

**ADJUSTMENTS BUDGET OF  
2018/19  
MTHONJANENI LOCAL  
MUNICIPALITY**



**2018/19 TO 2020/21  
MEDIUM TERM REVENUE AND  
EXPENDITURE FORECASTS**

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## 1. DEFINITIONS

(1) In this Budget Report, unless the context indicates otherwise –

**“accounting officer”**

(a) in relation to a municipality, means the municipal official referred to in section 60 of the Municipal Finance Management Act, 2003; and include a person acting as the accounting officer;

**“allocation”**, in relation to a municipality, means -

- (a) a municipality’s share of the local government’s equitable share referred to in section 214(1)(a) of the Constitution;
- (b) an allocation of money to a municipality in terms of section 214(1)(c) of the Constitution;
- (c) an allocation of money to a municipality in terms of a provincial budget; or
- (d) any other allocation of money to a municipality by an organ of state, including by another municipality, otherwise than in compliance with a commercial or other business transaction;

**“annual Division of Revenue Act”** means the Act of Parliament which must be enacted annually in terms of section 214 (1) of the Constitution;

**“approved budget”** means an annual budget -

- (a) Approved by a municipal council; or
- (b) Approved by a provincial or the national executive following an intervention in terms of section 139 of the Constitution, and includes such an annual budget as revised by an adjustments budget in terms of section 28;

**“basic municipal service”** means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment;

**“budget-related policy”** means a policy of a municipality affecting or affected by the annual budget of the municipality, including -

- (a) The tariffs policy which the municipality must adopt in terms of section 74 of the Municipal Systems Act;
- (b) The credit control and debt collection policy which the municipality must adopt in terms of section 96 of the Municipal Systems Act;

**“budget year”** means the financial year for which an annual budget is to be approved in terms of section 16(1) of the Municipal Finance Management Act, 2003.;

**“chief financial officer”** means a person designated in terms of section 80(2)(a) of the Municipal Finance Management Act, 2003.

**“councillor”** means a member of a municipal council;

**“CPI”** means Consumer price Index.

**“current year”** means the financial year which has already commenced, but not yet ended;

**“debt”** means -

- (a) a monetary liability or obligation created by a financing agreement, note, debenture, bond or overdraft, or by the issuance of municipal debt instruments; or
- (b) a contingent liability such as that created by guaranteeing a monetary liability or obligation of another;

**“delegation”**, in relation to a duty, includes an instruction or request to perform or to assist in performing the duty;

**“district municipality”** means a municipality that has municipal executive and legislative authority in an area that includes more than one municipality, and which is described in section 155(1) of the Constitution as a category C municipality;

**“COGTA”** means Cooperative Governance and Traditional Affairs

**“EXCO”** means Executive Committee of the Council of the Municipality

**“GFS”** means General Financial Statistic.

**“financial year”** means a year ending on 30 June;

**“IDP”** means Integrated Development Plan

**“In year reports, in relation to-**

(a) a municipality means

- (i) a monthly budget statement of the municipality contemplated in section 71(1) of the MFMA
- (ii) a Quarterly report on the implementation of the budget and financial state of affairs of the municipality contemplated in section 52(d) of the act;
- (iii) a mid-year budget and performance assessment of the municipality contemplated in section 72 of the act.

**“investment”**, in relation to funds of a municipality, means -

- (a) The placing on deposit of funds of a municipality with a financial institution; or
- (b) The acquisition of assets with funds of a municipality not immediately required, with the primary aim of preserving those funds;

**“lender”**, in relation to a municipality, means a person who provides debt finance to a municipality;

**“local community”** has the meaning assigned to it in section 1 of the Municipal Systems Act;

**“local municipality”** means a municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls, and which is described in section 155(1) of the Constitution as a category B municipality;

**“long-term debt”** means debt repayable over a period exceeding one year;

**“MANCO”** means management committee of the municipality

**“MFMA”** Municipal Finance Management Act, No. 56 of 2003

**“MFMA Regulations or (MBRR)”** means regulations relating to Municipal Budget and Reporting

**“MTEF”** means Medium Term Expenditure Framework

**“mayor”**, in relation to -

- (a) a municipality with an executive mayor, means the councillor elected as the executive mayor of the municipality in terms of section 55 of the Municipal Structures Act; or
- (b) a municipality with an executive committee, means the councillor elected as the mayor of the municipality in terms of section 48 of that Act;

**“month”** means one of the 12 months of a calendar year;

**“municipality”** -

- (a) when referred to as a corporate body, means a municipality as described in section 2 of the Municipal Systems Act; or (b) when referred to as a geographic area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act, 1998 (Act No. 27 of 1998);

**“municipal service”** has the meaning assigned to it in section 1 of the Municipal Systems Act;

**“Municipal Systems Act”** means the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

**“municipal tariff”** means a tariff for services which a municipality may set for the provision of a service to the local community, and includes a surcharge on such tariff;

**“municipal tax”** means property rates or other taxes, levies or duties that a municipality may impose;

**“National Treasury”** means the National Treasury established by section 5 of the Public Finance Management Act;

**“past financial year”** means the financial year preceding the current year;

**“NER”**, means the National Electricity Regulator;

**“Provincial Treasury”** means a treasury established in terms of section 17 of the Public Finance Management Act;

**“quarter”** means any of the following periods in a financial year:

- (a) 1 July to 30 September;
- (b) 1 October to 31 December;
- (c) 1 January to 31 March; or
- (d) 1 April to 30 June;

**“Quality certificate”**, in relation to

- (a) a municipality, means a certificate issued and signed by the municipal manager of the municipality confirming the accuracy and reliability of the contents of a document prepared or issued by the municipality

**“SDBIP”** means Service Delivery Budget Implementation Plan

**“standards of generally recognised accounting practice”** means an accounting practice complying with standards applicable to municipalities or municipal entities and issued in terms of Chapter 11 of the Public Finance Management Act;

**“vote”** means -

- (a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and
- (b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned.

