(Deficit) before taxation		87,798	–	(24,851)	(24,851)	62,947	85,155	93,424
Taxation					–	–		
Surplus/(Deficit) after taxation		87,798	–	(24,851)	(24,851)	62,947	85,155	93,424
Attributable to minorities					–	–		
Surplus/(Deficit) attributable to municipality		87,798	–	(24,851)	(24,851)	62,947	85,155	93,424
Share of surplus/ (deficit) of associate					–	–		
Surplus/ (Deficit) for the year		87,798	–	(24,851)	(24,851)	62,947	85,155	93,424

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

LIM473 Makhuduthamaga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		5	10		11	12		
R thousands		A	A1	F	G	H		
Capital expenditure - Vote								
Multi-year expenditure to be adjusted	2							
Vote 1 - Executive Support		–	–	–	–	–	–	–
Vote 2 - Office of the Municipal Manager		–	–	–	–	–	–	–
Vote 3 - Economic Development and Planning		–	–	–	–	–	–	–
Vote 4 - Infrastructure Development		92,390	–	1,300	1,300	93,690	75,412	85,002
Vote 5 - Community Services		–	–	–	–	–	–	–
Vote 6 - Corporate Services		–	–	–	–	–	–	–
Vote 7 - Budget and Treasury		–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	3	92,390	–	1,300	1,300	93,690	75,412	85,002
Single-year expenditure to be adjusted	2							
Vote 1 - Executive Support		–	–	–	–	–	–	–
Vote 2 - Office of the Municipal Manager		–	–	–	–	–	–	–
Vote 3 - Economic Development and Planning		3,200	–	(1,630)	(1,630)	1,570	2,500	3,000
Vote 4 - Infrastructure Development		–	–	–	–	–	–	–
Vote 5 - Community Services		1,217	–	–	–	1,217	–	–
Vote 6 - Corporate Services		2,522	–	(1,000)	(1,000)	1,522	2,261	435
Vote 7 - Budget and Treasury		4,783	–	–	–	4,783	4,783	4,783
Capital single-year expenditure sub-total		11,722	–	(2,630)	(2,630)	9,092	9,543	8,217
Total Capital Expenditure - Vote		104,112	–	(1,330)	(1,330)	102,782	84,956	93,220
Capital Expenditure - Functional								
Governance and administration		7,304	–	(1,000)	(1,000)	6,304	7,043	5,217
Finance and administration		7,304	–	(1,000)	(1,000)	6,304	7,043	5,217
Community and public safety		1,217	–	–	–	1,217	–	–
Public safety		1,217	–	–	–	1,217	–	–
Economic and environmental services		95,590	–	(330)	(330)	95,260	77,912	88,002
Planning and development		3,200	–	(1,630)	(1,630)	1,570	2,500	3,000
Road transport		92,390	–	1,300	1,300	93,690	75,412	85,002
Trading services		–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	104,112	–	(1,330)	(1,330)	102,782	84,956	93,220
Funded by:								
National Government		104,112	–	(1,330)	(1,330)	102,782	84,956	93,220
Transfers recognised - capital	4	104,112	–	(1,330)	(1,330)	102,782	84,956	93,220
Public contributions & donations					–	–		
Borrowing					–	–		
Internally generated funds					–	–		
Total Capital Funding		104,112	–	(1,330)	(1,330)	102,782	84,956	93,220

1.4.6 Table 10 MBRR B6 – Budgeted Financial Position

LIM473 Makhuduthamaga - Table B6 Adjustments Budget Financial Position - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	8	9	10			
R thousands		A	A1	F	G	H		
ASSETS								
Current assets								
Cash		22,841		3,839	3,839	26,680	36,952	57,314
Call investment deposits	1	–	–	–	–	–	–	–
Consumer debtors	1	52,844	–	(30,000)	(30,000)	22,844	26,331	19,430
Other debtors		9,849			–	9,849	10,499	11,076
Current portion of long-term receivables		–			–	–	–	–
Inventory		505			–	505	610	644
Total current assets		86,039	–	(26,161)	(26,161)	59,878	74,393	88,464
Non current assets								
Investment property		1,252			–	1,252	1,252	1,252
Investment in Associate					–	–		
Property, plant and equipment	1	383,671	–	(61,660)	(61,660)	322,011	333,857	359,767
Intangible		1,300			–	1,300	1,060	897
Total non current assets		386,222	–	(61,660)	(61,660)	324,562	336,168	361,915
TOTAL ASSETS		472,261	–	(87,821)	(87,821)	384,440	410,561	450,379
LIABILITIES								
Current liabilities								
Trade and other payables		17,726	–	–	–	17,726	18,896	19,935
Total current liabilities		17,726	–	–	–	17,726	18,896	19,935
Non current liabilities								
Provisions	1	4,616	–	–	–	4,616	4,921	5,192
Total non current liabilities		4,616	–	–	–	4,616	4,921	5,192
TOTAL LIABILITIES		22,343	–	–	–	22,343	23,817	25,127
NET ASSETS	2	449,918	–	(87,821)	(87,821)	362,097	386,744	425,252
COMMUNITY WEALTH/EQUITY								
Accumulated Surplus/(Deficit)		449,918	–	(87,821)	(87,821)	362,097	386,744	425,252
TOTAL COMMUNITY WEALTH/EQUITY		449,918	–	(87,821)	(87,821)	362,097	386,744	425,252

1.4.7 Table 11 MBRR B7 – Budgeted Cash Flows

LIM473 Makhuduthamaga - Table B7 Adjustments Budget Cash Flows - 28022019

Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	8	9	10			
R thousands		A	A1	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates		6,749		6,196	6,196	12,945	7,424	8,166
Service charges		–			–	–	–	–
Other revenue		29,018		23,697	23,697	52,715	32,523	34,325
Government - operating	1	256,837			–	256,837	269,899	290,739
Government - capital	1	66,000			–	66,000	62,122	65,569
Interest		10,235		(4,930)	(4,930)	5,304	10,746	9,723
Dividends		–			–	–	–	–
Payments								
Suppliers and employees		(257,931)		(14,220)	(14,220)	(272,150)	(274,743)	(280,958)
NET CASH FROM/(USED) OPERATING ACTIVITIES		110,907	–	10,744	10,744	121,651	107,972	127,564
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Payments								
Capital assets		(119,729)		5,530	5,530	(114,199)	(97,699)	(107,203)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(119,729)	–	5,530	5,530	(114,199)	(97,699)	(107,203)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Payments								
Repayment of borrowing					–	–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		(8,822)	–	16,273	16,273	7,452	10,273	20,361
Cash/cash equivalents at the year begin:	2	19,228			–	19,228	26,680	36,952
Cash/cash equivalents at the year end:	2	10,406		16,273	16,273	26,680	36,952	57,314

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

LIM473 Makhuduthamaga - Table B8 Cash backed reserves/accumulated surplus reconciliation - 28022019

Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	8	9	10		
R thousands		A	A1	F	G	H		
Cash and investments available								
Cash/cash equivalents at the year end	1	10,406	–	16,273	16,273	26,680	36,952	57,314
Other current investments > 90 days		12,435	–	(12,435)	(12,435)	0	(7,424)	(7,424)
Non current assets - Investments	1	–	–	–	–	–	–	–
Cash and investments available:		22,841	–	3,839	3,839	26,680	29,529	49,890
Applications of cash and investments								
Unspent conditional transfers		–	–	–	–	–	–	–
Unspent borrowing					–	–		
Statutory requirements					–	–		
Other working capital requirements	2	(12,937)	–	3,163	3,163	(9,774)	(2,316)	985
Other provisions					–	–		
Long term investments committed		–	–	–	–	–	–	–
Reserves to be backed by cash/investments		–	–	–	–	–	–	–
Total Application of cash and investments:		(12,937)	–	3,163	3,163	(9,774)	(2,316)	985
Surplus(shortfall)		35,778	–	676	676	36,454	31,845	48,905

