

ELIAS MOTSOLEDI LOCAL MUNICIPALITY



ADJUSTMENT BUDGET

2022-23 FINANCIAL YEAR

ABBREVIATIONS AND ACRONYMS

AO	Accounting Officer	SAPS	South African Police Service
AMR	Automated Meter Reading	SDBIP	Service Delivery Budget Implementation Plan
LED	Local Economic Development	SMME	Small Micro and Medium Enterprises
MEC	Member of the Executive Committee	BPC	Budget Planning Committee
MFMA	Municipal Financial Management Act	CFO	Chief Financial Officer
MIG	Municipal Infrastructure Grant	CPI	Consumer Price Index
MMC	Member of Mayoral Committee	CRRF	Capital Replacement Reserve Fund
MPRA	Municipal Properties Rates Act	DBSA	Development Bank of South Africa
MSA	Municipal Systems Act	DORA	Division of Revenue Act
MTEF	Medium-term Expenditure Framework	DWA	Department of Water Affairs
MTREF	Medium-term Revenue and Expenditure Framework	EE	Employment Equity
NERSA	National Electricity Regulator South Africa	FBS	Free basic services
NGO	Non-Governmental organisations	GDP	Gross domestic product
NKPIs	National Key Performance Indicators	GFS	Government Financial Statistics
OHS	Occupational Health and Safety	GRAP	General Recognised Accounting Practice
OP	Operational Plan	HR	Human Resources
PBO	Public Benefit Organisations	IDP	Integrated Development Strategy
PMS	Performance Management System	IT	Information Technology
PPE	Property Plant and Equipment	KM	Kilometre
PPP	Public Private Partnership	KPA	Key Performance Area
RSC	Regional Services Council	KPI	Key Performance Indicator
SALGA	South African Local Government Association	KWH	Kilowatt
IDP	Integrated Development Plan		

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PART 1 - 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.

Municipality's main adjustment budget is funded in terms of National Treasury B-schedule template therefore there is no need for funding plan.

SUMMARY OF 2022/23 MEDIUM TERM REVENUE EXPENDITURE FRAMEWORK

DESCRIPTION	2022/23			
	ORIGINAL BUDGET	ADJUSTED BUDGET	YEAR TO DATE ACTUAL	PERCENT AGE
OPERATING REVENUE	601 350 985	628 261 562	351 514 433	58%
		-		
OPERATING EXPENDITURE	597 283 011	565 121 415	273 098 521	46%
		-		
TRANSFER - CAPITAL	79 606 001	79 606 000	55 475 380	70%
SURPLUS/(DEFICIT)	83 673 978	143 666 043	133 891 292	160%
CAPITAL EXPENDITURE	98 041 001	105 377 178	57 578 091	59%

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

- Increase on operating revenue
- Reduction on operating expenditure

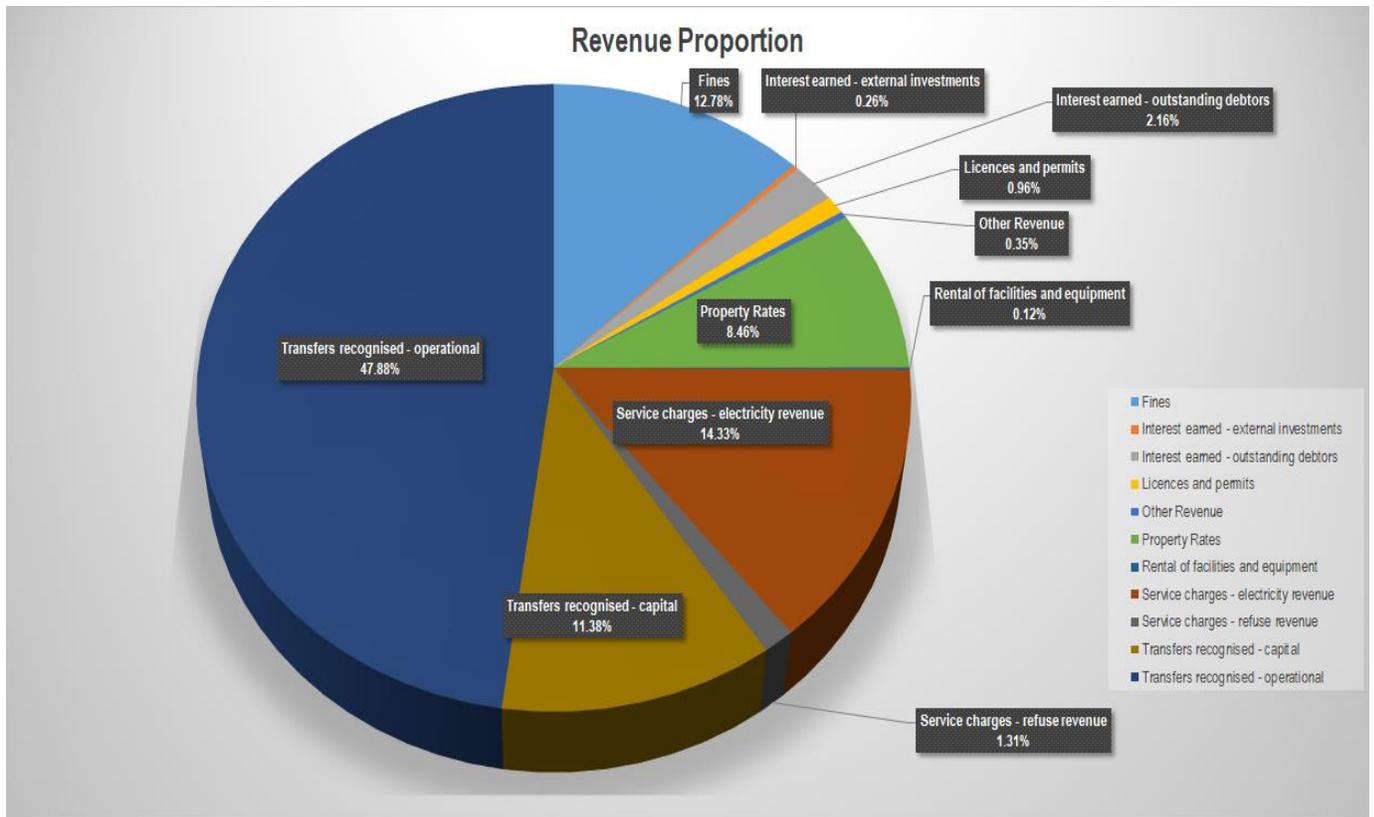


Figure 1 Main operational revenue categories for the 2022/23 financial year

In line with the formats prescribed by the Municipal Budget and Reporting Regulations (MBRR), transfer recognized - capital is excluded from the operating revenue statement, as inclusion of this revenue source would distort the calculation of the operating surplus/deficit.

Revenue to be generated from operational grants amounts to R338, 906 million translating to 48% for 2022/23 financial year making it clear that the municipality is still grants dependent and the level of dependency is not gradually going down. In addition, revenue to be generated from rates and services charges amounts to 6% and 16% respectively. In 2022/23 financial year, revenue from rates and services charges add up to R170, 547 million translating to 24%.

Service charges is the second largest revenue source totaling 16% or R110, 695 million and increases to R123, 158 million and R128, 701 million respectively in the outer years. The third largest source is fines that amounts to R90, 466 million in 2022/23 financial year and R71, 535 million and R74, 754 million respectively in the outer years.

1.5 Operating Expenditure Framework

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

- The renewal of existing assets and the repairs and maintenance needs;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The alignment of capital programme to the asset renewal requirement as per MBRR;
- Operational surplus will be directed to funding the capital budget and

- Strict adherence to the principle of no project plans no budget. If there is no business plan no funding allocation will be made.

The following diagram gives a breakdown of the main expenditure categories for the 2022/23 financial year.

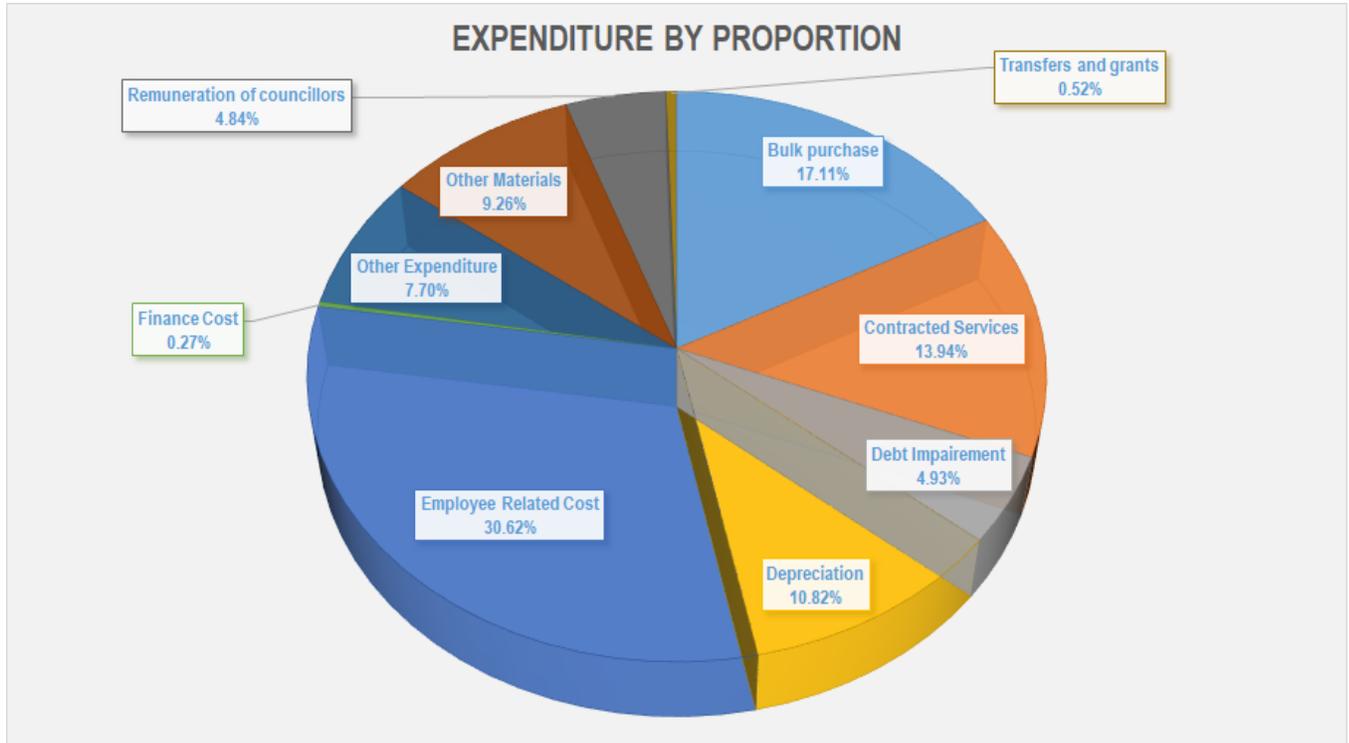


Figure 2 Main operational expenditure categories for the 2022/23 financial year

1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the municipality's current infrastructure, the 2022/23 budget and MTREF provide for budget appropriations in the area of asset maintenance, as informed by the asset renewal and repairs and maintenance needs. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

During the compilation of the 2022/23 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's infrastructure and historic deferred maintenance. In this MTREF, repairs and maintenance budget has increased from R38, 542 million in adopted budget to R39, 814 million in adjusted budget then increases to R41, 510 million and increases to R43, 345 million respectively in the outer years. In addition, the municipality is still experiencing budgetary constraints to can meet the required 8% that repairs and maintenance should contribute towards property, plant and equipment; and investment property. In relation to property, plant and equipment, repairs and maintenance comprises of 3% throughout the MTREF period and this percentage is however way below the set norm of 8% as stipulated by National Treasury.

For the 2022/23 financial year R28, 195 million of total repairs and maintenance will be spent on infrastructure assets and adjusted downwards to R26, 931. The other assets that have been catered for in the repairs and maintenance budget is buildings, maintenance of website, machinery and equipment and transport assets. The overall budget for repairs and maintenance has increased from R38, 542 million to R39, 814.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists of households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the municipality's Indigent Policy. Details relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 10 MBRR B10 (Basic Service Delivery Measurement).

The budget cost (R668 thousand) of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act and this package covers all the basic services provided by EMLM and these services include, property rates rebates, service charges electricity, and refuse removal.

1.6 Capital expenditure

The major portion of capital expenditure budget is appropriated in vote 6 and for 2022/23 and the budget in vote 6 is mainly for electrification and road infrastructure capital projects. The other departments', *id-est* Corporate Services – the appropriations are mainly for procurement of operational equipment such as ICT equipment, Office furniture, and other equipment while Community Services – the appropriations are for fencing of cemeteries and upgrading of parks.

Some of the salient projects to be undertaken over the medium-term includes, amongst others:

- Electricity related projects – R21 million
- Roads related projects – R70 million
- Operational equipment – R5 million
- Solid waste infrastructure – R4 million
- Other assets – R6 million

The following new capital projects were added due to unforeseen circumstances:

- Electrification of Maleoskop
- Software server
- Upgrading of Dipakapakeng access road

Figure 3 Capital Infrastructure Programme

The following tables present the main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2022/23 budget and MTREF.

Table B1 Sum: Adjustment Budget Summary

Description	Budget Year 2022/23					Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Nat. or Prov. Govt	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)	79 332	440	–	440	79 772	72 606	76 364
Transfers and subsidies - capital (monetary allocations)	–	300	–	300	300	–	–
Surplus/(Deficit) after capital transfers & contributions	93 283	740	6 827	7 567	100 850	106 688	99 518
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	93 283	740	6 827	7 567	100 850	106 688	99 518
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	740	(3 911)	(3 171)	1 302 263	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	740	4 023	4 763	1 226 187	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	740	–	740	1 230 329	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	–

Explanatory notes to Table B1 - Budget Summary

- Table B1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
 - The table provides an overview of the amounts contained in the budget for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
 - Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the financial performance, financial position and cash flow budgets, along with the capital budget. The budget summary provides the key information in this regard:
 - a. The operating surplus/deficit (after total expenditure net of non-cash items) is positive over the MTREF period.
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the financial performance budget;
 - ii. Internally generated funds are financed from the current operating surplus. The amount is incorporated in the net cash from investing on the cash flow budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the capital budget.
2. The cash backing/surplus reconciliation shows that the municipality does not have reserves and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position with regards to replacement of assets since no capital replacement reserve is in place. Notwithstanding the absence of capital replacement reserves, at least the municipality is not operating on an over annual nor funding some of its capital projects through direct borrowings. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of free services shows that the amount spent on free basic services and the revenue cost of free services provided by the municipality has dropped and this is attributed to offering free basic services only to indigents and this function is not yet optimized.