# 1 Part 1 – Adjustment Budget

## 1.1 Mayor's Report

Honourable Speaker, Amakhosi oselwa, Deputy Mayor, Members of the Executive Committee, Councillors, Municipal Manager, Officials and valuable members of our community. It gives me great pleasure to present to council the 2018/2019 adjustment budget and the outer subsequent years. The mid-year budget and performance assessment gave us an opportunity to reflect back on the first six months of the year and take corrective measures to rectify shortfalls identified. Difficult economic conditions still exist. The municipality is not insulated to these events as we live in a global village. Ultimately the negative economic conditions impact the collection of revenue negatively and the prospect of enhancing the municipality's own revenue sources. The municipality is constantly compelled to do more with fewer resources.

As informed by the Mid-year budget and Performance assessment it was necessary for the municipality to prepare the adjustments budget in light of the material variances identified. Some votes where individual votes were materially underspent and others were projected to be overspent by year end hence it was imperative that an adjustments budget for the municipality be prepared.

The National Treasury adjustment budget has not provided Mthonjaneni Municipality any additional amount in terms of Division of Revenue Act (DORA), Government Gazette no. 42067 of 28 November 2018.

Summary of the adjustment budget 2018/19 is as follows:

<b>Description</b>	<b>ORIGINAL BUDGET 2018/2019</b>	<b>ADJUSTMENT 2018/19</b>	<b>ADJUSTED BUDGET 2018/19</b>
Operational Revenue	R 128.2 million	R 15.8 million	R 144.0 million
Capital Revenue	R32.7 million	R.0	R32.7 million
<b>Total Revenue</b>	<b>R 160.9 million</b>	<b>R 15.8 million</b>	<b>R176.7 million</b>
Operational Expenditure	R 124.6 million	R 14.5 million	R 139.1 million
Capital Expenditure	R36.3 million	R 1.2 million	R 37. 5 million
<b>Total Expenditure</b>	<b>R160.9 million</b>	<b>R 15.8 million</b>	<b>R 176.7 million</b>

In light of the aforementioned reasons, I recommend that Council approves the adjustments budget for 2018/19 financial year as well as the revision of the service delivery targets and

performance indicators in the service delivery and budget and implementation plan taking into consideration the adjustments budget.

I thank you!. Ngiyabonga! Dankie!

## **COUNCILLOR SBK BIYELA**

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## **HIS WORSHIP THE MAYOR**

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### **1.2 Council Resolutions**

The Council of Mthonjaneni Local Municipality, acting in terms of section 28 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

1. The adjustments budgets of the Municipality for the financial year 2018/19 and the multi-year and single-year capital appropriations as set out in the following tables:
  - 1.1 Budgeted Financial performance (revenue and expenditure by standard classification) as contained in Table 6
    - 1.1.1 Budgeted Financial performance (revenue and expenditure by municipal vote) as contained in Table 7
    - 1.1.2 Budgeted Financial performance (revenue by source and expenditure by type) as contained in Table 8
    - 1.1.3 Multi – year and single year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 9.
  - 1.2 The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
    - 1.2.1. Budgeted Financial Position as contained in Table 10;
    - 1.2.2. Budgeted Cash Flows as contained in Table 11;
    - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 12;
    - 1.2.4 Asset management as contained in Table 13;
    - 1.2.5 Basic service delivery measurement as contained in Table 14.
2. Comments from Provincial treasury on the Mid-Year Performance assessment report 2018/19 be noted.

### 1.3 Executive Summary

The application of sound financial management principles for the compilation of 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.

MFMA Circular No. 89 states that The 2017/18 Budget Review emphasised that, while the global economic growth outlook has improved, it is clouded by the prevailing policy uncertainty due to the increasing pressure within the world trading system. These factors may jeopardise South Africa's prudent macroeconomic and fiscal policies, which include inflation targeting and a flexible exchange rate, the local economy's ability to adjust to global volatility and the stable investment platform.

It is important to note that the 2017 projected Gross Domestic Product (GDP) growth forecast of 1.3 per cent in the 2017/18 budget was revised down to 0.7 percent.

Consequently, municipal revenues and cash flows are expected to remain under pressure in 2018/19 and ***so municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts.***

Municipalities should carefully consider affordability of tariff increases; especially as it relates to domestic consumer while considering the level of services versus the associated cost. Municipalities should also pay particular attention to managing revenue effectively and carefully evaluate all spending decision. ***Municipalities must implement cost containing measures as approved by Cabinet to eliminate non – priority spending.***

National Treasury's MFMA Circular No. 89 was used to guide the compilation of the 2018/19 MTREF.

The main challenges experienced during the compilation of the 2018/19 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Wage increases for municipal staff that continues to exceed consumer inflation.

The following budget principles and guidelines directly informed the compilation of the 2018/19 MTREF:

- The 2017/18 Adjustment Budget priorities and targets, as well as the base line allocations contained in that Adjustment Budget were adopted as upper limits for the new baselines for the 2018/19 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Property rate increases should be affordable and should generally not exceed inflation as measured by the CPI.
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act.

## 1.4 Operating Revenue Framework

For Mthonjaneni Local Municipality to continue improving the quality of service provided to its citizens it needs to generate the required revenue. In these tough times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceeds available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditure against realistically anticipated revenues.

