

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



ADJUSTMENT BUDGET

2021/22 FINANCIAL YEAR

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ADJUSTMENT BUDGET

EXECUTIVE SUMMARY

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

Section 28 of Municipal Finance Management Act requires Municipality to revise its approved annual budget through an adjustment budget. The format and contents of the adjustment budget and supporting documentation must in terms of MFMA, be in the format as specified in Schedule B of the Municipal Budget and Reporting Regulations. The adjustment budget as submitted herewith contains the applicable adjustment budget tables.

It should be noted that municipal tax and tariffs are not increased during the financial year and any amendments to the annual budget must remain funded in accordance with section 18 of the MFMA.

DESCRIPTION	2021/22			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	546 626 097	546 753 496	332 526 705	61%
		-		
OPERATING EXPENDITURE	532 674 879	525 975 343	270 517 630	51%
		-		
TRANSFER - CAPITAL	79 332 000	79 332 000	33 420 442	42%
SURPLUS/(DEFICIT)	93 283 218	100 110 153	95 429 516	102%
CAPITAL EXPENDITURE	88 032 000	94 234 359	31 973 120	36%

The impact of adjustment budget on the adjustment budget is as follows:

- Total operating revenue budget decreases as a result speed cameras for traffic fines not being installed at Groblersdal entry points as the service provider is not yet appointed.

- The operational expenditure budget decreases due to savings on employee related cost and actual performance on bulk purchases. The municipality budgeted for 6.25% increase whereas SALGA offered 3.5% increase.

Table B1 Sum: Adjustment Budget Summary

Description	Budget Year 2021/22				Budget Year +1 2022/22	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Financial Performance						
Property rates	38 865	3 750	3 750	42 616	40 498	42 280
Service charges	113 490	17 421	17 421	130 911	118 472	123 685
Investment revenue	1 900	532	532	2 432	1 980	2 067
Transfers recognised - operational	307 637	–	–	307 637	322 626	316 577
Other own revenue	84 734	(21 575)	(21 575)	63 158	86 920	88 569
Total Revenue (excluding capital transfers and contributions)	546 626	127	127	546 753	570 496	573 178
Employee costs	163 212	(8 321)	(8 321)	154 891	170 102	177 553
Remuneration of councillors	27 334	(1 949)	(1 949)	25 386	28 428	29 565
Depreciation & asset impairment	58 392	(700)	(700)	57 692	60 845	63 522
Finance charges	241	604	604	845	2 653	1 880
Materials and bulk purchases	132 094	669	669	132 762	135 029	140 341
Transfers and grants	2 884	387	387	3 271	3 943	4 116
Other expenditure	148 518	2 610	2 610	151 128	135 415	133 047
Total Expenditure	532 675	(6 700)	(6 700)	525 975	536 415	550 024
Surplus/(Deficit)	13 951	6 827	6 827	20 778	34 082	23 154
Transfers and subsidies - capital (monetary allocations) (National /	79 332	–	–	79 332	72 606	76 364
Transfers and subsidies - capital (monetary allocations) (National /	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	93 283	6 827	6 827	100 110	106 688	99 518
Share of surplus/ (deficit) of associate	–	–	–	–	–	–
Surplus/ (Deficit) for the year	93 283	6 827	6 827	100 110	106 688	99 518

Description	Budget Year 2021/22				Budget Year +1 2022/22	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure & funds sources						
Capital expenditure	88 032	6 202	6 202	94 234	94 606	87 064
Transfers recognised - capital	79 332	740	740	80 072	72 606	76 364
Borrowing	–	–	–	–	–	–
Internally generated funds	8 700	5 463	5 463	14 163	22 000	10 700
Total sources of capital funds	88 032	6 202	6 202	94 234	94 606	87 064
Financial position						
Total current assets	141 983	9 532	9 532	151 516	136 689	150 704
Total non current assets	1 305 435	(3 911)	(3 911)	1 301 523	1 306 613	1 377 804
Total current liabilities	111 087	1 598	1 598	112 685	114 248	116 249
Total non current liabilities	114 907	–	–	114 907	105 468	99 295
Community wealth/Equity	1 221 424	4 023	4 023	1 225 447	1 251 607	1 347 181
Cash flows						
Net cash from (used) operating	97 304	3 563	3 563	100 866	109 174	90 724
Net cash from (used) investing	(80 993)	2 535	2 535	(78 458)	(85 145)	(78 358)
Net cash from (used) financing	(11 947)	–	–	(11 947)	(14 594)	(11 367)
Cash/cash equivalents at the year end	31 852	(14 542)	(14 542)	17 310	41 286	42 286
Cash backing/surplus reconciliation						
Cash and investments available	8 536	23 812	23 812	32 349	13 265	8 069
Application of cash and investments	13 202	2 890	2 890	16 092	17 817	10 928
Balance - surplus (shortfall)	(4 665)	20 922	20 922	16 257	(4 552)	(2 859)
Asset Management						
Asset register summary (WDV)	1 229 590	–	–	1 229 590	1 230 018	1 300 459
Depreciation & asset impairment	58 392	(700)	(700)	57 692	60 839	63 516
Renewal and Upgrading of Existing Assets	63 124	7 084	7 084	70 208	79 481	64 110
Repairs and Maintenance	19 205	9 189	9 189	28 395	15 408	14 240
Free services						
Cost of Free Basic Services provided	–	–	–	–	–	–
Revenue cost of free services provided	9 017	–	–	9 017	9 396	9 809
Households below minimum service level						
Water:	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–
Energy:	3	–	–	3	3	–
Refuse:	54	–	–	54	54	–

The above B1 Sum table summarizes the impact of adjustment budget on special adjustment budget and the approved annual.

Operating revenue

Property rates – the adjustment is due to actual performance. Furthermore the municipality undertook the process of preparing a detailed reconciliation between valuation roll and the core financial system, the correction of market values resulted in an increase result in revenue.

Service charges – the adjustment is due to actual performance. Additionally the municipality undertook two projects in Roosenekal for normalization as there was electricity crisis and the municipality was realizing a loss in that area. Projects are currently completed and the municipality is expecting an increase in sale of electricity. Furthermore the municipality took over Sekhukhune TVET to supply electricity and the municipality is further expecting an increase in service charge electricity hence R17 129 million adjustment.

Investment revenue – the adjustment is informed by actual performance and the expectation to invest more in the next four months.

Other own revenue - the adjustment is informed by actual performance and non-payment of accounts by customers. Additionally the adjustment on fines, penalties and forfeits is informed by actual performance as speed cameras are not yet installed in all Groblersdal entry points. The actual year to date amount is only actual payments excluding traffic fines issued for the past seven months. The municipality is still experiencing challenges regarding integration of traffic fin system and the core financial system.

Operating expenditure

The year to date operational expenditure as at end of January amounts to R270 444 million and the budget is R532 675 million. This reflects underspending variance of R40 283 million that translates to 15% variance. The variance is attributed to underspending on depreciation and asset impairment and debt impairment that the municipality is still facing a challenge regarding the computation of monthly movement of the two accounts.

Other materials - the proposed adjustment for other materials is mainly due to over spending on repairs and maintenance in seven months of the current financial year as municipality had to service Sekhukhune TVET with electricity.

Finance cost - the overspending on finance cost is due to month to month extension on finance lease which was not anticipated during adopted budget process.

Bulk purchases - there is underspending on bulk purchases; audited figure amount to R88 182 million and budgeted R110 035 million as the municipality anticipated Masakaneng project to be completed however there were challenges experienced on appointment of consultants and contractors. Based on the actual performance and taking into account the Roosenekal area matter, there will be downward adjustment.

The following expenditure line items are performing almost in line with the year to date budget since the variance is within 10% and the adjustment will be based on the actual performance:

- Employee related costs: 56% spending
- Remuneration of councilors: 53% spending
- Other expenditure: 63% spending

- Transfer and subsidies: 61% spending

Table B2: Adjustment Budget – Standard Classification

Standard Description	Budget Year 2021/22				Budget Year +1 2022/22	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional						
<i>Governance and administration</i>	245 185	18 957	18 957	264 142	254 069	250 145
Executive and council	48 669	–	–	48 669	51 400	50 427
Finance and administration	184 328	18 957	18 957	203 286	189 798	187 089
Internal audit	12 188	–	–	12 188	12 872	12 628
<i>Community and public safety</i>	88 396	(34 618)	(34 618)	53 777	95 281	97 927
Community and social services	9 924	(9)	(9)	9 914	10 479	10 286
Sport and recreation	13 472	(34)	(34)	13 438	14 227	13 960
Public safety	65 000	(34 575)	(34 575)	30 425	70 575	73 680
Housing	–	–	–	–	–	–
Health	–	–	–	–	–	–
<i>Economic and environmental services</i>	126 286	868	868	127 153	132 324	134 206
Planning and development	24 295	127	127	24 422	23 330	22 914
Road transport	99 173	741	741	99 914	106 018	108 372
Environmental protection	2 818	–	–	2 818	2 976	2 919
<i>Trading services</i>	166 092	14 921	14 921	181 013	161 427	167 265
Energy sources	134 030	14 629	14 629	148 660	127 482	133 340
Waste management	32 062	291	291	32 353	33 945	33 925
<i>Other</i>	–	–	–	–	–	–
Total Revenue - Functional	625 958	127	127	626 085	643 102	649 542
Expenditure - Functional						
<i>Governance and administration</i>	196 656	3 733	3 733	200 389	202 371	205 226
Executive and council	42 597	(4 526)	(4 526)	38 071	44 307	46 137
Finance and administration	146 075	5 633	5 633	151 708	149 733	150 392
Internal audit	7 984	2 627	2 627	10 611	8 331	8 698
<i>Community and public safety</i>	76 374	(7 304)	(7 304)	69 070	79 456	82 820
Community and social services	7 313	(1 366)	(1 366)	5 947	7 586	7 920
Sport and recreation	12 783	(4 175)	(4 175)	8 609	13 320	13 906
Public safety	56 278	(1 763)	(1 763)	54 515	58 550	60 994
Housing	–	–	–	–	–	–
Health	–	–	–	–	–	–
<i>Economic and environmental services</i>	105 599	(7 830)	(7 830)	97 769	103 883	108 354
Planning and development	17 853	(3 699)	(3 699)	14 154	16 773	17 506
Road transport	87 080	(3 663)	(3 663)	83 417	86 416	90 124
Environmental protection	665	(468)	(468)	197	693	724
<i>Trading services</i>	154 046	4 701	4 701	158 747	150 705	153 623
Energy sources	128 993	(5 061)	(5 061)	123 932	132 795	138 598
Waste management	25 053	9 762	9 762	34 815	17 910	15 025
<i>Other</i>	–	–	–	–	–	–
Total Expenditure - Functional	532 675	(6 700)	(6 700)	525 975	536 415	550 024
Surplus/ (Deficit) for the year	93 283	6 827	6 827	100 110	106 688	99 518

Table B3: Adjustment Budget – Municipal Vote

Vote Description	Budget Year 2021/22				Budget Year +1 2022/22	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote						
Vote 1 - Executive and Council	42 820	–	–	42 820	45 222	44 367
Vote 2 - Municipal Manager	42 149	–	–	42 149	44 514	43 672
Vote 3 - Budget and Treasury	74 785	12 415	12 415	87 200	74 109	73 588
Vote 4 - Corporate Services	46 749	(1)	(1)	46 748	49 372	48 438
Vote 5 - Community Services	130 531	(33 551)	(33 551)	96 980	139 793	142 565
Vote 6 - Technical Services	250 001	21 138	21 138	271 139	251 313	258 841
Vote 7 - Developmental Planning	17 052	127	127	17 179	15 681	15 409
Vote 8 - Executive Support	21 871	–	–	21 871	23 098	22 661
Total Revenue by Vote	625 958	127	127	626 085	643 102	649 542
Expenditure by Vote						
Vote 1 - Executive and Council	37 114	(3 707)	(3 707)	33 407	38 618	40 204
Vote 2 - Municipal Manager	36 199	3 975	3 975	40 174	34 964	36 493
Vote 3 - Budget and Treasury	56 980	1 921	1 921	58 902	57 311	54 889
Vote 4 - Corporate Services	35 707	(9 080)	(9 080)	26 627	37 204	38 800
Vote 5 - Community Services	109 512	2 741	2 741	112 253	105 791	106 641
Vote 6 - Technical Services	228 211	(4 770)	(4 770)	223 441	234 489	243 734
Vote 7 - Developmental Planning	13 293	(4 078)	(4 078)	9 215	11 725	12 239
Vote 8 - Executive Support	15 657	6 298	6 298	21 955	16 312	17 023
Total Expenditure by Vote	532 675	(6 700)	(6 700)	525 975	536 415	550 024
Surplus/ (Deficit) for the year	93 283	6 827	6 827	100 110	106 688	99 518

The above two tables (Table B2 and B3) summarize present comparison of original budget and adjusted budget for both revenue and operating expenditure. As explained under Table B1.

Table B4: Adjustment Budget–Revenue & Expenditure

Description	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source						
Property rates	38 865	3 750	3 750	42 616	40 498	42 280
Service charges - electricity revenue	104 214	17 129	17 129	121 343	108 591	113 369
Service charges - refuse revenue	9 276	291	291	9 568	9 882	10 316
Rental of facilities and equipment	898	60	60	958	936	977
Interest earned - external investments	1 900	532	532	2 432	1 980	2 067
Interest earned - outstanding debtors	12 860	5 500	5 500	18 360	9 180	7 408
Fines, penalties and forfeits	65 071	(34 085)	(34 085)	30 986	70 652	73 761
Licences and permits	5 240	786	786	6 026	5 460	5 701
Transfers and subsidies	307 637	–	–	307 637	322 626	316 577
Other revenue	664	6 165	6 165	6 829	692	722
Gains			–	–		
Total Revenue (excluding capital transfers and contributions)	546 626	127	127	546 753	570 496	573 178
Expenditure By Type						
Employee related costs	163 212	(8 321)	(8 321)	154 891	170 102	177 553
Remuneration of councillors	27 334	(1 949)	(1 949)	25 386	28 428	29 565
Debt impairment	48 632	300	300	48 932	50 675	52 904
Depreciation & asset impairment	58 392	(700)	(700)	57 692	60 845	63 522
Finance charges	241	604	604	845	2 653	1 880
Bulk purchases	110 035	(10 000)	(10 000)	100 035	114 656	119 701
Other materials	22 059	10 669	10 669	32 727	20 372	20 640
Contracted services	60 773	4 313	4 313	65 086	51 538	45 479
Transfers and subsidies	2 884	387	387	3 271	3 943	4 116
Other expenditure	39 113	(2 003)	(2 003)	37 110	33 203	34 663
Losses			–	–		
Total Expenditure	532 675	(6 700)	(6 700)	525 975	536 415	550 024
Surplus/(Deficit)	13 951	6 827	6 827	20 778	34 082	23 154
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	79 332		–	79 332	72 606	76 364
Transfers and subsidies - capital (monetary allocations) (National)			–	–		
Transfers and subsidies - capital (in-kind - all)			–	–		
Surplus/(Deficit) before taxation	93 283	6 827	6 827	100 110	106 688	99 518
Taxation			–	–		
Surplus/(Deficit) after taxation	93 283	6 827	6 827	100 110	106 688	99 518
Attributable to minorities			–	–		
Surplus/(Deficit) attributable to municipality	93 283	6 827	6 827	100 110	106 688	99 518
Share of surplus/ (deficit) of associate			–	–		
Surplus/ (Deficit) for the year	93 283	6 827	6 827	100 110	106 688	99 518

Operating revenue

Fines – the adjustment is informed by actual performance as speed cameras are not yet installed in all Groblersdal entry points. The specification has been amended to accommodate concerns raised by traffic fine service providers. The actual year to date amount is only actual payments excluding traffic fines issued for the past seven months. The municipality is still experiencing challenges regarding integration of traffic fin system and the core financial system.