Revenue

The actual year to date operational revenue as at end of January is R351, 514 million and the year to date budget of R412, 565 million and this reflects a negative variance of R61, 051 million which is mostly attributable to the following:

- Traffic fines, the actual year to date revenue realised are actual payments as opposed to traffic fines issued. The integration between traffic fine system and our core financial management system was conclude end of January 2023. Based on traffic fines report, all issued tickets (camera and hand written) amounted to R63, 423 million in seven (7) months and issued traffic fines are not reflected in the financial system due to integration.
- Equitable shares, the payment schedule reflects second tranche amount of R110 305 million to be received by the municipality however only R105 214 million was actually received. The difference relates to disapproved roll over relating to MIG and INEP set off against equitable shares
- Service charge electricity, the negative variance is as a result of electricity load shedding as electricity is not being utilised or consumed as anticipated.
- Interest on outstanding debtors, negative variance is as a result of reduction in interest rate from 15% to prime+1% due to review of credit control policy.

The following are the secondary revenue item categories reflecting a positive and negative variance:

- Property rates: 18% favourable variance
- Services charges: 5% unfavourable variance
- Investment revenue: 17% unfavourable variance,
- Transfer recognised operational: 12% favourable variance
- Other own revenue: 42% unfavourable variance

Operating expenditure

The year to date operational expenditure as at end of January amounts to R273, 099 million and the year to date budget is R351, 713 million. This reflects underspending variance of R78, 614 million that translates to 23% variance.

The variance is attributed to the following:

- Depreciation, the municipality is still facing a challenge regarding the computation of monthly movement. Monthly depreciation is not computed as there is no integration between the core financial system and asset management system.
- Asset impairment and debt impairment, the municipality is still facing a challenge regarding the computation of monthly movement as the computation is done at year end.
- Finance charges and other expenditure, there were payments (i.e finance lease obligation) that were omitted from being captured on the system hence underperformance.
- Transfer and subsidies, relates to actuarial amount on employee benefit obligation on medical aid computed at year end.
- Bulk purchases; the negative variance is as a result of electricity load shedding as electricity is not being utilised or consumed by customers as anticipated.

The following are expenditure item categories reflecting negative variance:

- Employee related cost: 4% unfavourable variance
- Remuneration of councillors: 0% variance (it is performing in line with expected target)
- Depreciation and asset impairment: 58% unfavourable variance
- Finance charges: 52% unfavourable variance
- Inventory consumed and bulk purchase: 4% unfavourable variance
- Transfer and grants: 37% unfavourable variance
- Other expenditure: 13% unfavourable variance

Capital expenditure

The year to date actual capital expenditure as at end of January 2023 amounts to R57, 578 million and the year to date budget amounts to R64,655 million and this gives rise to R7,077 million under performance emanating mainly from electrification projects due to late appointment of consultants.

Table B2: Adjustment Budget – Standard Classification

Standard Description	Budget Year 2022/23				Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue - Functional						
<i>Governance and administration</i>	281 883	10 867	10 867	292 750	299 102	318 290
Executive and council	53 728	–	–	53 728	57 387	61 422
Finance and administration	214 701	10 867	10 867	225 568	227 345	241 487
Internal audit	13 455	–	–	13 455	14 371	15 381
<i>Community and public safety</i>	96 507	21 952	21 952	118 460	92 241	96 913
Community and social services	10 998	(23)	(23)	10 975	11 743	12 566
Sport and recreation	17 075	(25)	(25)	17 050	9 051	9 686
Public safety	68 435	22 000	22 000	90 435	71 446	74 661
Housing	–	–	–	–	–	–
Health	–	–	–	–	–	–
<i>Economic and environmental services</i>	124 248	834	834	125 082	137 956	145 784
Planning and development	20 920	522	522	21 441	20 412	21 831
Road transport	102 518	312	312	102 830	114 222	120 396
Environmental protection	811	–	–	811	3 322	3 556
<i>Trading services</i>	178 318	(5 823)	(5 823)	172 496	173 694	182 385
Energy sources	145 384	(7 469)	(7 469)	137 915	136 364	142 694
Waste management	32 935	1 646	1 646	34 581	37 330	39 690
<i>Other</i>	–	–	–	–	–	–
Total Revenue - Functional	680 957	27 830	27 830	708 787	702 993	743 371
Expenditure - Functional						
<i>Governance and administration</i>	220 494	14 894	14 894	235 387	217 135	226 537
Executive and council	43 473	119	119	43 592	44 915	46 393
Finance and administration	167 257	12 425	12 425	179 682	161 350	168 801
Internal audit	9 764	2 349	2 349	12 113	10 870	11 343
<i>Community and public safety</i>	89 643	(32 032)	(32 032)	57 610	87 325	91 041
Community and social services	8 224	(1 863)	(1 863)	6 361	8 529	8 908
Sport and recreation	16 175	(6 436)	(6 436)	9 739	12 435	12 993
Public safety	65 243	(23 733)	(23 733)	41 510	66 360	69 140
Housing	–	–	–	–	–	–
Health	–	–	–	–	–	–
<i>Economic and environmental services</i>	120 693	(2 994)	(2 994)	117 699	118 516	123 777
Planning and development	20 163	(2 354)	(2 354)	17 809	19 811	20 694
Road transport	99 835	55	55	99 890	97 982	102 328
Environmental protection	696	(696)	(696)	0	724	754
<i>Trading services</i>	166 453	(11 842)	(11 842)	154 611	173 916	181 379
Energy sources	135 243	(21 031)	(21 031)	114 212	143 570	150 014
Waste management	31 210	9 189	9 189	40 398	30 346	31 365
<i>Other</i>	–	–	–	–	–	–
Total Expenditure - Functional	597 283	(31 976)	(31 976)	565 307	596 892	622 734
Surplus/ (Deficit) for the year	83 674	59 806	59 806	143 480	106 101	120 637

Explanatory notes to Table B2 - Budgeted Financial Performance (by standard classification)

- Table B2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into different functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
- Note the total revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table B4.

Table B3: Adjustment Budget – Municipal Vote

Vote Description	Budget Year 2022/23					Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue by Vote							
Vote 1 - Executive and Council	47 271	–	–	–	47 271	50 490	54 040
Vote 2 - Municipal Manager	46 531	–	–	–	46 531	49 699	53 194
Vote 3 - Budget and Treasury	103 972	–	10 794	10 794	114 767	104 205	113 713
Vote 4 - Corporate Services	50 627	–	72	72	50 700	55 143	59 019
Vote 5 - Community Services	138 801	–	24 088	24 088	162 889	148 018	155 635
Vote 6 - Technical Services	265 908	–	(7 646)	(7 646)	258 261	274 419	285 431
Vote 7 - Developmental Planning	12 923	–	522	522	13 445	12 171	12 690
Vote 8 - Executive Support	14 925	–	–	–	14 925	15 941	17 062
Total Revenue by Vote	680 957	–	27 830	27 830	708 787	710 086	750 784
Expenditure by Vote							
Vote 1 - Executive and Council	35 371	–	2 415	2 415	37 785	36 852	38 000
Vote 2 - Municipal Manager	41 983	–	5 132	5 132	47 114	43 300	44 529
Vote 3 - Budget and Treasury	66 301	–	(2 267)	(2 267)	64 034	62 615	65 231
Vote 4 - Corporate Services	36 714	–	3 803	3 803	40 518	37 135	38 794
Vote 5 - Community Services	130 751	–	(23 881)	(23 881)	106 870	135 100	139 735
Vote 6 - Technical Services	248 110	–	(15 039)	(15 039)	233 072	260 227	271 769
Vote 7 - Developmental Planning	15 057	–	(2 806)	(2 806)	12 251	14 465	15 111
Vote 8 - Executive Support	22 996	–	668	668	23 663	23 988	25 042
Total Expenditure by Vote	597 283	–	(31 976)	(31 976)	565 307	613 682	638 210
Surplus/ (Deficit) for the year	83 674	–	59 806	59 806	143 480	96 404	112 574

Explanatory notes to Table B3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Table B3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the municipality.

Table B4: Adjustment Budget – Revenue & Expenditure

Description	Budget Year 2022/23					Budget Year +1 2023/24	Budget Year +2 2022/23
	Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Revenue By Source							
Property rates	44 645	–	15 208	15 208	59 853	46 609	48 707
Service charges - electricity revenue	108 186	–	(6 769)	(6 769)	101 418	112 947	118 029
Service charges - refuse revenue	9 781	–	(479)	(479)	9 302	10 212	10 671
Rental of facilities and equipment	1 004		(137)	(137)	867	1 048	1 095
Interest earned - external investments	3 652		(1 500)	(1 500)	2 152	3 669	3 675
Interest earned - outstanding debtors	18 817		(3 494)	(3 494)	15 322	19 645	20 529
Fines, penalties and forfeits	68 520		22 199	22 199	90 719	71 535	74 754
Licences and permits	6 315		500	500	6 815	6 593	6 890
Transfers and subsidies	338 906		(0)	(0)	338 906	359 874	384 977
Other revenue	1 524	–	1 383	1 383	2 907	1 591	1 663
Gains				–	–		
Total Revenue (excluding capital transfers and contributions)	601 351	–	26 911	26 911	628 262	633 722	670 990
Expenditure By Type							
Employee related costs	185 316	–	(13 180)	(13 180)	172 137	193 476	202 098
Remuneration of councillors	25 580		1 546	1 546	27 126	26 638	27 340
Debt impairment	61 181		(31 958)	(31 958)	29 223	62 477	63 928
Depreciation & asset impairment	59 780	–	1 130	1 130	60 910	62 410	65 156
Finance charges	1 989		(434)	(434)	1 555	2 326	2 472
Bulk purchases	109 638	–	(15 106)	(15 106)	94 532	114 462	119 613
Other materials	39 591		8 562	8 562	48 153	41 634	43 422
Contracted services	66 734	–	10 546	10 546	77 281	57 830	59 383
Transfers and subsidies	3 211		(538)	(538)	2 673	3 436	3 588
Other expenditure	48 400	–	3 132	3 132	51 532	48 993	51 209
Losses	–		–	–	–	–	–
Total Expenditure	601 422	–	(36 300)	(36 300)	565 121	613 682	638 210
Surplus/(Deficit)	(71)	–	63 211	63 211	63 140	20 040	32 780
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	79 606		(0)	(0)	79 606	76 364	79 794
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	–		–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)	–		920	920	920	–	–
Surplus/(Deficit) before taxation	79 535	–	64 131	64 131	143 666	96 404	112 574
Taxation	–		–	–	–	–	–
Surplus/(Deficit) after taxation	79 535	–	64 131	64 131	143 666	96 404	112 574
Attributable to minorities	–		–	–	–	–	–
Surplus/(Deficit) attributable to municipality	79 535	–	64 131	64 131	143 666	96 404	112 574
Share of surplus/ (deficit) of associate	–		–	–	–	–	–
Surplus/ (Deficit) for the year	79 535	–	64 131	64 131	143 666	96 404	112 574

Explanatory notes to Table B4 - Budgeted Financial Performance (revenue and expenditure)

Property rates

Adjusted upwards due to performance

Service charge electricity

Downward adjustment is as a result of load shedding as the community is not consuming electricity as anticipated and there is no indication that load shedding will be suspended any time before financial year end.

Service charge refuse

The slight downward adjustment is due to performance for the first half of the financial year.

Interest on external investments

As the municipality is faced with financial difficulties, investments with financial institutions were not as anticipated hence downward adjustment however there is anticipated investment in the month of March, April and May after receipt of last tranche of equitable share.

Interest on outstanding debtors

There is downward adjustment due to reduction in interest rate from 15% to prime+1% as a result of review of municipal credit control policy.

Traffic fines

The actual year to date revenue realized are actual payments as opposed to traffic fines issued. The integration between traffic fine system and our core financial management system was conclude end of January 2023. Based on traffic fines report, all issued tickets (camera and hand written) amounted to R63, 423 million in seven (7) months and issued traffic fines are not reflected in the financial system due to integration. The municipality is performing well compared to prior year and the upward adjustment is based on traffic fines issued report as opposed to actual year to date (Traffic fine report attached).

Licences and permits

Based on the performance no adjustment is required

Transfer and subsidies

The municipality haven't received any indication of reduction nor additional funding from National Treasury hence no adjustment.

Other revenue

Upward adjustment is based on actual performance however there was an anomaly of land use building approval for one of the malls in the demarcation of the municipality in the month of July, therefore in our adjustment the matter have been considered. Additionally the municipality introduced penalties on contravention with spatial planning and land use management by-law which was not considered during adopted budget. These penalties are slightly increasing municipal revenue.

Employee related cost

Downward adjustment is based on actual performance. Only critical posts will be filled therefore non-critical posts will be frozen until end of 2022-23 financial year hence downward adjustment.

Remuneration of councillors

No adjustment is necessary based on performance

Debt impairment

Downward adjustment is based on audited results for 2021-22 financial year amounting to R19 689 866, however we cognize an increase in traffic fines revenue hence a further increase in debt impairment. Taking into account that the newer the debt the lesser percentage of debt impairment is allocated in terms of the methodology.

Depreciation and asset impairment

The municipality is still facing a challenge regarding the computation of monthly movement, therefore no adjustment as the actual year to date is unknown.

Finance charges

The downward adjustment is due to actual performance on interest on overdue account and corrected amortisation schedule relating to finance lease obligation which resulted in a decrease on interest charged.