1.4.9 Table 13 MBRR table B9 – Asset Management

LIM473 Makhuduthamaga - Table B9 Asset Management - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted 7	Other Adjusts. 12	Total Adjusts. 13	Adjusted Budget 14	Adjusted Budget	Adjusted Budget
R thousands		A	A1	F	G	H		
CAPITAL EXPENDITURE								
Total New Assets to be adjusted	1	97,314	–	(1,330)	(1,330)	95,984	82,303	93,220
Roads Infrastructure		85,592	–	1,300	1,300	86,892	72,760	85,002
Infrastructure		85,592	–	1,300	1,300	86,892	72,760	85,002
Community Facilities		4,417	–	(1,630)	(1,630)	2,787	2,500	3,000
Community Assets		4,417	–	(1,630)	(1,630)	2,787	2,500	3,000
Computer Equipment		2,522	–	(1,000)	(1,000)	1,522	2,261	435
Furniture and Office Equipment		1,739	–	(400)	(400)	1,339	870	–
Transport Assets		3,043	–	400	400	3,443	3,913	4,783
Total Renewal of Existing Assets to be adjusted	2	2,550	–	–	–	2,550	2,174	–
Sanitation Infrastructure		2,550	–	–	–	2,550	2,174	–
Infrastructure		2,550	–	–	–	2,550	2,174	–
Total Upgrading of Existing Assets to be adjusted	2a	4,248	–	–	–	4,248	478	–
Community Facilities		4,248	–	–	–	4,248	–	–
Sport and Recreation Facilities		–	–	–	–	–	478	–
Community Assets		4,248	–	–	–	4,248	478	–
Total Capital Expenditure to be adjusted	4							
Roads Infrastructure		85,592	–	1,300	1,300	86,892	72,760	85,002
Sanitation Infrastructure		2,550	–	–	–	2,550	2,174	–
Infrastructure		88,142	–	1,300	1,300	89,442	74,934	85,002
Community Facilities		8,666	–	(1,630)	(1,630)	7,036	2,500	3,000
Sport and Recreation Facilities		–	–	–	–	–	478	–
Community Assets		8,666	–	(1,630)	(1,630)	7,036	2,978	3,000
Computer Equipment		2,522	–	(1,000)	(1,000)	1,522	2,261	435
Furniture and Office Equipment		1,739	–	(400)	(400)	1,339	870	–
Machinery and Equipment		–	–	–	–	–	–	–
Transport Assets		3,043	–	400	400	3,443	3,913	4,783
TOTAL CAPITAL EXPENDITURE to be adjusted	4	104,112	–	(1,330)	(1,330)	102,782	84,956	93,220
ASSET REGISTER SUMMARY - PPE (WDV)	5							
Roads Infrastructure		317,863		(61,660)	(61,660)	256,203	270,611	299,225
Electrical Infrastructure		8,161		–	–	8,161	7,717	7,248
Infrastructure		326,023	–	(61,660)	(61,660)	264,364	278,328	306,473
Community Assets		–	–	–	–	–	–	–
Non-revenue Generating		1,252		–	–	1,252	1,252	1,252
Investment properties		1,252	–	–	–	1,252	1,252	1,252
Operational Buildings		57,647		–	–	57,647	55,529	53,294
Other Assets		57,647	–	–	–	57,647	55,529	53,294
Licences and Rights		1,300		–	–	1,300	1,060	897
Intangible Assets		1,300	–	–	–	1,300	1,060	897
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	386,222	–	(61,660)	(61,660)	324,562	336,168	361,915
EXPENDITURE OTHER ITEMS								
Depreciation & asset impairment		22,198	–	4,313	4,313	26,511	23,397	24,683
Repairs and Maintenance by asset class	3	53,022	–	24,300	24,300	77,322	59,132	62,428
Roads Infrastructure		15,000	–	23,000	23,000	38,000	16,000	15,000
Storm water Infrastructure		–	–	–	–	–	–	–
Electrical Infrastructure		2,000	–	1,000	1,000	3,000	3,000	2,500
Solid Waste Infrastructure		26,261	–	–	–	26,261	29,322	33,037
Infrastructure		43,261	–	24,000	24,000	67,261	48,322	50,537
Operational Buildings		2,500	–	(700)	(700)	1,800	2,500	3,000
Housing		–	–	–	–	–	–	–
Other Assets		2,500	–	(700)	(700)	1,800	2,500	3,000
Computer Equipment		5,739	–	1,000	1,000	6,739	5,652	6,087
Transport Assets		1,522	–	–	–	1,522	2,658	2,804
TOTAL EXPENDITURE OTHER ITEMS to be adjusted		75,220	–	28,613	28,613	103,833	82,528	87,111

1.4.10 Table 14 MBRR table B10 – Basic Service Delivery Measurement

LIM473 Makhuduthamaga - Table B10 Basic service delivery measurement - 28022019							Budget Year +1 2019/20	Budget Year +2 2020/21
Description	Ref	Budget Year 2018/19					Adjusted Budget	Adjusted Budget
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget		
		A	7	12	13	14		
			A1	F	G	H		
Household service targets	1							
Water:								
Other water supply (< min.service level)	3,4				–	–		
<i>Below Minimum Servic Level sub-total</i>		–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–
Sanitation/sewerage:								
Other toilet provisions (< min.service level)					–	–		
<i>Below Minimum Servic Level sub-total</i>		–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–
Energy:								
Other energy sources					–	–		
<i>Below Minimum Servic Level sub-total</i>		–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–
Refuse:								
Removed at least once a week (min.service)					–	–		
Minimum Service Level and Above sub-total		–	–	–	–	–	–	–
Other rubbish disposal					–	–		
<i>Below Minimum Servic Level sub-total</i>		–	–	–	–	–	–	–
Total number of households	5	–	–	–	–	–	–	–
Households receiving Free Basic Service	15							
Water (6 kilolitres per household per month)		–	–	–	–	–	–	–
Sanitation (free minimum level service)		–	–	–	–	–	–	–
Electricity/other energy (50kwh per household per month)		–	–	–	–	–	–	–
Refuse (removed at least once a week)		–	–	–	–	–	–	–
Cost of Free Basic Services provided (R'000)	16							
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		4,200	–	–	–	4,200	4,450	4,690
Total cost of FBS provided		4,200	–	–	–	4,200	4,450	4,690
Highest level of free service provided								
Electricity (kw per household per month)		50			–	50	50	50
Refuse (average litres per week)					–	–		
Revenue cost of free services provided (R'000)	17							
17 of MPRA)		605			–	605	605	605
impermissible values in excess of section 17 of MPRA)		–	–	–	–	–	–	–
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households) per month)		–	–	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)		–	–	–	–	–	–	–
Total revenue cost of subsidised services provided		605	–	–	–	605	605	605

PART 2 – SUPPORTING DOCUMENTS

2.1. *Adjustments to budget assumptions.*

2.1.1 External factors

- The municipality's operational revenue and cash inflows has been increased to ensure credibility of the budget and to avoid cash flow problems and the total expenditure budget together with the total cash outflow has been adjusted accordingly to be within the municipality's available cash due to the following factors:
 - ✚ Debtor's accounts are not paid on time, and affect the cash inflow of the municipality negatively.
 - The government departments owe the municipality a total of **R 293 million**.

2.1.2 General inflation outlook and its impact on the municipal activities

- The following key factors were considered during the preparation of the adjusted budget for the 2018/19 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.
- No adjustment has been done to the assumptions as per the original budget.

2.1.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality is not planning to use borrowing to fund its capital projects due to collection problems and therefore no interests are to be paid.

2.2 *Adjustments to budget funding*

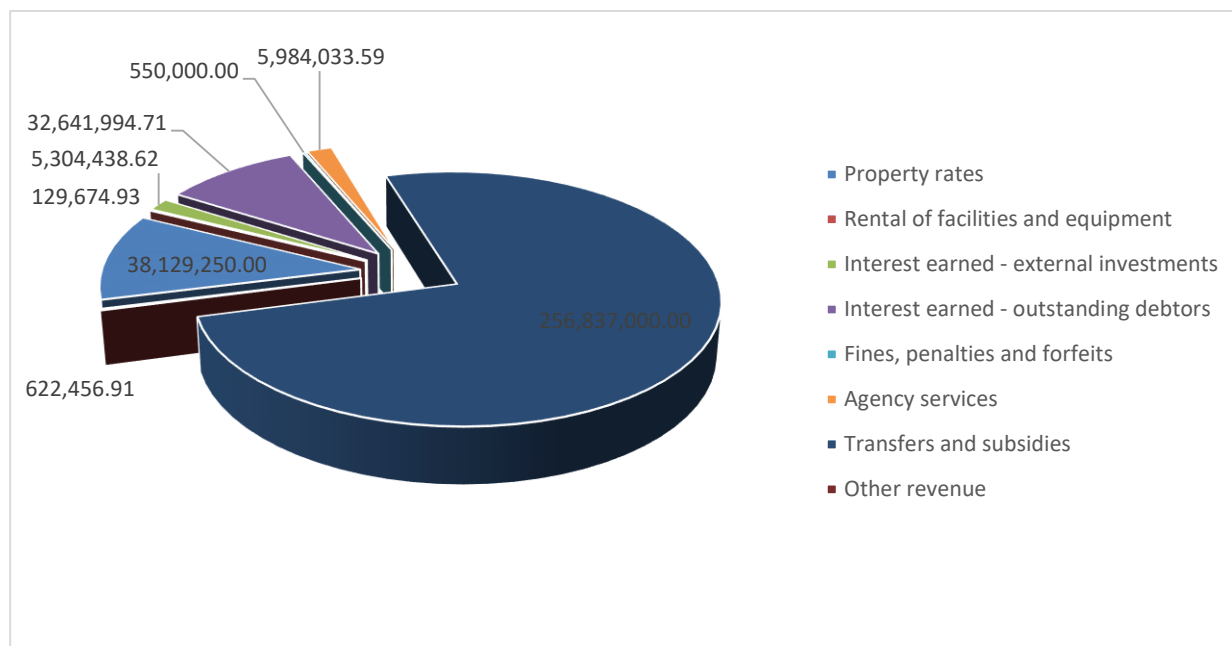
2.2.1 Medium-term outlook: operating revenue

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

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

LIM473 Makhuduthamaga - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		3	8	9	10			
R thousands	1	A	A1	F	G	H		
Revenue By Source								
Property rates	2	37,237	–	892	892	38,129	37,124	37,086
Service charges - other					–	–		
Rental of facilities and equipment		130		–	–	130	141	155
Interest earned - external investments		10,235		(4,930)	(4,930)	5,304	10,746	9,723
Interest earned - outstanding debtors		29,343		3,299	3,299	32,642	24,941	23,474
Dividends received		–		–	–	–	–	–
Fines, penalties and forfeits		150		400	400	550	180	200
Licences and permits		–		–	–	–	–	–
Agency services		5,584		400	400	5,984	6,254	6,754
Transfers and subsidies		256,837		–	–	256,837	269,899	290,739
Other revenue	2	682	–	(60)	(60)	622	720	731
Gains on disposal of PPE					–	–		
Total Revenue (excluding capital transfers and contributions)		340,198	–	1	1	340,199	350,005	368,863

The following graph is a breakdown of the operational revenue per main category for the 2018/19 financial year as adjusted.



Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The municipality derives most of its operational revenue

from the transfers recognised – operational (government grants), Property rates, capital grants from organs of state and other minor charges (such as licenses and permits etc).