Service charges electricity – the adjustment is due to actual performance. Additionally the municipality undertook two projects in Roosenekal for normalization as there was electricity crisis and the municipality was realizing a loss in that area. Projects are currently completed and the municipality is expecting an increase in sale of electricity. Furthermore the municipality took over Sekhukhune TVET to supply electricity and the municipality is further expecting an increase in service charge electricity hence R17 129 million adjustment.

Interest external investment – the adjustment is informed by actual performance and the expectation to invest more in the next five months.

Interest outstanding debtors - the adjustment is informed by actual performance and the result of increase in property rates.

Property rates – the adjustment is due to actual performance. Furthermore the municipality undertook the process of preparing a detailed reconciliation between valuation roll and the core financial system, the correction of market values resulted in an increase result in revenue.

The following expenditure item adjustments are due to actual performance:

- Licenses and permits
- Service charges refuse
- Rental of facilities and equipment
- Other revenue

Operating expenditure

Employee related cost – the downward adjustment is due to the municipality having budgeted for 6.25% increase whereas SALGA offered 3.5% increase and once-off payments.

Depreciation – upward adjustment is due to normalization of Roosenekal projects added to the capital projects resulting in positive (increase) net amount.

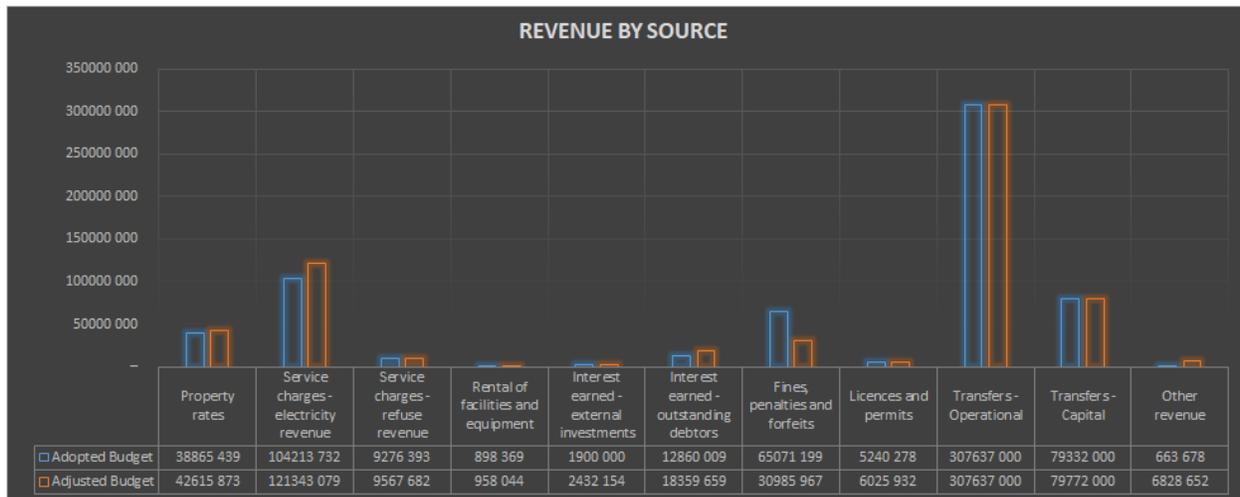
Other material - The proposed adjustment for other materials is mainly due to over spending on repairs and maintenance in seven months of the current financial year as municipality had to service Sekhukhune TVET with electricity.

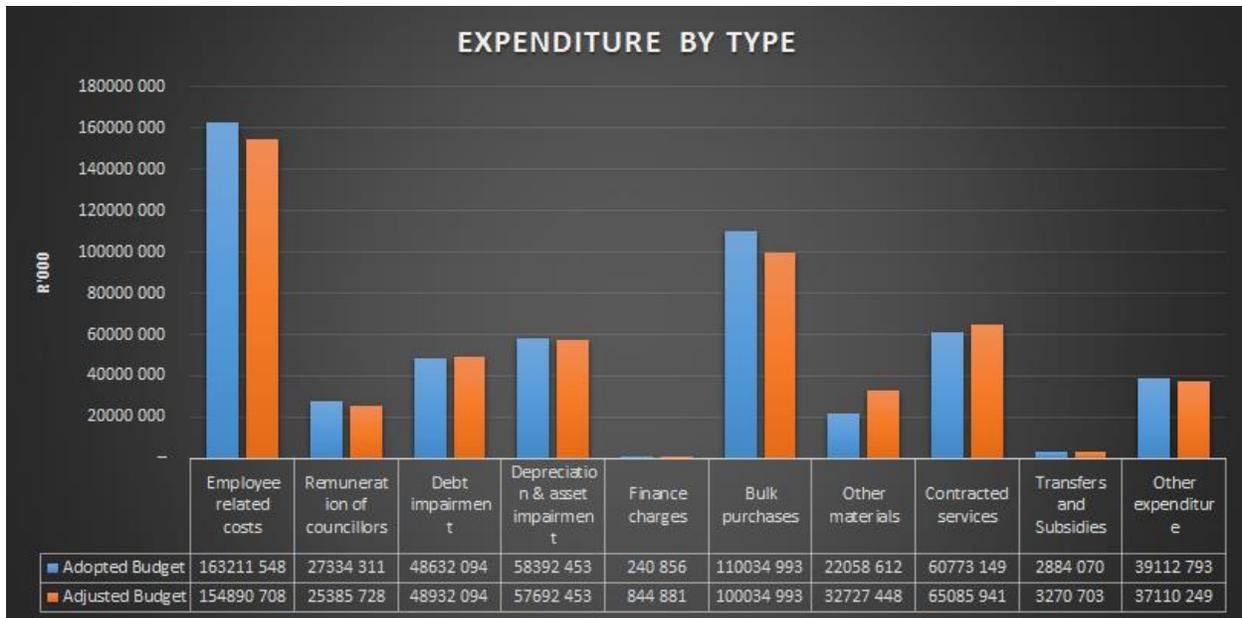
Finance charges - The overspending on finance cost is due to month to month extension on finance lease which was not anticipated during adopted budget process.

Bulk purchases - There is underspending on bulk purchases; audited figure amount to R88 182 million and budgeted R110 035 million as the municipality anticipated Masakaneng project to be completed however there were challenges experienced on appointment of consultants and contractors. Based on the actual performance and taking into account the Roosenekal area matter, there will be downward adjustment.

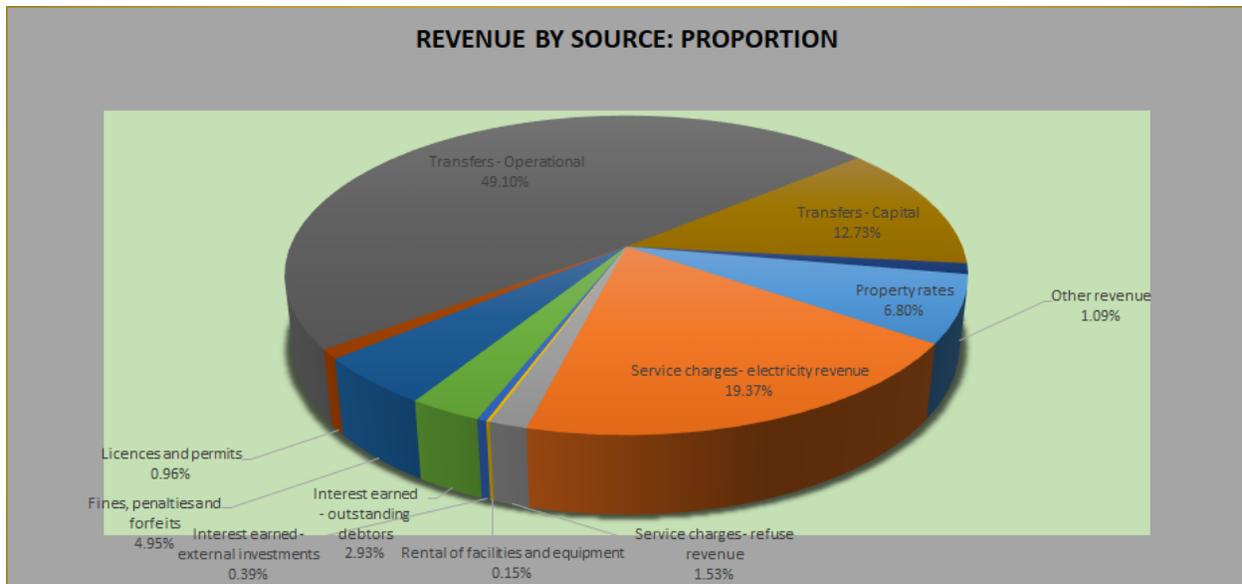
The following expenditure item adjustments are due to actual performance:

- Remuneration of councilors,
- Other expenditure,
- Contracted services (included in the actual expenditure is the amount relating to normalization of Roosenekal and smart prepaid metering which will be reclassified to capital expenditure) and
- Transfer and subsidies





The above graphs present comparison of original and adjusted budget for revenue (by source) and expenditure (by type) and there are major changes from the main annual budget.

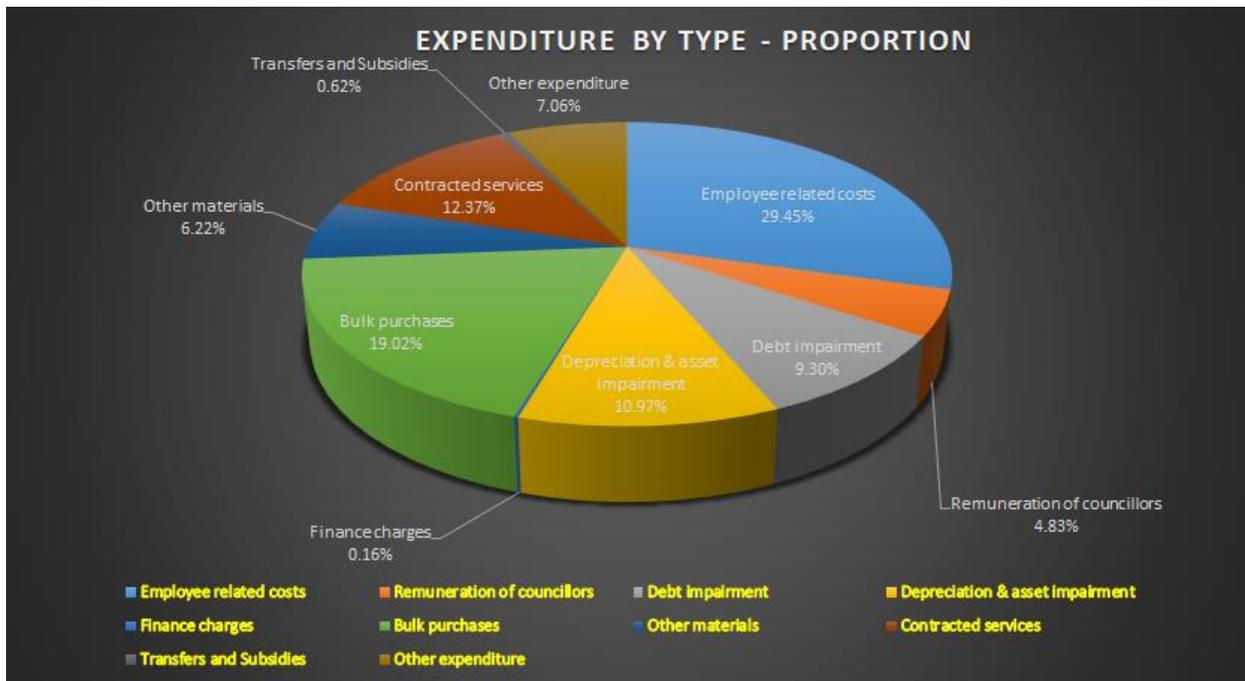


Revenue

Fines; services charges; property rates and transfer are the major components or revenue types under operating budget.

Below are resultant changes per line item:

- Licenses and permits – Increased to 0.96%
- Transfer operational – No changes
- Transfer capital – Increased to 12.73%
- Service charges electricity – Increased to 19.37%
- Service charges refuse – Increased 1.53%
- Property rates – Increased 6.80%
- Fines; penalties and forfeits – Decreased to 4.95%
- Rental of facilities and equipment – Increased by 0.15%
- Interest earned external investment – Increased to 0.39%
- Interest earned outstanding debtors – Increased to 2.93%
- Other revenue – Increased to 0.09%



Expenditure

Employee related cost, contracted services; depreciation; debt impairment and bulk purchases are the major components or expenditure types under operating budget.

The operational expenditure proportions changed from those of the special adjustment budget, the change is a result of actual performance, and reason already alluded in table B1.