Bulk purchases

Downward adjustment is as a result of load shedding as the community is not consuming electricity as anticipated. Tariff hike of 18.65% by NERSA effective from April 2023 has been taken into account in determination of adjusted amount.

Other material and other expenditure

Upward adjustment is based on actual performance.

Contracted services

There was an oversight during adopted budget preparations were two of contracts were not budgeted for adequately, hence hike in contracted services budgeted amount *in aliis*.

Transfer and subsidies

Downward adjustment is based on actual expenditure for free basic electricity as the new indigent register was created and implemented in the current financial year, therefore the configuration of households is still a challenge on ESKOM side.

Table B5: Adjustment Capital Budget – vote and funding

Description	Budget Year 2022/23			Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital Expenditure - Functional					
<i>Governance and administration</i>	1 500	3 464	4 964	2 288	2 181
Executive and council	–	–	–	–	–
Finance and administration	1 500	3 464	4 964	2 288	2 181
Internal audit	–	–	–	–	–
<i>Community and public safety</i>	3 935	(402)	3 533	2 470	500
Community and social services	1 538	(134)	1 403	1 500	–
Sport and recreation	1 680	(416)	1 264	970	500
Public safety	718	147	865	–	–
Housing	–	–	–	–	–
Health	–	–	–	–	–
<i>Economic and environmental services</i>	74 106	25	74 131	75 686	65 345
Planning and development	1 100	(25)	1 075	500	–
Road transport	73 006	50	73 056	75 186	65 345
Environmental protection	–	–	–	–	–
<i>Trading services</i>	18 500	4 250	22 750	13 000	25 294
Energy sources	17 250	3 350	20 600	12 000	23 494
Water management	–	–	–	–	–
Waste water management	–	–	–	–	–
Waste management	1 250	900	2 150	1 000	1 800
<i>Other</i>	–	–	–	–	–
Total Capital Expenditure - Functional	98 041	7 336	105 377	93 444	93 320
Funded by:					
National Government	79 606	(0)	79 606	76 364	79 794
Provincial Government	–	–	–	–	–
District Municipality	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations)	–	–	–	–	–
Transfers recognised - capital	79 606	(0)	79 606	76 364	79 794
Borrowing					
Internally generated funds	18 435	7 336	25 771	17 080	13 526
Total Capital Funding	98 041	7 336	105 377	93 444	93 320

Explanatory notes to Table B5 - Budgeted Capital Expenditure by standard classification and funding source

Capital projects are funded from Municipal Infrastructure Grant (MIG); Integrated National Electrification Programme (INEP) and internal generated revenue. An adjustment of R920 thousand is as a result of donation in kind received from National Department of Environmental Affairs.

Table B5B: Adjustment Capital Budget – by Vote

Description	Budget Year 2022/23				Budget Year +1 2023/24	Budget Year +2 2024/25
	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	1 500	1 355	1 355	2 855	2 288	2 181
Vote 5 - Community Services	4 368	100	100	4 468	3 470	1 500
Vote 6 - Technical Services	29 334	5 374	5 374	34 708	56 867	68 082
Vote 7 - Developmental Planning	-	-	-	-	500	-
Vote 8 - Executive Support	-	-	-	-	-	-
Capital multi-year expenditure sub-total	35 202	6 829	6 829	42 031	63 125	71 763
Single-year expenditure to be adjusted						
Vote 1 - Executive and Council	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-
Vote 3 - Budget and Treasury	-	-	-	-	-	-
Vote 4 - Corporate Services	-	185	185	185	-	800
Vote 5 - Community Services	818	397	397	1 214	-	-
Vote 6 - Technical Services	60 922	(50)	(50)	60 872	30 319	20 757
Vote 7 - Developmental Planning	1 100	(25)	(25)	1 075	-	-
Vote 8 - Executive Support	-	-	-	-	-	-
Capital single-year expenditure sub-total	62 839	507	507	63 346	30 319	21 557
Total Capital Expenditure - Vote	98 041	7 336	7 336	105 377	93 444	93 320

Explanatory notes to Table B5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2022/23 R42, 331 million has been allocated of the total R63, 346 million. This allocation decreases to R93, 444 million in 2023/24 and further decrease to R93, 320 million in 2024/25.
3. Single-year capital expenditure has been appropriated at R63, 346 million for the 2022/23 financial year and declines to R30, 319 million in 2023/24 and then increases to R21, 557 million in 2024/25 financial year.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding

assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years. The capital programme is funded from capital grants and transfers and internally generated funds from current year surpluses.

Table B6: Adjustment Budget - Financial Position

Description	Budget Year 2022/23					Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS							
Current assets							
Cash	24 162		11 979	11 979	36 141	33 351	56 317
Call investment deposits	–	–	–	–	–	–	–
Consumer debtors	61 834	–	2 357	2 357	64 191	63 043	64 345
Other debtors	62 845		12 459	12 459	75 304	64 833	66 902
Current portion of long-term receivables	119		–	–	119	119	119
Inventory	10 005		2 155	2 155	12 160	10 896	11 883
Total current assets	158 966	–	28 949	28 949	187 915	172 242	199 567
Non current assets							
Long-term receivables	–		–	–	–	–	–
Investments	17 278		350	350	17 628	18 739	19 533
Investment property	48 547		3 074	3 074	51 621	54 902	55 781
Investment in Associate	–		–	–	–	–	–
Property, plant and equipment	1 258 405	–	3 506	3 506	1 261 912	1 340 979	1 425 667
Biological	–		–	–	–	–	–
Intangible	331		185	185	516	331	331
Other non-current assets	463		–	–	463	463	463
Total non current assets	1 325 025	–	7 115	7 115	1 332 141	1 415 414	1 501 775
TOTAL ASSETS	1 483 992	–	36 064	36 064	1 520 056	1 587 655	1 701 342
LIABILITIES							
Current liabilities							
Bank overdraft	–		–	–	–	–	–
Borrowing	7 459	–	821	821	8 280	7 496	7 541
Consumer deposits	5 700		–	–	5 700	6 426	6 219
Trade and other payables	101 172	–	(1 489)	(1 489)	99 683	105 387	76 462
Provisions	6 012		2 012	2 012	8 024	6 277	6 559
Total current liabilities	120 343	–	1 344	1 344	121 688	125 586	96 781
Non current liabilities							
Borrowing	17 458	–	(4 757)	(4 757)	12 701	18 226	19 047
Provisions	96 252		–	–	96 252	100 487	105 009
Total non current liabilities	113 710	–	(4 757)	(4 757)	108 953	118 714	124 057
TOTAL LIABILITIES	234 053	–	(3 413)	(3 413)	230 641	244 300	220 838
NET ASSETS	1 249 938	–	39 477	39 477	1 289 415	1 343 355	1 480 504
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)	1 230 938	–	58 477	58 477	1 289 415	1 324 055	1 465 504
Reserves	19 000	–	(19 000)	(19 000)	–	19 300	15 000
TOTAL COMMUNITY WEALTH/EQUITY	1 249 938	–	39 477	39 477	1 289 415	1 343 355	1 480 504

Explanatory notes to Table B6 - Budgeted Financial Position

1. 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 (balance sheet).
2. 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.
3. 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.
4. 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 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.
5. Table B6 is supported by an extensive table of notes 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.
6. Included in trade and other payables are the following non-cash items that should not be taken into account when determining the funding position of the municipality as there are already included as part of operating expenditure (as the contra account):
 - Accrued leave pay
 - Accrued bonus

Additionally, retention release is taking into account under payment to suppliers and employees in the cash flow statement.

Reduction in trade and other payables amongst others is disapproved roll over amounting to R5.5 million in respect of the Integrated National Electrification Programme Grant (R5.3 million made up of R4.9 million in unapproved rollover and R440 thousand not requested for rollover) and the Municipal Infrastructure Grant (R60 thousand unapproved rollover). Cash and cash equivalent is also affected in this regard resulting cash outflow of the same amount.

Table B7: Adjustment Budget – Cash Flows

Description	Budget Year 2022/23				Budget Year +1	Budget Year +2
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	2023/24 Adjusted Budget	2024/25 Adjusted Budget
CASH FLOW FROM OPERATING ACTIVITIES						
Receipts						
Property rates	40 092	10 244	10 244	50 336	41 856	43 740
Service charges	122 534	6 075	6 075	128 609	127 921	133 674
Other revenue	17 751	2 424	2 424	20 175	18 533	19 367
Transfers and Subsidies - Operational	338 906	–	–	338 906	359 874	384 977
Transfers and Subsidies - Capital	79 606	–	–	79 606	76 364	79 794
Interest	3 652	(1 500)	(1 500)	2 152	2 938	2 912
Dividends	–	–	–	–	–	–
Payments						
Suppliers and employees	(511 681)	11 915	11 915	(499 766)	(531 401)	(554 234)
Finance charges	(2 185)	(503)	(503)	(2 688)	(2 326)	(2 472)
Transfers and Grants	3 292	(619)	(619)	2 673	3 436	3 588
NET CASH FROM/(USED) OPERATING ACTIVITIES	91 968	28 035	28 035	120 004	97 197	111 345
CASH FLOWS FROM INVESTING ACTIVITIES						
Receipts						
Proceeds on disposal of PPE	5 544	(3 074)	(3 074)	2 470	–	–
Decrease (increase) in non-current receivables	–	–	–	–	–	–
Decrease (increase) in non-current investments	17 278	(17 628)	(17 628)	(350)	(1 461)	(794)
Payments						
Capital assets	(81 790)	(7 916)	(7 916)	(89 706)	(79 288)	(80 549)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(58 968)	(28 618)	(28 618)	(87 585)	(80 749)	(81 343)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Short term loans	–	–	–	–	–	–
Borrowing long term/refinancing	–	–	–	–	–	–
Increase (decrease) in consumer deposits	488	–	–	488	237	505
Payments						
Repayment of borrowing	(7 459)	(821)	(821)	(8 280)	(7 496)	(7 541)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(6 971)	(821)	(821)	(7 792)	(7 259)	(7 036)
NET INCREASE/ (DECREASE) IN CASH HELD	26 030	(1 404)	(1 404)	24 627	9 188	22 966
Cash/cash equivalents at the year begin:	14 245	(2 731)	(2 731)	11 514	24 163	33 351
Cash/cash equivalents at the year end:	40 276	(4 135)	(4 135)	36 141	33 351	56 317

Explanatory notes to Table B7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash level of the municipality is projected to consistently increase, however the achievement of these results, requires implementation of stringent credit control.

4. The 2022/23 MTREF has been informed by the planning principle of ensuring adequate cash and cash equivalent over the medium-term and as a result, the cash and investment management policy is now in place.
5. Capital assets payment is exclusive of retention amounting to 10% of the work done.

Cash flow from operating activities

Receipts and payments are in line with budget made under table A4. Payments to suppliers and employees exclude non-cash items relating to store issues (inventory consumed) amongst others. Mscoa eliminated store items to be non-funding and in true essences store items are not funded where department's requests item from stores. Funding is required when the municipality procures goods from service provider (using normal material and supplies) therefore Treasury must consider this matter during funding process.

Included in the property rates and service charges is interest on outstanding debtors computed using its collection rate of 54.7%.

Included in payment to suppliers and employees are other cash payment like retention release amongst others.

As per National Treasury guideline, transfer and grant is aligned to Transferred to Revenue/Capital Expenditure as opposed to "withdrawals" hence the treatment of the amount is slightly different from the norm.

Cash flow from investing activities

Proceeds from disposal of property plant and equipment adjustment is as a result of land and municipal house withdrawn from being disposed in terms of the funding plan (Refer to the funding plan).

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

Cash flow from financing activities

The repayment of borrowings relates to finance lease agreement the municipality entered into and it is budgeted for in terms of amortisation schedule.

Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate CPI rate or slightly higher over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term. The rate of revenue collection is budgeted as a percentage of annual billings as follows: property rates 84.1%; Services charges electricity 99.7%; Services charges refuse 73.8%; other revenue 100%; Rental on facilities 100%; traffic fines 13.1% and Interest on outstanding debtors of 54.7%. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

Comparing B7 capital assets and B5 total capex the inconsistency is due retention that will be held by the municipality and unspent conditional grant.

Table B8: Adjustment Budget – Cash Backed Reserves

Description	Budget Year 2022/23					Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Cash and investments available							
Cash/cash equivalents at the year end	40 276	–	(4 135)	(4 135)	36 141	33 351	56 317
Other current investments > 90 days	(16 113)	–	16 113	16 113	0	–	–
Non current assets - Investments	17 278	–	350	350	17 628	18 739	19 533
Cash and investments available:	41 441	–	12 329	12 329	53 769	52 090	75 850
Applications of cash and investments							
Unspent conditional transfers	10 004	–	(465)	(465)	9 539	1 231	987
Unspent borrowing	–		–	–	–	–	–
Statutory requirements	45 007		(22 994)	(22 994)	22 013	45 078	45 168
Other working capital requirements	4 266		(9 812)	(9 812)	(5 546)	15 029	(16 001)
Other provisions	(6 012)		24 237	24 237	18 225	–	–
Long term investments committed	–		–	–	–	–	–
Reserves to be backed by cash/investments	19 000		(19 000)	(19 000)	–	(19 300)	(15 000)
Total Application of cash and investments:	72 265	–	(28 034)	(28 034)	44 231	42 038	15 154
Surplus(shortfall)	(30 824)	–	40 362	40 362	9 538	10 052	60 696

Explanatory notes - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the above table, it is clearly indicated that the municipality has surplus over MTREF.