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

- National Treasury's guidelines and macroeconomic policy
- Effective revenue management
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 Of 2004) (MPRA)

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

**Table 1 Summary of revenue classified by main revenue source**

Choose name from list - Table B1 Adjustments Budget Summary -

Description	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1	2	3	4	5	6	7	8		
	A	A1	B	C	D	E	F	G	H		
<b>Financial Performance</b>											
Property rates	13 850	-	-	-	-	-	5 000	5 000	18 850	14 833	15 649
Service charges	27 314	-	-	-	-	-	2 000	2 000	29 314	28 804	30 388
Investment revenue	1 200	-	-	-	-	-	(450)	(450)	750	1 266	1 336
Transfers recognised - operational	76 672	-	-	-	-	-	-	-	76 672	81 490	86 871
Other own revenue	9 185	-	-	-	-	-	9 265	9 265	18 450	9 639	10 169
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>128 221</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 815</b>	<b>15 815</b>	<b>144 035</b>	<b>136 031</b>	<b>144 412</b>
Employee costs	48 580	-	-	-	-	-	3 775	3 775	52 355	50 658	52 852
Remuneration of councillors	7 886	-	-	-	-	-	924	924	8 810	7 984	8 089
Depreciation & asset impairment	5 252	-	-	-	-	-	-	-	5 252	5 527	5 817
Finance charges	-	-	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	25 752	-	-	-	-	-	460	460	26 212	27 484	28 973
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	37 130	-	-	-	-	-	9 654	9 654	46 784	37 795	38 730
<b>Total Expenditure</b>	<b>124 600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 813</b>	<b>14 813</b>	<b>139 413</b>	<b>129 448</b>	<b>134 462</b>
<b>Surplus/(Deficit)</b>	<b>3 620</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 002</b>	<b>1 002</b>	<b>4 622</b>	<b>6 583</b>	<b>9 950</b>
Transfers recognised - capital	32 749	-	-	-	-	-	-	-	32 749	34 033	25 820
Contributions recognised - capital & contributed	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>36 369</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 002</b>	<b>1 002</b>	<b>37 371</b>	<b>40 616</b>	<b>35 770</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>36 369</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 002</b>	<b>1 002</b>	<b>37 371</b>	<b>40 616</b>	<b>35 770</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	<b>71 678</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 226</b>	<b>1 226</b>	<b>72 904</b>	<b>76 144</b>	<b>58 902</b>
Transfers recognised - capital	32 749	-	-	-	-	-	-	-	32 749	34 033	25 820
Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	3 590	-	-	-	-	-	1 226	1 226	4 816	4 039	3 631
<b>Total sources of capital funds</b>	<b>36 339</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 226</b>	<b>1 226</b>	<b>37 565</b>	<b>38 072</b>	<b>29 451</b>
<b>Financial position</b>											
Total current assets	57 293	-	-	-	-	-	-	-	57 293	57 987	57 293
Total non current assets	286 456	-	-	-	-	-	-	-	286 456	286 456	286 456
Total current liabilities	14 553	-	-	-	-	-	-	-	14 553	14 553	14 553
Total non current liabilities	7 379	-	-	-	-	-	-	-	7 379	7 379	7 379
<b>Community wealth/Equity</b>	<b>321 817</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>321 817</b>	<b>321 817</b>	<b>321 817</b>
<b>Cash flows</b>											
Net cash from (used) operating	37 287	-	-	-	-	-	(17 363)	(17 363)	19 924	33 757	28 652
Net cash from (used) investing	(27 839)	-	-	-	-	-	(1 226)	(1 226)	(29 065)	(33 062)	(23 451)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>2 897</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18 590)</b>	<b>(18 590)</b>	<b>(15 693)</b>	<b>(14 998)</b>	<b>(9 797)</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	25 997	-	-	-	-	-	-	-	25 997	25 997	25 997
Application of cash and investments	(12 211)	-	-	-	-	-	6 137	6 137	(6 074)	(9 969)	(9 588)
<b>Balance - surplus (shortfall)</b>	<b>38 208</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 137)</b>	<b>(6 137)</b>	<b>32 072</b>	<b>35 967</b>	<b>35 585</b>
<b>Asset Management</b>											
Asset register summary (WDV)	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	5 252	-	-	-	-	-	-	-	5 252	5 527	5 817
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	3 243	-	-	-	-	-	-	-	3 243	3 352	3 467
<b>Free services</b>											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	0	-	-	-	-	-	-	-	0	0	0
Refuse:	13	-	-	-	-	-	-	-	13	14	15

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

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. Interest comprises of; interest on primary bank account as well as interest earned from call investment accounts.

The municipality has managed to consolidate the valuation roll for properties that were from the former Ntambanana Municipality and this has increased the property rates revenue base. The municipality has also embarked on a big drive to collect long outstanding debts for property rates and service charges such as electricity and refuse. Revenue base is expected to improve from these services. Revenue from traffic fines was under budgeted due to uncertainties after termination TMT contract, this has been rectified based on the revenue received in the first six months. Other revenue has been adjusted upward mainly due to vat refunds already received and projections for the remainder of the year.

The total revenue (including capital transfers and contributions) increased from R 160,9 million to R 176,7million mainly due to increases in the property rates, Service charges electricity, Fines, and Other Revenue.