Below are resultant changes per line item:

- Bulk purchases – Decreased by 19.02%
- Employee related cost – Decreased to 29.45%
- Depreciation and asset impairment – Decreased to 10.97%
- Other materials – Increased to 6.22%
- Remuneration of councilors – Decreased to 4.83%
- Contracted services – Increased to 12.37%
- Other expenditure – Decreased to 7.06%
- Transfers and subsidies – Increased to 0.62%
- Finance charges – Increased to 0.16%
- Debt impairment – Increased to 9.30%

Table B5: Adjustment Capital Budget – vote and funding

Description	Budget Year 2021/22			Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital Expenditure - Functional					
<i>Governance and administration</i>	1 360	579	1 939	2 200	1 100
Executive and council	–	–	–	–	–
Finance and administration	1 360	579	1 939	2 200	1 100
Internal audit	–	–	–	–	–
<i>Community and public safety</i>	800	(300)	500	4 400	1 900
Community and social services	600	(100)	500	1 500	–
Sport and recreation	200	(200)	–	1 900	–
Public safety	–	–	–	1 000	1 900
Housing	–	–	–	–	–
Health	–	–	–	–	–
<i>Economic and environmental services</i>	63 584	(5 300)	58 284	76 206	73 064
Planning and development	1 100	(1 100)	–	–	–
Road transport	62 484	(4 200)	58 284	76 206	73 064
Environmental protection	–	–	–	–	–
<i>Trading services</i>	22 288	11 224	33 512	11 800	11 000
Energy sources	21 988	11 524	33 512	11 800	11 000
Water management	–	–	–	–	–
Waste water management	–	–	–	–	–
Waste management	300	(300)	–	–	–
<i>Other</i>	–	–	–	–	–
Total Capital Expenditure - Functional	88 032	6 202	94 234	94 606	87 064
Funded by:					
National Government	79 332	440	79 772	72 606	76 364
Provincial Government	–	300	300	–	–
District Municipality	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	–
Transfers recognised - capital	79 332	740	80 072	72 606	76 364
Borrowing					
Internally generated funds	8 700	5 463	14 163	22 000	10 700
Total Capital Funding	88 032	6 202	94 234	94 606	87 064

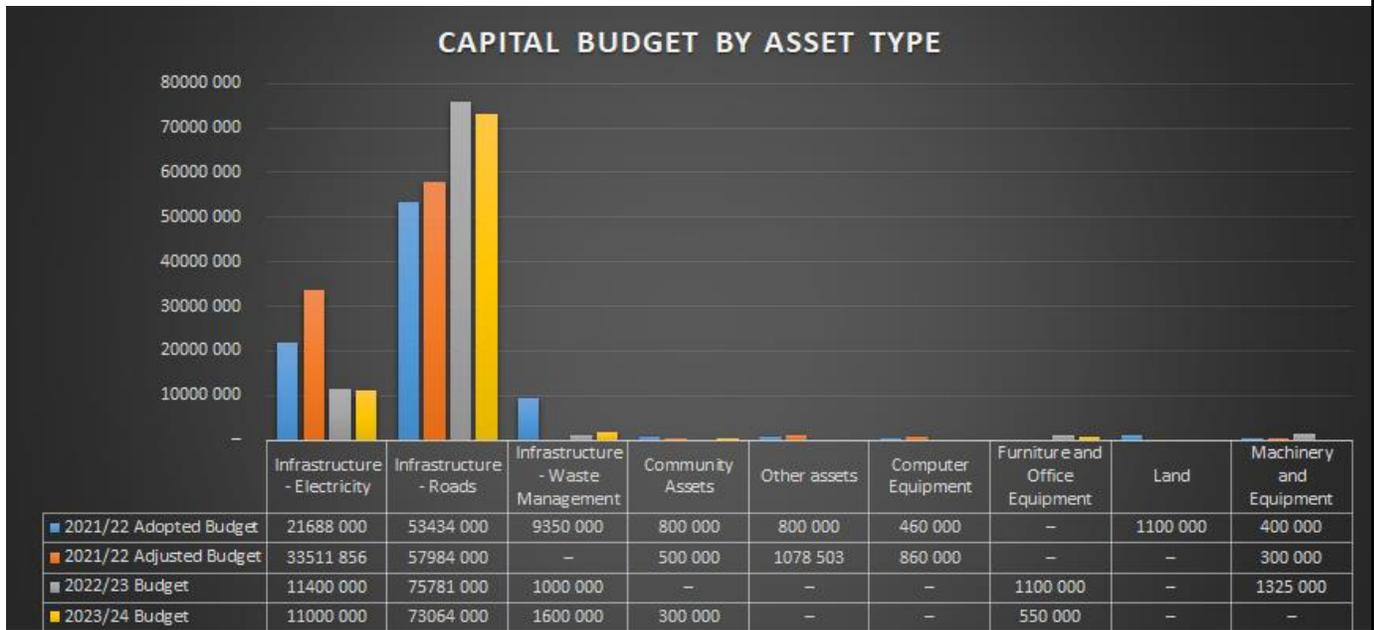
Table B5B: Adjustment Capital Budget – by Vote

Description	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure - Vote						
Multi-year expenditure to be adjusted						
Vote 1 - Executive and Council	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-
Vote 3 - Budget and Treasury	-	-	-	-	-	-
Vote 4 - Corporate Services	460	400	400	860	2 200	1 100
Vote 5 - Community Services	300	(300)	(300)	-	2 400	1 000
Vote 6 - Technical Services	40 840	17 140	17 140	57 980	82 321	17 600
Vote 7 - Developmental Planning	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-
Capital multi-year expenditure sub-total	41 600	17 240	17 240	58 840	86 921	19 700
Single-year expenditure to be adjusted						
Vote 1 - Executive and Council	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-
Vote 3 - Budget and Treasury	100	(100)	(100)	-	-	-
Vote 4 - Corporate Services	-	-	-	-	-	-
Vote 5 - Community Services	800	(300)	(300)	500	2 000	900
Vote 6 - Technical Services	44 432	(9 538)	(9 538)	34 894	5 685	66 464
Vote 7 - Developmental Planning	1 100	(1 100)	(1 100)	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-
Capital single-year expenditure sub-total	46 432	(11 038)	(11 038)	35 394	7 685	67 364
Total Capital Expenditure - Vote	88 032	6 202	6 202	94 234	94 606	87 064

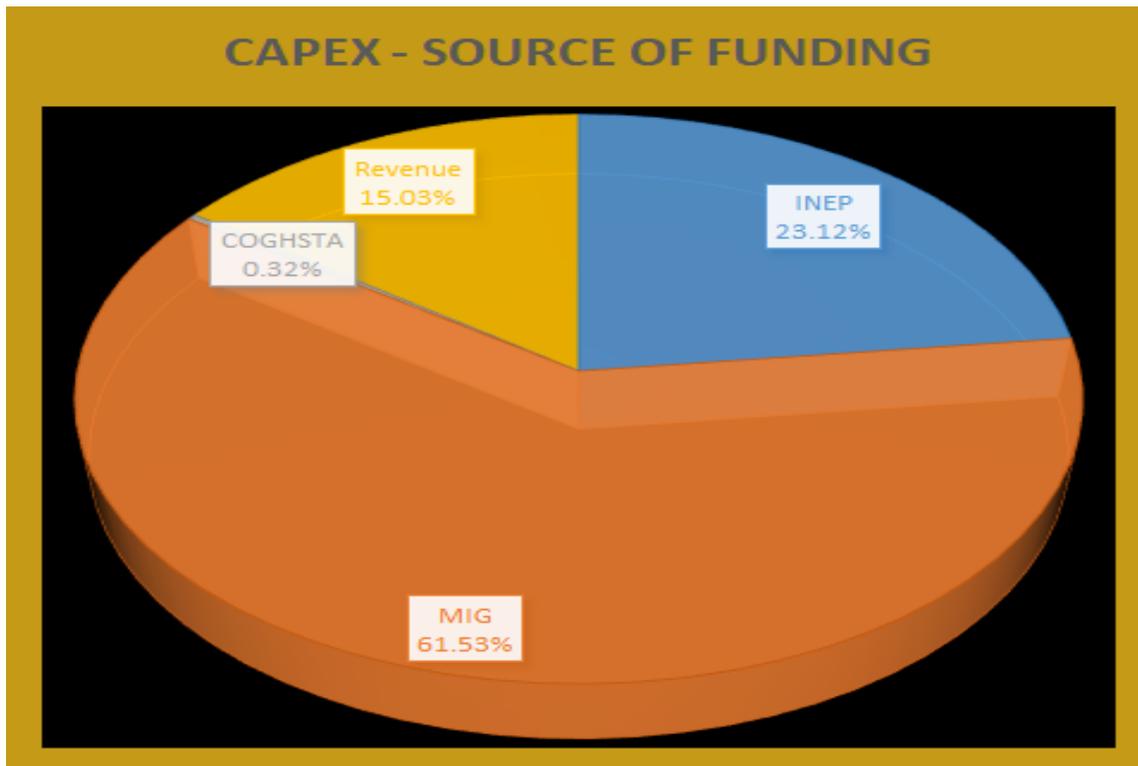
Capital Expenditure

The upward adjustment is due to appropriation of Development of Masakaneng from COGHSTA amounting to R299 thousand and Integrated National Electrification Programme (INEP) National government approved INEP roll-over amounting to R440 thousand. There was no roll over that was disapproved by National Treasury. There is an upward adjustment on internally funded projects of R6 202 million due normalization of Roosenekal area.

For internally funded projects, the municipality already spent on all projects except for computer equipment amounting to R400 thousand therefor no expenditure is expected to be incurred for the remaining months.



Capital Expenditure: Sources of funding



The above graph reflects the funding proportion for capital expenditure budget after adjustment budget. The sources of funding for capital budget are as follows:

- Municipal Infrastructure Grant 61.53%
- Integrated National Electrification Programme Grant 23.12%
- Internally Generated Revenue 15.03%
- COGHSTA 0.32%

Table B6: Adjustment Budget - Financial Position

Description	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS						
Current assets						
Cash	8 536	8 773	8 773	17 310	13 265	8 069
Call investment deposits	–	–	–	–	–	–
Consumer debtors	63 924	(1 428)	(1 428)	62 496	56 123	70 571
Other debtors	60 917	1 848	1 848	62 766	58 334	63 291
Current portion of long-term receivables	–	119	119	119	–	–
Inventory	8 606	220	220	8 826	8 967	8 772
Total current assets	141 983	9 532	9 532	151 516	136 689	150 704
Non current assets						
Long-term receivables	–	–	–	–	–	–
Investments	–	15 039	15 039	15 039	–	–
Investment property	60 343	(4 503)	(4 503)	55 840	60 343	60 343
Investment in Associate	–	–	–	–	–	–
Property, plant and equipment	1 229 559	592	592	1 230 150	1 229 987	1 300 428
Biological	–	–	–	–	–	–
Intangible	31	–	–	31	31	31
Other non-current assets	15 502	(15 039)	(15 039)	463	16 252	17 002
Total non current assets	1 305 435	(3 911)	(3 911)	1 301 523	1 306 613	1 377 804
TOTAL ASSETS	1 447 418	5 621	5 621	1 453 039	1 443 302	1 528 508
LIABILITIES						
Current liabilities						
Bank overdraft	–	–	–	–	–	–
Borrowing	12 271	–	–	12 271	11 347	8 120
Consumer deposits	5 700	–	–	5 700	2 728	2 711
Trade and other payables	87 165	1 598	1 598	88 763	94 178	99 411
Provisions	5 950	–	–	5 950	5 996	6 007
Total current liabilities	111 087	1 598	1 598	112 685	114 248	116 249
Non current liabilities						
Borrowing	19 467	–	–	19 467	8 120	–
Provisions	95 439	–	–	95 439	97 348	99 295
Total non current liabilities	114 907	–	–	114 907	105 468	99 295
TOTAL LIABILITIES	225 994	1 598	1 598	227 592	219 716	215 544
NET ASSETS	1 221 424	4 023	4 023	1 225 447	1 223 586	1 312 964
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)	1 211 424	4 023	4 023	1 215 447	1 241 607	1 337 181
Reserves	10 000	–	–	10 000	10 000	10 000
TOTAL COMMUNITY WEALTH/EQUITY	1 221 424	4 023	4 023	1 225 447	1 251 607	1 347 181

Table B6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (previously known as balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version, which presents Assets less Liabilities as “Accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.

Table B6 is supported by an extensive table of notes (supporting table SB2) that provide detailed analysis of the major components of a number of items, including:

- Call investments deposits;
- Consumer debtors;
- Property, plant and equipment;
- Trade and other payables;
- Provisions non-current;
- Changes in net assets; and
- Reserves.

The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would have an impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position. The collection rate is calculated based on actual and anticipated rate on prior six months billing and payments received.

Table B7: Adjustment Budget – Cash Flows

Description	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates	29 997	4 086	4 086	34 083	30 907	31 931
Service charges	108 538	(8 799)	(8 799)	99 738	110 720	112 908
Other revenue	20 923	1 466	1 466	22 389	22 419	23 406
Transfers and Subsidies - Operational	307 637	–	–	307 637	322 626	316 577
Transfers and Subsidies - Capital	79 332	440	440	79 772	72 606	76 364
Interest	1 900	532	532	2 432	2 775	2 708
Dividends	–	–	–	–		
Payments						
Suppliers and employees	(447 293)	3 467	3 467	(443 826)	(446 285)	(467 174)
Finance charges	(3 729)	2 884	2 884	(845)	(2 653)	(1 880)
Transfers and Grants	–	(513)	(513)	(513)	(3 943)	(4 116)
NET CASH FROM/(USED) OPERATING ACTIVITIES	97 304	3 563	3 563	100 866	109 174	90 724
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	–	5 544	5 544	5 544	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–
Payments						
Capital assets	(80 993)	(3 009)	(3 009)	(84 002)	(85 145)	(78 358)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(80 993)	2 535	2 535	(78 458)	(85 145)	(78 358)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Short term loans	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–
Increase (decrease) in consumer deposits	325	–	–	325	(3 247)	(3 247)
Payments						
Repayment of borrowing	(12 271)	–	–	(12 271)	(11 347)	(8 120)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(11 947)	–	–	(11 947)	(14 594)	(11 367)
NET INCREASE/ (DECREASE) IN CASH HELD	4 364	6 097	6 097	10 462	9 435	1 000
Cash/cash equivalents at the year begin:	27 487	(20 639)	(20 639)	6 848	31 852	41 286
Cash/cash equivalents at the year end:	31 852	(14 542)	(14 542)	17 310	41 286	42 286

The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget. The cash and cash equivalents increases because of healthy increase in operational activities due to implementations of various interventions, i.e. extensive debt collection drive, cost containment measures

etc. The 2021/22 MTREF has been informed by the planning principle of ensuring adequate cash generation over the medium-term. Cash and cash equivalents at year end totals to R17, 448 million and at the beginning of the 2021/22 financial year the municipality had a positive opening balance of R6, 848 million.