Table B9: Adjustment Budget – Asset Management

Description	Budget Year 2022/23					Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
CAPITAL EXPENDITURE							
Total New Assets to be adjusted	22 485	–	7 040	7 040	29 525	15 680	15 020
Electrical Infrastructure	17 250	–	5 274	5 274	22 524	12 000	11 494
Solid Waste Infrastructure	1 250	–	(100)	(100)	1 150	–	800
Infrastructure	18 500	–	5 174	5 174	23 674	12 000	12 294
Community Facilities	418	–	(180)	(180)	238	370	–
Community Assets	418	–	(180)	(180)	238	370	–
Operational Buildings	–	–	–	–	–	500	–
Housing	458	–	(3)	(3)	454	–	–
Other Assets	458	–	(3)	(3)	454	500	–
Licences and Rights	300	–	185	185	485	200	–
Intangible Assets	300	–	185	185	485	200	–
Computer Equipment	700	–	1 435	1 435	2 135	1 044	1 091
Furniture and Office Equipment	500	–	639	639	1 139	1 044	1 090
Machinery and Equipment	1 610	–	(210)	(210)	1 400	522	545
Total Renewal of Existing Assets to be adjusted	31 723	–	337	337	32 060	9 350	28 800
Roads Infrastructure	28 631	–	260	260	28 891	3 300	21 463
Solid Waste Infrastructure	2 092	–	(0)	(0)	2 092	6 050	7 337
Infrastructure	30 723	–	260	260	30 983	9 350	28 800
Community Facilities	1 000	–	(131)	(131)	869	–	–
Sport and Recreation Facilities	–	–	–	–	–	–	–
Community Assets	1 000	–	(131)	(131)	869	–	–
Operational Buildings	–	–	208	208	208	–	–
Other Assets	–	–	208	208	208	–	–
Total Upgrading of Existing Assets to be adjusted	43 833	–	259	259	44 092	68 414	49 500
Roads Infrastructure	41 433	–	(300)	(300)	41 133	65 314	48 000
Solid Waste Infrastructure	–	–	1 000	1 000	1 000	1 000	1 000
Infrastructure	41 433	–	700	700	42 133	66 314	49 000
Community Facilities	1 300	–	(416)	(416)	884	2 100	500
Community Assets	1 300	–	(416)	(416)	884	2 100	500
Operational Buildings	1 100	–	(25)	(25)	1 075	–	–
Other Assets	1 100	–	(25)	(25)	1 075	–	–
Total Capital Expenditure to be adjusted	98 041	–	7 636	7 636	105 677	93 444	93 320
Roads Infrastructure	70 064	–	(40)	(40)	70 024	68 614	69 463
Electrical Infrastructure	17 250	–	5 274	5 274	22 524	12 000	11 494
Solid Waste Infrastructure	3 342	–	900	900	4 242	7 050	9 137
Infrastructure	90 656	–	6 134	6 134	96 790	87 664	90 094
Community Facilities	2 718	–	(727)	(727)	1 991	2 470	500
Community Assets	2 718	–	(727)	(727)	1 991	2 470	500
Operational Buildings	1 100	–	183	183	1 283	500	–
Housing	458	–	(3)	(3)	454	–	–
Other Assets	1 558	–	180	180	1 737	500	–
Licences and Rights	300	–	185	185	485	200	–
Intangible Assets	300	–	185	185	485	200	–
Computer Equipment	700	–	1 435	1 435	2 135	1 044	1 091
Furniture and Office Equipment	500	–	639	639	1 139	1 044	1 090
Machinery and Equipment	1 610	–	(210)	(210)	1 400	522	545
TOTAL CAPITAL EXPENDITURE to be adjusted	98 041	–	7 636	7 636	105 677	93 444	93 320
ASSET REGISTER SUMMARY - PPE (WDV)	1 258 737	–	–	–	1 258 737	1 341 310	1 425 998
Roads Infrastructure	656 516	–	–	–	656 516	739 089	823 176
Electrical Infrastructure	104 014	–	–	–	104 014	104 014	104 118
Solid Waste Infrastructure	16 232	–	–	–	16 232	16 232	16 249
Infrastructure	776 763	–	–	–	776 763	859 335	943 542
Community Assets	92 705	–	–	–	92 705	92 705	92 798
Heritage Assets	463	–	–	–	463	463	464
Investment properties	42 488	–	–	–	42 488	42 488	42 530
Other Assets	72 012	–	–	–	72 012	72 012	72 085
Biological or Cultivated Assets	–	–	–	–	–	–	–
Intangible Assets	20	–	–	–	20	20	20
Computer Equipment	4 796	–	–	–	4 796	4 796	4 801
Furniture and Office Equipment	3 636	–	–	–	3 636	3 636	3 640
Machinery and Equipment	30 974	–	–	–	30 974	30 974	31 005
Land	234 879	–	–	–	234 879	234 879	235 114
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	1 258 737	–	–	–	1 258 737	1 341 310	1 425 998

Description	Budget Year 2022/23					Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
EXPENDITURE OTHER ITEMS							
Depreciation & asset impairment	59 780	-	-	-	59 780	62 410	65 156
Repairs and Maintenance by asset class	38 644	-	3 200	3 200	41 844	41 634	43 422
Roads Infrastructure	14 319	-	5 700	5 700	20 019	16 235	16 897
Electrical Infrastructure	9 536	-	(2 500)	(2 500)	7 036	9 955	10 393
Solid Waste Infrastructure	4 442	-	-	-	4 442	4 637	4 841
Infrastructure	28 297	-	3 200	3 200	31 497	30 828	32 132
Community Facilities	594	-	-	-	594	620	648
Sport and Recreation Facilities	-	-	-	-	-	-	-
Community Assets	594	-	-	-	594	620	648
Operational Buildings	2 645	-	-	-	2 645	2 764	2 889
Other Assets	2 645	-	-	-	2 645	2 764	2 889
Computer Equipment	200	-	-	-	200	209	218
Machinery and Equipment	3 695	-	-	-	3 695	3 859	4 032
Transport Assets	3 213	-	-	-	3 213	3 354	3 504
TOTAL EXPENDITURE OTHER ITEMS to be adjusted	98 425	-	3 200	3 200	101 625	104 044	108 579
Renewal and upgrading of Existing Assets as % of total capex	77%				72%	83%	84%
Renewal and upgrading of Existing Assets as % of deprecn"	126%				127%	125%	120%
R&M as a % of PPE	3%				3%	3%	3%
Renewal and upgrading and R&M as a % of PPE	9%				9%	9%	9%

Explanatory notes to Table B9 - Asset Management

1. Table B9 provides an overview of municipal capital allocations to construct and/procure new assets, renewal, and upgrading of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal and upgrading of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The municipality allocated 72% of the capital budget to the renewal and upgrading of existing assets which is considered to be an achievement.
3. The renewal and upgrading of existing assets target has been met throughout the MTEF period, however, the achievement of repairs and maintenance target remains a challenge.

Table B10: Adjustment Budget – Service Delivery

Description	Budget Year 2022/23			Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Household service targets					
Electricity (at least min. service level)	77	-	77	77	77
Electricity - prepaid (> min.service level)		-	-		
Minimum Service Level and Above sub-total	77	-	77	77	77
Electricity (< min.service level)	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-		
Other energy sources	3	-	3	3	3
Below Minimum Servic Level sub-total	3	-	3	3	3
Total number of households	80	-	80	80	80
Refuse:					
Removed at least once a week (min.service)	6 612	-	6 612	6 612	6 612
Minimum Service Level and Above sub-total	6 612	-	6 612	6 612	6 612
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	43
Other rubbish disposal	1	-	1	1	1
No rubbish disposal	9	-	9	9	9
Below Minimum Servic Level sub-total	54	-	54	54	54
Total number of households	6 666	-	6 666	6 666	6 666
Cost of Free Basic Services provided (R'000)					
Water (6 kilolitres per indigent household per month)	-	-	-	-	-
Sanitation (free sanitation service to indigent households)	-	-	-	-	-
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)		-	-		
Water (kilolitres per household per month)		-	-		
Sanitation (kilolitres per household per month)		-	-		
Sanitation (Rand per household per month)		-	-		
Electricity (kw per household per month)	1 006	-	1 006	1 050	1 097
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)	9 450	6 767	16 217	9 866	10 310
Municipal Housing - rental rebates		-	-		
Housing - top structure subsidies		-	-		
Other		-	-		
Total revenue cost of subsidised services provided	9 450	6 767	16 217	9 866	10 310

PART 2 – SUPPORTING DOCUMENTATION

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

Description	Budget Year 2022/23				Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
REVENUE ITEMS						
Property rates						
Total Property Rates	54 095	21 975	21 975	76 070	56 475	59 017
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	9 450	6 767	6 767	16 217	9 866	10 310
Net Property Rates	44 645	15 208	15 208	59 853	46 609	48 707
Service charges - electricity revenue						
Total Service charges - electricity revenue	108 186	(6 769)	(6 769)	101 418	112 947	118 029
<i>less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>	-	-	-	-	-	-
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>	-	-	-	-	-	-
Net Service charges - electricity revenue	108 186	(6 769)	(6 769)	101 418	112 947	118 029
Service charges - water revenue						
Total Service charges - water revenue			-	-		
<i>less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)</i>			-	-		
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>	-	-	-	-	-	-
Net Service charges - water revenue	-	-	-	-	-	-
Service charges - sanitation revenue						
Total Service charges - sanitation revenue			-	-		
<i>less Revenue Foregone (in excess of free sanitation service to indigent households)</i>			-	-		
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>	-	-	-	-	-	-
Net Service charges - sanitation revenue	-	-	-	-	-	-
Service charges - refuse revenue						
Total refuse removal revenue	9 781	(479)	(479)	9 302	10 212	10 671
Total landfill revenue			-	-		
<i>less Revenue Foregone (in excess of one removal a week to indigent households)</i>			-	-		
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>	-	-	-	-	-	-
Net Service charges - refuse revenue	9 781	(479)	(479)	9 302	10 212	10 671
Other Revenue By Source						
Fuel Levy			-	-		
Other Revenue	1 524	1 383	1 383	2 907	1 591	1 663
Total 'Other' Revenue	1 524	1 383	1 383	2 907	1 591	1 663
EXPENDITURE ITEMS						
Employee related costs						
Basic Salaries and Wages	119 788	(10 031)	(10 031)	109 756	125 051	130 611
Pension and UIF Contributions	26 725	(6 026)	(6 026)	20 698	27 907	29 154
Medical Aid Contributions	7 057	(894)	(894)	6 163	7 368	7 699
Overtime	1 163	(905)	(905)	258	1 214	1 268
Performance Bonus						
Motor Vehicle Allowance	16 220	(1 913)	(1 913)	14 307	16 937	17 696
Cellphone Allowance	1 592	413	413	2 005	1 662	1 736
Housing Allowances	230	22	22	253	241	251
Other benefits and allowances	11 590	947	947	12 537	12 103	12 644
Payments in lieu of leave	442	2 914	2 914	3 356	461	482
Long service awards	510	281	281	791	533	557
Post-retirement benefit obligations	-	2 012	2 012	2 012	-	-
sub-total	185 316	(13 180)	(13 180)	172 137	193 476	202 098
<i>Less: Employees costs capitalised to PPE</i>	-	-	-	-	-	-
Total Employee related costs	185 316	(13 180)	(13 180)	172 137	193 476	202 098
Depreciation & asset impairment						
Depreciation of Property, Plant & Equipment	59 780	1 130	1 130	60 910	62 410	65 156
Lease amortisation	-	-	-	-	-	-
Capital asset impairment	-	-	-	-	-	-
Total Depreciation & asset impairment	59 780	1 130	1 130	60 910	62 410	65 156
Bulk purchases						
Electricity Bulk Purchases	109 638	(15 106)	(15 106)	94 532	114 462	119 613
Water Bulk Purchases						
Total bulk purchases	109 638	(15 106)	(15 106)	94 532	114 462	119 613
Transfers and grants						
Cash transfers and grants	3 211	(538)	(538)	2 673	3 436	3 588
Non-cash transfers and grants	-	-	-	-	-	-
Total transfers and grants	3 211	(538)	(538)	2 673	3 436	3 588
Contracted services						
Outsourced Services	53 872	8 414	8 414	62 286	43 083	43 986
Consultants and Professional Services	4 334	(95)	(95)	4 239	4 612	4 819
Contractors	8 528	2 228	2 228	10 756	10 135	10 578

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

Description	Budget Year 2022/23					Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
ASSETS							
Consumer debtors							
Consumer debtors	61 834		2 357	2 357	64 191	63 043	64 345
Less: provision for debt impairment	–	–	–	–	–	–	–
Total Consumer debtors	61 834	–	2 357	2 357	64 191	63 043	64 345
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)	1 853 688		4 636	4 636	1 858 324	1 942 230	2 034 320
Leases recognised as PPE				–	–	–	–
Less: Accumulated depreciation	595 282		1 130	1 130	596 412	601 251	608 652
Total Property, plant & equipment	1 258 405	–	3 506	3 506	1 261 912	1 340 979	1 425 667
LIABILITIES							
Current liabilities - Borrowing							
Short term loans (other than bank overdraft)	–			–	–	–	–
Current portion of long-term liabilities	7 459		821	821	8 280	7 496	7 541
Total Current liabilities - Borrowing	7 459	–	821	821	8 280	7 496	7 541
Trade and other payables							
Trade Payables	91 168			–	91 168	104 156	75 475
Other creditors			(1 024)	(1 024)	(1 024)	–	–
Unspent conditional transfers	10 004		(465)	(465)	9 539	1 231	987
VAT	–			–	–	–	–
Total Trade and other payables	101 172	–	(1 489)	(1 489)	99 683	105 387	76 462
Non current liabilities - Borrowing							
Borrowing	17 458		(4 757)	(4 757)	12 701	18 226	19 047
Finance leases (including PPP asset element)	–			–	–	–	–
Total Non current liabilities - Borrowing	17 458	–	(4 757)	(4 757)	12 701	18 226	19 047
Provisions - non current							
Retirement benefits	96 252		–	–	96 252	100 487	105 009
Refuse landfill site rehabilitation	–			–	–	–	–
Other	–			–	–	–	–
Total Provisions - non current	96 252	–	–	–	96 252	100 487	105 009
CHANGES IN NET ASSETS							
Accumulated surplus/(Deficit)							
Accumulated surplus/(Deficit) - opening balance	1 147 264	–		–	1 147 264	1 227 651	1 352 930
GRAP adjustments	–			–	–	–	–
Restated balance	1 147 264	–	–	–	1 147 264	1 227 651	1 352 930
Surplus/(Deficit)	79 535	–	64 131	64 131	143 666	96 404	112 574
Transfers to/from Reserves	–			–	–	–	–
Depreciation offsets	–			–	–	–	–
Other adjustments	4 139		(5 654)	(5 654)	(1 515)	–	–
Accumulated Surplus/(Deficit)	1 230 938	–	58 477	58 477	1 289 415	1 324 055	1 465 504
Other reserves	19 000	–	(19 000)	(19 000)	–	19 300	15 000
Revaluation	–			–	–	–	–
Total Reserves	19 000	–	(19 000)	(19 000)	–	19 300	15 000
TOTAL COMMUNITY WEALTH/EQUITY	1 249 938	–	39 477	39 477	1 289 415	1 343 355	1 480 504