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

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

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

The approved tariff rates for the 2018/19 MTREF for Property rates remain unadjusted and can be shown as follows:

Table 16 Approved tariff reduction over the medium-term

Revenue Category	Approved Tarriff 2016/17	Approved Tarriff 2017/18	Approved Tarriff 2018/19	Approved Tarriff 2019/20
Property Rates	0.015 Cents	0.015 Cents	0.015 Cents	0.015 Cents

Revenue to be generated from property rates was originally budgeted at **R 37 million** for the 2018/19 financial year and increases to **R 38 million** which represents 11% of the operating revenue base of the municipality. It estimated to be around **R 37.5 million** on average over the medium term.

Operational grants and subsidies amount to **R 256.8 million**, **R 269.8 million** and **R 290.7 million** for 2018/19, 2019/20 and 2020/21 respectively. No adjustment has been done to operational grants and subsidies received from national government.

Investment revenue contributes marginally to the revenue base of the municipality with a budget allocation of **R 5.4 million**, **R 10 million** and **R 9.7 million** for the respective three financial years of the 2018/19 MTREF. It must be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget was carefully monitored and adjustments were effected on the investment revenue budget for the 2018/19 financial year and investment revenue for the two outer years remain unadjusted. Investment revenue is reduced by **R 4.9 million** to **R 5 million** for 2018/19 financial year.

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The 2018/19 MTREF adjusted budget shows an operating surplus to the amount of **R 4 million** (2018/19), **R 85 million** (2019/20) and **R 93.4 million** (2020/21). The budgeted surplus for the 2018/19 will partly be used to fund the budgeted capital projects for the financial year.

The municipality will further fund the expenditure in excess of the approved annual budgeted revenue with the cash backed reserves to a total amount of R 39.9 million. The reserves are backed up by the cash received from SARS in a form of VAT refunds.

2.2.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2018/19 medium-term capital programme:

Table 17 Sources of capital revenue over the MTREF

LIM473 Makhuduthamaga - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Funded by:								
National Government		104,112		(1,330)	(1,330)	102,782	84,956	93,220
Transfers recognised - capital	4	104,112	–	(1,330)	(1,330)	102,782	84,956	93,220
Public contributions & donations					–	–		
Borrowing					–	–		
Internally generated funds					–	–		
Total Capital Funding		104,112	–	(1,330)	(1,330)	102,782	84,956	93,220

The total adjusted capital budget of **R 102.7 million** is funded by government grants in a form of MIG **R 66 million**, INEG **R 12 million** and Equitable share **R 24 million** for 2018/19 financial year.

No adjustments were made to the equitable share for the 2018/19 financial year.

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

2.2.3 Cash Flow Management

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

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

Table 18 MBRR Table B7 – Adjusted Budget cash flow statement

LIM473 Makhuduthamaga - Table B7 Adjustments Budget Cash Flows - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	8	9	10		
R thousands		A	A1	F	G	H		
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates		6,749		6,196	6,196	12,945	7,424	8,166
Service charges		–			–	–	–	–
Other revenue		29,018		23,697	23,697	52,715	32,523	34,325
Government - operating	1	256,837			–	256,837	269,899	290,739
Government - capital	1	66,000			–	66,000	62,122	65,569
Interest		10,235		(4,930)	(4,930)	5,304	10,746	9,723
Dividends		–			–	–	–	–
Payments								
Suppliers and employees		(257,931)		(14,220)	(14,220)	(272,150)	(274,743)	(280,958)
NET CASH FROM/(USED) OPERATING ACTIVITIES		110,907	–	10,744	10,744	121,651	107,972	127,564
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Payments								
Capital assets		(119,729)		5,530	5,530	(114,199)	(97,699)	(107,203)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(119,729)	–	5,530	5,530	(114,199)	(97,699)	(107,203)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Payments								
Repayment of borrowing					–	–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		(8,822)	–	16,273	16,273	7,452	10,273	20,361
Cash/cash equivalents at the year begin:	2	19,228			–	19,228	26,680	36,952
Cash/cash equivalents at the year end:	2	10,406	–	16,273	16,273	26,680	36,952	57,314

The above table shows a **R 7.4 million** net increase in cash held for 2018/19 financial year and is boosted by the **R 19.2 million** positive opening balance of the municipality's bank account, the municipality's cash flow position improves over the 2018/19 MTREF with increasing net increases in the cash flow.

Property Rates

- The municipality has managed to collect **R 9.5 million** from government and local business by the end of February 2019. The municipality has also considered the customers who pay their accounts on a monthly basis in its calculation for the budgeted cash flow from this source of revenue.

Other Revenue

- Other revenue sources include the VAT refunds, rental of facilities, traffic fines and agency income.
- The municipality has received **R 28.8 million** from SARS in a form of VAT refunds as at February 2019. The VAT claim January & February 2019 hasn't yet been received and therefore the projection for the adjusted amount includes the claim for January and February 2019. The assumption is that as at 30 June 2019 the municipality would have received all VAT claims up to May 2019 and the VAT claim for June 2019 will only be received in July 2019. The municipality has projected to receive **R 17.4 million** more by end of June 2019.
- All other revenue sources are projected to be collected at 100%

Government Grants & Transfers Cash Flow Assumptions

- All government grants are projected to be received at 100% and all conditional grants are projected to be spent at 100% by end of the financial year.

Interest on investments Cash Flow Assumptions

- The interest on investments is projected to be received at 100%. This budget on this revenue item was reduced to an achievable target considering the amount of interest collected as at February 2019 and the monthly interests received from the positive bank balances in the current accounts.

The table below shows the annual projections on both Property rates and VAT refunds for the 2018/19 financial year.

Description	Amount Received as at 28 February 2019	Estimate to received for 4 Months for Government	Estimate to received for 4 Months for Business	TOTAL
Property Rate	9,554,549.56	1,253,412.50	2,137,500.00	12,945,462.06
Description	Amount Received as at 28 February 2019	Estimate to received for claim for January 2019 to May 2019		
VAT Receivable	28,821,973.04	17,496,667.81		46,318,640.85

2.2.4 Cash Backed Reserves/Accumulated Surplus Reconciliation.

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

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

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed

because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 19 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

LIM473 Makhuduthamaga - Table B8 Cash backed reserves/accumulated surplus reconciliation - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
			3	8	9	10		
R thousands		A	A1	F	G	H		
Cash and investments available								
Cash/cash equivalents at the year end	1	10,406	–	16,273	16,273	26,680	36,952	57,314
Other current investments > 90 days		12,435	–	(12,435)	(12,435)	0	(7,424)	(7,424)
Non current assets - Investments	1	–	–	–	–	–	–	–
Cash and investments available:		22,841	–	3,839	3,839	26,680	29,529	49,890
Applications of cash and investments								
Unspent conditional transfers		–	–	–	–	–	–	–
Unspent borrowing					–	–		
Statutory requirements					–	–		
Other working capital requirements	2	(12,937)	–	3,163	3,163	(9,774)	(2,316)	985
Other provisions					–	–		
Long term investments committed		–	–	–	–	–	–	–
Reserves to be backed by cash/investments		–	–	–	–	–	–	–
Total Application of cash and investments:		(12,937)	–	3,163	3,163	(9,774)	(2,316)	985
Surplus(shortfall)		35,778	–	676	676	36,454	31,845	48,905

From the above table it can be seen that the cash and investments available was adjusted upwards from **R 22 million** to **R 26 million** for the 2018/19 financial year.

The municipality is planning to spend on all the conditional grants received during the 2018/19 financial year, therefore the balances on unspent conditional grants are zero throughout the MTREF.

The municipality's third party payments such as SARS under the statutory requirements are accounted for under the employee related costs on B7 as part of the payments to suppliers and employees over the 2018/19 MTREF. The VAT portion is also accounted for as part of the payments to suppliers and employees and also under the capital assets payments on the B7.

The main purpose of the other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment

and receipt delays will have a greater requirement for working capital. Any underperformance in relation to collections could place upward pressure on the ability of the municipality to meet its creditor obligations.

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

Funding compliance measurement

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

Table 20 MBRR SB6 – Funding compliance measurement

LIM473 Makhuduthamaga - Supporting Table SB6 Adjustments Budget - funding measurement - 28022019										
Description	Ref	MFMA section	2015/16	2016/17	2017/18	Medium Term Revenue and Expenditure Framework				
R thousands			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2019/20	Budget Year +2 2020/21
Funding measures										
Cash/cash equivalents at the year end - R'000	1	18(1)b	115,720	65,338	19,278	10,406	–	8,199	18,472	38,833
Cash + investments at the yr end less applications - R'000	2	18(1)b	124,872	87,177	19,278	35,778	–	12,549	20,788	37,848
Cash year end/monthly employee/supplier payments	3	18(1)b	0	0	–	0	–	–	0	0
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)	37,375	127,691	(41,468)	87,798	–	62,947	85,155	93,424
Service charge rev % change - macro CPIX targetexclusive	5	18(1)a,(2)	0.7%	13.0%	20.0%	162.4%	0.0%	168.9%	-8.6%	-6.1%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	58.4%	56.8%	48.5%	48.9%	0.0%	67.5%	57.6%	62.1%
Debt impairment expense as a % of total billable revenue	7	18(1)a,(2)	94.2%	82.9%	92.0%	78.5%	0.0%	76.7%	53.3%	56.1%
Capital payments % of capital expenditure	8	18(1)c;19	100.0%	100.0%	100.0%	115.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	9	18(1)c	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				99.5%	0.0%	99.5%	99.5%	99.5%
Current consumer debtors % change - incr(decr)	11	18(1)a	4.0%	70.2%	31.0%	7.0%			12.7%	-17.2%
Long term receivables % change - incr(decr)	12	18(1)a	0.0%	0.0%	0.0%	0.0%			0.0%	0.0%
R&M % of Property Plant & Equipment	13	20(1)(vi)	16.7%	10.0%	14.0%	13.7%	0.0%	23.8%	17.6%	17.2%
Asset renewal % of capital budget	14	20(1)(vi)	0.0%	11.0%	0.0%	2.4%	0.0%	2.5%	2.6%	0.0%
Macro CPIX target						6%	6%	6%	6%	6%
Total service charge revenue						37,237	–	38,129	37,124	37,086
Total service charge revenue - previous year						13,873		13,873	38,129	37,124
Provincial government gazetted allocations			–	–	–	–	–	–	–	–
National government DoRA allocations			292,621	319,072	322,178	324,537	324,537	324,537	333,721	358,108
Cash receipts from ratepayers			8,409	8,390	7,265	35,767	–	52,709	39,947	42,491
Ratepayer & Other revenue			14,409	14,767	14,977	73,126	–	78,057	69,360	68,401
Change in debtors			4,690	795	6,517	3,937	3,937	3,937	4,138	(6,324)

2.3. Adjustments to expenditure on allocations and grant programmes.

- No budget adjustments were effected on the municipality's revenue from grants and transfers for the 2018/19 financial year.