Cash flow from operating activities

Receipts and payments adjustments are in line with adjustments made under table B4. Payments to suppliers and employees exclude non-cash items relating to store issues (Inventory consumed).

Cash flow from investing activities

Proceeds from disposal of property plant and equipment adjustment is as a result of land and municipal house to be in terms of the funding plan.

Adjustment on capital assets takes into account retention and anticipated unspent portion of conditional grant.

For internally funded projects, the municipality already spent on all projects except for computer equipment amounting to R400 thousand therefor no expenditure is expected for the remaining months.

Cash flow from financing activities

No adjustment made.

Cash and cash equivalent

The opening balance is adjusted downwards as per the audited financial statements.

Table B8: Adjustment Budget – Cash Backed Reserves

Description	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash and investments available						
Cash/cash equivalents at the year end	31 852	(14 542)	(14 542)	17 310	41 286	42 286
Other current investments > 90 days	(23 315)	23 315	23 315	(0)	(28 021)	(34 217)
Non current assets - Investments	-	15 039	15 039	15 039	-	-
Cash and investments available:	8 536	23 812	23 812	32 349	13 265	8 069
Applications of cash and investments						
Unspent conditional transfers	-	1 598	1 598	1 598	-	-
Unspent borrowing	-	-	-	-	-	-
Statutory requirements	-	-	-	-	-	-
Other working capital requirements	3 202	1 292	1 292	4 493	17 817	10 928
Other provisions	-	-	-	-	-	-
Long term investments committed	-	-	-	-	-	-
Reserves to be backed by cash/investments	10 000	-	-	10 000	-	-
Total Application of cash and investments:	13 202	2 890	2 890	16 092	17 817	10 928
Surplus(shortfall)	(4 665)	20 922	20 922	16 257	(4 552)	(2 859)

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.

The end objective of the medium-term framework is to ensure the budget is funded aligned to section 18 of the MFMA. As part of the budgeting and planning guidelines that informed the compilation of the 2021/22 MTREF together with this adjustment budget and considering the requirements of section 18 of the MFMA, it can be concluded that the 2021/22 Adjustment Budget is funded due to the cash surplus as opposed to a deficit.

Table B9: Adjustment Budget – Asset Management

Description	Budget Year 2021/22			Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CAPITAL EXPENDITURE					
Total New Assets to be adjusted	24 908	(881)	24 027	15 125	22 954
Roads Infrastructure	500	(500)	–	600	–
Electrical Infrastructure	21 348	440	21 788	11 000	20 954
Solid Waste Infrastructure	200	(200)	–	–	200
Infrastructure	22 048	(260)	21 788	11 600	21 154
Community Facilities	100	(100)	–	–	–
Community Assets	100	(100)	–	–	–
Computer Equipment	460	400	860	1 100	550
Furniture and Office Equipment	–	–	–	1 100	550
Machinery and Equipment	400	(100)	300	1 325	–
Transport Assets	800	279	1 079	–	700
Land	1 100	(1 100)	–	–	–
Total Renewal of Existing Assets to be adjusted	39 750	–	39 750	40 075	18 600
Roads Infrastructure	39 750	–	39 750	40 075	18 600
Infrastructure	39 750	–	39 750	40 075	18 600
Total Upgrading of Existing Assets to be adjusted	23 374	7 084	30 458	39 406	45 510
Roads Infrastructure	13 184	5 350	18 534	35 106	44 510
Electrical Infrastructure	340	11 084	11 424	400	–
Solid Waste Infrastructure	9 150	(9 150)	–	1 000	1 000
Infrastructure	22 674	7 284	29 958	36 506	45 510
Community Facilities	700	(200)	500	2 900	–
Community Assets	700	(200)	500	2 900	–
Total Capital Expenditure to be adjusted	88 032	6 202	94 234	94 606	87 064
Roads Infrastructure	53 434	4 850	58 284	75 781	63 110
Electrical Infrastructure	21 688	11 524	33 212	11 400	20 954
Solid Waste Infrastructure	9 350	(9 350)	–	1 000	1 200
Infrastructure	84 472	7 024	91 496	88 181	85 264
Community Facilities	800	(300)	500	2 900	–
Community Assets	800	(300)	500	2 900	–
Computer Equipment	460	400	860	1 100	550
Furniture and Office Equipment	–	–	–	1 100	550
Machinery and Equipment	400	(100)	300	1 325	–
Transport Assets	800	279	1 079	–	700
Land	1 100	(1 100)	–	–	–
TOTAL CAPITAL EXPENDITURE to be adjusted	88 032	6 202	94 234	94 606	87 064

Description	Budget Year 2021/22			Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSET REGISTER SUMMARY - PPE (WDV)	1 229 590	–	1 229 590	1 230 018	1 300 459
Roads Infrastructure	636 733	–	636 733	627 798	698 239
Electrical Infrastructure	93 367	–	93 367	104 014	104 014
Solid Waste Infrastructure	16 232	–	16 232	16 232	16 232
Infrastructure	746 333	–	746 333	748 044	818 485
Community Assets	92 705	–	92 705	92 705	92 705
Heritage Assets	463	–	463	463	463
Investment properties	45 200	–	45 200	42 488	42 488
Other Assets	72 012	–	72 012	72 012	72 012
Intangible Assets	25	–	25	20	20
Computer Equipment	4 296	–	4 296	4 796	4 796
Furniture and Office Equipment	3 136	–	3 136	3 636	3 636
Machinery and Equipment	30 539	–	30 539	30 974	30 974
Land	234 879	–	234 879	234 879	234 879
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	1 229 590	–	1 229 590	1 230 018	1 300 459
EXPENDITURE OTHER ITEMS					
Depreciation & asset impairment	58 392	500	58 892	60 839	63 516
Repairs and Maintenance by asset class	19 205	9 189	28 395	15 408	14 240
Roads Infrastructure	7 802	1 240	9 042	3 013	3 146
Electrical Infrastructure	2 033	6 993	9 026	3 369	3 517
Solid Waste Infrastructure	2 821	1 860	4 681	–	–
Infrastructure	12 656	10 094	22 749	6 382	6 663
Community Facilities	385	(200)	185	401	419
Community Assets	385	(200)	185	401	419
Operational Buildings	1 756	(1 140)	616	1 830	1 910
Other Assets	1 756	(1 140)	616	1 830	1 910
Licences and Rights	187	(127)	60	195	203
Intangible Assets	187	(127)	60	195	203
Machinery and Equipment	2 083	113	2 195	3 982	2 311
Transport Assets	2 139	450	2 589	2 618	2 733
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	77 598	9 689	87 287	76 247	77 756
Renewal and upgrading of Existing Assets as % of total capex	72%		75%	84%	74%
Renewal and upgrading of Existing Assets as % of deprecn"	108%		119%	131%	101%
R&M as a % of PPE	2%		2%	1%	1%
Renewal and upgrading and R&M as a % of PPE	7%		8%	8%	6%

Table B10: Adjustment Budget – Service Delivery

Description	Budget Year 2021/22			Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Household service targets					
Energy:					
Electricity (at least min. service level)	73	–	73	77	85
Electricity - prepaid (> min.service level)		–	–		
Minimum Service Level and Above sub-total	73	–	73	77	85
Electricity (< min.service level)		–	–		
Electricity - prepaid (< min. service level)		–	–		
Other energy sources	3	–	3	3	3
Below Minimum Servc Level sub-total	3	–	3	3	3
Total number of households	76	–	76	80	88
Refuse:					
Removed at least once a week (min.service)	6 612	–	6 612	6 612	7 273
Minimum Service Level and Above sub-total	6 612	–	6 612	6 612	7 273
Removed less frequently than once a week	0	–	0	0	0
Using communal refuse dump	2	–	2	2	2
Using own refuse dump	43	–	43	43	47
Other rubbish disposal	1	–	1	1	1
No rubbish disposal	9	–	9	9	9
Below Minimum Servc Level sub-total	54	–	54	54	60
Total number of households	6 666	–	6 666	6 666	7 332
Households receiving Free Basic Service					
Electricity/other energy (50kwh per household per month)	–	–	–	–	–
Refuse (removed at least once a week)	–	–	–	–	–
Cost of Free Basic Services provided (R'000)					
Electricity/other energy (50kwh per indigent household per month)	–	–	–	–	–
Refuse (removed once a week for indigent households)	–	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	–	–	–	–	–
Total cost of FBS provided	–	–	–	–	–
Highest level of free service provided					
Property rates (R'000 value threshold)	30	–	30	30	30
Electricity (kw per household per month)	0	–	0	0	0
Refuse (average litres per week)		–	–		
Revenue cost of free services provided (R'000)					
Property rates (tariff adjustment) (impermissable values per section 17 of MPRA)		–	–		
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	9 017	–	9 017	9 396	9 809
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–	–
Municipal Housing - rental rebates		–	–		
Housing - top structure subsidies		–	–		
Other		–	–		
Total revenue cost of subsidised services provided	9 017	–	9 017	9 396	9 809

PART 2 – SUPPORTING DOCUMENTATION

Table SB 1: Adjustment Budget – Supporting detail to Budgeted Financial Performance

Description	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
REVENUE ITEMS						
Property rates						
Total Property Rates	47 883	3 750	3 750	51 633	49 894	52 089
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)	9 017	–	–	9 017	9 396	9 809
Net Property Rates	38 865	3 750	3 750	42 616	40 498	42 280
Service charges - electricity revenue						
Total Service charges - electricity revenue	104 214	17 129	17 129	121 343	108 591	113 369
less Revenue Foregone (in excess of 50 kwh per indigent household per month)	–	–	–	–	–	–
less Cost of Free Basis Services (50 kwh per indigent household per month)	–	–	–	–	–	–
Net Service charges - electricity revenue	104 214	17 129	17 129	121 343	108 591	113 369
Service charges - water revenue						
Service charges - refuse revenue						
Total refuse removal revenue	9 276	291	291	9 568	9 882	10 316
Total landfill revenue	–	–	–	–	–	–
less Revenue Foregone (in excess of one removal a week to indigent households)	–	–	–	–	–	–
less Cost of Free Basis Services (removed once a week to indigent households)	–	–	–	–	–	–
Net Service charges - refuse revenue	9 276	291	291	9 568	9 882	10 316
Other Revenue By Source	–	–	–	–	–	–
Total 'Other' Revenue	664	6 165	6 165	6 829	692	722
EXPENDITURE ITEMS						
Employee related costs						
Basic Salaries and Wages	105 440	(3 920)	(3 920)	101 520	109 856	114 664
Pension and UIF Contributions	27 425	(7 705)	(7 705)	19 720	28 576	29 832
Medical Aid Contributions	4 642	813	813	5 455	4 836	5 049
Overtime	1 005	192	192	1 197	1 047	1 093
Performance Bonus	–	–	–	–	–	–
Motor Vehicle Allowance	13 227	(17)	(17)	13 210	13 781	14 383
Cellphone Allowance	1 435	566	566	2 002	1 495	1 560
Housing Allowances	202	15	15	217	211	220
Other benefits and allowances	8 948	1 453	1 453	10 400	9 375	9 785
Payments in lieu of leave	173	248	248	421	181	188
Long service awards	714	35	35	749	744	777
Post-retirement benefit obligations	–	–	–	–	–	–
sub-total	163 212	(8 321)	(8 321)	154 891	170 102	177 553
Less: Employees costs capitalised to PPE	–	–	–	–	–	–
Total Employee related costs	163 212	(8 321)	(8 321)	154 891	170 102	177 553
Depreciation & asset impairment						
Depreciation of Property, Plant & Equipment	58 392	(700)	(700)	57 692	60 845	63 522
Lease amortisation	–	–	–	–	–	–
Capital asset impairment	–	–	–	–	–	–
Total Depreciation & asset impairment	58 392	(700)	(700)	57 692	60 845	63 522
Bulk purchases						
Electricity Bulk Purchases	110 035	(10 000)	(10 000)	100 035	114 656	119 701
Water Bulk Purchases	–	–	–	–	–	–
Total bulk purchases	110 035	(10 000)	(10 000)	100 035	114 656	119 701
Transfers and grants						
Cash transfers and grants	–	–	–	–	–	–
Non-cash transfers and grants	–	–	–	–	–	–
Total transfers and grants	–	–	–	–	–	–
Contracted services						
Outsourced Services	49 174	4 324	4 324	53 499	35 150	35 013
Consultants and Professional Services	4 055	360	360	4 415	3 992	4 168
Contractors	7 544	(372)	(372)	7 172	12 395	6 299
Total contracted services	60 773	4 313	4 313	65 086	51 538	45 479
Other Expenditure By Type						
Collection costs	–	–	–	–	–	–
Contributions to 'other' provisions	–	–	–	–	–	–
Audit fees	–	–	–	–	–	–
Other Expenditure	39 113	(2 003)	(2 003)	37 110	33 203	34 663
Total Other Expenditure	39 113	(2 003)	(2 003)	37 110	33 203	34 663
Repairs and Maintenance by Expenditure Item						
Employee related costs	–	–	–	–	–	–
Other materials	16 337	7 406	7 406	23 743	13 523	14 036
Contracted Services	2 681	1 910	1 910	4 591	1 690	–
Other Expenditure	187	(127)	(127)	60	195	203
Total Repairs and Maintenance Expenditure	19 205	9 189	9 189	28 395	15 408	14 240