Table SB 4: Adjustment Budget – Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21	2021/22	Budget Year 2022/23		Budget Year +1 2023/24	Budget Year +2 2024/25
		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%	0.0%		
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.0%	0.0%	1.6%	1.8%	1.6%	1.6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	4.0%	5.8%	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								
Gearing								
Liquidity	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	91.9%	66.8%	94.4%	127.0%
Current Ratio								
Current Ratio adjusted for aged debtors	Current assets/current liabilities less debtors > 90 days/current liabilities	0.0%	125.2%	128.1%	132.1%	163.3%	137.1%	206.2%
Liquidity Ratio	Monetary Assets/Current Liabilities	50.1%	1.9%	28.7%	20.1%	34.8%	26.6%	58.2%
Revenue Management								
Annual Debtors Collection Rate (Payment Level %)								
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)	Last 12 Mths Receipts/ Last 12 Mths Billing	88.1%	87.5%	116.5%	81.1%	81.9%	82.8%	823.2%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	71.5%	81.1%	81.1%	81.1%	81.9%	82.8%	823.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	29.5%	36.9%	22.8%	20.8%	22.2%	20.2%	19.6%
Creditors Management	% of Creditors Paid Within Terms (within MFMA s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors System Efficiency								
Creditors to Cash and Investments		179.5%	414.9%	273.7%	420.4%	242.9%	316.0%	135.8%
Other Indicators								
Electricity Distribution Losses (2)								
	Total Volume Losses (kW)	1542420000	1424200000	1302000000	1100000000	1100000000	1100000000	1000000000
	Total Cost of Losses (Rand '000)	21 200	17 000	15 000	14 000	13 500	13 500	13 500
	% Volume (units purchased and generated less units sold)/units purchased and generated							
Employee costs	Employee costs/(Total Revenue - capital revenue)	28.6%	31.5%	29.9%	30.8%	26.9%	30.5%	30.1%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	34.9%	34.1%	34.1%				
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.3%	2.4%	3.5%	6.4%	6.7%	6.6%	6.5%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				10.3%	9.9%	10.2%	10.1%
IDP regulation financial viability indicators	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	1553.3%	682.0%	1707.1%	2672.0%	2946.0%	2734.9%	2856.4%
i. Debt coverage								
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.35	0.13	13.5%	10.3%	10.2%	9.9%	9.6%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table SB 6: Adjustment Budget – Funding Measurements

Description	MFMA section	2019/20	2020/21	2021/22	Medium Term Revenue and Expenditure Framework				
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2023/24	Budget Year +2 2024/25
Funding measures									
Cash/cash equivalents at the year end - R'000	18(1)b	70 428	2 142	75 885	24 063	12 077	36 140	33 351	56 317
Cash + investments at the yr end less applications - R'000	18(1)b	20 661	12 442	62 962	-	-	-	10 052	60 696
Cash year end/monthly employee/supplier payments	18(1)b	-	-	-	-	-	-	-	-
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	100 578	162 544	93 856	83 674	-	156 159	96 404	112 574
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	15.9%	-42.9%	0.0%	0.0%	0.0%	0.0%	-0.5%	4.5%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	0.0%	0.0%	0.0%	69.7%	0.0%	69.3%	69.7%	69.7%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	44.7%	86.8%	28.0%	37.4%	0.0%	17.0%	36.6%	35.8%
Capital payments % of capital expenditure	18(1)c,19	49.4%	0.0%	0.0%	83.4%	0.0%	0.0%	0.0%	0.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.0%	105.6%	0.0%	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%	0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	141.1%	15.5%	0.0%	-38.9%	0.0%	17.0%	-8.3%	2.6%
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)	1.0%	1.5%	2.3%	3.1%	0.0%	3.3%	3.1%	3.0%
Asset renewal % of capital budget	20(1)(vi)	42.6%	0.0%	42.2%	32.4%	0.0%	30.4%	10.0%	30.9%

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

Description	Budget Year 2022/23			Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	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>	1 006	(338)	668	1 214	1 267
<i>Retriment Benefit</i>	1 741	-	1 741	2 188	2 284
<i>External Bursaries</i>	463	-	463	550	565
TOTAL NON-CASH TRANSFERS TO OTHER ORGANISATIONS:	3 211	(338)	2 873	3 952	4 116
TOTAL NON-CASH TRANSFERS	463	-	463	550	565
TOTAL TRANSFERS	463	-	463	550	565

Table SB 11: Adjustment Budget – Councilors and Staff Members

Summary of remuneration	Budget Year 2022/23				
	Original Budget	Other Adjusts.	Total Adjusts.	Adjusted Budget	% change
Councillors (Political Office Bearers plus Other)					
Basic Salaries and Wages	14 476	246	246	14 722	1.7%
Pension and UIF Contributions	2 504	492	492	2 996	19.7%
Medical Aid Contributions	89	–	–	89	0.0%
Motor Vehicle Allowance	5 536	508	508	6 044	9.2%
Cellphone Allowance	2 753	(100)	(100)	2 652	
Housing Allowances	–	–	–	–	
Other benefits and allowances	223	18	18	241	
Sub Total - Councillors	25 580	1 164	1 164	26 744	4.5%
Senior Managers of the Municipality					
Basic Salaries and Wages	4 315	(1 546)	(1 546)	2 769	-35.8%
Pension and UIF Contributions	338	(198)	(198)	140	-58.5%
Medical Aid Contributions	1 464	(1 207)	(1 207)	257	-82.4%
Performance Bonus	–	–	–	–	
Motor Vehicle Allowance	519	(268)	(268)	251	-51.6%
Cellphone Allowance	166	(86)	(86)	79	-52.1%
Housing Allowances	–	–	–	–	
Other benefits and allowances	312	(189)	(189)	123	
Payments in lieu of leave	–	–	–	–	
Long service awards	–	–	–	–	
Post-retirement benefit obligations	–	–	–	–	
Sub Total - Senior Managers of Municipality	7 112	(3 493)	(3 493)	3 619	-49.1%
Other Municipal Staff					
Basic Salaries and Wages	115 473	(9 460)	(9 460)	106 012	-8.2%
Pension and UIF Contributions	26 387	(5 829)	(5 829)	20 558	-22.1%
Medical Aid Contributions	5 593	313	313	5 906	5.6%
Overtime	1 163	(905)	(905)	258	-77.9%
Performance Bonus	–	–	–	–	
Motor Vehicle Allowance	15 702	(1 645)	(1 645)	14 056	-10.5%
Cellphone Allowance	1 426	499	499	1 925	35.0%
Housing Allowances	230	22	22	253	
Other benefits and allowances	11 279	1 136	1 136	12 415	
Payments in lieu of leave	442	2 914	2 914	3 356	659.9%
Long service awards	510	281	281	791	55.0%
Post-retirement benefit obligations	–	3 369	3 369	3 369	#DIV/0!
Sub Total - Other Municipal Staff	178 204	(9 304)	(9 304)	168 900	-5.2%
Total Parent Municipality	210 897	(11 634)	(11 634)	199 263	-5.5%

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

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget							
Revenue by Vote																
Vote 1 - Executive and Council	9 202	1 380	–	–	–	12 613	–	–	24 074	–	–	–	47 271	50 490	54 040	
Vote 2 - Municipal Manager	17 648	2 647	–	–	–	17 235	–	–	9 000	–	–	–	46 531	49 699	53 194	
Vote 3 - Budget and Treasury	18 807	7 024	6 097	6 955	7 126	16 894	6 528	4 793	21 052	5 927	6 249	7 314	114 767	104 205	113 713	
Vote 4 - Corporate Services	21 694	3 254	–	–	–	19 216	50	9	6 451	9	9	9	50 700	55 143	59 019	
Vote 5 - Community Services	20 133	4 283	1 443	1 556	2 330	21 834	1 578	1 670	33 727	25 105	27 760	21 470	162 889	148 018	155 635	
Vote 6 - Technical Services	38 862	21 236	15 288	15 869	15 386	31 346	17 744	8 197	44 868	16 818	16 690	15 959	258 261	274 419	285 431	
Vote 7 - Developmental Planning	6 211	1 183	408	302	345	3 315	275	173	1 052	59	57	66	13 445	12 171	12 690	
Vote 8 - Executive Support	5 849	877	–	–	–	5 198	–	–	3 000	–	–	–	14 925	15 941	17 062	
Total Revenue by Vote	138 406	41 885	23 236	24 682	25 187	127 651	26 175	14 842	143 224	47 917	50 765	44 818	708 787	710 086	750 784	
Expenditure by Vote																
Vote 1 - Executive and Council	2 645	3 222	2 651	2 970	2 962	2 219	4 364	2 711	2 922	2 879	3 741	3 977	37 262	36 852	38 000	
Vote 2 - Municipal Manager	3 466	4 519	4 472	4 232	1 221	6 740	4 414	3 048	3 513	2 931	4 253	3 900	46 710	43 300	44 529	
Vote 3 - Budget and Treasury	10 282	4 669	6 612	3 122	3 849	4 743	3 059	4 859	4 295	3 487	3 978	9 080	62 035	62 615	65 231	
Vote 4 - Corporate Services	3 011	2 456	1 658	2 089	1 515	3 338	1 586	1 544	1 503	2 193	2 465	8 649	32 006	37 135	38 794	
Vote 5 - Community Services	5 504	6 248	6 240	7 273	5 867	10 048	6 742	6 220	6 635	6 754	6 588	30 237	104 357	135 100	139 735	
Vote 6 - Technical Services	7 379	18 121	17 802	14 933	14 380	18 351	9 708	12 520	13 059	13 472	14 972	78 196	232 894	260 227	271 769	
Vote 7 - Developmental Planning	619	850	1 078	931	1 379	1 917	1 583	1 051	1 271	964	1 411	1 008	14 061	14 465	15 111	
Vote 8 - Executive Support	1 698	1 802	2 396	1 848	1 747	2 841	1 727	1 714	2 102	1 719	1 734	1 974	23 303	23 988	25 042	
Total Expenditure by Vote	34 604	41 887	42 908	37 399	32 920	50 197	33 183	33 666	35 300	34 400	39 142	137 021	552 628	613 682	638 210	
Surplus/ (Deficit)	103 802	(2)	(19 672)	(12 717)	(7 733)	77 454	(7 008)	(18 825)	107 924	13 517	11 622	(92 203)	156 159	96 404	112 574	

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

Description - Standard classification	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
Revenue - Functional															
Governance and administration	77 567	15 838	6 097	6 955	7 126	76 633	6 578	4 802	71 638	5 935	6 258	7 323	292 750	299 102	318 290
Executive and council	12 109	1 816	–	–	–	14 728	–	–	25 074	–	–	–	53 728	57 387	61 422
Finance and administration	60 059	13 212	6 097	6 955	7 126	57 660	6 578	4 802	43 563	5 935	6 258	7 323	225 568	227 345	241 487
Internal audit	5 399	810	–	–	–	4 246	–	–	3 000	–	–	–	13 455	14 371	15 381
Community and public safety	8 211	1 267	54	174	382	11 517	331	54	27 108	23 672	25 961	19 729	118 460	92 241	96 913
Community and social services	2 420	367	7	4	1	3 569	14	5	1 015	9	6	3 558	10 975	11 743	12 566
Sport and recreation	5 770	866	–	–	3	7 628	–	5	6 306	7	8	(3 542)	17 050	9 051	9 686
Public safety	21	35	48	169	378	319	318	44	19 787	23 656	25 947	19 713	90 435	71 446	74 661
Housing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	30 396	10 945	9 802	6 709	6 068	18 387	7 068	5 380	20 612	3 267	3 679	2 768	125 082	137 956	145 784
Planning and development	8 750	1 564	408	302	345	6 391	275	173	3 052	59	57	66	21 441	20 412	21 831
Road transport	21 202	9 315	9 394	6 407	5 723	11 696	6 793	5 208	17 560	3 208	3 622	2 702	102 830	114 222	120 396
Environmental protection	444	67	–	–	–	300	–	–	0	–	–	–	811	3 322	3 556
Trading services	22 233	13 834	7 283	10 844	11 611	21 113	12 198	4 628	23 866	15 043	14 867	14 976	172 496	173 694	182 385
Energy sources	12 272	11 650	6 469	10 030	10 141	12 478	11 392	3 572	17 869	14 277	13 763	14 002	137 915	136 364	142 694
Waste management	9 961	2 185	813	814	1 470	8 635	805	1 056	5 997	766	1 104	974	34 581	37 330	39 690
Other															
Total Revenue - Functional	138 406	41 885	23 236	24 682	25 187	127 651	26 175	14 864	143 224	47 917	50 765	44 796	708 787	702 993	743 371
Expenditure - Functional															
Governance and administration	21 288	17 905	19 771	14 671	14 047	20 692	15 322	14 685	15 630	14 734	17 430	37 412	223 588	217 135	226 537
Executive and council	2 957	3 687	3 410	3 262	3 254	2 907	5 448	2 978	3 242	3 198	4 125	4 524	42 991	44 915	46 393
Finance and administration	17 981	13 756	15 176	9 914	10 296	15 887	8 868	10 722	11 509	11 039	11 801	31 854	168 804	161 350	168 801
Internal audit	350	462	1 186	1 495	497	1 899	1 007	985	879	497	1 504	1 034	11 793	10 870	11 343
Community and public safety	2 729	2 763	2 688	3 494	2 657	5 037	2 441	2 819	2 731	2 728	2 801	23 592	56 480	87 325	91 041
Community and social services	261	316	282	284	267	574	250	261	395	330	381	2 753	6 353	8 529	8 908
Sport and recreation	797	891	966	755	866	1 386	638	811	797	873	786	(235)	9 330	12 435	12 993
Public safety	1 671	1 555	1 440	2 456	1 524	3 078	1 553	1 747	1 540	1 526	1 634	21 074	40 797	66 360	69 140
Housing	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services	8 010	6 706	5 047	7 333	4 740	11 013	4 552	5 402	4 895	4 803	5 742	51 041	119 286	118 516	123 777
Planning and development	983	1 604	1 473	1 300	1 747	2 550	1 944	1 418	1 692	1 355	1 974	1 579	19 619	19 811	20 694
Road transport	7 028	5 102	3 574	6 033	2 993	8 463	2 608	3 984	3 203	3 448	3 768	49 462	99 667	97 982	102 328
Environmental protection	–	–	–	–	–	–	–	–	–	–	–	0	0	0	724
Trading services	2 577	14 514	15 402	11 901	11 477	13 455	10 867	10 760	12 043	12 134	13 169	24 976	153 274	173 916	181 379
Energy sources	481	11 809	12 533	8 816	8 968	9 537	7 214	8 030	8 821	8 787	10 077	19 073	114 146	143 570	150 014
Waste management	2 096	2 705	2 869	3 084	2 509	3 918	3 653	2 730	3 223	3 347	3 092	5 903	39 127	30 346	31 365
Other															
Total Expenditure - Functional	34 604	41 887	42 908	37 399	32 920	50 197	33 183	33 666	35 300	34 400	39 142	137 021	552 628	596 892	622 734
Surplus/ (Deficit)	103 802	(2)	(19 672)	(12 717)	(7 733)	77 454	(7 008)	(18 803)	107 924	13 517	11 622	(92 225)	156 159	106 101	120 637