2.4. Adjustments to allocations and grants made by the municipality.

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

2.5. Adjustments to councillor Allowances and employee benefits.

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

Table: 21
LIM473 Makhuduthamaga - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 28022019

Summary of remuneration	Ref	Budget Year 2018/19					% change
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	
		5	10	11	12		
R thousands		A	A1	F	G	H	
<u>Councillors (Political Office Bearers plus Other)</u>							
Basic Salaries and Wages		13,961			–	13,961	0.0%
Pension and UIF Contributions		2,847			–	2,847	0.0%
Medical Aid Contributions		–			–	–	
Motor Vehicle Allowance		5,092			–	5,092	0.0%
Cellphone Allowance		2,660			–	2,660	
Housing Allowances		–			–	–	
Other benefits and allowances		349			–	349	
Sub Total - Councillors		24,909	–	–	–	24,909	0.0%
% increase			(0)			–	
<u>Senior Managers of the Municipality</u>							
Basic Salaries and Wages		4,407		(278)	(278)	4,130	-6.3%
Pension and UIF Contributions		164		(91)	(91)	74	-55.2%
Medical Aid Contributions		307		–	–	307	0.0%
Overtime		–		(45)	(45)	(45)	#DIV/0!
Performance Bonus		–		–	–	–	
Motor Vehicle Allowance		1,264		–	–	1,264	0.0%
Cellphone Allowance		181		(45)	(45)	136	-24.7%
Housing Allowances		522		–	–	522	
Other benefits and allowances		75		(28)	(28)	47	
Sub Total - Senior Managers of Municipality		6,920	–	(485)	(485)	6,434	-7.0%
% increase			(0)			(0)	
<u>Other Municipal Staff</u>							
Basic Salaries and Wages		40,658		(4,179)	(4,179)	36,479	-10.3%
Pension and UIF Contributions		8,512		(764)	(764)	7,748	-9.0%
Medical Aid Contributions		5,824		(644)	(644)	5,180	-11.1%
Overtime		1,175		(20)	(20)	1,155	-1.7%
Performance Bonus		–		–	–	–	
Motor Vehicle Allowance		9,245		(951)	(951)	8,294	-10.3%
Cellphone Allowance		1,348		(30)	(30)	1,317	-2.2%
Housing Allowances		3,722		(396)	(396)	3,326	
Other benefits and allowances		4,592		(430)	(430)	4,162	
Sub Total - Other Municipal Staff		75,076	–	(7,415)	(7,415)	67,661	-9.9%
% increase							
Total Parent Municipality		106,905	–	(7,900)	(7,900)	99,004	-7.4%
TOTAL SALARY, ALLOWANCES & BENEFITS		106,905	–	(7,900)	(7,900)	99,004	-7.4%
% increase							
TOTAL MANAGERS AND STAFF		81,996	–	(7,900)	(7,900)	74,095	-9.6%

2.6. Adjustments to service delivery and budget implementation plan.

- SDBIP for the municipality was reviewed taking in to account the actual performance in the budget and the mid-year budget and assessment for 2018/19.

2.7. Adjustments to capital expenditure.

- The following table indicates the adjustments on capital projects for 2018/19 MTREF

Table 25:

LIM473 Makhuduthamaga - Supporting Table SB19 List of capital programmes and projects affected by Adjustments Budget - 28022019

Function	Project Description	Project Number	Medium Term Revenue and Expenditure Framework					
			Budget Year 2018/19		Budget Year +1 2019/20		Budget Year +2 2020/21	
R thousands			Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget
Parent municipality:								
<i>List all capital projects grouped by Function</i>								
Vote 4 - Infrastructure Development	RD Rietfn_Eensa _10.5km	CAP_003	13,043	14,653	–	–	–	–
Vote 4 - Infrastructure Development	RD Thaba Cross_Tswaing	CAP_004	4,348	1,318	–	–	–	–
Vote 4 - Infrastructure Development	RD GlenCowie_Moloi _5km	CAP_005	–	1,420	–	–	–	–
Vote 4 - Infrastructure Development	RD Mashab TO_Machacha_10km	CAP_006	1,739	2,739	6,957	–	10,739	–
Vote 4 - Infrastructure Development	Bridge Mohlala_Ngwanants	CAP_08	–	500	–	–	–	–
Vote 4 - Infrastructure Development	Thusong Centre	CAP_09	4,348	2,257	13,043	–	21,739	–
Vote 4 - Infrastructure Development	Bridge Manganeng	CAP_012	–	590	–	–	–	–
Vote 4 - Infrastructure Development	RD Sekhukhune Traffic St	CAP_013	5,217	6,957	–	–	–	–
Vote 4 - Infrastructure Development	Bridge Cabrieve/Khayelic	CAP_017	7,150	7,950	–	–	–	–
Vote 4 - Infrastructure Development	RD Mokwe_Molap/Ntw_10km	CAP_021	1,535	2,835	–	–	–	–
Vote 4 - Infrastructure Development	RD Phaahla _1.5km	CAP_026	435	870	3,283	–	–	–
Vote 4 - Infrastructure Development	Clen Cowie_Post Office	CAP_036	1,669	435	–	–	–	–
Vote 4 - Infrastructure Development	Grade A DLTC_Ga-Masemola	CAP_034	1,739	–	–	–	–	–

Other Supporting documents.

2.8.1 Table 26: SB1

LIM473 Makhuduthamaga - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	F	G	H		
R thousands								
REVENUE ITEMS								
Property rates								
Total Property Rates		37,237		892	892	38,129	37,124	37,086
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)					–	–		
Net Property Rates		37,237	–	892	892	38,129	37,124	37,086
Other Revenue By Source								
Tender Documents		560		-160000	(160)	400	588	590
Other Revenue		122		100000	100	222	132	141
Total 'Other' Revenue	1	682	–	(60)	(60)	622	720	731
EXPENDITURE ITEMS								
Employee related costs								
Basic Salaries and Wages		45,065		(4,457)	(4,457)	40,609	47,950	51,066
Pension and UIF Contributions		8,676		(854)	(854)	7,822	9,231	9,831
Medical Aid Contributions		6,131		(644)	(644)	5,487	6,523	6,947
Overtime		1,175		(65)	(65)	1,110	1,251	1,332
Performance Bonus		–		–	–	–	–	–
Motor Vehicle Allowance		10,509		(951)	(951)	9,558	11,182	11,909
Cellphone Allowance		1,528		(75)	(75)	1,454	1,626	1,732
Housing Allowances		4,244		(396)	(396)	3,848	4,515	4,809
Other benefits and allowances		4,667		(458)	(458)	4,209	4,966	5,288
sub-total		81,996	–	(7,900)	(7,900)	74,095	87,243	92,914
Less: Employees costs capitalised to PPE					–	–		
Total Employee related costs	1	81,996	–	(7,900)	(7,900)	74,095	87,243	92,914
Contributions recognised - capital								
Total Contributions recognised - capital		–	–	–	–	–	–	–
Depreciation & asset impairment								
Depreciation of Property, Plant & Equipment		22,198		4,313	4,313	26,511	23,397	24,683
Total Depreciation & asset impairment	1	22,198	–	4,313	4,313	26,511	23,397	24,683
Contracted services								
Repairs and Maintenance		53,022		24,300	24,300	77,322	59,132	62,428
Security Services and Cleaning Services		13,672		–	–	13,672	14,389	15,181
Other Contracted Services		28,505		6,596	6,596	35,102	25,007	22,094
sub-total	1	95,199	–	30,896	30,896	126,096	98,529	99,702
Allocations to organs of state:								
Other					–	–		
Total contracted services??		95,199	–	30,896	30,896	126,096	98,529	99,702
Other Expenditure By Type								
Audit fees		2,430		–	–	2,430	3,500	3,650
General expenses	3,5	62,325		(2,457)	(2,457)	59,867	67,941	70,934
Total Other Expenditure	1	64,755	–	(2,457)	(2,457)	62,297	71,441	74,584