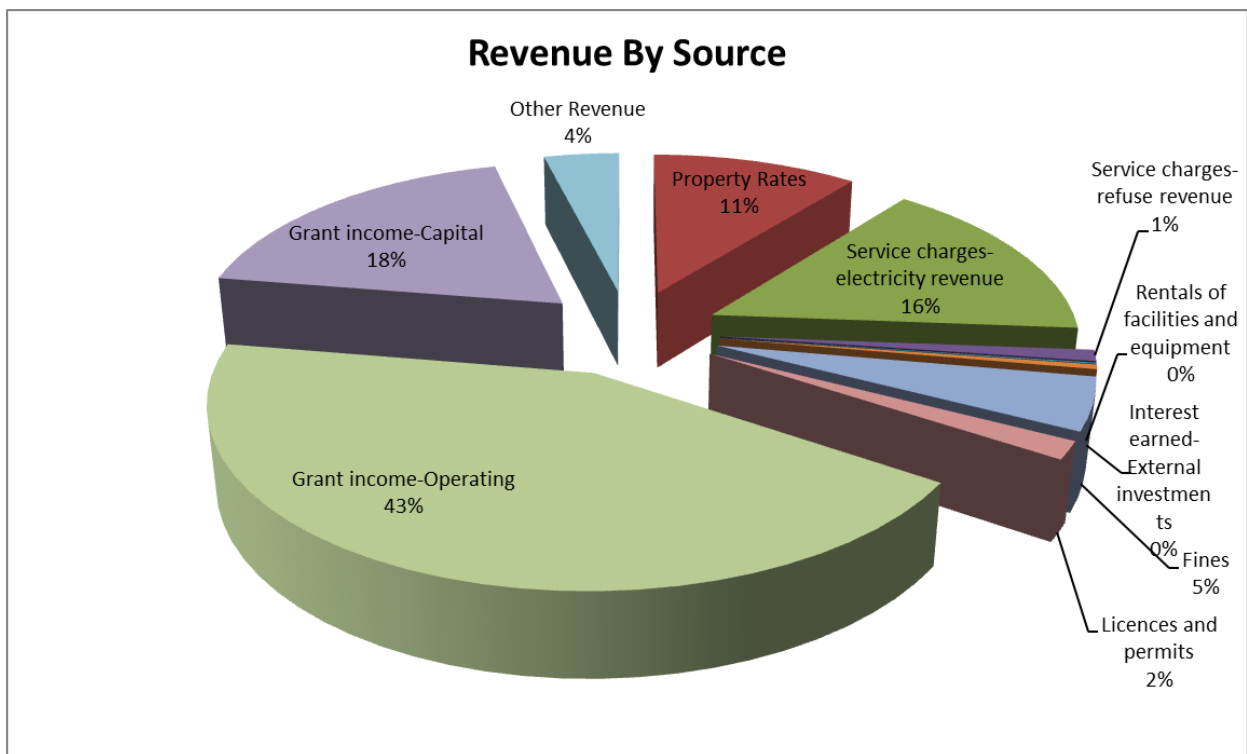
**Table 2 Operating Transfers and Grants Receipts**

Choose name from list - Supporting Table SB7 Adjustments Budget - transfers and grant receipts -

Description	Ref	Budget Year 2018/19						Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted 7	Multi-year capital 8	Nat. or Prov. Govt 9	Other Adjusts. 10	Total Adjusts. 11	Adjusted Budget 12	Adjusted Budget
		A	A1	B	C	D	E	F	
<b>R thousands</b>									
<b>RECEIPTS:</b>	1, 2								
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>		75 637	-	-	-	-	-	75 637	80 399
Local Government Equitable Share		70 979				-	-	70 979	82 871
Finance Management	3	2 850				-	-	2 850	2 850
EPWP Incentive		1 808					-	1 808	-
							-	-	-
							-	-	-
Other transfers and grants [insert description]		-					-	-	-
<b>Provincial Government:</b>		1 035	-	-	-	-	-	1 035	1 091
							-	-	
							-	-	
Community libraries Service grant	4	197				-	-	197	211
Provincialisation of Libraries	5	838				-	-	838	924
<b>District Municipality:</b>		-	-	-	-	-	-	-	-
[insert description]							-	-	
							-	-	
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-
[insert description]							-	-	
							-	-	
<b>Total Operating Transfers and Grants</b>	6	76 672	-	-	-	-	-	76 672	81 490
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>		32 749	-	-	-	-	-	32 749	34 033
Municipal Infrastructure Grant (MIG)		17 749				-	-	17 749	18 033
							-	-	
							-	-	
integrated national electrification grant (INEG)		15 000				-	-	15 000	16 000
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]							-	-	
							-	-	
<b>District Municipality:</b>		-	-	-	-	-	-	-	-
[insert description]							-	-	
							-	-	
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-
[insert description]							-	-	
							-	-	
<b>Total Capital Transfers and Grants</b>	6	32 749	-	-	-	-	-	32 749	34 033
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		109 421	-	-	-	-	-	109 421	115 523

There was no movement in the operating transfers and grant received as informed by the government gazette no. 42 067 dated 08 November 2018 in terms of the Division of Revenue Act.

The diagram below shows the revenue by source through pie chart in terms of how much percentages does each revenue source contributes to total operating revenue of Mthonjaneni Local Municipality.



**Figure 1 Main operational revenue categories for 2018/19 adjustments budget.**

## 1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2018/19 budget and MTREF is informed by the following:

- Balanced budget constrains (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

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

**Table 3 Summary of operating expenditure by standard classification item**

<b>Expenditure By Type</b>													
Employee related costs	48 580	-	-	-	-	-	3 775	3 775	52 355	50 658	52 852		
Remuneration of councillors	7 886						924	924	8 810	7 984	8 089		
Debt impairment	2 300						(1 400)	(1 400)	900	2 350	2 479		
Depreciation & asset impairment	5 252	-	-	-	-	-	-	-	5 252	5 527	5 817		
Finance charges	-								-				
Bulk purchases	24 500	-	-	-	-	-	-	-	24 500	25 848	27 269		
Other materials	1 252						460	460	1 712	1 636	1 704		
Contracted services	18 094	-	-	-	-	-	5 129	5 129	23 222	17 740	18 085		
Transfers and subsidies	-								-				
Other expenditure	16 737	-	-	-	-	-	5 925	5 925	22 662	17 706	18 166		
Loss on disposal of PPE	-								-				
<b>Total Expenditure</b>	<b>124 600</b>	-	-	-	-	-	<b>14 813</b>	<b>14 813</b>	<b>139 413</b>	<b>129 448</b>	<b>134 462</b>		

The Employee related costs have increased by (R 3 775 000) from R 48.5 million to R 52.3 million. The increase is mainly due to VIP security guard salaries. The municipality employed VIP security guards on a contract bases effecting from 1 September 2018 and terminated all contracts with the security guard companies.