Table SB 14: Adjustment Budget – Monthly Revenue and Expenditure

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget							
Revenue By Source																
Property rates	5 206	4 869	4 596	4 989	4 849	4 852	4 528	4 462	5 278	5 892	5 090	5 241	59 853	46 609	48 707	
Service charges - electricity revenue	8 496	8 398	6 469	7 951	10 141	6 591	8 504	25	9 311	11 204	12 407	11 922	101 418	112 947	118 029	
Service charges - refuse revenue	819	813	813	814	550	811	805	855	960	542	848	672	9 302	10 212	10 671	
Rental of facilities and equipment	59	85	76	65	65	65	62	78	78	79	76	79	867	1 048	1 095	
Interest earned - external investments	71	157	267	127	27	248	596	96	254	259	51	-	2 152	3 669	3 675	
Interest earned - outstanding debtors	1 092	1 110	1 132	1 152	1 181	1 203	1 229	1 279	1 359	282	1 513	2 791	15 322	19 645	20 529	
Fines, penalties and forfeits	21	35	48	160	375	319	323	195	19 830	23 687	25 979	19 748	90 719	71 535	74 754	
Licences and permits	500	612	576	578	481	381	441	560	598	655	682	751	6 815	6 593	6 890	
Transfers and subsidies	114 801	16 336	842	487	350	105 214	292	287	99 371	187	425	315	338 906	359 874	384 977	
Other revenue	819	289	(322)	509	1 068	60	222	(545)	234	215	194	165	2 907	1 591	1 663	
Gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue	131 883	32 704	14 496	16 832	19 087	119 743	17 001	7 293	137 273	43 002	47 265	41 683	628 262	633 722	670 990	
Expenditure By Type																
Employee related costs	12 738	13 454	13 127	13 783	13 274	21 430	12 571	12 689	12 479	12 643	12 944	18 018	169 150	193 476	202 098	
Remuneration of councillors	2 069	2 393	2 080	2 079	2 079	2 141	2 079	2 079	2 079	2 079	2 835	2 752	26 744	26 638	27 340	
Debt impairment	-	-	-	-	-	-	-	-	-	-	-	-	29 223	29 223	62 477	
Depreciation & asset impairment	-	-	-	-	-	-	-	-	-	-	-	-	60 910	60 910	62 410	
Finance charges	-	137	-	-	-	-	-	-	248	252	299	551	1 487	2 326	2 472	
Bulk purchases	83	10 506	11 386	8 400	7 014	7 402	6 753	7 659	7 863	7 965	8 765	10 737	94 532	114 462	119 613	
Other materials	5 315	6 109	4 668	4 688	4 259	5 954	1 221	2 632	2 801	3 298	3 813	3 393	48 153	41 634	43 422	
Contracted services	3 535	6 867	9 209	6 185	3 571	9 339	7 183	4 585	6 889	5 827	6 414	7 402	77 005	57 830	59 383	
Transfers and subsidies	136	61	75	57	93	130	149	190	231	244	314	1 192	2 873	3 436	3 588	
Other expenditure	10 729	2 360	2 363	2 206	2 631	3 801	3 226	3 832	2 711	2 091	3 758	2 843	42 552	48 993	51 209	
Losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure	34 604	41 887	42 908	37 399	32 920	50 197	33 183	33 666	35 300	34 400	39 142	137 021	552 628	613 682	638 210	
Surplus/(Deficit)	97 279	(9 183)	(28 412)	(20 567)	(13 834)	69 546	(16 181)	(26 374)	101 973	8 602	8 122	(95 338)	75 633	20 040	32 780	
Transfers and subsidies - capital (monetary allocations)	6 523	9 181	8 740	7 850	6 100	7 908	9 173	7 549	5 951	4 915	3 500	2 216	79 606	76 364	79 794	
Transfers and subsidies - capital (monetary allocations)												920	920	-	-	
Transfers and subsidies - capital (in-kind - all)																
Surplus/(Deficit) after capital transfers & contributions	103 802	(2)	(19 672)	(12 717)	(7 733)	77 454	(7 008)	(18 825)	107 924	13 517	11 622	(92 203)	156 159	96 404	112 574	

Table SB 15: Adjustment Budget – Monthly Cash flow

Monthly cash flows	Budget Year 2022/23												Medium Term Revenue and				
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Full year budget	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget						
Cash Receipts By Source																	
Property rates	2 878	4 492	2 679	2 585	2 916	2 289	2 287	2 289	2 292	2 294	2 296	2 749	32 046	32 046	41 856	43 740	
Service charges - electricity revenue	8 018	7 087	7 464	6 636	6 815	7 783	7 743	7 820	7 899	7 978	7 899	7 972	91 113	91 113	119 873	125 264	
Service charges - refuse	509	364	478	389	387	407	378	855	960	542	848	748	6 865	6 865	8 047	8 409	
Rental of facilities and equipment	46	29	40	31	34	28	29	78	78	79	76	318	867	867			
Interest earned - external investments	71	157	324	127	27	248	286	96	254	259	51	252	2 152	2 152	3 669	3 675	
Interest earned - outstanding debtors	213	537	128	159	148	66	145	1 279	1 359	282	1 513	685	6 512	6 512	7 551	8 541	
Fines, penalties and forfeits	21	35	48	160	375	319	323	426	2 346	2 556	2 454	2 795	11 857	11 857	9 300	9 718	
Licences and permits	500	612	576	578	481	381	441	560	598	655	682	251	6 315	6 315	6 593	6 890	
Transfers and Subsidies - Operational	130 361	3 299	-	-	809	104 805	-	6 038	93 594	-	-	-	338 906	338 906	359 874	384 977	
Other revenue	1 599	2 742	1 624	1 246	22 806	1 324	1 341	1 246	1 346	1 545	1 225	1 379	39 423	39 423	2 640	2 758	
Cash Receipts by Source	144 217	19 354	13 360	11 911	34 799	117 649	12 972	20 687	110 724	16 190	17 044	17 149	536 055	536 055	559 405	593 974	
Other Cash Flows by Source																	
Transfers and subsidies - capital (monetary allocations)	19 000	-	23 270		4 000	16 750	-	4 000	12 586	-	-	-	79 606	79 606	76 364	79 794	
Transfers and subsidies - capital (monetary allocations) (Nat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	488	-	488	237	505	
Decrease (increase) in non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source	163 217	19 354	36 630	11 911	38 799	134 399	12 972	24 687	123 310	16 190	17 044	17 637	615 661	615 150	636 006	674 273	
Cash Payments by Type																	
Employee related costs	12 738	13 454	13 127	13 783	13 274	21 430	12 571	12 695	12 699	12 721	16 824	13 834	169 150	169 150	210 668	219 614	
Remuneration of councillors	2 069	2 393	2 080	2 079	2 079	2 141	2 079	2 069	2 069	2 069	2 069	3 547	26 744	26 744	30 493	34 153	
Finance charges	-	137	-	-	-	-	-	121	346	354	321	207	1 487	1 487	2 326	2 472	
Bulk purchases - Electricity	83	10 506	11 386	8 400	7 014	7 402	6 753	7 421	7 351	7 051	7 866	13 300	94 532	94 532	114 462	119 613	
Other materials	5 315	6 109	4 668	2 557	2 165	5 954	1 210	3 320	3 320	3 320	6 893	48 153	48 153	35 165	36 667		
Contracted services	3 535	6 867	9 209	6 185	3 571	9 339	7 183	5 805	5 805	5 805	5 805	7 895	-	77 005	63 305	66 069	
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and grants - other	136	61	75	57	93	130	149	274	274	274	274	1 074	-	2 873	3 436	3 588	
Other expenditure	10 729	2 360	2 363	4 338	4 725	3 801	3 237	3 012	2 750	2 420	2 012	804	42 552	42 552	61 842	52 478	
Cash Payments by Type	34 604	41 887	42 908	37 399	32 920	50 197	33 182	34 718	34 615	34 016	38 492	47 554	382 618	382 618	521 699	534 655	
Other Cash Flows/Payments by Type																	
Capital assets	5 672	8 918	8 103	14 431	2 731	9 925	7 797	6 667	6 667	6 667	6 667	5 459	89 706	89 706	81 383	90 922	
Repayment of borrowing	-	542	-	-	-	-	-	515	545	552	557	5 569	8 281	8 281	25 723	26 598	
Other Cash Flows/Payments	23 500	2 986	11 668	4 103	-	28 707	12 415	(15 645)	(9 523)	(17 523)	3 456	(22 912)	21 233	21 233	31 800	46 694	
Total Cash Payments by Type	63 776	54 333	62 679	55 934	35 652	88 829	53 394	26 256	32 305	23 713	49 172	35 670	501 836	501 836	600 905	698 859	
NET INCREASE/(DECREASE) IN CASH HELD	99 441	(34 979)	(26 049)	(44 022)	3 147	45 570	(40 422)	(1 569)	91 005	(7 523)	(32 128)	(18 033)	113 825	34 436	(24 599)	(24 586)	
Cash/cash equivalents at the month/year beginning:	6 597	106 038	71 059	45 010	987	4 134	49 704	9 282	7 713	98 718	91 195	58 067	(70 296)	1 704	41 034	16 434	
Cash/cash equivalents at the month/year end:	106 038	71 059	45 010	987	4 134	49 704	9 282	7 713	98 718	91 195	59 067	41 034	39 345	36 140	16 434	(8 152)	

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

Description - Municipal Vote	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework			
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25	
	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	-	-	388	28	(4)	579	66	985	300	204	159	149	2 855	2 288	2 181	
Vote 5 - Community Services	-	303	151	-	29	1 277	448	-	32	322	822	1 085	4 468	3 470	1 500	
Vote 6 - Technical Services	-	2 401	1 063	5 259	97	3 353	4 295	1 842	2 075	5 654	3 218	5 452	34 708	56 867	68 082	
Vote 7 - Developmental Planning	-	-	-	-	-	-	-	-	-	-	-	-	-	500	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Multi-year expenditure sub-total	-	2 704	1 602	5 286	122	5 209	4 809	2 827	2 407	6 180	4 199	6 686	42 031	63 125	71 763	
Single-year expenditure appropriation																
Vote 1 - Executive and Council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget and Treasury	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-	-	-	-	-	185	185	-	800
Vote 5 - Community Services	-	29	-	-	491	-	-	-	-	-	37	658	1 214	-	-	-
Vote 6 - Technical Services	5 672	5 648	6 500	8 607	2 118	4 717	2 988	4 580	3 143	5 936	5 256	5 705	60 872	30 319	20 757	
Vote 7 - Developmental Planning	-	538	-	538	-	-	-	-	-	-	-	-	1 075	-	-	-
Vote 8 - Executive Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	5 672	6 214	6 500	9 145	2 610	4 717	2 988	4 580	3 143	5 936	5 293	6 548	63 346	30 319	21 557	
Total Capital Expenditure	5 672	8 918	8 103	14 431	2 731	9 925	7 797	7 407	5 550	12 117	9 492	13 233	105 377	93 444	93 320	

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

Description	Budget Year 2022/23												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget						
Capital Expenditure - Functional															
Governance and administration	-	-	388	28	(4)	579	66	985	300	663	705	1 255	4 964	2 288	2 181
Executive and council	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration	-	-	388	28	(4)	579	66	985	300	663	705	1 255	4 964	2 288	2 181
Internal audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety	-	303	151	-	230	1 277	448	-	-	322	79	723	3 533	2 470	500
Community and social services	-	303	151	-	-	799	70	-	-	-	42	38	1 403	1 500	-
Sport and recreation	-	-	-	-	29	478	378	-	-	322	-	58	1 264	970	500
Public safety	-	-	-	-	201	-	-	-	-	-	37	627	865	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic and environmental services	5 672	6 477	7 563	12 595	2 118	8 070	4 780	5 505	3 896	9 534	2 118	5 801	74 131	75 686	65 345
Planning and development	-	538	-	538	-	-	-	-	-	-	-	-	1 075	500	-
Road transport	5 672	5 940	7 563	12 058	2 118	8 070	4 780	5 505	3 896	9 534	2 118	5 801	73 056	75 186	65 345
Environmental protection	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services	-	2 138	-	1 809	387	-	2 503	917	1 354	1 598	6 590	5 454	22 750	13 000	25 294
Energy sources	-	2 109	-	1 809	97	-	2 503	917	1 322	1 598	5 811	4 435	20 600	12 000	23 494
Waste management	-	29	-	-	291	-	-	-	32	-	779	1 019	2 150	1 000	1 800
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	5 672	8 918	8 103	14 431	2 731	9 925	7 797	7 407	5 550	12 117	9 492	13 233	105 377	93 444	93 320