2.8.2 Table 27: SB2

LIM473 Makhuduthamaga - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	4	9	10	11		
R thousands		A	A1	F	G	H		
ASSETS								
<u>Call investment deposits</u>								
Other current investments					-	-		
Total Call investment deposits	1	-	-	-	-	-	-	-
<u>Consumer debtors</u>								
Consumer debtors		52,844		(30,000)	(30,000)	22,844	26,331	19,430
Less: provision for debt impairment		-	-	-	-	-	-	-
Total Consumer debtors	1	52,844	-	(30,000)	(30,000)	22,844	26,331	19,430
<u>Debt impairment provision</u>								
Balance at end of year		-	-	-	-	-	-	-
<u>Property, plant & equipment</u>								
PPE at cost/valuation (excl. finance leases)		383,671		(61,660)	(61,660)	322,011	333,857	359,767
Total Property, plant & equipment	1	383,671	-	(61,660)	(61,660)	322,011	333,857	359,767
LIABILITIES								
<u>Current liabilities - Borrowing</u>								
Short term loans (other than bank overdraft)					-	-		
Total Current liabilities - Borrowing		-	-	-	-	-	-	-
<u>Trade and other payables</u>								
Creditors		17,726			-	17,726	18,896	19,935
Total Trade and other payables	1	17,726	-	-	-	17,726	18,896	19,935
<u>Non current liabilities - Borrowing</u>								
Borrowing	3				-	-		
Total Non current liabilities - Borrowing		-	-	-	-	-	-	-
<u>Provisions - non current</u>								
Retirement benefits		4,616			-	4,616	4,921	5,192
Total Provisions - non current		4,616	-	-	-	4,616	4,921	5,192
CHANGES IN NET ASSETS								
<u>Accumulated surplus/(Deficit)</u>								
Accumulated surplus/(Deficit) - opening balance		449,918		(106,301)	(106,301)	343,617	368,263	406,771
Accumulated Surplus/(Deficit)	1	449,918	-	(106,301)	(106,301)	343,617	368,263	406,771
<u>Reserves</u>								
Other reserves (list)					-	-		
Total Reserves	2	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	449,918	-	(106,301)	(106,301)	343,617	368,263	406,771

2.8.4 Table 28: SB7

LIM473 Makhuduthamaga - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 28022019							
Description	Ref	Budget Year 2018/19				Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7	11	12		
R thousands		A	A1	E	F		
RECEIPTS:	1, 2						
<u>Operating Transfers and Grants</u>							
National Government:		256,837	–	–	256,837	269,899	290,739
Local Government Equitable Share		241,518		–	241,518	261,729	282,569
Finance Management	3	1,770		–	1,770	1,770	1,770
Municipal Systems Improvement		–		–	–	–	–
EPWP Incentive		1,537		–	1,537	–	–
Integrated National Electrification Programme		12,012		–	12,012	6,400	6,400
Total Operating Transfers and Grants	6	256,837	–	–	256,837	269,899	290,739
<u>Capital Transfers and Grants</u>							
National Government:		66,000	–	–	66,000	62,122	65,569
Municipal Infrastructure Grant (MIG)		66,000		–	66,000	62,122	65,569
Total Capital Transfers and Grants	6	66,000	–	–	66,000	62,122	65,569
TOTAL RECEIPTS OF TRANSFERS & GRANTS		322,837	–	–	322,837	332,021	356,308

2.8.5 Table 29: SB8

LIM473 Makhuduthamaga - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 28022019							
Description	Ref	Budget Year 2018/19				Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	2 A1	6 E	7 F		
R thousands							
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:	1						
<u>Operating expenditure of Transfers and Grants</u>							
National Government:		256,837	–	–	256,837	269,899	290,739
Local Government Equitable Share		241,518		–	241,518	261,729	282,569
Finance Management		1,770		–	1,770	1,770	1,770
Municipal Systems Improvement		–		–	–	–	–
EPWP Incentive		1,537		–	1,537	–	–
Integrated National Electrification Programme		12,012		–	12,012	6,400	6,400
Total operating expenditure of Transfers and Grants:		256,837	–	–	256,837	269,899	290,739
<u>Capital expenditure of Transfers and Grants</u>							
National Government:		66,000	–	–	66,000	62,122	65,569
Municipal Infrastructure Grant (MIG)		66,000		–	66,000	62,122	65,569
Total capital expenditure of Transfers and Grants		66,000	–	–	66,000	62,122	65,569
Total capital expenditure of Transfers and Grants		322,837	–	–	322,837	332,021	356,308

2.8.6 Table 30: SB9

LIM473 Makhuduthamaga - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 28022019							
Description	Ref	Budget Year 2018/19				Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		2		6	7		
R thousands		A	A1	E	F		
<u>Operating transfers and grants:</u>							
National Government:							
Balance unspent at beginning of the year				–	–		
Current year receipts		256,837		–	256,837	269,899	290,739
Conditions met - transferred to revenue		256,837	–	–	256,837	269,899	290,739
Total operating transfers and grants revenue		256,837	–	–	256,837	269,899	290,739
Total operating transfers and grants - CTBM	2	–	–	–	–	–	–
<u>Capital transfers and grants:</u>							
National Government:							
Balance unspent at beginning of the year		6,111		–	6,111		
Current year receipts		66,000		–	66,000	62,122	65,569
Conditions met - transferred to revenue		72,111	–	–	72,111	62,122	65,569
Total capital transfers and grants revenue		72,111	–	–	72,111	62,122	65,569
Total capital transfers and grants - CTBM		–	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		328,948	–	–	328,948	332,021	356,308
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	–	–	–	–

2.8.7 Table 31: SB12

LIM473 Makhuduthamaga - Supporting Table SB12 Adjustments Budget - monthly revenue and expenditure (municipal vote) - 28022019																	
Description	Ref	Budget Year 2018/19													Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Full year budget	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote																	
Vote 1 - Executive Support													-	-	-	-	-
Vote 2 - Office of the Municipal Manager													-	-	-	-	-
Vote 3 - Economic Development and Planning													-	-	-	-	-
Vote 4 - Infrastructure Development													-	-	-	-	-
Vote 5 - Community Services													-	-	-	-	-
Vote 6 - Corporate Services													-	-	-	-	-
Vote 7 - Budget and Treasury		146,400	7,257	6,733	10,926	7,104	101,611	7,057	7,332	90,148	6,999	7,513	7,120	406,199	406,199	412,127	434,432
Total Revenue by Vote		146,400	7,257	6,733	10,926	7,104	101,611	7,057	7,332	90,148	6,999	7,513	7,120	406,199	406,199	412,127	434,432
Expenditure by Vote																	
Vote 1 - Executive Support		4,818	7,236	5,588	3,269	4,051	6,488	3,748	4,696	8,237	4,755	4,923	5,521	63,331	63,331	66,541	68,367
Vote 2 - Office of the Municipal Manager		880	1,372	1,123	1,469	943	804	1,554	1,231	1,107	804	1,337	943	13,567	13,567	13,508	12,751
Vote 3 - Economic Development and Planning		1,662	376	2,647	609	1,008	376	2,736	576	376	1,709	376	676	13,129	13,129	11,526	13,120
Vote 4 - Infrastructure Development		2,936	10,036	1,294	4,634	1,720	1,067	5,879	3,311	5,840	12,817	8,149	8,530	66,214	66,214	43,559	42,398
Vote 5 - Community Services		3,920	4,148	3,863	5,128	3,826	3,591	3,941	3,823	4,077	3,889	4,126	3,754	48,088	48,088	58,531	61,724
Vote 6 - Corporate Services		3,321	3,125	2,290	1,916	1,217	1,968	2,039	3,712	2,020	2,314	1,948	2,119	27,989	27,989	30,417	34,831
Vote 7 - Budget and Treasury		6,791	8,175	6,622	6,487	7,153	6,309	6,380	7,614	6,792	6,586	6,820	35,204	110,934	110,934	102,891	107,816
Total Expenditure by Vote		24,328	34,469	23,427	23,512	19,918	20,604	26,278	24,964	28,448	32,875	27,680	56,747	343,252	343,252	326,973	341,007
Surplus/ (Deficit)		122,071	(27,213)	(16,694)	(12,586)	(12,814)	81,007	(19,222)	(17,632)	61,699	(25,876)	(20,167)	(49,628)	62,947	62,947	85,155	93,424

2.8.7 Table 32: SB13

LIM473 Makhuduthamaga - Supporting Table SB13 Adjustments Budget - monthly revenue and expenditure (functional classification) - 28022019																	
Description - Standard classification	Ref	Budget Year 2018/19												Full year budget	Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June		Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional																	
Governance and administration		146,400	7,257	6,733	10,926	7,104	101,611	7,057	7,332	90,148	6,999	7,513	7,120	406,199	406,199	412,127	434,432
Executive and council													–	–	–	–	–
Finance and administration		146,400	7,257	6,733	10,926	7,104	101,611	7,057	7,332	90,148	6,999	7,513	7,120	406,199	406,199	412,127	434,432
Internal audit													–	–	–	–	–
Total Revenue - Functional		146,400	7,257	6,733	10,926	7,104	101,611	7,057	7,332	90,148	6,999	7,513	7,120	406,199	406,199	412,127	434,432
Expenditure - Functional																	
Governance and administration		15,810	19,908	15,623	13,141	13,365	15,569	13,722	17,254	18,155	14,460	15,028	43,787	215,821	215,821	213,356	223,765
Executive and council		5,698	8,608	6,710	4,738	4,994	7,292	5,302	5,927	9,343	5,559	6,260	4,864	75,298	75,298	78,549	81,118
Finance and administration		10,112	11,300	8,913	8,403	8,370	8,276	8,420	11,327	8,812	8,900	8,768	37,322	138,923	138,923	133,307	142,647
Internal audit													1,600	1,600	1,600	1,500	–
Community and public safety		2,115	2,840	1,590	3,090	1,553	1,318	1,668	1,550	1,729	1,616	1,804	2,181	23,056	23,056	27,910	27,664
Community and social services		713	816	586	906	451	384	713	584	794	661	784	418	7,807	7,807	10,054	8,895
Sport and recreation		–	–	–	980	–	–	–	–	–	–	–	–	980	980	2,350	1,900
Public safety		935	935	1,005	963	1,102	935	956	967	935	956	1,020	1,098	11,803	11,803	13,006	13,869
Housing		468	1,090	–	242	–	–	–	–	–	–	–	700	2,500	2,500	2,500	3,000
Health													–		–	–	–
Economic and environmental services		5,769	7,237	5,389	3,550	4,427	3,243	10,014	5,247	7,701	12,610	10,026	9,956		85,171	68,724	72,598
Planning and development		1,662	376	2,647	609	1,008	376	2,736	576	376	1,709	376	2,710		15,162	14,286	16,057
Road transport		1,919	4,548	553	753	1,231	679	5,090	2,482	5,061	8,713	7,461	5,058		43,548	24,766	23,154
Environmental protection		2,188	2,313	2,188	2,188	2,188	2,188	2,188	2,188	2,263	2,188	2,188	2,188		26,461	29,672	33,387
Trading services		633	4,483	826	3,730	573	473	873	913	863	4,189	822	823	19,203	19,203	16,983	16,981
Energy sources		549	4,399	741	3,639	489	389	789	829	779	4,104	688	739	18,132	18,132	13,534	13,307
Waste management		85	85	85	91	85	85	85	85	85	85	134	85		1,071	3,450	3,674
Other													–		–	–	–
Total Expenditure - Functional		24,328	34,469	23,427	23,512	19,918	20,604	26,278	24,964	28,448	32,875	27,680	56,747	258,080	343,252	326,973	341,007
Surplus/ (Deficit) 1.		122,071	(27,213)	(16,694)	(12,586)	(12,814)	81,007	(19,222)	(17,632)	61,699	(25,876)	(20,167)	(49,628)	148,118	62,947	85,155	93,424