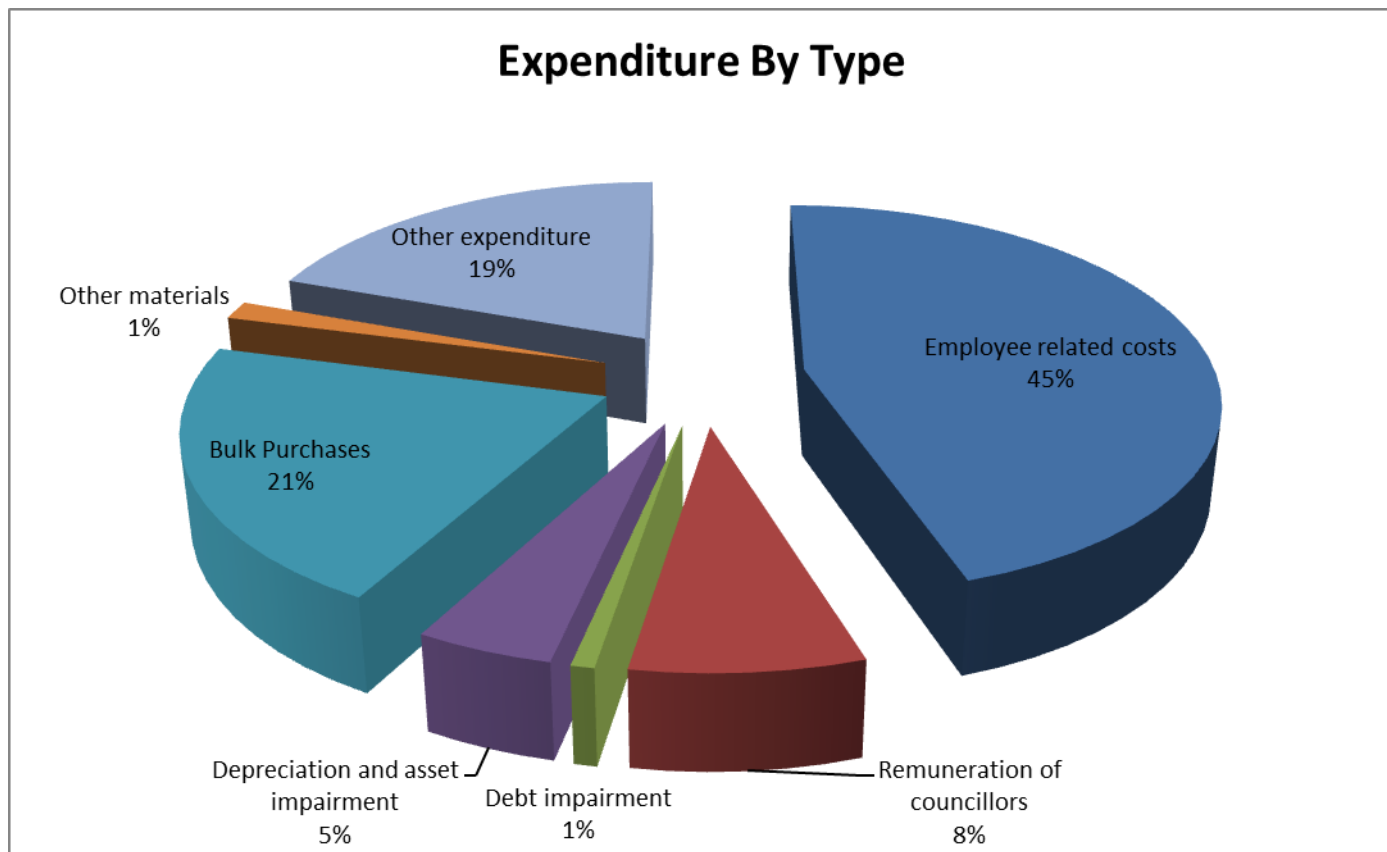
The Councillors remuneration has been adjusted to correct the projection envisaged for the reminder of the year. This is in line with the determination of the upper limits of the salaries, allowances and benefits of different members of municipal councils in terms of government notice no. 42 134 dated 21 December 2018. The positions of Mayor and Deputy Mayor were made full time effective from 14 November 2018 after receiving approval from MEC of Provincial Cogta.

The increase of R 460 000 in other material is mainly due to upward projections in the expenditure for fuel projected for the remainder of the year.

Contracted services budget was adjusted upwards in order to meet the contractual obligations which were under budgeted for the following main services: EPWP salaries and other associated expenditure which are now classified as contracted services in terms of MSCOA classification codes, Accounting system- Sage evolution, Nyusi'volume project in partnership with Ukhozi fm, and IDP road shows.

The increase in the required budget for other expenditure is largely attributed to under budgeting in the following areas: Advertising and publicity, Municipal electricity consumption, Indigent relief and External Audit fees.

The following table gives a breakdown of the main expenditure categories for the 2018/19 financial year.