Table SB 2: Adjustment Budget – Supporting detail to Financial Position

Description	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS						
Consumer debtors						
Consumer debtors	63 924	(1 428)	(1 428)	62 496	56 123	70 571
Less: provision for debt impairment	–	–	–	–	–	–
Total Consumer debtors	63 924	(1 428)	(1 428)	62 496	56 123	70 571
Debt impairment provision						
Balance at the beginning of the year			–	–	–	–
Contributions to the provision			–	–		
Bad debts written off			–	–		
Balance at end of year	–	–	–	–	–	–
Property, plant & equipment						
PPE at cost/valuation (excl. finance leases)	1 824 841	740	740	1 825 581	1 229 987	1 300 428
Leases recognised as PPE	–		–	–	–	–
Less: Accumulated depreciation	595 282	148	148	595 430	–	–
Total Property, plant & equipment	1 229 559	592	592	1 230 150	1 229 987	1 300 428
LIABILITIES						
Current liabilities - Borrowing						
Short term loans (other than bank overdraft)			–	–		
Current portion of long-term liabilities	12 271		–	12 271	11 347	8 120
Total Current liabilities - Borrowing	12 271	–	–	12 271	11 347	8 120
Trade and other payables						
Trade Payables	87 165		–	87 165	94 178	99 411
Other creditors	–		–	–	–	–
Unspent conditional transfers	–	1 598	1 598	1 598	–	–
VAT	–		–	–	–	–
Total Trade and other payables	87 165	1 598	1 598	88 763	94 178	99 411
Non current liabilities - Borrowing						
Borrowing	19 467		–	19 467	8 120	–
Finance leases (including PPP asset element)	–		–	–	–	–
Total Non current liabilities - Borrowing	19 467	–	–	19 467	8 120	–
Provisions - non current						
Retirement benefits	95 439		–	95 439	97 348	99 295
Refuse landfill site rehabilitation	–		–	–	–	–
Other	–		–	–	–	–
Total Provisions - non current	95 439	–	–	95 439	97 348	99 295
CHANGES IN NET ASSETS						
Accumulated surplus/(Deficit)						
Accumulated surplus/(Deficit) - opening balance	–		–	–	1 134 919	1 237 663
GRAP adjustments	1 118 141	(2 804)	(2 804)	1 115 337	–	–
Restated balance	1 118 141	(2 804)	(2 804)	1 115 337	1 134 919	1 237 663
Surplus/(Deficit)	93 283	6 827	6 827	100 110	106 688	99 518
Transfers to/from Reserves	–		–	–	–	–
Depreciation offsets	–		–	–	–	–
Other adjustments	–		–	–	–	–
Accumulated Surplus/(Deficit)	1 211 424	4 023	4 023	1 215 447	1 241 607	1 337 181
Reserves						
Housing Development Fund	–		–	–	–	–
Capital replacement	–		–	–	–	–
Self-insurance	–		–	–	–	–
Other reserves	10 000	–	–	10 000	10 000	10 000
Revaluation	–		–	–	–	–
Total Reserves	10 000	–	–	10 000	10 000	10 000
TOTAL COMMUNITY WEALTH/EQUITY	1 221 424	4 023	4 023	1 225 447	1 251 607	1 347 181

Table SB 3: Adjustment Budget – SDBIP Performance objectives

Description	Unit of measurement	Budget Year 2020/21					Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Vote 2 - Municipal Manager							
MUNICIPAL TRANSFORMATION							
Improved efficiency and effectiveness of the Municipal Administration	% of KPIs and projects attaining organisational targets (total organisation)	95%	95%	0%	95%	190%	190%
Improved efficiency and effectiveness of the Municipal Administration	Final SDBIP approved by Mayor within 28 days after approval of Budget	100%	100%				
KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT							
To implement sound Financial management practices	% spend of the Total Operational Budget excluding non-cash items	100%	100%	0%	100%	200%	200%
To implement sound Financial management practices	% of remuneration compared to total operating expenditure	38%	38%				
KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
To strengthen participatory governance within the community	Number of final audited Annual Report submitted to Council on or before end of January	100%	100%				
To strengthen participatory governance within the community	% of Council meetings resolutions implemented within the prescribed timeframe (3 months)	100%	100%	0%	100%	200%	200%
To strengthen participatory governance within the community	Number Final IDP tabled and approved by Council by the 31 May	100%	100%				
KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION							
To create a culture of accountability and transparency	% of Auditor General matters resolved as per the approved audit action plan by 30 June 2018	100%	100%				
To create a culture of accountability and transparency	% execution of identified risk management plan within prescribed timeframes per quarter	100%	100%	0%	100%	200%	200%
KPA 3: LOCAL ECONOMIC DEVELOPMENT							
To facilitate economic growth and sustainable job creation	Number of Grant agreement signed between EMLM and dept. of public works stipulating the EPWP targets	100%	100%	0%	100%	200%	200%
Vote 3 - Budget and Treasury							
KPA 4 – BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				0%	0%	0%	0%
To provide free basic services to registered indigents	% of registered indigent households with access to free basic electricity services by 30 June (GKPI)	60%	60%				
To provide free basic services to registered indigents				0%	0%	0%	0%
KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT							
To implement sound Financial management practices	Cost coverage ratio by the 30 June 2018 (GKPI)	4.01	4.01				
To implement sound Financial management practices	% Collection Rate	89%	89%				
Number of assets verification reports submitted to municipal manager by 30 June		200%	200%	0%	200%	400%	400%
KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT							
Compliance to MFMA legislation	Number of Set of Financial statements						
Compliance to MFMA legislation	Audited Annual Financial Statements (AFS) and Audit report submitted to council by 31 December	100%	100%	0%	100%	200%	200%
Compliance to MFMA legislation	number of monthly SCM deviation reports submitted to municipal manager	1200%	1200%				
Compliance to MFMA legislation	% Payment of creditors within 30 days	100%	100%	0%	100%	200%	200%

Table SB 3: Adjustment Budget – SDBIP Performance objectives (conti)

Description	Unit of measurement	Budget Year 2020/21					Budget Year +2 2022/23
		Original Budget	Prior Adjusted	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Vote 4 - Corporate Services							
KPA 2: INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION							
				0%	0%	0%	0%
To attract, develop and retain ethical and best human capital	Number of people from employment equity target groups employed in the three highest level of management in compliance with a municipality's approved employment equity plan (GKPI)	300%	300%				
To attract, develop and retain ethical and best human capital	% of budget spent implementing the Workplace Skills Plan by the 30 June (GKPI)	100%	100%				
To attract, develop and retain ethical and best human capital	Number of organizational structure reviewed and aligned to the IDP and Budget by 30 June	100%	100%	0%	100%	200%	200%
Vote 5 - Community Services							
KPA 4 – BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT							
				0%	0%	0%	0%
Reduction in the level of Service Delivery backlogs	% of households with access to a minimum level of basic waste removal by 30 June 2018 (once per week) (GKPI)	17%	17%	0%	17%	33%	33%
To facilitate promotion of education upliftment within communities	Number of initiatives held to promote library facilities by 30 June	400%	400%				
To ensure communities are contributing towards climate change and reduction of carbon footprint	Number of waste minimization projects initiated by 30 June (Environmental awareness programmes)	400%	400%				
Increase the accessibility of emergency services to the community	Number of disaster awareness campaigns conducted by 30 June	400%	400%				
Facilitate safe and secure neighborhoods	Number of community safety forum meeting held	400%	400%	0%	400%	800%	800%
Vote 6 - Technical Services							
KPA 3: LOCAL ECONOMIC DEVELOPMENT							
				0%	0%	0%	0%
To facilitate economic growth and sustainable job creation	Number of additional jobs to be created using the Expanded Public Works Programme guidelines and other municipal programmes	63000%	63000%				
To facilitate economic growth and sustainable job creation	% development of lighting master plan	100%	100%				
To facilitate economic growth and sustainable job creation	Number of additional households living in formal areas provided with electricity connections	100000%	100000%	0%	100000%	200000%	200000%
To facilitate economic growth and sustainable job creation	Kilometers of new paved roads to be built kilometers of roads resurfaced/rehabilitated/resealed	800%	800%				
To facilitate economic growth and sustainable job creation	% Development of roads master plan and maintenance plan	100%	100%	0%	100%	200%	200%
To facilitate economic growth and sustainable job creation	% Roads signs, main holes, temporary bridges and sign boards	100%	100%				
To facilitate economic growth and sustainable job creation	Percentage of Household Electrified relative to backlog	100%	100%	0%	100%	200%	200%
Vote 8 - Development Planning							
KPA 1: SPATIAL DEVELOPMENT ANALYSIS AND RATIONALE							
To provide a systematic integrated spatial / land development policy	Number of informal settlements targeted for upgrading	100%	100%	0%	100%	200%	200%
To provide a systematic integrated spatial / land development policy	% Development of a Spatial Development Framework	100%	100%				
To provide a systematic integrated spatial / land development policy	% of Site demarcation projects completed	100%	100%	0%	100%	200%	200%
To provide a systematic integrated spatial / land development policy	% projects implemented based on SPLUMA	100%	100%				
To provide a systematic integrated spatial / land development policy	% of land use applications received and processed within 90 days	100%	100%	0%	100%	200%	200%
Increase regularisation of built environment	% of new building plans of less than 500 square metres assessed within 10 days of receipt of plans	100%	100%				
Increase regularisation of built environment	% of new building plans of more than 500 square meters assessed within 28 days of receipt of plans	100%	100%	0%	100%	200%	200%
Increase regularisation of built environment	approved plan to ensure compliance with National Building Regulations and Building Standards	100%	100%				
KPA 3: LOCAL ECONOMIC DEVELOPMENT							
And so on for the rest of the Votes				0%	0%	0%	0%

Table SB 4: Adjustment Budget – Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Budget Year 2021/22		Budget Year +1 2022/23	Budget Year +2 2023/24
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Borrowing Management								
Credit Rating	Short term/long term rating	0	0.0%	0.0%	0.0%			
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.4%	2.7%	3.9%	2.3%	2.5%	2.6%	1.8%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	3.6%	5.7%	7.5%	0.0%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	194.7%	0.0%	81.2%	0.0%
Gearing								
Liquidity								
Current Ratio	Current assets/current liabilities	71.5%	150.4%	108.9%	148.8%	203.5%	119.6%	129.6%
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities	71.5%	150.4%	108.9%	148.8%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities	6.8%	50.1%	1.9%	28.7%	28.4%	11.6%	6.9%
Revenue Management								
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing	86.8%	88.1%	87.5%	116.5%		81.1%	81.1%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		88.1%	71.5%	81.1%	81.1%		81.1%	81.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.2%	29.5%	36.9%	22.8%	34.7%	20.1%	23.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	3.0%	4.0%	4.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management								
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))	100.0%	100.0%	100.0%	100.0%		100.0%	100.0%
Creditors to Cash and Investments		1321.2%	179.5%	4140.9%	273.7%	116.0%	228.1%	235.1%
Other Indicators								
Electricity Distribution Losses (2)								
	Total Volume Losses (kW)	1614850500	1542420000	1424200000	1302000000	110000000	110000000	100000000
	Total Cost of Losses (Rand '000)	21 200	17 000	15 000	14 000		12 500	13 500
	% Volume (units purchased and generated less units sold)/units purchased and generated	0	0	0	0		0	0
Employee costs								
Employee costs	Employee costs/(Total Revenue - capital revenue)	30.0%	28.6%	31.5%	29.9%	28.7%	29.8%	31.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	35.4%	34.9%	34.1%				
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.9%	2.3%	2.4%	3.5%	5.3%	2.7%	2.5%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	12.7%	11.9%	11.7%	10.7%	11.1%	11.1%	11.4%
IDP regulation financial viability indicators								
	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	1565.0%	1553.3%	682.0%	1707.1%	1661.2%	2478.7%	2566.0%
i. Debt coverage								
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.55	1.09	69.7%	11.7%	23.4%	9.8%	12.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	18.8%	238.7%	35.3%	0.0%	0.0%	0.0%	0.0%

Table SB 6: Adjustment Budget – Funding Measurements

Description	MFMA section	2018/19	2019/20	2020/21	Medium Term Revenue and Expenditure Framework				
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2022/23	Budget Year +2 2023/24
Funding measures									
Cash/cash equivalents at the year end - R'000	18(1)b	6 194	70 428	2 142	31 852	–	17 310	41 286	42 286
Cash + investments at the yr end less applications - R'000	18(1)b	(45 959)	20 661	12 442	(4 665)	–	16 257	(4 552)	(2 859)
Cash year end/monthly employee/supplier payments	18(1)b	0.19	2.39	0.15	–	–	–	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	453	100 578	162 544	93 283	–	100 110	106 688	99 518
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	-8.1%	15.9%	-42.9%	0.0%	0.0%	0.0%	-14.4%	-1.6%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	0.0%	0.0%	0.0%	67.3%	0.0%	66.0%	66.7%	66.1%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	74.2%	44.7%	86.8%	31.7%	0.0%	28.0%	31.7%	31.7%
Capital payments % of capital expenditure	18(1)c;19	98.9%	49.4%	0.0%	92.0%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.0%	0.0%	105.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a				0.0%	0.0%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	-12.1%	141.1%	15.5%	10.0%	0.0%	10.0%	-8.7%	17.0%
Long term receivables % change - incr(decr)	18(1)a	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	1.3%	1.0%	1.5%	1.6%	0.0%	2.3%	1.3%	1.1%
Asset renewal % of capital budget	20(1)(vi)	39.6%	42.6%	0.0%	45.2%	0.0%	42.2%	42.4%	21.4%

Table SB 7: Adjustment Budget – Transfers and Grants Receipts

Description	Budget Year 2021/22			Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
RECEIPTS:					
Operating Transfers and Grants					
National Government:	307 637	–	307 637	322 626	316 577
Local Government Equitable Share	302 788	–	302 788	319 776	313 727
Finance Management	2 650	–	2 650	2 850	2 850
EPWP Incentive	2 199	–	2 199	–	–
Provincial Government:	–	–	–	–	–
N/A		–	–	–	–
District Municipality:	–	–	–	–	–
N/A		–	–	–	–
Other grant providers:	130	–	130	–	–
<i>LGSETA Learnership and Development</i>	130	–	130	–	–
Total Operating Transfers and Grants	307 767	–	307 767	322 626	316 577
Capital Transfers and Grants					
National Government:	79 332	–	79 332	72 606	76 364
Municipal Infrastructure Grant (MIG)	57 984	–	57 984	62 606	65 364
Intergrated National Electrification Grant	21 348	–	21 348	10 000	11 000
Provincial Government:	–	–	–	–	–
Development of Masakaneng		–	–	–	–
District Municipality:	–	–	–	–	–
N/A		–	–	–	–
Other grant providers:	–	–	–	–	–
N/A		–	–	–	–
Total Capital Transfers and Grants	79 332	–	79 332	72 606	76 364
TOTAL RECEIPTS OF TRANSFERS & GRANTS	387 099	–	387 099	395 232	392 941

Table SB 8: Adjustment Budget – Transfers and Grants Expenditure

Description	Budget Year 2021/22			Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM					
Operating expenditure of Transfers and Grants					
National Government:	307 637	–	307 637	322 626	316 577
Local Government Equitable Share	302 788	–	302 788	319 776	313 727
Finance Management	2 650	–	2 650	2 850	2 850
EPWP Incentive	2 199	–	2 199	–	–
Provincial Government:	–	–	–	–	–
N/A		–	–		
District Municipality:	–	–	–	–	–
N/A		–	–		
Other grant providers:	130	–	130	–	–
LGSETA Learnership and Development	130	–	130		
Total operating expenditure of Transfers and Grants:	307 767	–	307 767	322 626	316 577
Capital expenditure of Transfers and Grants					
National Government:	79 332	440	79 772	72 606	76 364
Municipal Infrastructure Grant (MIG)	57 984	–	57 984	62 606	65 364
Integrated National Electrification Grant	21 348	440	21 788	10 000	11 000
Provincial Government:	–	300	300	–	–
Development of Masakaneng		300	300		
District Municipality:	–	–	–	–	–
N/A		–	–		
Other grant providers:	–	–	–	–	–
N/A		–	–		
Total capital expenditure of Transfers and Grants	79 332	740	80 072	72 606	76 364
Total capital expenditure of Transfers and Grants	387 099	740	387 839	395 232	392 941

The upward adjustment is due to appropriation of Development of Masakaneng from COGHSTA amounting to R299 thousand and Integrated National Electrification Programme (INEP) National government approved INEP roll-over amounting to R440 thousand. There was no roll over that was disapproved by National Treasury. There is an upward adjustment on internally funded projects of R6 202 million due normalization of Roosenekal area, prepaid metering and elimination of projects as per the funding plan.