2.8.8 Table 33: SB18a

LIM473 Makhuduthamaga - Supporting Table SB18a Adjustments Budget - capital expenditure on new assets by asset class - 28022019								
Description	Ref	Budget Year 2018/19					Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		7	12	13	14			
R thousands		A	A1	F	G	H		
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure		85,592	-	1,300	1,300	86,892	72,760	85,002
Roads Infrastructure		85,592	-	1,300	1,300	86,892	72,760	85,002
Roads		85,592		1,300	1,300	86,892	72,760	85,002
Community Assets		4,417	-	(1,630)	(1,630)	2,787	2,500	3,000
Community Facilities		4,417	-	(1,630)	(1,630)	2,787	2,500	3,000
Police		1,217		-	-	1,217	-	-
Public Open Space		3,200		(1,630)	(1,630)	1,570	2,500	3,000
Sport and Recreation Facilities		-	-	-	-	-	-	-
Computer Equipment		2,522	-	(1,000)	(1,000)	1,522	2,261	435
Computer Equipment		2,522		(1,000)	(1,000)	1,522	2,261	435
Furniture and Office Equipment		1,739	-	(400)	(400)	1,339	870	-
Furniture and Office Equipment		1,739		(400)	(400)	1,339	870	-
Machinery and Equipment		-	-	-	-	-	-	-
Machinery and Equipment		-			-	-	-	-
Transport Assets		3,043	-	400	400	3,443	3,913	4,783
Transport Assets		3,043		400	400	3,443	3,913	4,783
Land		-	-	-	-	-	-	-
Land					-	-		
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals					-	-		
Total Capital Expenditure on new assets to be adjusted	1	97,314	-	(1,330)	(1,330)	95,984	82,303	93,220

2.8.10 Table 34: SB18c

LIM473 Makhuduthamaga - Supporting Table SB18b Adjustments Budget - capital expenditure on renewal of existing assets by asset class - 28022019													
Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		7	8	9	10	11	12	13	14				
R thousands		A	A1	B	C	D	E	F	G	H			
Capital expenditure on renewal of existing assets by Asset Class/Sub-class													
Infrastructure		2,550	-	-	-	-	-	-	-	2,550	2,174	-	
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Sanitation Infrastructure		2,550	-	-	-	-	-	-	-	2,550	2,174	-	
Toilet Facilities		2,550							-	2,550	2,174		
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-	-	-	
Total Capital Expenditure on renewal of existing assets <i>to be adjusted</i>	1	2,550	-	-	-	-	-	-	-	2,550	2,174	-	

2.8.11 Table 35: General Expenses

Status	Name	ITEM	Municipal Standard Classification	Adjusted Budget 201819
Code: SDBIP - LIM473_0000				
4	O0001/IE01581/F0041/X044/R0278/001/0000	Air Transport	Executive Support	83,600.00
4	O0001/IE01583/F0041/X044/R0278/001/0000	Road Transport	Executive Support	-
4	O0001/IE00143/F0041/X044/R0278/001/0000	Car Rental	Executive Support	55,000.00
4	O0001/IE00144/F0041/X044/R0278/001/0000	Own Transport	Executive Support	72,900.00
4	O0001/IE00060/F0041/X044/R0278/001/0000	Accommodation	Executive Support	354,000.00
4	O0001/IE00062/F0041/X044/R0278/001/0000	Food and Beverage (Serve	Executive Support	55,000.00
4	O0001/IE00063/F0041/X044/R0278/001/0000	Incidental Cost	Executive Support	-
				620,500.00
Code: SDBIP - LIM473_4520				
4	O0001/IE00592/F0041/X044/R0279/001/4520	Seating Allowance for Tr	Office of The Speaker	460,000.00
4	O0001/IE00586/F0041/X044/R0279/001/4520	Remuneration to Ward Com	Office of The Speaker	4,464,000.00
4	O1240-1/IE00571/F0041/X044/R0279/001/4520	Hire Charges	Office of The Speaker	450,000.00
4	O0001/IE00781/F0041/X044/R0278/001/4520	Councillors	Office of The Speaker	100,000.00
4	O0001/IE00571/F0041/X044/R0278/001/4520	Hire Charges	Office of The Speaker	310,000.00
4	O1223-1/IE00059/F0041/X044/R0279/001/4520	National	Office of The Speaker	1,200,000.00
4	O1223-2/IE00059/F0041/X044/R0279/001/4520	National	Office of The Speaker	1,500,000.00
4	O0001/IE01537/F0041/X044/R0278/001/4520	Uniform/Special/Protecti	Office of The Speaker	13,490.06
				8,497,490.06
Code: SDBIP - LIM473_4530				
4	O0001/IE00583/F0045/X044/R0279/001/4530	Printing, Publications a	Office of The Mayor	9,800,000.00
4	O0001/IE00751/F0041/X044/R0278/001/4530	Corporate and Municipal	Office of The Mayor	200,000.00
4	O0001/IE00769/F0041/X044/R0278/001/4530	Cellular Contract (Subsc	Office of The Mayor	700,000.00
4	O1240-2/IE00754/F0041/X044/R0279/001/4530	Gifts and Promotional It	Office of The Mayor	850,000.00
4	O1240-2/IE00751/F0041/X044/R0279/001/4530	Corporate and Municipal	Office of The Mayor	500,000.00
4	O1240-2/IE00772/F0041/X044/R0279/001/4530	Radio and TV Transmissio	Office of The Mayor	500,000.00
				12,550,000.00
Code: SDBIP - LIM473_5066				
4	O0001/IE00060/F0041/X006/R0278/001/5066	Accommodation	Community Services (1)	87,000.00
4	O0001/IE00062/F0041/X006/R0278/001/5066	Food and Beverage (Serve	Community Services (1)	56,000.00
4	O0001/IE00144/F0041/X006/R0278/001/5066	Own Transport	Community Services (1)	60,600.00
4	O0001/IE00143/F0041/X006/R0278/001/5066	Car Rental	Community Services (1)	76,400.00
4	O0001/IE00677/F0041/X007/R0278/001/5066	Catering Services	Community Services (1)	150,000.00
4	O0001/IE00754/F0041/X007/R0278/001/5066	Gifts and Promotional It	Community Services (1)	200,000.00
4	O0001/IE00572/F0041/X016/R0278/001/5066	Honoraria (Voluntarily W	Community Services (1)	120,000.00
4	O0001/IE01581/F0041/X006/R0278/001/5066	Air Transport	Community Services (1)	86,900.00
4	O0001/IE01583/F0041/X006/R0278/001/5066	Road Transport	Community Services (1)	60,500.00
4	O0001/IE00063/F0041/X006/R0278/001/5066	Incidental Cost	Community Services (1)	60,500.00
				957,900.00