*Figure 2 Main operational expenditure categories for the 2018/19 adjustments budget*

**Table 4 Operational repairs and maintenance**

Choose name from list - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' -

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted 6	Accum. Funds 7	Multi-year capital 8	Unfore. Unavoid. 9	Nat. or Prov. Govt 10	Other Adjusts. 11	Total Adjusts. 12	Adjusted Budget 13	Adjusted Budget	Adjusted Budget
Repairs and Maintenance	14											
Employee related costs									-	-		
Other materials									-	-		
Contracted Services		3 243						440	440	3 683	3 352	3 467
Other Expenditure									-	-		
<b>Total Repairs and Maintenance Expenditure</b>	<b>15</b>	<b>3 243</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>440</b>	<b>440</b>	<b>3 683</b>	<b>3 352</b>	<b>3 467</b>

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered as a direct expenditure driver but an outcome of certain other expenditure, such as remuneration, purchases of materials and contracted services. Mthonjaneni Local Municipality is aware of the Municipal Budget and Reporting Regulations which states that priority must be given to operational repairs and maintenance but because of its capacity and a small number of assets that the municipality owns the budgeted amount is reflected on the table above so small.

### 1.5.1 Free Basic Services

The free basic service assists households that are poor or face other circumstances that limit their ability to pay for services. To receive this service the households are required to register in terms of the Municipality's Indigent Policy. The qualification criterion in terms of the municipality's Indigent policy is that, the household joint gross income should not exceed two times the government old age pension grant.

## 1.6 Annual Budget Tables – Parent Municipality

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2018/19 budget and MTREF as recommended to be approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

# Table 5 MBRR Table A1 – Budget Summary

Choose name from list - Table B1 Adjustments Budget Summary -

Description	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	A	1	2	3	4	5	6	7	8		
	A	A1	B	C	D	E	F	G	H		
<b>Financial Performance</b>											
Property rates	13 850	–	–	–	–	–	5 000	5 000	18 850	14 833	15 649
Service charges	27 314	–	–	–	–	–	2 000	2 000	29 314	28 804	30 388
Investment revenue	1 200	–	–	–	–	–	(450)	(450)	750	1 266	1 336
Transfers recognised - operational	76 672	–	–	–	–	–	–	–	76 672	81 490	86 871
Other own revenue	9 185	–	–	–	–	–	9 265	9 265	18 450	9 639	10 169
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>128 221</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>15 815</b>	<b>15 815</b>	<b>144 035</b>	<b>136 031</b>	<b>144 412</b>
Employee costs	48 580	–	–	–	–	–	3 775	3 775	52 355	50 658	52 852
Remuneration of councillors	7 886	–	–	–	–	–	924	924	8 810	7 984	8 089
Depreciation & asset impairment	5 252	–	–	–	–	–	–	–	5 252	5 527	5 817
Finance charges	–	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	25 752	–	–	–	–	–	460	460	26 212	27 484	28 973
Transfers and grants	–	–	–	–	–	–	–	–	–	–	–
Other expenditure	37 130	–	–	–	–	–	9 654	9 654	46 784	37 795	38 730
<b>Total Expenditure</b>	<b>124 600</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14 813</b>	<b>14 813</b>	<b>139 413</b>	<b>129 448</b>	<b>134 462</b>
<b>Surplus/(Deficit)</b>	<b>3 620</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>1 002</b>	<b>4 622</b>	<b>6 583</b>	<b>9 950</b>
Transfers recognised - capital	32 749	–	–	–	–	–	–	–	32 749	34 033	25 820
Contributions recognised - capital & contributed	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>36 369</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>1 002</b>	<b>37 371</b>	<b>40 616</b>	<b>35 770</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>36 369</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>1 002</b>	<b>37 371</b>	<b>40 616</b>	<b>35 770</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	<b>71 678</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 226</b>	<b>1 226</b>	<b>72 904</b>	<b>76 144</b>	<b>58 902</b>
Transfers recognised - capital	32 749	–	–	–	–	–	–	–	32 749	34 033	25 820
Public contributions & donations	–	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–	–
Internally generated funds	3 590	–	–	–	–	–	1 226	1 226	4 816	4 039	3 631
<b>Total sources of capital funds</b>	<b>36 339</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 226</b>	<b>1 226</b>	<b>37 565</b>	<b>38 072</b>	<b>29 451</b>
<b>Financial position</b>											
Total current assets	57 293	–	–	–	–	–	–	–	57 293	57 987	57 293
Total non current assets	286 456	–	–	–	–	–	–	–	286 456	286 456	286 456
Total current liabilities	14 553	–	–	–	–	–	–	–	14 553	14 553	14 553
Total non current liabilities	7 379	–	–	–	–	–	–	–	7 379	7 379	7 379
<b>Community wealth/Equity</b>	<b>321 817</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>321 817</b>	<b>321 817</b>	<b>321 817</b>
<b>Cash flows</b>											
Net cash from (used) operating	37 287	–	–	–	–	–	(17 363)	(17 363)	19 924	33 757	28 652
Net cash from (used) investing	(27 839)	–	–	–	–	–	(1 226)	(1 226)	(29 065)	(33 062)	(23 451)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–	–	–
<b>Cash/cash equivalents at the year end</b>	<b>2 897</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(18 590)</b>	<b>(18 590)</b>	<b>(15 693)</b>	<b>(14 998)</b>	<b>(9 797)</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	25 997	–	–	–	–	–	–	–	25 997	25 997	25 997
Application of cash and investments	(12 211)	–	–	–	–	–	6 137	6 137	(6 074)	(9 969)	(9 588)
<b>Balance - surplus (shortfall)</b>	<b>38 208</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(6 137)</b>	<b>(6 137)</b>	<b>32 072</b>	<b>35 967</b>	<b>35 585</b>
<b>Asset Management</b>											
Asset register summary (WDV)	–	–	–	–	–	–	–	–	–	–	–
Depreciation & asset impairment	5 252	–	–	–	–	–	–	–	5 252	5 527	5 817
Renewal of Existing Assets	–	–	–	–	–	–	–	–	–	–	–
Repairs and Maintenance	3 243	–	–	–	–	–	–	–	3 243	3 352	3 467
<b>Free services</b>											
Cost of Free Basic Services provided	–	–	–	–	–	–	–	–	–	–	–
Revenue cost of free services provided	–	–	–	–	–	–	–	–	–	–	–
<b>Households below minimum service level</b>											
Water:	–	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–	–
Energy:	0	–	–	–	–	–	–	–	0	0	0
Refuse:	13	–	–	–	–	–	–	–	13	14	15

### **Explanatory notes to MBRR Table B1 – Budget Summary**

1. Table B1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspective (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic services delivery backlogs.
3. Financial management reforms emphasize 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) is positive over the MTREF
  - b. Capital expenditure is balanced by capital funding sources.