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

Description	Budget Year 2022/23						Budget Year +1 2023/24	Budget Year +2 2024/25	
	Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjus.	Total Adjus.	Adjusted Budget	Adjusted Budget	
Capital expenditure on new assets by Asset Class									
Infrastructure	18 500	-	-	-	5 174	5 174	23 674	12 000	12 294
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	17 250	-	-	-	5 274	5 274	22 524	12 000	11 494
Power Plants	-	-	-	-	3 400	3 400	3 400	-	-
HV Transmission Conductors	-	-	-	-	-	-	-	-	-
MV Substations	50	-	-	-	(50)	(50)	-	-	-
MV Switching Stations	-	-	-	-	-	-	-	-	-
MV Networks	17 000	-	-	-	1 924	1 924	18 924	12 000	11 494
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	200	-	-	-	-	-	200	-	-
Solid Waste Infrastructure	1 250	-	-	-	(100)	(100)	1 150	-	800
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	-	-	-	-	-	-	-	-	800
Capital Spares	1 250	-	-	-	(100)	(100)	1 150	-	-
Community Assets	418	-	-	-	(180)	(180)	238	370	-
Community Facilities	418	-	-	-	(180)	(180)	238	370	-
Capital Spares	418	-	-	-	(180)	(180)	238	370	-
Other assets	458	-	-	-	(3)	(3)	454	500	-
Operational Buildings	-	-	-	-	-	-	-	500	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Capital Spares	458	-	-	-	(3)	(3)	454	-	-
Intangible Assets	300	-	-	-	185	185	485	200	-
Licences and Rights	300	-	-	-	185	185	485	200	-
Computer Software and Applications	-	-	-	-	185	185	185	200	-
Computer Equipment	700	-	-	-	1 435	1 435	2 135	1 044	1 091
Computer Equipment	700	-	-	-	1 435	1 435	2 135	1 044	1 091
Furniture and Office Equipment	500	-	-	-	639	639	1 139	1 044	1 090
Furniture and Office Equipment	500	-	-	-	639	639	1 139	1 044	1 090
Machinery and Equipment	1 610	-	-	-	(210)	(210)	1 400	522	545
Machinery and Equipment	1 610	-	-	-	(210)	(210)	1 400	522	545
Total Capital Expenditure on new assets	22 485	-	-	-	7 040	7 040	29 525	15 680	15 020

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

Description	Budget Year 2022/23							Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure on renewal of existing assets by Asset Class									
Infrastructure	30 723	-	-	-	260	260	30 983	9 350	28 800
Roads Infrastructure	28 631	-	-	-	260	260	28 891	3 300	21 463
Roads	28 331				-	-	28 331	3 000	21 463
Road Structures							-		
Road Furniture	300				260	260	560	300	-
Capital Spares							-		
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
Power Plants							-		
MV Substations							-		
MV Switching Stations							-		
MV Networks	-						-		
Solid Waste Infrastructure	2 092	-	-	-	(0)	(0)	2 092	6 050	7 337
Landfill Sites	2 092				(0)	(0)	2 092	6 050	7 337
Waste Transfer Stations							-		
Capital Spares							-		
Community Assets	1 000	-	-	-	(131)	(131)	869	-	-
Community Facilities	1 000	-	-	-	(131)	(131)	869	-	-
Halls							-		
Cemeteries/Crematoria	1 000				(131)	(131)	869		
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities							-		
Outdoor Facilities							-		
Capital Spares							-		
Other assets	-	-	-	-	208	208	208	-	-
Operational Buildings	-	-	-	-	208	208	208	-	-
Municipal Offices					208	208	208	-	-
Pay/Enquiry Points							-		
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes							-		
Computer Software and Applications							-		
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment							-		
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment							-		
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment							-		
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets							-		
Total Capital Expenditure on renewal of existing assets	31 723	-	-	-	337	337	32 060	9 350	28 800

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

Description	Budget Year 2022/23							Budget Year +1	Budget Year +2
	Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Repairs and maintenance expenditure by Asset Class									
Infrastructure	28 297	–	–	–	3 200	3 200	31 497	30 828	32 132
Roads Infrastructure	14 319	–	–	–	5 700	5 700	20 019	16 235	16 897
Roads	14 319	–	–	–	5 700	5 700	20 019	16 235	16 897
Electrical Infrastructure	9 536	–	–	–	(2 500)	(2 500)	7 036	9 955	10 393
Power Plants						–	–		
MV Substations						–	–		
MV Switching Stations						–	–		
MV Networks	9 536				(2 500)	(2 500)	7 036	9 955	10 393
LV Networks						–	–		
Solid Waste Infrastructure	4 442	–	–	–	–	–	4 442	4 637	4 841
Landfill Sites	4 442					–	4 442	4 637	4 841
Capital Spares						–	–		
Community Assets	594	–	–	–	–	–	594	620	648
Community Facilities	594	–	–	–	–	–	594	620	648
Halls						–	–		
Libraries						–	–		
Cemeteries/Crematoria						–	–		
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Indoor Facilities						–	–		
Outdoor Facilities						–	–		
Capital Spares						–	–		
Other assets	2 645	–	–	–	–	–	2 645	2 764	2 889
Operational Buildings	2 645	–	–	–	–	–	2 645	2 764	2 889
Municipal Offices	2 645					–	2 645	2 764	2 889
Building Plan Offices						–	–		
Intangible Assets	–	–	–	–	–	–	–	–	–
Servitudes						–	–		
Licences and Rights	–	–	–	–	–	–	–	–	–
Computer Software and Applications						–	–		
Computer Equipment	200	–	–	–	–	–	200	209	218
Computer Equipment	200					–	200	209	218
Furniture and Office Equipment	–	–	–	–	–	–	–	–	–
Furniture and Office Equipment						–	–		
Machinery and Equipment	3 695	–	–	–	–	–	3 695	3 859	4 032
Machinery and Equipment	3 695					–	3 695	3 859	4 032
Transport Assets	3 213	–	–	–	–	–	3 213	3 354	3 504
Transport Assets	3 213					–	3 213	3 354	3 504
Total Repairs and Maintenance Expenditure	38 644	–	–	–	3 200	3 200	41 844	41 634	43 422

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

Description	Budget Year 2022/23							Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Depreciation by Asset Class/Sub-class									
Infrastructure	44 007	–	–	–	–	–	44 007	45 943	47 965
Roads Infrastructure	39 127	–	–	–	–	–	39 127	40 848	42 646
Roads	39 127						39 127	40 848	42 646
Road Structures							–	–	
Electrical Infrastructure	3 724	–	–	–	–	–	3 724	3 888	4 059
MV Networks	3 724						3 724	3 888	4 059
LV Networks							–	–	
Solid Waste Infrastructure	738	–	–	–	–	–	738	770	804
Landfill Sites	738						738	770	804
Community Assets	1 266	–	–	–	–	–	1 266	1 322	1 380
Community Facilities	1 266	–	–	–	–	–	1 266	1 322	1 380
Cemeteries/Crematoria	–						–	–	–
Purfs	1 266						1 266	1 322	1 380
Public Open Space							–	–	
Sport and Recreation Facilities	–	–	–	–	–	–	–	–	–
Indoor Facilities							–	–	
Outdoor Facilities							–	–	
Heritage assets	6	–	–	–	–	–	6	6	6
Historic Buildings							–	–	
Other Heritage	6						6	6	6
Other assets	4 229	–	–	–	–	–	4 229	4 415	4 610
Operational Buildings	4 229	–	–	–	–	–	4 229	4 415	4 610
Municipal Offices	4 229						4 229	4 415	4 610
Intangible Assets	53	–	–	–	–	–	53	56	58
Servitudes							–	–	
Licences and Rights	53	–	–	–	–	–	53	56	58
Computer Software and Applications	53						53	56	58
Computer Equipment	725	–	–	–	–	–	725	757	791
Computer Equipment	725						725	757	791
Furniture and Office Equipment	618	–	–	–	–	–	618	645	673
Furniture and Office Equipment	618						618	645	673
Machinery and Equipment	2 961	–	–	–	–	–	2 961	3 091	3 227
Machinery and Equipment	2 961						2 961	3 091	3 227
Transport Assets	5 915	–	–	–	–	–	5 915	6 175	6 447
Total Depreciation to be adjusted	59 780	–	–	–	–	–	59 780	62 410	65 156

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

Description	Budget Year 2022/23							Budget Year +1	Budget Year +2
	Original Budget	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
Capital expenditure on upgrading of existing assets by Asset Class									
Infrastructure	41 433	-	-	-	700	700	42 133	66 314	49 000
Roads Infrastructure	41 433	-	-	-	(300)	(300)	41 133	65 314	48 000
Roads	41 433	-	-	-	(300)	(300)	41 133	65 314	48 000
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
Power Plants						-	-		
MV Substations						-	-		
MV Switching Stations						-	-		
MV Networks						-	-		
LV Networks						-	-		
Solid Waste Infrastructure	-	-	-	-	1 000	1 000	1 000	1 000	1 000
Landfill Sites					1 000	1 000	1 000	1 000	1 000
Waste Transfer Stations						-	-		
Waste Processing Facilities						-	-		
Community Assets	1 300	-	-	-	(416)	(416)	884	2 100	500
Community Facilities	1 300	-	-	-	(416)	(416)	884	2 100	500
Halls						-	-		
Centres						-	-		
Cemeteries/Crematoria						-	-	1 500	-
Police						-	-	-	-
Parks	1 300					(416)	(416)	884	600
Public Open Space						-	-		
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities						-	-		
Outdoor Facilities						-	-		
Other assets	1 100	-	-	-	(25)	(25)	1 075	-	-
Operational Buildings	1 100	-	-	-	(25)	(25)	1 075	-	-
Municipal Offices						-	-		
Workshops						(25)	(25)		
Yards	1 100					-	1 100		
Stores						-	-		
Intangible Assets	-	-	-	-	-	-	-	-	-
Servitudes						-	-		
Computer Software and Applications						-	-		
Land Settlement Software Applications						-	-		
Unspecified						-	-		
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment						-	-		
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment						-	-		
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment						-	-		
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets						-	-		
Total Capital Expenditure on upgrading of existing assets	43 833	-	-	-	259	259	44 092	68 414	49 500

Table SB7: Adjustment Budget - Transfers and Grants Receipts

Description	Budget Year 2022/23			Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
RECEIPTS:					
<u>Operating Transfers and Grants</u>					
National Government:	338 906	-	338 906	359 874	384 977
Local Government Equitable Share	334 260	-	334 260	357 024	382 127
Finance Management	2 850	-	2 850	2 850	2 850
EPWP Incentive	1 796	-	1 796	-	-
Other grant providers:	-	-	-	-	-
<i>LGSETA Learnership and Development</i>	-	-	-	-	-
Total Operating Transfers and Grants	338 906	-	338 906	359 874	384 977
<u>Capital Transfers and Grants</u>					
National Government:	79 606	-	79 606	76 364	79 794
Municipal Infrastructure Grant (MIG)	62 606	-	62 606	65 364	68 300
Intergrated National Electrification Grant	17 000	-	17 000	11 000	11 494
Provincial Government:	-	-	-	-	-
Development of Masakaneng	-	-	-	-	-
District Municipality:	-	-	-	-	-
N/A	-	-	-	-	-
Other grant providers:	-	-	-	-	-
N/A	-	-	-	-	-
Total Capital Transfers and Grants	79 606	-	79 906	76 364	79 794
TOTAL RECEIPTS OF TRANSFERS & GRANTS	418 512	-	418 512	436 238	464 771

Table SB 8: Adjustment Budget – Transfers and Grants Expenditure

Description	Budget Year 2022/23			Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:					
<u>Operating expenditure of Transfers and Grants</u>					
National Government:	338 906	–	338 906	359 874	384 977
Local Government Equitable Share	334 260		334 260	357 024	382 127
Finance Management	2 850		2 850	2 850	2 850
EPWP Incentive	1 796		1 796	–	–
Provincial Government:	–	–	–	–	–
N/A			–		
District Municipality:	–	–	–	–	–
N/A			–		
Other grant providers:	–	–	–	–	–
LGSETA Learnership and Development			–		
Total operating expenditure of Transfers and Grants:	338 906	–	338 906	359 874	384 977
<u>Capital expenditure of Transfers and Grants</u>					
National Government:	79 606	–	79 606	76 364	79 794
Municipal Infrastructure Grant (MIG)	62 606		62 606	65 364	68 300
Intergrated National Electrification Grant	17 000		17 000	11 000	11 494
Provincial Government:	–	–	–	–	–
Development of Masakaneng			–		
District Municipality:	–	–	–	–	–
N/A			–		
Other grant providers:	–	–	–	–	–
[insert description]			–		
Total capital expenditure of Transfers and Grants	79 606	–	79 606	76 364	79 794
Total capital expenditure of Transfers and Grants	418 512	–	418 512	436 238	464 771

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

Description	Budget Year 2022/23		Budget Year +1 2023/24	Budget Year +2 2024/25
	Original Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget
Operating transfers and grants:				
National Government:				
Balance unspent at beginning of the year	–	–	–	–
Current year receipts	338 906	338 906	359 874	384 977
Conditions met - transferred to revenue	338 906	338 906	359 874	384 977
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	338 906	338 906	359 874	384 977
Capital transfers and grants:				
National Government:				
Balance unspent at beginning of the year	–	–	–	–
Current year receipts	79 606	79 606	76 364	79 794
Conditions met - transferred to revenue	69 602	69 602	75 133	78 807
Conditions still to be met - transferred to liabilities	10 004	6 004	1 231	987
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 capital transfers and grants revenue	69 602	73 602	75 133	78 807
Total capital transfers and grants - CTBM	10 004	6 004	1 231	987
TOTAL TRANSFERS AND GRANTS REVENUE	408 508	412 508	435 007	463 784
TOTAL TRANSFERS AND GRANTS - CTBM	10 004	6 004	1 231	987

Sources of capital revenue over the MTREF

The above table is graphically represented as follows for the 2022/23 financial year.