Code: SDBIP - LIM473_5200			
4	O0001/IE01526/F1177/X047/R0278/001/5200	Bonus	Budget & Treasury Office 11,557.11
4	O0001/IE00595/F1177/X047/R0278/001/5200	Skills Development Fund	Budget & Treasury Office 1,544.59
4	O0001/IE00036/F1177/X047/R0278/001/5200	Basic Salary and Wages	Budget & Treasury Office 172,281.27
4	O0001/IE00045/F1177/X047/R0278/001/5200	Unemployment Insurance	Budget & Treasury Office 1,547.04
4	O0001/IE00059/F1177/X047/R0278/001/5200	National	Budget & Treasury Office 117,936.00
4	O0001/IE00143/F0041/X047/R0278/001/5200	Car Rental	Budget & Treasury Office 12,100.00
4	O0001/IE01583/F0041/X047/R0278/001/5200	Road Transport	Budget & Treasury Office 2,100.00
4	O0001/IE01581/F0041/X047/R0278/001/5200	Air Transport	Budget & Treasury Office 15,700.00
4	O0001/IE00062/F0041/X047/R0278/001/5200	Food and Beverage (Serve	Budget & Treasury Office 38,450.00
4	O0001/IE00060/F0041/X047/R0278/001/5200	Accommodation	Budget & Treasury Office 80,000.00
4	O0001/IE00144/F0041/X047/R0278/001/5200	Own Transport	Budget & Treasury Office 33,696.00
4	O0001/IE00605/F0041/X047/R0278/001/5200	Vehicle Tracking	Budget & Treasury Office 42,300.00
4	O0001/IE00063/F0041/X047/R0278/001/5200	Incidental Cost	Budget & Treasury Office 12,100.00
4	O0001/IE01526/F1177/X048/R0278/001/5200	Bonus	Budget & Treasury Office 11,557.11
4	O0001/IE00595/F1177/X048/R0278/001/5200	Skills Development Fund	Budget & Treasury Office 1,544.59
4	O0001/IE00036/F1177/X048/R0278/001/5200	Basic Salary and Wages	Budget & Treasury Office 172,281.27
4	O0001/IE00045/F1177/X048/R0278/001/5200	Unemployment Insurance	Budget & Treasury Office 1,547.04
4	O0001/IE00059/F1177/X048/R0278/001/5200	National	Budget & Treasury Office 68,445.00
4	O0001/IE01583/F0041/X048/R0278/001/5200	Road Transport	Budget & Treasury Office -
4	O0001/IE01581/F0041/X048/R0278/001/5200	Air Transport	Budget & Treasury Office 15,700.00
4	O0001/IE00062/F0041/X048/R0278/001/5200	Food and Beverage (Serve	Budget & Treasury Office 38,450.00
4	O0001/IE00061/F0041/X048/R0278/001/5200	Daily Allowance	Budget & Treasury Office -
4	O0001/IE00060/F0041/X048/R0278/001/5200	Accommodation	Budget & Treasury Office 80,000.00
4	O0001/IE00144/F0041/X048/R0278/001/5200	Own Transport	Budget & Treasury Office 33,700.00
4	O0001/IE00143/F0041/X048/R0278/001/5200	Car Rental	Budget & Treasury Office 12,100.00
4	O0001/IE00063/F0041/X048/R0278/001/5200	Incidental Cost	Budget & Treasury Office 12,100.00
4	O0001/IE00830/F0041/X049/R0278/001/5200	Accounting and Auditing	Budget & Treasury Office 3,230,000.00
4	O0001/IE00759/F0041/X049/R0278/001/5200	Bank Accounts	Budget & Treasury Office 198,000.00
4	O0001/IE00579/F0041/X049/R0278/001/5200	Municipal Services	Budget & Treasury Office 1,837,645.83
4	O0001/IE01526/F1177/X049/R0278/001/5200	Bonus	Budget & Treasury Office 11,557.11
4	O0001/IE00595/F1177/X049/R0278/001/5200	Skills Development Fund	Budget & Treasury Office 1,544.59
4	O0001/IE00036/F1177/X049/R0278/001/5200	Basic Salary and Wages	Budget & Treasury Office 172,281.27
4	O0001/IE00045/F1177/X049/R0278/001/5200	Unemployment Insurance	Budget & Treasury Office 1,547.04
4	O0001/IE00059/F1177/X049/R0278/001/5200	National	Budget & Treasury Office 150,579.00
4	O0001/IE00805/F0041/X049/R0278/001/5200	Premiums	Budget & Treasury Office 288,497.65
4	O0001/IE00583/F0041/X049/R0278/001/5200	Printing, Publications a	Budget & Treasury Office 2,500,000.00
4	O0001/IE01583/F0041/X049/R0278/001/5200	Road Transport	Budget & Treasury Office -
4	O0001/IE01581/F0041/X049/R0278/001/5200	Air Transport	Budget & Treasury Office 25,700.00
4	O0001/IE00062/F0041/X049/R0278/001/5200	Food and Beverage (Serve	Budget & Treasury Office 48,900.00
4	O0001/IE00061/F0041/X049/R0278/001/5200	Daily Allowance	Budget & Treasury Office -
4	O0001/IE00060/F0041/X049/R0278/001/5200	Accommodation	Budget & Treasury Office 151,100.00
4	O0001/IE00144/F0041/X049/R0278/001/5200	Own Transport	Budget & Treasury Office 49,500.00
4	O0001/IE00143/F0041/X049/R0278/001/5200	Car Rental	Budget & Treasury Office 12,100.00
4	O0001/IE00063/F0041/X049/R0278/001/5200	Incidental Cost	Budget & Treasury Office 12,100.00
4	O0001/IE00607/F0041/X050/R0279/001/5200	Wet Fuel	Budget & Treasury Office 2,300,000.00
4	O0001/IE00808/F0041/X050/R0278/001/5200	Motor Vehicle Licence an	Budget & Treasury Office 30,000.00
4	O0001/IE01526/F1177/X081/R0278/001/5200	Bonus	Budget & Treasury Office 11,557.11
4	O0001/IE00595/F1177/X081/R0278/001/5200	Skills Development Fund	Budget & Treasury Office 1,544.59
4	O0001/IE00036/F1177/X081/R0278/001/5200	Basic Salary and Wages	Budget & Treasury Office 172,281.27
4	O0001/IE00045/F1177/X081/R0278/001/5200	Unemployment Insurance	Budget & Treasury Office 1,547.04
4	O0001/IE00059/F1177/X081/R0278/001/5200	National	Budget & Treasury Office 149,390.98
4	O0001/IE00040/F1177/X081/R0278/001/5200	Bargaining Council	Budget & Treasury Office -
4	O0001/IE01526/F1177/X056/R0278/001/5200	Bonus	Budget & Treasury Office 11,557.11
4	O0001/IE00595/F1177/X056/R0278/001/5200	Skills Development Fund	Budget & Treasury Office 1,544.59
4	O0001/IE00045/F1177/X056/R0278/001/5200	Unemployment Insurance	Budget & Treasury Office 1,547.04
4	O0001/IE00059/F1177/X056/R0278/001/5200	National	Budget & Treasury Office 101,088.00
4	O0001/IE00036/F1177/X056/R0278/001/5200	Basic Salary and Wages	Budget & Treasury Office 152,181.27
4	O0001/IE00040/F1177/X056/R0278/001/5200	Bargaining Council	Budget & Treasury Office -
4	O0001/IE01526/F1177/X058/R0278/001/5200	Bonus	Budget & Treasury Office 11,557.11
4	O0001/IE00036/F1177/X058/R0278/001/5200	Basic Salary and Wages	Budget & Treasury Office 172,281.27
4	O0001/IE00045/F1177/X058/R0278/001/5200	Unemployment Insurance	Budget & Treasury Office 1,547.04
4	O0001/IE00059/F1177/X058/R0278/001/5200	National	Budget & Treasury Office 81,081.00
4	O0001/IE00595/F1177/X058/R0278/001/5200	Skills Development Fund	Budget & Treasury Office 1,544.59
4	O0001/IE01583/F0041/X058/R0278/001/5200	Road Transport	Budget & Treasury Office -
4	O0001/IE01581/F0041/X058/R0278/001/5200	Air Transport	Budget & Treasury Office 15,700.00
4	O0001/IE00062/F0041/X058/R0278/001/5200	Food and Beverage (Serve	Budget & Treasury Office 38,450.00
4	O0001/IE00061/F0041/X058/R0278/001/5200	Daily Allowance	Budget & Treasury Office -
4	O0001/IE00060/F0041/X058/R0278/001/5200	Accommodation	Budget & Treasury Office 60,000.00
4	O0001/IE00144/F0041/X058/R0278/001/5200	Own Transport	Budget & Treasury Office 44,104.51
4	O0001/IE00143/F0041/X058/R0278/001/5200	Car Rental	Budget & Treasury Office 12,100.00
4	O0001/IE00063/F0041/X058/R0278/001/5200	Incidental Cost	Budget & Treasury Office 12,100.00
4	O0001/IE00040/F1177/X058/R0278/001/5200	Bargaining Council	Budget & Treasury Office -
4	O0001/IE03969/F0791/X058/R0278/001/5200	Non Structured	Budget & Treasury Office -
			13,064,493.99