**Table 6 MBRR Table B2 – Budgeted Financial Performance (revenue and expenditure by standard classification)**

Choose name from list - Table B2 Adjustments Budget Financial Performance (functional classification) -

Standard Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1, 4	A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H		
<b>Revenue - Functional</b>												
<i>Governance and administration</i>		89 435	-	-	-	-	-	9 182	9 182	98 617	97 084	103 324
Executive and council		-	-	-	-	-	-	-	-	-	-	-
Finance and administration		89 435	-	-	-	-	-	9 182	9 182	98 617	97 084	103 324
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		8 950	-	-	-	-	-	4 633	4 633	13 583	9 418	9 935
Community and social services		1 069	-	-	-	-	-	1 133	1 133	2 202	1 127	1 188
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		7 881	-	-	-	-	-	3 500	3 500	11 381	8 291	8 747
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		20 268	-	-	-	-	-	-	-	20 268	18 758	19 585
Planning and development		-	-	-	-	-	-	-	-	-	-	-
Road transport		20 268	-	-	-	-	-	-	-	20 268	18 758	19 585
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		42 316	-	-	-	-	-	2 000	2 000	44 316	44 805	37 389
Energy sources		40 512	-	-	-	-	-	2 000	2 000	42 512	42 908	35 388
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		1 804	-	-	-	-	-	-	-	1 804	1 897	2 002
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	160 970	-	-	-	-	-	15 815	15 815	176 784	170 064	170 232
<b>Expenditure - Functional</b>												
<i>Governance and administration</i>		53 671	-	-	-	-	-	5 187	5 187	58 858	56 596	58 134
Executive and council		17 872	-	-	-	-	-	2 461	2 461	20 333	18 268	18 734
Finance and administration		34 208	-	-	-	-	-	2 414	2 414	36 622	36 710	37 752
Internal audit		1 590	-	-	-	-	-	313	313	1 904	1 619	1 649
<i>Community and public safety</i>		21 246	-	-	-	-	-	4 564	4 564	25 810	21 240	22 198
Community and social services		9 432	-	-	-	-	-	2 771	2 771	12 202	8 818	9 156
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-
Public safety		11 815	-	-	-	-	-	1 793	1 793	13 608	12 422	13 042
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		20 760	-	-	-	-	-	4 976	4 976	25 737	21 175	22 072
Planning and development		3 811	-	-	-	-	-	1 080	1 080	4 891	3 453	3 576
Road transport		16 950	-	-	-	-	-	3 896	3 896	20 846	17 722	18 495
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		28 923	-	-	-	-	-	85	85	29 008	30 437	32 058
Energy sources		26 881	-	-	-	-	-	(117)	(117)	26 764	28 317	29 832
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		2 042	-	-	-	-	-	202	202	2 244	2 120	2 227
<i>Other</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	124 600	-	-	-	-	-	14 813	14 813	139 413	129 448	134 462
<b>Surplus/ (Deficit) for the year</b>		36 369	-	-	-	-	-	1 002	1 002	37 371	40 616	35 770

## Explanatory notes to Table B2 – Budget Financial Performance (revenue and expenditure by standard classification)

1. 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 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table A4.

**Table 7: MBRR Table B3 – Budgeted Financial performance (revenue and expenditure by municipal vote)**

Choose name from list - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) -

Vote Description  <i>[Insert departmental structure etc]</i>	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>R thousands</b>												
<b>Revenue by Vote</b>	1											
Vote 1 - Exacutive and Council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Finance and administration		89 435	-	-	-	-	-	9 182	9 182	98 617	97 084	103 324
Vote 4 - Community and social services		1 069	-	-	-	-	-	1 133	1 133	2 202	1 127	1 188
Vote 5 - Public safety		7 881	-	-	-	-	-	3 500	3 500	11 381	8 291	8 747
Vote 6 - Planning and development		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Road transport		20 268	-	-	-	-	-	-	-	20 268	18 758	19 585
Vote 8 - Energy sources		40 512	-	-	-	-	-	2 000	2 000	42 512	42 908	35 388
Vote 9 - Solid Waste Removal		1 804	-	-	-	-	-	-	-	1 804	1 897	2 002
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>160 970</b>	-	-	-	-	-	<b>15 815</b>	<b>15 815</b>	<b>176 784</b>	<b>170 064</b>	<b>170 232</b>
<b>Expenditure by Vote</b>	1											
Vote 1 - Exacutive and Council		12 546	-	-	-	-	-	132	132	12 678	12 879	13 213
Vote 2 - Municipal Manager		6 917	-	-	-	-	-	2 642	2 642	9 559	7 007	7 170
Vote 3 - Finance and administration		34 208	-	-	-	-	-	2 414	2 414	36 622	36 710	37 752
Vote 4 - Community and social services		9 432	-	-	-	-	-	2 771	2 771	12 202	8 022	9 156
Vote 5 - Public safety		11 815	-	-	-	-	-	1 793	1 793	13 608	12 422	13 042
Vote 6 - Planning and development		3 811	-	-	-	-	-	1 080	1 080	4 891	3 453	3 576
Vote 7 - Road transport		16 950	-	-	-	-	-	3 896	3 896	20 846	18 506	18 495
Vote 8 - Energy sources		26 881	-	-	-	-	-	(117)	(117)	26 764	28 317	29 832
Vote 9 - Solid Waste Removal		2 042	-	-	-	-	-	202	202	2 244	2 132	2 227
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>124 600</b>	-	-	-	-	-	<b>14 813</b>	<b>14 813</b>	<b>139 413</b>	<b>129 448</b>	<b>134 462</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>36 369</b>	-	-	-	-	-	<b>1 002</b>	<b>1 002</b>	<b>37 371</b>	<b>40 616</b>	<b>35 770</b>

**Explanatory notes to MBRR Table B3 – Budgeted Financial Performance (revenue and expenditure per municipal vote)**

1. 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. This means it is possible to present the operating surplus or deficit of a vote.