Table SB 9: Adjustment Budget – Reconciliation of Transfers; Grants Receipts and Unspent Funds

Description	Budget Year 2021/22			Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Operating transfers and grants:					
National Government:					
Balance unspent at beginning of the year	–	–	–	–	–
Current year receipts	307 637	–	307 637	322 626	316 577
Conditions met - transferred to revenue	307 637	–	307 637	322 626	316 577
Conditions still to be met - transferred to liabilities		–	–		
Provincial Government:					
Balance unspent at beginning of the year		–	–		
Current year receipts		–	–		
Conditions met - transferred to revenue	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–		
Other grant providers:					
Balance unspent at beginning of the year		–	–		
Current year receipts		–	–		
Conditions met - transferred to revenue	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–		
Total operating transfers and grants revenue	307 637	–	307 637	322 626	316 577
Total operating transfers and grants - CTBM	–	–	–	–	–
Capital transfers and grants:					
National Government:					
Balance unspent at beginning of the year		440	440	–	–
Current year receipts	79 332	–	79 332	72 606	76 364
Conditions met - transferred to revenue	79 332	440	79 772	72 606	76 364
Conditions still to be met - transferred to liabilities	–	–	–	–	–
Provincial Government:					
Balance unspent at beginning of the year		300	300	–	–
Current year receipts		–	–	–	–
Conditions met - transferred to revenue	–	300	300	–	–
Conditions still to be met - transferred to liabilities		–	–		
Other grant providers:					
Balance unspent at beginning of the year		–	–		
Current year receipts		–	–		
Conditions met - transferred to revenue	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–		
Total capital transfers and grants revenue	79 332	740	80 072	72 606	76 364
Total capital transfers and grants - CTBM	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE	386 969	740	387 709	395 232	392 941
TOTAL TRANSFERS AND GRANTS - CTBM	–	–	–	–	–

Table SB 10: Adjustment Budget – Transfers and grants made by the municipality

Description	Budget Year 2021/22				Budget Year +1 2022/23	Budget Year +2 2023/24
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash transfers to other municipalities						
<i>N/A</i>		-	-	-		
TOTAL ALLOCATIONS TO MUNICIPALITIES:	-	-	-	-	-	-
Cash transfers to Entities/Other External Mechanisms						
<i>N/A</i>		-	-	-		
TOTAL ALLOCATIONS TO ENTITIES/EMs'	-	-	-	-	-	-
Cash transfers to other Organs of State						
<i>N/A</i>		-	-	-		
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:	-	-	-	-	-	-
Cash transfers to other Organisations						
<i>N/A</i>		-	-	-		
TOTAL CASH TRANSFERS TO OTHER ORGANISATIONS:	-	-	-	-	-	-
TOTAL CASH TRANSFERS	-	-	-	-	-	-
Non-cash transfers to other municipalities						
<i>N/A</i>		-	-	-		
TOTAL ALLOCATIONS TO MUNICIPALITIES:	-	-	-	-	-	-
Non-cash transfers to Entities/Other External Mechanisms						
<i>N/A</i>		-	-	-		
TOTAL ALLOCATIONS TO ENTITIES/EMs'	-	-	-	-	-	-
Non-cash transfers to other Organs of State						
<i>N/A</i>		-	-	-		
TOTAL ALLOCATIONS TO OTHER ORGANS OF STATE:	-	-	-	-	-	-
Non-cash transfers to other Organisations						
<i>Free Basic Electricity</i>	1 165	-	-	1 165	1 214	1 267
<i>Retirement Benefit</i>	2 100	(513)	(513)	1 586	2 188	2 284
<i>External Bursaries</i>	520		-	520	541	565
TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS:	3 784	-	-	3 271	3 943	4 116
TOTAL NON-CASH TRANSFERS	520	-	-	520	541	565
TOTAL TRANSFERS	520	-	-	520	541	565

Table SB 11: Adjustment Budget – Councilors and Staff Members

Summary of remuneration	Budget Year 2021/22				% change
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	
Councillors (Political Office Bearers plus Other)					
Basic Salaries and Wages	16 008	(779)	(779)	15 228	-4.9%
Pension and UIF Contributions	1 847	(390)	(390)	1 457	-21.1%
Medical Aid Contributions	399	(156)	(156)	243	-39.1%
Motor Vehicle Allowance	6 090	(234)	(234)	5 856	-3.8%
Cellphone Allowance	2 992	(390)	(390)	2 602	
Housing Allowances	-		-	-	
Other benefits and allowances	-		-	-	
Sub Total - Councillors	27 334	(1 949)	(1 949)	25 386	-7.1%
Senior Managers of the Municipality					
Basic Salaries and Wages	6 226	(666)	(666)	5 561	-10.7%
Pension and UIF Contributions	299	(416)	(416)	(117)	-138.9%
Medical Aid Contributions	92		-	92	0.0%
Overtime	-		-	-	
Performance Bonus	-		-	-	
Motor Vehicle Allowance	912		-	912	0.0%
Cellphone Allowance	151	-	-	151	0.0%
Housing Allowances	-		-	-	
Other benefits and allowances	491		-	491	
Payments in lieu of leave	-		-	-	
Long service awards	-		-	-	
Post-retirement benefit obligations	-		-	-	
Sub Total - Senior Managers of Municipality	8 171	(1 082)	(1 082)	7 089	-13.2%
Other Municipal Staff					
Basic Salaries and Wages	99 214	(2 002)	(2 002)	97 212	-2.0%
Pension and UIF Contributions	27 125	(1 415)	(1 415)	25 711	-5.2%
Medical Aid Contributions	4 532	(999)	(999)	3 533	-22.0%
Overtime	973		-	973	0.0%
Performance Bonus	-		-	-	
Motor Vehicle Allowance	12 315	(1 914)	(1 914)	10 401	-15.5%
Cellphone Allowance	1 267	-	-	1 267	0.0%
Housing Allowances	193	-	-	193	
Other benefits and allowances	8 319	(499)	(499)	7 820	
Payments in lieu of leave	-		-	-	
Long service awards	692		-	692	0.0%
Post-retirement benefit obligations	-		-	-	
Sub Total - Other Municipal Staff	154 629	(6 828)	(6 828)	147 801	-4.4%
Total Parent Municipality	190 134	(9 858)	(9 858)	180 276	-5.2%

Table SB 12: Adjustment Budget – Monthly Revenue and Expenditure (Municipal Vote)

Description	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
Revenue by Vote															
Vote 1 - Executive and Council	17 842	–	–	–	–	20 725	–	–	4 253	–	–	–	42 820	45 222	44 367
Vote 2 - Municipal Manager	17 562	–	–	–	–	9 602	–	–	14 250	–	–	735	42 149	44 514	43 672
Vote 3 - Budget and Treasury	14 720	4 992	5 405	4 815	4 922	13 034	5 552	2 016	6 025	11 767	11 405	2 547	87 200	74 109	73 588
Vote 4 - Corporate Services	19 478	–	–	–	–	14 388	–	–	12 881	–	–	–	46 748	49 372	48 438
Vote 5 - Community Services	22 467	1 366	1 487	1 341	1 296	14 201	1 416	664	12 913	12 855	11 559	15 415	96 980	139 793	142 565
Vote 6 - Technical Services	34 531	16 955	19 697	17 687	5 250	35 335	8 762	257	29 510	31 836	31 685	39 633	271 139	251 313	258 841
Vote 7 - Developmental Planning	6 275	198	225	274	199	4 578	302	10	3 876	904	213	124	17 179	15 681	15 409
Vote 8 - Executive Support	9 113	–	–	–	–	9 954	–	–	2 804	–	–	–	21 871	23 098	22 661
Total Revenue by Vote	141 988	23 512	26 814	24 117	11 667	121 817	16 032	2 948	86 513	57 363	54 862	58 453	626 085	643 102	649 542
Expenditure by Vote															
Vote 1 - Executive and Council	2 575	2 642	2 585	2 565	2 320	2 930	2 281	3 448	2 896	3 155	2 788	3 222	33 407	38 618	40 204
Vote 2 - Municipal Manager	3 362	3 260	3 031	4 286	3 839	5 137	5 163	2 893	3 376	2 430	1 304	2 094	40 174	34 964	36 493
Vote 3 - Budget and Treasury	10 315	4 099	6 084	2 945	4 501	5 637	4 404	3 808	4 227	3 984	3 942	4 957	58 902	57 311	54 889
Vote 4 - Corporate Services	4 512	1 660	301	3 764	1 349	1 395	2 644	1 521	3 337	1 841	1 882	2 422	26 627	37 204	38 800
Vote 5 - Community Services	4 856	5 606	5 411	6 028	5 355	8 018	5 376	13 617	13 484	14 039	13 255	17 207	112 253	105 791	106 641
Vote 6 - Technical Services	3 039	18 584	20 509	17 960	11 414	20 487	19 855	22 298	23 095	22 588	18 885	24 729	223 441	234 489	243 734
Vote 7 - Developmental Planning	582	587	652	623	584	1 291	693	625	1 189	650	904	834	9 215	11 725	12 239
Vote 8 - Executive Support	1 539	1 773	1 546	1 713	2 008	2 934	1 927	1 631	1 672	1 630	1 779	1 803	21 955	16 312	17 023
Total Expenditure by Vote	30 780	38 212	40 119	39 883	31 371	47 829	42 343	49 840	53 276	50 318	44 738	57 267	525 975	536 415	550 024
Surplus/ (Deficit)	111 207	(14 700)	(13 304)	(15 766)	(19 703)	73 988	(26 311)	(46 892)	33 236	7 045	10 124	1 186	100 110	106 688	99 518

Table SB 13: Adjustment Budget – Monthly Revenue and Expenditure (Functional Classification)

Description - Standard classification	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
R thousands															
Revenue - Functional															
Governance and administration	85 720	4 992	5 405	4 815	4 922	72 066	5 552	2 016	45 129	13 161	11 699	8 664	264 142	254 069	250 145
Executive and council	20 279	-	-	-	-	22 573	-	-	5 817	-	-	-	48 669	51 400	50 427
Finance and administration	60 363	4 992	5 405	4 815	4 922	46 434	5 552	2 016	35 262	13 161	11 699	8 664	203 286	189 798	187 089
Internal audit	5 078	-	-	-	-	3 059	-	-	4 050	-	-	-	12 188	12 872	12 628
Community and public safety	9 736	31	14	21	17	6 509	125	-	8 309	3 554	4 802	20 659	53 777	95 281	97 927
Community and social services	2 786	10	8	6	3	2 827	2	-	2 191	278	231	1 572	9 914	10 479	10 286
Sport and recreation	6 933	-	-	-	-	3 666	-	-	2 840	-	-	-	13 438	14 227	13 960
Public safety	17	21	6	15	14	17	123	-	3 278	3 275	4 570	19 088	30 425	70 575	73 680
Economic and environmental services	25 492	8 769	12 382	5 562	2 833	28 282	1 054	1 298	17 873	9 297	5 959	8 352	127 153	132 324	134 206
Planning and development	9 293	198	225	274	199	7 235	302	10	5 444	904	213	124	24 422	23 330	22 914
Road transport	15 025	8 570	12 157	5 288	2 634	20 028	752	664	12 428	8 392	5 746	8 229	99 914	106 018	108 372
Environmental protection	1 174	-	-	-	-	1 020	-	624	-	-	-	-	2 818	2 976	2 919
Trading services	21 039	9 720	9 013	13 719	3 896	14 959	9 301	20 257	28 715	11 537	13 241	25 615	181 013	161 427	167 265
Energy sources	10 742	8 919	8 214	12 920	3 096	9 604	8 675	20 257	18 836	10 408	12 123	24 867	148 660	127 482	133 340
Waste management	10 297	801	799	799	800	5 356	626	0	9 878	1 130	1 119	748	32 353	33 945	33 925
Other															
Total Revenue - Functional	141 988	23 512	26 814	24 117	11 667	121 817	16 032	23 572	100 026	37 549	35 701	63 290	626 085	643 102	649 542
Expenditure - Functional															
Governance and administration	22 425	15 845	14 060	17 038	15 981	19 140	17 730	14 070	16 043	13 625	12 717	21 715	200 389	202 371	205 226
Executive and council	2 807	2 909	2 883	2 966	2 599	3 339	3 285	3 715	3 362	3 436	3 071	3 697	38 071	44 307	46 137
Finance and administration	19 099	12 476	10 907	13 108	11 739	13 845	12 737	9 815	11 944	9 635	9 062	17 339	151 708	149 733	150 392
Internal audit	519	459	270	964	1 643	1 955	1 708	540	736	553	584	678	10 611	8 331	8 698
Community and public safety	2 215	2 490	2 235	2 646	2 204	3 771	2 571	9 446	9 832	10 017	9 216	12 427	69 070	79 456	82 820
Community and social services	277	233	271	278	295	464	334	249	325	254	345	2 623	5 947	7 586	7 920
Sport and recreation	688	770	723	968	712	1 310	856	717	717	761	387	-	8 609	13 320	13 906
Public safety	1 250	1 487	1 241	1 401	1 198	1 997	1 382	8 480	8 790	9 003	8 484	9 805	54 515	58 550	60 994
Economic and environmental services	3 159	3 796	8 057	5 703	3 325	6 068	4 923	9 743	11 587	10 862	12 209	18 336	97 769	103 883	108 354
Planning and development	907	913	991	1 067	936	1 848	1 053	967	1 615	1 089	1 348	1 422	14 154	16 773	17 506
Road transport	2 204	2 835	7 018	4 583	2 388	4 221	3 871	8 776	9 973	9 774	10 861	16 914	83 417	86 416	90 124
Environmental protection	48	48	48	53	-	-	-	-	-	-	-	-	197	693	724
Trading services	2 981	16 081	15 766	14 495	9 861	18 850	17 119	11 580	12 406	12 813	11 252	15 542	158 747	150 705	153 623
Energy sources	996	13 609	13 244	11 840	7 422	15 616	15 096	8 021	9 391	9 420	8 204	11 074	123 932	132 795	138 598
Waste management	1 985	2 473	2 523	2 655	2 439	3 234	2 023	3 559	3 015	3 393	3 048	4 468	34 815	17 910	15 025
Other															
Total Expenditure - Functional	30 780	38 212	40 119	39 883	31 371	47 829	42 343	44 840	49 869	47 318	45 393	68 020	525 975	536 415	550 024
Surplus/ (Deficit) 1.	111 207	(14 700)	(13 304)	(15 766)	(19 703)	73 988	(26 311)	(21 268)	50 157	(9 769)	(9 692)	(4 729)	100 110	106 688	99 518