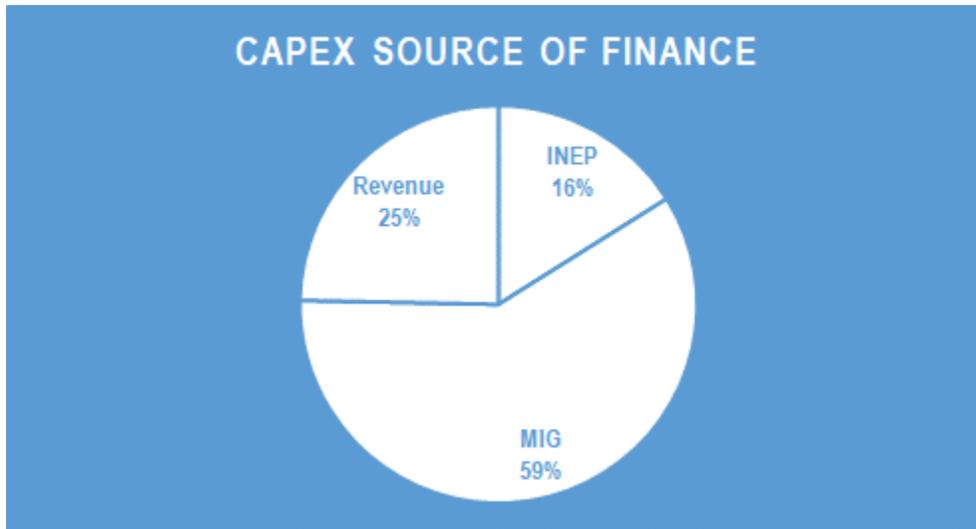


Figure 6 Breakdown of the source of funding for 2022/23 MTREF

Capital grants and receipts equate to 75% of the total funding source which represents R79, 606 million for the 2022/23 financial year and decreases to R76, 364 million and increases to R79, 794 million in 2023/24 and 2024/25 financial years respectively. Only 25% of capital budgets is funded from internally generated revenue.

Table SB 19: Adjustment Budget – List of Capital Projects

Project Description	Type	Asset Class	Asset Sub-Class	Ward Location	Medium Term Revenue and Expenditure Framework					
					Budget Year 2022/23		Budget Year +1 2023/24		Budget Year +2 2024/25	
					Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget
Fencing of Groblersdal Substation	Upgrading	Electrical Infrastructure	MV Substations	Ward 13	400	-	-	-	-	-
Aircons	New	Machinery and Equipment	Transport Assets	Whole of the municipality	200	200	-	-	-	-
Electrification of Lenkwaneng Section/ZCC	New	Electrical Infrastructure	MV Networks	Ward 10	-	-	1 800	1 800	3 000	3 000
Electrification of Makaepa	New	Electrical Infrastructure	MV Networks	Ward 24	3 240	3 240	-	-	-	-
Electrification of Maleoskop 601	New	Electrical Infrastructure	MV Networks	Ward 12	-	-	2 306	2 306	2 294	2 294
Electrification of Motsiphiri New stand A&B	New	Electrical Infrastructure	MV Networks	Ward 21	-	-	-	-	2 000	2 000
Electrification of Masakaneng	New	Electrical Infrastructure	MV Networks	Ward 14	3 960	7 960	2 800	2 800	-	-
Electrification of Magukubjane	New	Electrical Infrastructure	MV Networks	Ward 18	-	-	-	-	2 200	2 200
Electrification of Mountain village	New	Electrical Infrastructure	MV Networks	Ward 27	-	-	1 800	1 800	-	-
Electrification of Phomola	New	Electrical Infrastructure	MV Networks	Ward 22	2 000	2 000	-	-	-	-
Electrification of Phooko	New	Electrical Infrastructure	MV Networks	Ward 9	4 000	-	-	-	-	-
Electrification of Motetema High view	New	Electrical Infrastructure	MV Networks	Ward 27	-	-	2 294	2 294	-	-
Electrification of Ntswelomotse	New	Electrical Infrastructure	MV Networks	Ward 4	-	-	-	-	2 000	2 000
Electrification of Nyakelang Extension	New	Electrical Infrastructure	MV Networks	Ward 27	3 800	3 800	-	-	-	-
Installation of high mast lights in various location	New	Electrical Infrastructure	MV Networks	Whole of the municipality	-	-	1 000	1 000	-	-
Groblersdal Lanfillsite	Renewal	Solid Waste Infrastructure	Landfill Sites	Ward 13	4 000	2 092	6 050	6 050	7 337	7 337
Culverts and Road signs	Renewal	Roads Infrastructure	Roads	Whole of the municipality	300	560	300	300	-	-
Kgapamadi Bus Road	Renewal	Roads Infrastructure	Roads	Ward 21	-	-	-	-	4 463	4 463
Motetema Streets Upgrade	Renewal	Roads Infrastructure	Roads	Ward 31	3 500	3 500	3 000	3 000	-	-
Mpheleng Construction of Road	Upgrading	Roads Infrastructure	Roads	Ward 5	-	-	-	-	12 000	12 000
Rehabilitaion of roads/streets in various wards	New	Roads Infrastructure	Roads	Whole of the municipality	-	-	-	-	5 000	5 000
Upgrading of Nyakurone Internal Access Road	Upgrading	Roads Infrastructure	Roads	Ward 7	4 605	6 513	11 395	11 395	-	-
Upgrading of Kgobokwane-Kgaphamadi Road	Renewal	Roads Infrastructure	Roads	Ward 3	800	800	8 000	8 000	10 000	10 000
Upgrading of Stompo Bus Road	Upgrading	Roads Infrastructure	Roads	Ward 4	800	800	-	-	10 000	10 000
Upgrading of Dipakapakeng Access Road	Upgrading	Roads Infrastructure	Roads	Ward 25	-	2 169	-	-	-	-
Upgrading of Bloompoot to Uitspanning Access Road	Upgrading	Roads Infrastructure	Roads	Ward 11	27 000	24 831	-	-	-	-
Upgrading of Hlogottlou-Bopanang Road	Upgrading	Roads Infrastructure	Roads	Ward 20	800	800	6 000	6 000	3 500	3 500

Project Description	Type	Asset Class	Asset Sub-Class	Ward Location	Medium Term Revenue and Expenditure Framework					
					Budget Year 2022/23		Budget Year +1 2023/24		Budget Year +2 2024/25	
					Original Budget	Adjusted Budget	Original Budget	Adjusted Budget	Original Budget	Adjusted Budget
Upgrading of Malaeneng A Ntwane Access Road	Upgrading	Roads Infrastructure	Roads	Ward 8	900	750	8 000	8 000	12 000	12 000
Upgrading of Maraganeng Internal Access Road	Upgrading	Roads Infrastructure	Roads	Ward 16	900	750	23 919	23 919	-	-
Upgrading of Mokumong Access Road to Marateng Taxi Rank	New	Roads Infrastructure	Roads	Ward 29	700	700	8 000	8 000	12 500	12 500
Upgrading of Masoing Bus route	New	Roads Infrastructure	Roads	Ward 15	850	850	-	-	-	-
Upgrading of Tafelkop Stadium Access Road	New	Roads Infrastructure	Roads	Ward 27	27 001	27 001	-	-	-	-
Computer Equipment	New	Computer Equipment	Computer Equipment	Whole of the municipality	700	2 135	1 044	1 044	1 091	1 091
Furniture and Office Equipment	New	Furniture and Office Equipment	Furniture and Office Equipment	Whole of the municipality	500	720	1 044	1 044	1 090	1 090
Machinery and Equipment	Upgrading	Machinery and Equipment	Machinery and Equipment	Whole of the municipality	500	940	522	522	545	545
Trailer Equipment Public Safety	New	Transport Assets	Transport Assets	Whole of the municipality	300	-	-	-	-	-
Fencing of Ntwane Cemetery	New	Community Facilities	Cemeteries/Crematoria	Ward 11	1 000	869	-	-	-	-
Upgrading and Development of Parks	New	Community Facilities	Parks	Ward 13	1 300	884	600	600	500	500
Street Litter Bins	New	Machinery and Equipment	Machinery and Equipment	Whole of the municipality	850	800	-	-	-	-
Professional Lawn Mowers and Industrial Brush Cutters	Upgrading	Machinery and Equipment	Machinery and Equipment	Whole of the municipality	380	380	370	370	-	-
Disaster Management Centre & Emergency Relief Store room	New	Community Facilities	Centres	Ward 13	435	454	-	-	-	-
Record Management System	Upgrading	Licences and Rights	Computer Software and Applications	Ward 13	300	-	200	200	-	-
No Illegal Dumping Boards	New	Solid Waste Infrastructure	Capital Spares	Whole of the municipality	100	59	-	-	-	-
Trailer Disaster	New	Community assets	Machinery and Equipment	Whole of the municipality	80	80	-	-	-	-
Upgrading of Rosennekal Concrete Palisade	Upgrading	Solid Waste Infrastructure	Landfill Sites	Ward 30	-	-	1 000	1 000	1 000	1 000
Twenty Skip Bins	New	Solid Waste Infrastructure	Waste Drop-off Points	Whole of the municipality	300	291	-	-	-	-
Upgrading of Groblersdal Cemetery	Upgrading	Community Facilities	Cemeteries/Crematoria	Ward 13	-	-	1 500	1 500	-	-
Information Centre	New	Community Facilities	Centres	Ward 13	-	-	500	500	-	-
Fencing of Game Farm	New	Land	Land	Ward 13	1 100	1 075	-	-	-	-
Blue lights Siren and Insignia	New	Transport Assets	Transport Assets	Whole of the municipality	440	238	-	-	-	-
Development of Moteti Waste Transfer station	New	Solid Waste Infrastructure	Waste Drop-off Points	Ward 2	-	-	-	-	800	800
Fencing of Roosenekaal Landfill Site	Upgrading	Solid Waste Infrastructure	Landfill Sites	Ward 30	-	1 000	-	-	-	-
Gable Roof	Renewal	Operational Buildings	Municipal Offices	Whole of the municipality	-	208	-	-	-	-
Alternative Energy Solution	New	Electrical Infrastructure	Power Plants	Whole of the municipality	-	3 400	-	-	-	-
Electrification Maleoskop	New	Electrical Infrastructure	MV Networks	Ward 12	-	1 924	-	-	-	-
Office Furniture and Equipment	New	Furniture and Office Equipment	Furniture and Office Equipment	Whole of the municipality	-	419	-	-	-	-
Server Software	New	Licences and Rights	Computer Software and Applications	Whole of the municipality	-	185	-	-	-	-
					98 041	105 377	93 444	93 444	93 320	93 320

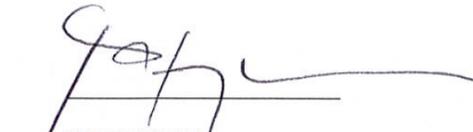
Projects adjusted:

- Upgrading of Maraganeng internal Access road was adjusted downwards by R150 000
- Upgrading of Malaeneng A Ntwane Access road was adjusted downwards by R150 000
- Groblersdal Landfill site was adjusted downwards by R1 908 000 and was reallocated to Upgrading of Nyakurone Internal Access Road
- Upgrading of Nyakurone Internal Access Road was adjusted upwards by R1 908 000
- Upgrading of Dipakapakeng Access Road was adjusted upwards by R2 169 000 from Upgrading of Bloompoort to Uitspanning Access Road
- Upgrading of Bloompoort to Uitspanning Access Road was adjusted downwards by R2 169 000.
- Machinery and Equipment was adjusted upwards by R440 000
- Culverts and Road signs was adjusted upwards by R260 000
- Fencing of Groblersdal Substation was adjusted downwards by R400 000
- Record Management System was adjusted downwards by R300 000 due to inadequate budget.
- Fencing of Elandsdoorn/Ntwane Cemetery was adjusted downwards by R131 000 due to the project being completed.
- Upgrading of parks was adjusted downwards by R415 531
- Street Litter Bins was adjusted downwards by R50 000
- Disaster Management Centre & Emergency Relief Store room was adjusted downwards by R19 000 as the project is completed.
- Blue lights Siren and Insignia was adjusted downwards by R203 000
- Trailer Equipment Public Safety was adjusted downwards by R300 000 as the market is not responding very well.
- Twenty skip bins was adjusted downwards by R9 400
- No legal dumping boards was adjusted downwards by R41 000
- Furniture and Office Equipment (Corporate Services) was adjusted upwards by R220 000
- Computer equipment was adjusted upwards by R1 434 652 due to procurement of new server.
- Intangible assets was adjusted upwards by R185 000
- Furniture and Office Equipment (Community Services) was adjusted upwards by R419 250
- Electrification of Maleoskop was adjusted upwards by R1 924 407. This project was not completed by year end and roll over application was disapproved by National Treasury, therefore the adjustment is made in this regard to complete the project with internal funding.
- Electrification of Phooko was adjusted downwards by R4 000 000 due to disapproved rollover application for electrification of Masakaneng project.
- Electrification of Masakaneng was adjusted upwards by R4 000 000 due to the above mentioned reason.
- Alternative energy solution was adjusted upwards by R3 400 000 was incorrectly budgeted for under operating expenditure
- Fencing of Roossenekaal Landfill Site was adjusted upwards by R1 000 000. The adjustment was as a result of mid-assessment engagement where it was indicated that landfill site has to be fenced and the license will be revoked if not fenced.

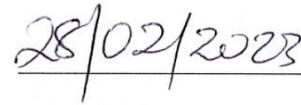
- Gable Roof was adjusted upwards by R208 000
- Fencing of Game Farm was adjusted downwards by R25 000 as the project is completed.

Quality certificate

I, **MESHACK MAHLAGAUME KGWALE**, the Municipal Manager of **ELIAS MOTSOLEDI LOCAL MUNICIPALITY**, hereby certify that the 2022/23 adjustment budget and supporting documentations have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the integrated development plan.



MM KGWALE
MUNICIAPL MANAGER



DATE STAMP