Code: SDBIP - LIM473_5520				
4	O0001/IE00579/F0041/X046/R0278/001/5520	Municipal Services	Corporate Services (2)	1,200,000.00
4	O0001/IE00738/F0041/X046/R0278/001/5520	Standard Rated	Corporate Services (2)	50,000.00
4	O1297-1/IE00571/F0041/X046/R0278/001/5520	Hire Charges	Corporate Services (2)	1,575,000.00
4	O1297-1/IE00059/F0041/X046/R0278/001/5520	National	Corporate Services (2)	220,000.00
4	O0001/IE00059/F0041/X046/R0278/001/5520	National	Corporate Services (2)	700,000.00
4	O0001/IE00810/F0041/X046/R0278/001/5520	Professional and Regulat	Corporate Services (2)	-
4	O0001/IE00143/F0041/X046/R0278/001/5520	Car Rental	Corporate Services (2)	26,872.50
4	O0001/IE00144/F0041/X046/R0278/001/5520	Own Transport	Corporate Services (2)	53,176.50
4	O0001/IE01581/F0041/X046/R0278/001/5520	Air Transport	Corporate Services (2)	44,766.50
4	O0001/IE00060/F0041/X046/R0278/001/5520	Accommodation	Corporate Services (2)	186,398.50
4	O0001/IE00061/F0041/X046/R0278/001/5520	Daily Allowance	Corporate Services (2)	-
4	O0001/IE00062/F0041/X046/R0278/001/5520	Food and Beverage (Serve	Corporate Services (2)	60,547.50
4	O1227-1/IE03752/F0041/X046/R0278/001/5520	Bursaries (Non-Employee)	Corporate Services (2)	3,000,000.00
4	O0001/IE00846/F0041/X046/R0278/001/5520	Quality Control	Corporate Services (2)	-
4	O1235-1/IE00571/F0041/X046/R0278/001/5520	Hire Charges	Corporate Services (2)	-
4	O1235-1/IE00751/F0041/X046/R0278/001/5520	Corporate and Municipal	Corporate Services (2)	250,000.00
4	O1235-1/IE00677/F0041/X046/R0278/001/5520	Catering Services	Corporate Services (2)	-
4	O0001/IE00063/F0041/X046/R0278/001/5520	Incidental Cost	Corporate Services (2)	11,056.50
0	O0001/IE01583/F0041/X046/R0278/001/5520	Road Transport	Corporate Services (2)	44,226.00
4	O0001/IE00783/F0041/X046/R0278/001/5520	Senior Management	Corporate Services (2)	31,590.00
4	O0001/IE03969/F0791/X046/R0278/001/5520	Non Structured	Corporate Services (2)	-
4	O0001/IE00583/F0041/X096/R0278/001/5520	Printing, Publications a	Corporate Services (2)	-
4	O0001/IE00733/F0041/X049/R0423/001/5200	Interest costs non-curre	Budget & Treasury Office	-
4	O0001/IE00110/F0041/X049/R0278/001/5200	Long Term Service Awards	Budget & Treasury Office	-
4	D0001/IZ00034/F0001/X049/R0278/001/5520	Gains	Corporate Services (2)	-
4	O0001/IE01525/F0041/X051/R0278/001/5520	Acting and Post Related	Corporate Services (2)	-
4	O0001/IE00783/F0041/X046/R0278/001/5520	Professional Bodies, Mem	Corporate Services (2)	1,400,000.00
4	O0001/IE00143/F0041/X051/R0278/001/5520	Car Rental	Corporate Services (2)	11,056.50
4	O0001/IE00144/F0041/X051/R0278/001/5520	Own Transport	Corporate Services (2)	26,851.50
4	O0001/IE01581/F0041/X051/R0278/001/5520	Air Transport	Corporate Services (2)	15,795.00
4	O0001/IE00060/F0041/X051/R0278/001/5520	Accommodation	Corporate Services (2)	120,568.50
4	O0001/IE00061/F0041/X051/R0278/001/5520	Daily Allowance	Corporate Services (2)	-
4	O0001/IE00062/F0041/X051/R0278/001/5520	Food and Beverage (Serve	Corporate Services (2)	23,692.50
4	O0001/IE00757/F0041/X051/R0278/001/5520	Staff Recruitment	Corporate Services (2)	157,950.00
4	O0001/IE00063/F0041/X051/R0278/001/5520	Incidental Cost	Corporate Services (2)	11,056.50
4	O0001/IE00036/F0791/X051/R0278/001/5520	Basic Salary and Wages	Corporate Services (2)	678,531.45
4	O0001/IE03969/F0791/X051/R0278/001/5520	Non Structured	Corporate Services (2)	-
4	O0001/IE00143/F0041/X052/R0278/001/5520	Car Rental	Corporate Services (2)	11,056.50
4	O0001/IE00144/F0041/X052/R0278/001/5520	Own Transport	Corporate Services (2)	11,056.50
4	O0001/IE01581/F0041/X052/R0278/001/5520	Air Transport	Corporate Services (2)	13,689.00
4	O0001/IE00060/F0041/X052/R0278/001/5520	Accommodation	Corporate Services (2)	46,858.50
4	O0001/IE00061/F0041/X052/R0278/001/5520	Daily Allowance	Corporate Services (2)	-
4	O0001/IE00062/F0041/X052/R0278/001/5520	Food and Beverage (Serve	Corporate Services (2)	11,056.50
4	C0003-1/IA06173/F0002/X052/R0278/001/5520	Acquisitions	Corporate Services (2)	1,521,739.13
4	O0001/IE00063/F0041/X052/R0278/001/5520	Incidental Cost	Corporate Services (2)	11,056.50
4	O0001/IE00143/F0041/X053/R0278/001/5520	Car Rental	Corporate Services (2)	11,056.50
4	O0001/IE00144/F0041/X053/R0278/001/5520	Own Transport	Corporate Services (2)	11,056.50
4	O0001/IE01581/F0041/X053/R0278/001/5520	Air Transport	Corporate Services (2)	11,056.50
4	O0001/IE00060/F0041/X053/R0278/001/5520	Accommodation	Corporate Services (2)	39,508.50
4	O0001/IE00061/F0041/X053/R0278/001/5520	Daily Allowance	Corporate Services (2)	-
4	O0001/IE00062/F0041/X053/R0278/001/5520	Food and Beverage (Serve	Corporate Services (2)	11,056.50
4	O0001/IE00063/F0041/X053/R0278/001/5520	Incidental Cost	Corporate Services (2)	-
4	O0001/IE00036/F0791/X053/R0278/001/5520	Basic Salary and Wages	Corporate Services (2)	694,617.90
4	O0001/IE03969/F0791/X053/R0278/001/5520	Non Structured	Corporate Services (2)	-
4	O0001/IE00753/F0041/X054/R0278/001/5520	Customer/Client Informat	Corporate Services (2)	700,000.00
4	O0001/IE00758/F0041/X058/R0278/001/5520	Tenders	Corporate Services (2)	600,000.00
				13,604,000.98

Code: SDBIP - LIM473_6200			
4	O0025-2/IE00001/F2495/X098/R0279/001/6200	Town Planner	Economic Development and 900,000.00
4	O0001/IE01581/F0041/X098/R0278/001/6200	Air Transport	Economic Development and 14,742.00
4	O0001/IE00144/F0041/X098/R0278/001/6200	Own Transport	Economic Development and 14,742.00
4	O0001/IE01583/F0041/X098/R0278/001/6200	Road Transport	Economic Development and 2,742.00
4	O0001/IE00060/F0041/X098/R0278/001/6200	Accommodation	Economic Development and 72,678.00
4	O0001/IE00143/F0041/X098/R0278/001/6200	Car Rental	Economic Development and 14,742.00
4	O0001/IE00061/F0041/X098/R0278/001/6200	Daily Allowance	Economic Development and -
4	O0001/IE00062/F0041/X098/R0278/001/6200	Food and Beverage (Serve	Economic Development and 14,742.00
4	O0001/IE00063/F0041/X098/R0278/001/6200	Incidental Cost	Economic Development and -
4	C0086-1/IA04957/F0002/X098/R0279/001/6200	Acquisitions	Economic Development and 650,000.00
4	O0001/IE00583/F0041/X098/R0278/001/6200	Printing, Publications a	Economic Development and -
4	C0001-3/IA01307/F0041/X098/R0279/001/6200	Acquisitions	Economic Development and 1,570,000.00
4	O0022-1/IE00021/F0041/X098/R0279/001/6200	Organisational	Economic Development and -
4	O0025-3/IE00850/F0041/X101/R0279/001/6200	Architectural	Economic Development and -
			2,354,388.00
Code: SDBIP - LIM473_6250			
4	O1249-1/IE03755-1/F2496/X096/R0279/001/6250	SMME Support	Local Economic Developme 3,000,000.00
4	O1302-1/IE00571/F0041/X096/R0279/001/6250	Hire Charges	Local Economic Developme 20,000.00
4	O1302-1/IE00754/F0041/X096/R0279/001/6250	Gifts and Promotional It	Local Economic Developme 80,000.00
4	O1302-1/IE00677/F0041/X096/R0279/001/6250	Catering Services	Local Economic Developme 50,000.00
4	O1302-1/IE00667/F0041/X096/R0279/001/6250	Stage and Sound Crew	Local Economic Developme 50,000.00
4	O0001/IE00583/F0041/X096/R0278/001/6250	Printing, Publications a	Local Economic Developme -
4	O1354-1/IE00571/F0041/X096/R0279/001/6250	Hire Charges	Local Economic Developme 400,000.00
			3,600,000.00
Code: SDBIP - LIM473_7200			
4	O0001/IE00573/F0041/X032/R0278/001/7200	Indigent Relief	Infrastructure Building 4,200,000.00
			4,200,000.00
Code: SDBIP - LIM473_7350			
4	O0001/IE00063/F0041/X099/R0278/001/7350	Incidental Cost	Infrastructure Technical -
4	O0001/IE00144/F0041/X099/R0278/001/7350	Own Transport	Infrastructure Technical 84,500.00
4	O0001/IE01581/F0041/X099/R0278/001/7350	Air Transport	Infrastructure Technical 48,400.00
4	O0001/IE01583/F0041/X099/R0278/001/7350	Road Transport	Infrastructure Technical 6,300.00
4	O0001/IE00143/F0041/X099/R0278/001/7350	Car Rental	Infrastructure Technical 44,300.00
4	O0001/IE00062/F0041/X099/R0278/001/7350	Food and Beverage (Serve	Infrastructure Technical 62,200.00
4	O0001/IE00060/F0041/X099/R0278/001/7350	Accommodation	Infrastructure Technical 86,000.00
			331,700.00
Code: SDBIP - LIM473_7500			
4	O1346-1/IE00080/F0041/X116/R0279/001/7500	Civil	Infrastructure Roads and -
4	O0001/IE00583/F0041/X116/R0278/001/7500	Printing, Publications a	Infrastructure Roads and -
4	O1278-2/IE00599/F1169/X116/R0279/001/7500	Supplier Development Pro	Infrastructure Roads and 1,537,000.00
4	O0001/IE03969/F0791/X116/R0278/001/7500	Non Structured	Infrastructure Roads and -
			1,537,000.00
Code: SDBIP - LIM473_7500_CAP001			
Code: SDBIP - LIM473_8550			
4	O0155-1/IE00649/F0041/X125/R0279/001/8550	Maintenance of Buildings	Sports Parks and Recreat -
4	O1333-1/IE00751/F0041/X125/R0279/001/8550	Corporate and Municipal	Sports Parks and Recreat 980,000.00
4	O0001/IE00583/F0041/X125/R0278/001/8550	Printing, Publications a	Sports Parks and Recreat -
			980,000.00
Total General Expenses			62,297,473.03