Table SB 14: Adjustment Budget – Monthly Revenue and Expenditure

Description	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget					
Revenue By Source															
Property rates	3 554	3 154	3 430	3 186	3 326	3 327	3 326	1 761	990	5 793	5 929	4 838	42 616	40 498	42 280
Service charges - electricity revenue	8 791	8 152	8 214	12 816	3 096	7 823	8 675	11 773	11 151	13 764	14 168	12 921	121 343	108 591	113 369
Service charges - refuse revenue	803	801	799	799	800	803	626	0	1 140	1 130	1 119	748	9 568	9 882	10 316
Rental of facilities and equipment	50	82	58	62	62	58	86	-	66	236	39	158	958	936	977
Interest earned - external investments	197	304	157	41	-	160	250	250	250	250	250	321	2 432	1 980	2 067
Interest earned - outstanding debtors	1 367	1 419	1 451	1 496	1 527	1 552	1 523	254	1 904	1 969	2 011	1 887	18 360	9 180	7 408
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	43	21	6	(15)	14	13	123	4	7 699	6 577	7 572	8 928	30 986	70 652	73 761
Licences and permits	415	534	674	551	479	486	664	444	444	444	444	444	6 026	5 460	5 701
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	126 640	272	538	267	235	101 179	165	385	72 665	4 415	495	381	307 637	322 626	316 577
Other revenue	127	55	64	123	36	20	593	14	106	75	37	5 579	6 829	692	722
Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	141 988	14 794	15 391	19 325	9 575	115 421	16 032	14 886	96 416	34 653	32 065	36 205	546 753	570 496	573 178
Expenditure By Type															
Employee related costs	11 813	11 829	11 656	12 948	12 165	20 179	13 462	12 163	12 163	12 163	12 166	12 183	154 891	170 102	177 553
Remuneration of councillors	2 020	2 020	2 020	2 020	1 866	2 403	2 085	2 184	2 192	2 192	2 192	2 192	25 386	28 428	29 565
Debt impairment	-	-	-	-	-	-	-	-	-	-	-	48 932	48 932	50 675	52 904
Depreciation & asset impairment	-	-	-	-	-	-	-	-	-	-	-	57 692	57 692	60 845	63 522
Finance charges	-	986	(953)	4	2	-	193	179	205	115	90	23	845	2 653	1 880
Bulk purchases	111	10 612	11 630	8 572	6 954	7 681	7 345	7 965	8 125	8 202	10 895	11 942	100 035	114 656	119 701
Other materials	969	2 022	7 355	4 096	1 265	1 601	10 271	(2 697)	1 803	1 162	1 928	2 953	32 727	20 372	20 640
Contracted services	3 923	8 429	6 939	10 131	6 734	13 748	6 503	(6 526)	4 095	3 953	2 230	4 926	65 086	51 538	45 479
Transfers and subsidies	235	365	164	259	223	166	404	524	234	221	236	241	3 271	3 943	4 116
Other expenditure	11 709	1 949	1 307	1 853	2 161	2 050	2 081	1 736	4 409	2 583	2 256	3 017	37 110	33 203	34 663
Losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	30 780	38 212	40 119	39 883	31 371	47 829	42 343	15 528	33 226	30 591	31 993	144 100	525 975	536 415	550 024
Surplus/(Deficit)	111 207	(23 417)	(24 728)	(20 558)	(21 796)	67 592	(26 311)	(642)	63 190	4 062	73	(107 895)	20 778	34 082	23 154
(monetary allocations) (National / Provincial and District)	-	8 717	11 423	4 792	2 092	6 396	-	-	11 295	11 993	10 562	12 062	79 332	72 606	76 364
(monetary allocations) (National / Provincial Departmental Agencies,	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers	111 207	(14 700)	(13 304)	(15 766)	(19 703)	73 988	(26 311)	(642)	74 485	16 055	10 635	(95 834)	100 110	106 688	99 518

Table SB 15: Adjustment Budget – Monthly Cash flow

Monthly cash flows	Budget Year 2021/22												Medium Term Revenue and		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
Cash Receipts By Source															
Property rates	2 693	2 286	2 287	2 035	2 302	2 599	2 488	2 286	2 287	2 035	2 302	8 483	34 083	30 907	31 931
Service charges - electricity revenue	8 269	7 581	8 119	7 580	6 434	7 702	7 501	5 581	6 119	6 580	4 434	5 705	81 604	101 965	102 930
Service charges - refuse	461	393	411	383	399	405	617	393	411	383	399	3 914	8 568	8 755	9 978
Rental of facilities and equipment	54	69	19	48	51	80	20	69	19	48	51	430	958	936	977
Interest earned - external investments	200	98	59	–	–	160	–	98	59	–	–	1 757	2 432	1 980	2 067
Interest earned - outstanding debtors	111	162	64	67	109	410	62	162	64	67	109	6 974	8 360	796	641
Fines, penalties and forfeits	43	21	6	15	14	13	1 167	21	6	15	14	8 449	9 783	15 331	16 006
Licences and permits	415	534	674	551	479	486	268	534	674	551	479	380	6 026	5 460	5 701
Transfers and Subsidies - Operational	126 712	2 780	–	–	989	100 929	–	–	76 227	–	–	–	307 637	322 626	316 577
Other revenue	821	1 230	–	1 355	–	1 409	813	413	125	237	215	212	6 829	692	722
Cash Receipts by Source	139 778	15 154	11 639	12 033	10 776	114 194	12 936	9 557	85 991	9 915	8 002	36 304	466 279	489 449	487 530
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocat	31 000	–	15 000	–	11 348	–	–	–	22 424	–	–	–	79 772	72 606	76 364
Transfers and subsidies - capital (monetary allocat	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits	–	(10)	(26)	–	(32)	25	–	–	–	–	–	369	325	(3 247)	(3 247)
Decrease (increase) in non-current receivables	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Receipts by Source	170 778	15 144	26 612	12 033	22 092	114 219	12 936	9 557	108 415	9 915	8 002	36 673	546 376	558 808	560 648
Cash Payments by Type															
Employee related costs	11 813	11 829	11 656	12 948	12 165	20 179	12 591	11 829	11 656	12 948	12 165	13 111	154 891	170 102	177 553
Remuneration of councillors	2 020	2 020	2 020	2 020	1 866	2 403	2 082	2 020	2 020	2 020	1 866	3 028	25 386	28 428	29 565
Finance charges	20	12	4	4	2	–	751	10	4	4	2	30	845	2 653	1 880
Bulk purchases - Electricity	11 178	10 612	11 630	8 572	6 954	7 681	7 259	7 612	8 630	7 572	6 954	5 381	100 035	114 656	119 701
Other materials	13 325	2 022	7 355	4 096	1 265	1 601	227	2 022	7 355	4 096	1 265	13 933	58 561	28 778	30 507
Contracted services	4 814	3 210	6 502	3 462	6 734	5 786	3 314	4 210	6 502	9 462	6 734	4 358	65 086	51 538	45 479
Transfers and grants - other	235	365	164	259	223	166	275	365	164	259	223	572	3 271	3 943	4 116
Other expenditure	11 709	6 905	1 744	3 421	2 161	6 283	3 263	–	–	–	–	1 623	37 110	33 203	34 663
Cash Payments by Type	55 114	36 976	41 076	34 783	31 371	44 099	29 761	28 069	36 331	36 362	29 210	42 033	445 185	433 300	443 465
Other Cash Flows/Payments by Type															
Capital assets	2 528	7 824	6 628	2 316	3 598	6 893	7 658	7 824	6 628	6 316	9 598	10 648	78 458	85 145	78 358
Repayment of borrowing	965	973	258	245	–	–	959	973	258	245	–	7 395	12 271	11 347	8 120
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–	19 580	29 705
Total Cash Payments by Type	58 607	45 773	47 962	37 344	34 968	50 992	38 379	36 866	43 217	42 923	38 807	60 076	535 914	549 373	559 648
NET INCREASE/(DECREASE) IN CASH HELD	112 172	(30 630)	(21 350)	(25 311)	(12 876)	63 226	(25 442)	(27 309)	65 198	(33 008)	(30 805)	(23 403)	10 462	9 435	1 000
Cash/cash equivalents at the month/year beginnin	6 848	119 019	88 390	67 040	41 729	28 853	92 079	66 637	39 328	104 525	71 517	40 712	6 848	17 310	26 744
Cash/cash equivalents at the month/year end:	119 019	88 390	67 040	41 729	28 853	92 079	66 637	39 328	104 525	71 517	40 712	17 310	17 310	26 744	27 744

Table SB 16: Adjustment Budget – Monthly Capital Expenditure (Municipal Vote)

Description - Municipal Vote	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget					
Multi-year expenditure appropriation															
Vote 1 - Executive and Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	28	244	188	-	-	-	-	-	126	95	80	100	860	2 200	1 100
Vote 5 - Community Services	-	-	-	-	-	-	-	-	-	-	-	-	-	2 400	1 000
Vote 6 - Technical Services	2 500	5 126	4 349	2 316	2 086	6 893	114	4 024	3 448	4 592	5 308	17 224	57 980	82 321	17 600
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Multi-year expenditure sub-total	2 528	5 370	4 537	2 316	2 086	6 893	114	4 024	3 574	4 687	5 388	17 324	58 840	86 921	19 700
Single-year expenditure appropriation															
Vote 1 - Executive and Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	-	-	498	-	-	-	-	-	-	2	500	2 000	900
Vote 6 - Technical Services	-	2 454	2 091	-	1 014	-	2 072	-	-	-	-	27 263	34 894	5 685	66 464
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	-	2 454	2 091	-	1 512	-	2 072	-	-	-	-	27 265	35 394	7 685	67 364
Total Capital Expenditure	2 528	7 824	6 628	2 316	3 598	6 893	2 187	4 024	3 574	4 687	5 388	44 589	94 234	94 606	87 064

Table SB 17: Adjustment Budget – Monthly Capital Expenditure (Functional Classification)

Description	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
Capital Expenditure - Functional															
Governance and administration	28	244	188	-	-	-	1 079	-	126	95	80	100	1 939	2 200	1 100
Executive and council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration	28	244	188	-	-	-	1 079	-	126	95	80	100	1 939	2 200	1 100
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety	-	-	-	-	498	-	-	-	-	-	-	2	500	4 400	1 900
Community and social services	-	-	-	-	498	-	-	-	-	-	-	2	500	1 500	-
Sport and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	1 900	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	-	1 000	1 900
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services	2 500	6 913	6 440	2 316	3 009	6 893	835	4 823	5 186	6 992	6 702	5 674	58 284	76 206	73 064
Planning and development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport	2 500	6 913	6 440	2 316	3 009	6 893	835	4 823	5 186	6 992	6 702	5 674	58 284	76 206	73 064
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services	-	667	-	-	91	-	273	2 793	2 858	2 493	4 615	19 722	33 512	11 800	11 000
Energy sources	-	667	-	-	91	-	273	2 793	2 858	2 493	4 615	19 722	33 512	11 800	11 000
Water management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	2 528	7 824	6 628	2 316	3 598	6 893	2 187	7 616	8 169	9 581	11 397	25 498	94 234	94 606	87 064

Table SB 18a: Adjustment Budget – Capital Expenditure on New Assets by Asset Class

Description	Budget Year 2020/21					Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure on new assets by Asset Class/Sub-class							
Infrastructure	20 000	15 000	-	-	15 000	19 812	21 647
Roads Infrastructure	-	-	-	-	-	-	9 000
Roads	-	-	-	-	-	-	9 000
Electrical Infrastructure	20 000	15 000	-	-	15 000	19 812	12 647
MV Networks	20 000	15 000	-	-	15 000	19 812	12 647
Other assets	2 339	2 339	(140)	(140)	2 199	-	-
Operational Buildings	2 339	2 339	(140)	(140)	2 199	-	-
Municipal Offices	600	600	170	170	770	-	-
Workshops	1 739	1 739	(310)	(310)	1 429	-	-
Computer Equipment	250	250	-	-	250	150	500
Computer Equipment	250	250	-	-	250	150	500
Furniture and Office Equipment	800	800	-	-	800	500	500
Furniture and Office Equipment	800	800	-	-	800	500	500
Machinery and Equipment	1 200	1 200	(450)	(450)	750	435	435
Machinery and Equipment	1 200	1 200	(450)	(450)	750	435	435
Total Capital Expenditure on new assets to be adjusted	24 589	19 589	(590)	(590)	18 999	20 897	23 081

Table SB 18b: Adjustment Budget – Capital Expenditure on Renewal Assets by Asset Class

Description	Budget Year 2020/21					Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure on renewal of existing assets by Asset Class/Sub-class							
Infrastructure	46 940	46 940	5 613	5 613	52 553	34 630	36 550
Roads Infrastructure	39 222	39 222	13 232	13 232	52 453	24 640	36 550
Roads	39 222	39 222	13 232	13 232	52 453	22 565	34 584
Road Furniture	-	-	-	-	-	2 075	1 966
Solid Waste Infrastructure	7 719	7 719	(7 619)	(7 619)	100	9 990	-
Landfill Sites	7 719	7 719	(7 619)	(7 619)	100	9 990	-
Community Assets	600	600	120	120	720	-	-
Community Facilities	600	600	120	120	720	-	-
Cemeteries/Crematoria	600	600	120	120	720	-	-
Other assets	-	-	-	-	-	2 900	-
Operational Buildings	-	-	-	-	-	2 900	-
Municipal Offices	-	-	-	-	-	2 900	-
Total Capital Expenditure on renewal of existing assets to be adjusted	47 540	47 540	5 733	5 733	53 273	37 530	36 550

Table SB 18c: Adjustment Budget – Expenditure on Repairs and Maintenance by Asset Class

Description	Budget Year 2020/21					Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Repairs and maintenance expenditure by Asset Class							
Infrastructure	9 729	17 772	(3 492)	(3 492)	14 280	9 630	9 550
Roads Infrastructure	4 892	7 783	-	-	7 783	4 571	4 258
Roads	4 892	7 783	-	-	7 783	4 571	4 258
Electrical Infrastructure	1 845	4 689	(1 000)	(1 000)	3 689	1 929	2 018
MV Networks	1 845	4 689	(1 000)	(1 000)	3 689	1 929	2 018
Solid Waste Infrastructure	2 993	5 300	(2 492)	(2 492)	2 808	3 131	3 275
Landfill Sites	2 993	5 300	(2 492)	(2 492)	2 808	3 131	3 275
Community Assets	306	1 806	(306)	(306)	1 500	320	335
Community Facilities	306	1 806	(306)	(306)	1 500	320	335
Public Open Space	306	1 806	(306)	(306)	1 500	320	335
Other assets	1 845	1 845	(155)	(155)	1 690	1 930	2 019
Operational Buildings	1 845	1 845	(155)	(155)	1 690	1 930	2 019
Municipal Offices	1 845	1 845	(155)	(155)	1 690	1 930	2 019
Intangible Assets	425	425	(245)	(245)	180	444	465
Licences and Rights	425	425	(245)	(245)	180	444	465
Computer Software and Applications	425	425	(245)	(245)	180	444	465
Machinery and Equipment	1 214	1 149	4 790	4 790	5 939	1 270	1 328
Machinery and Equipment	1 214	1 149	4 790	4 790	5 939	1 270	1 328
Transport Assets	1 854	1 184	1 234	1 234	2 418	1 940	2 029
Transport Assets	1 854	1 184	1 234	1 234	2 418	1 940	2 029
Total Repairs and Maintenance Expenditure to be adjusted	15 373	24 182	1 826	1 826	26 008	15 534	15 726

Table SB 18d: Adjustment Budget – Depreciation by Asset Class

Description	Budget Year 2021/22			Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Depreciation by Asset Class/Sub-class					
Infrastructure	43 068	500	42 368	44 877	46 852
Roads Infrastructure	38 002	500	38 502	39 598	41 340
Roads	38 002	(700)	37 302	39 598	41 340
Road Structures		–	–		
Road Furniture		–	–		
Capital Spares		–	–		
Electrical Infrastructure	3 954	–	3 954	4 120	4 302
HV Substations		–	–		
HV Switching Station		–	–		
HV Transmission Conductors	3 954	–	3 954	4 120	4 302
MV Substations		–	–		
MV Switching Stations		–	–		
MV Networks	–	–	–	–	–
LV Networks		–	–		
Solid Waste Infrastructure	714	–	714	744	776
Landfill Sites	714	–	714	744	776
Waste Transfer Stations		–	–		
Waste Processing Facilities		–	–		
Waste Drop-off Points		–	–		
Waste Separation Facilities		–	–		
MV Substations		–	–		
LV Networks		–	–		
Community Assets	1 231	–	1 231	1 283	1 339
Community Facilities	1 231	–	1 231	1 283	1 339
Halls		–	–		
Centres		–	–		
Libraries		–	–		
Cemeteries/Crematoria	–	–	–	–	–
Public Open Space	1 231	–	1 231	1 283	1 339
Taxi Ranks/Bus Terminals		–	–		
Capital Spares		–	–		
Sport and Recreation Facilities	–	–	–	–	–
Indoor Facilities		–	–		
Outdoor Facilities		–	–		
Heritage assets	5	–	5	–	–
Other assets	4 140	–	4 140	4 314	4 504
Operational Buildings	4 140	–	4 140	4 314	4 504
Municipal Offices	4 140	–	4 140	4 314	4 504
Computer Equipment	692	–	692	721	753
Furniture and Office Equipment	590	–	590	614	641
Machinery and Equipment	2 864	–	2 864	2 984	3 115
Transport Assets	5 751	–	5 751	5 992	6 256
Land	–	–	–	–	–
Total Depreciation to be adjusted	58 392	500	57 692	60 839	63 516

Table SB 18e: Adjustment Budget – Capital Expenditure on Upgrading of Existing Assets by Asset Class

Description	Budget Year 2020/21					Budget Year +1 2021/22	Budget Year +2 2022/23
	Original Budget	Prior Adjusted	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure on upgrading of existing assets by Asset Class							
Infrastructure	16 150	16 150	(900)	(900)	15 250	46 017	37 752
Roads Infrastructure	16 150	16 150	(900)	(900)	15 250	46 017	37 752
Roads	16 150	16 150	(900)	(900)	15 250	46 017	37 752
Community Assets	1 000	1 000	(200)	(200)	800	-	-
Community Facilities	1 000	1 000	(200)	(200)	800	-	-
Public Open Space	1 000	1 000	(200)	(200)	800	-	-
Total Capital Expenditure on upgrading of existing assets to be adjusted	17 150	17 150	(1 100)	(1 100)	16 050	46 017	37 752

Table SB 19: Adjustment Budget – List of Capital Projects

Function	Project Description	Type	Asset Class	Asset Sub-Class	Medium Term Revenue and Expenditure Framework			
					Budget Year 2021/22		Budget Year +1 2022/23	Budget Year +2 2023/24
					Original Budget	Adjusted Budget	Original Budget	Original Budget
Parent municipality: List all capital projects grouped by Function								
Technical Services	Upgrading of Grblersdal Traffic Lights	Upgrading	Electrical Infrastructure	Capital Spares	340	–	–	–
Technical Services	Fencing of Main substation	New	Electrical Infrastructure	MV Networks	–	–	400	–
Technical Services	Aircons	New	Machinery and Equipment	Transport Assets	300	300	400	–
Technical Services	Electrification of Ga Posa	New	Electrical Infrastructure	MV Networks	2 088	4 530	–	–
Technical Services	Electrification of Lenkwaneng Section	New	Electrical Infrastructure	MV Networks	–	–	–	1 098
Technical Services	Electrification of Magagamatala ext/Ga-makuwa/Pundulwane	New	Electrical Infrastructure	MV Networks	–	–	–	1 862
Technical Services	Electrification of Makaepea	New	Electrical Infrastructure	MV Networks	–	–	–	3 000
Technical Services	Electrification of Maleoskop 601	New	Electrical Infrastructure	MV Networks	3 348	3 300	3 160	–
Technical Services	Electrification of Maphepha	New	Electrical Infrastructure	MV Networks	–	–	–	–
Technical Services	Electrification of Masakaneng	New	Electrical Infrastructure	MV Networks	5 508	6 722	4 480	3 000
Technical Services	Electrification of Mashemong	New	Electrical Infrastructure	MV Networks	–	–	2 360	–
Technical Services	Electrification of Matlala Lehwelere	New	Electrical Infrastructure	MV Networks	3 438	4 428	–	–
Technical Services	Electrification of Mountain village	New	Electrical Infrastructure	MV Networks	–	–	–	900
Technical Services	Electrification of Nyakelang Extension	New	Electrical Infrastructure	MV Networks	–	–	–	1 140
Technical Services	Electrification of Rondebosch	New	Electrical Infrastructure	MV Networks	1 206	1 332	–	–
Technical Services	Electrification of Vlaktefontein	New	Electrical Infrastructure	MV Networks	5 760	1 476	–	–
Technical Services	Installation of high mast lights in various location	New	Electrical Infrastructure	MV Networks	–	–	1 000	–
Technical Services	Grobblersdal Lanfillsite	New	Solid Waste Infrastructure	Landfill Sites	9 050	–	–	–
Technical Services	Machinery and Equipment	New	Machinery and Equipment	Machinery and Equipment	–	–	425	–
Technical Services	Culverts and Road signs	New	Roads Infrastructure	Roads	500	–	600	–
Technical Services	Grobblersdal - Roads & Street	New	Roads Infrastructure	Roads	–	–	2 000	800
Technical Services	Kgapamadi Road	Renewal	Roads Infrastructure	Roads	–	–	–	17 000
Technical Services	kgapamadi Bus Road	Renewal	Roads Infrastructure	Roads	1 000	–	–	–
Technical Services	Motetema Streets Upgrade	New	Roads Infrastructure	Roads	1 500	–	3 575	–
Technical Services	Mpheleng Construction of Road	Renewal	Roads Infrastructure	Roads	–	–	–	9 954

Function	Project Description	Type	Asset Class	Asset Sub-Class	Medium Term Revenue and Expenditure Framework			
					Budget Year 2021/22		Budget Year +1 2022/23	Budget Year +2 2023/24
					Original Budget	Adjusted Budget	Original Budget	Original Budget
Parent municipality: List all capital projects grouped by Function								
Technical Services	Rehabilitaiaon of roads/streets in various wards	Renewal	Roads Infratructure	Roads	2 500	–	2 500	800
Technical Services	Upgrading of Nyakurone Internal Access Road(Int)	Upgrading	Roads Infratructure	Roads	–	–	8 337	9 000
Technical Services	Ugrading of Stompo Bus Road	New	Roads Infratructure	Roads	–	–	–	700
Technical Services	Upgrading of Dipakapakeng Access Road	Upgrading	Roads Infratructure	Roads	21 750	21 750	–	–
Technical Services	Upgrading of Bloompoot Road	Renewal	Roads Infratructure	Roads	13 000	18 000	32 000	–
Technical Services	Upgrading of Hlogottlou-Bopanang Road	Upgrading	Roads Infratructure	Roads	–	–	3 000	4 000
Technical Services	Upgrading of Malaeneng A Ntwane Access Road	Upgrading	Roads Infratructure	Roads	–	–	–	700
Technical Services	Upgrading of Maraganeng internal Access road (MIG)	Upgrading	Roads Infratructure	Roads	–	–	700	20 400
Technical Services	Upgrading of Masoing Bus route	Upgrading	Roads Infratructure	Roads	–	–	–	700
Technical Services	Upgrading of Ngolovane access road to Sibisi school	Upgrading	Roads Infratructure	Roads	–	–	800	9 010
Technical Services	Upgrading of Tafelkop stadium 600	Upgrading	Roads Infratructure	Roads	13 184	18 234	22 269	–
Information Technology	Computer Equipment	New	Computer Equipment	Computer Equipment	460	860	1 100	550
Human Resources Fleet Management	Furniture and Office Equipment Vehicles	New	Furniture and Office Equipment	Furniture and Office Equipment	–	–	1 100	550
Finance	Forklift	New	Transport Assets	Transport Assets	800	1 079	–	–
Community Services	Machinery and Equipment	New	Machinery and Equipment	Machinery and Equipment	100	–	–	–
Community Services	Fencing of Elandsdoorn Cemeteries	New	Machinery and Equipment	Machinery and Equipment	–	–	500	–
Community Services	Upgrading and Development of Cemeteries	Renewal	Community Facilities	Cemeteries/Crematoria	500	500	–	–
Community Services	Upgrading and Development of Parks	Upgrading	Community Facilities	Parks	200	–	1 400	–
Community Services	Disaster Management Centre & Emergency Relief Store room	New	Community Facilities	Centres	100	–	–	–
Community Services	No Illegal Dumping	New	Solid Waste Infrastructure	Capital Spares	200	–	–	–
Community Services	Construction of Slabs for Skip Bins	New	Solid Waste Infrastructure	Landfill Sites	–	–	–	200
Community Services	Two trailers	New	Community assets	Machinery and Equipment	–	–	–	300
Community Services	Upgrading of Rosennekal Concrete Palisade	Upgrading	Solid Waste Infrastructure	Landfill Sites	100	–	1 000	1 000
Community Services	Waste Refusal Skip Bins	New	Solid Waste Infrastructure	Waste Drop-off Points	–	–	–	400
Community Services	Upgrading of Groblersdal Cemetry	Upgrading	Community Facilities	Cemeteries/Crematoria	–	–	1 500	–
Economic Development Planning	Fencing of Game Farm	New	Land	Land	1 100	–	–	–
Technical Services	Normalizatiion of Rossenekal	New	Electrical Infrastructure	MV Networks	–	6 300	–	–
Technical Services	Prepaid Smartmetering	New	Electrical Infrastructure	Capital Spares	–	5 124	–	–
Technical Services	Development of Masakaneng	Upgrading	Roads Infratructure	Roads	–	300	–	–
					88 032	94 234	94 606	87 064

Projects adjusted:

- Electrification of Masakaneng was adjusted upwards by R1 214 000
- Electrification of Maloskop was adjusted downwards by R48 000
- Electrification of Rondebosch was adjusted upwards by R126 000
- Electrification of Ga-Phosa was adjusted upwards by R2 442 000
- Electrification of Matlala le hwelere upwards by R990 000
- Electrification of Valkfontein was adjusted downwards by R4 284 000
- Construction of stadium view road (Tafelkop) was upwards by R5 050 000
- Groblersdal land fill sites was adjusted downwards by R9 050 000
- Development of Masakaneng was adjusted upwards by R299 767
- Kgaphamadi stormwater control was adjusted downwards by R1 000 000
- Upgrading of Bloompoort to Uitspanning access road was adjusted upwards by R5 000 000

The following adjustments were as a result of approved funding plan

- Culverts and road signs was adjusted downwards by R500 000
- Computer equipment was adjusted upwards by R400 000
- Disaster Management Centre & Emergency Relief Store room was adjusted downwards by R100 000
- Fencing of Game Farm was adjusted downwards by R1 100 000
- Procurement of forklift was adjusted downwards by R100 000
- Procurement of no illegal dumping boards was adjusted downwards by R200 000
- Motetema internal streets was adjusted downwards by R1 500 000
- Rehabilitation of roads/streets in various wards was adjusted downwards by R2 500 000
- Supply and delivery of Municipal Vehicles was adjusted upwards by R278 503
- Upgrading of Grblersdal Traffic Lights was adjusted downwards by R340 000
- Upgrading of parks was adjusted downwards by R200 000
- Upgrading of Roosenekal concrete palisade was adjusted downwards by R100 000

Quality certificate

I, **MESHACK MAHLAGAUME KGWALE**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the Adjustment Budget and supporting documentations for 2021/22 financial year has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.