**Table 8: MBRR Table B4 – Budgeted Financial Performance (revenue and expenditure)**

Choose name from list - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) -

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands	1	A	A1	B	C	D	E	F	G	H		
<b>Revenue By Source</b>												
Property rates	2	13 850	–	–	–	–	–	5 000	5 000	18 850	14 833	15 649
Service charges - electricity revenue	2	25 512	–	–	–	–	–	2 000	2 000	27 512	26 908	28 388
Service charges - water revenue	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue	2	–	–	–	–	–	–	–	–	–	–	–
Service charges - refuse revenue	2	1 803	–	–	–	–	–	–	–	1 803	1 896	2 000
Service charges - other		–								–	–	–
Rental of facilities and equipment		171								171	171	180
Interest earned - external investments		1 200						(450)	(450)	750	1 266	1 336
Interest earned - outstanding debtors		–								–	–	–
Dividends received		–								–	–	–
Fines, penalties and forfeits		5 000						3 500	3 500	8 500	5 260	5 549
Licences and permits		2 881								2 881	3 095	3 265
Agency services		–								–	–	–
Transfers and subsidies		76 672								76 672	81 490	86 871
Other revenue	2	1 133	–	–	–	–	–	5 765	5 765	6 898	1 113	1 174
Gains on disposal of PPE		–								–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>128 221</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>15 815</b>	<b>15 815</b>	<b>144 035</b>	<b>136 031</b>	<b>144 412</b>
<b>Expenditure By Type</b>												
Employee related costs		48 580	–	–	–	–	–	3 775	3 775	52 355	50 658	52 852
Remuneration of councillors		7 886						924	924	8 810	7 984	8 089
Debt impairment		2 300						(1 400)	(1 400)	900	2 350	2 479
Depreciation & asset impairment		5 252	–	–	–	–	–	–	–	5 252	5 527	5 817
Finance charges		–								–	–	–
Bulk purchases		24 500	–	–	–	–	–	–	–	24 500	25 848	27 269
Other materials		1 252						460	460	1 712	1 636	1 704
Contracted services		18 094	–	–	–	–	–	5 129	5 129	23 222	17 740	18 085
Transfers and subsidies		–								–	–	–
Other expenditure		16 737	–	–	–	–	–	5 925	5 925	22 662	17 706	18 166
Loss on disposal of PPE		–								–	–	–
<b>Total Expenditure</b>		<b>124 600</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14 813</b>	<b>14 813</b>	<b>139 413</b>	<b>129 448</b>	<b>134 462</b>
<b>Surplus/(Deficit)</b>		<b>3 620</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>1 002</b>	<b>4 622</b>	<b>6 583</b>	<b>9 950</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		32 749							–	32 749	34 033	25 820
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher		–							–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–							–	–	–	–
<b>Surplus/(Deficit) before taxation</b>		<b>36 369</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>1 002</b>	<b>37 371</b>	<b>40 616</b>	<b>35 770</b>
Taxation		–							–	–	–	–
<b>Surplus/(Deficit) after taxation</b>		<b>36 369</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>1 002</b>	<b>37 371</b>	<b>40 616</b>	<b>35 770</b>
Attributable to minorities		–							–	–	–	–
<b>Surplus/(Deficit) attributable to municipality</b>		<b>36 369</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>1 002</b>	<b>37 371</b>	<b>40 616</b>	<b>35 770</b>
Share of surplus/ (deficit) of associate		–							–	–	–	–
<b>Surplus/ (Deficit) for the year</b>		<b>36 369</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 002</b>	<b>1 002</b>	<b>37 371</b>	<b>40 616</b>	<b>35 770</b>

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

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

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. Interest comprises of; interest on primary bank account as well as interest earned from call investment accounts.

Explanatory notes for material movements have been provided as stated above under section, 1.5 – Operating expenditure framework.

**Table 9: MBRR Table B5 – Budgeted Capital Expenditure by vote, standard classification and funding sources**

Choose name from list - Table B5 Adjustments Capital Expenditure Budget by vote and funding -

Description	Ref	Budget Year 2018/19										Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget		Adjusted Budget	Adjusted Budget
		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H			
<b>R thousands</b>													
<b>Capital expenditure - Vote</b>													
<b>Multi-year expenditure to be adjusted</b>	2												
Vote 1 - Executive and Council		40	-	-	-	-	-	-	-	40		60	85
Vote 2 - Municipal Manager		40	-	-	-	-	-	-	-	40		60	85
Vote 3 - Finance and administration		235	-	-	-	-	-	-	-	235		594	656
Vote 4 - Community and social services		100	-	-	-	-	-	-	-	100		205	235
Vote 5 - Public safety		175	-	-	-	-	-	-	-	175		160	200
Vote 6 - Planning and development		-	-	-	-	-	-	-	-	-		-	-
Vote 7 - Road transport		18 409	-	-	-	-	-	-	-	18 409		19 143	19 540
Vote 8 - Energy sources		15 840	-	-	-	-	-	-	-	15 840		17 700	8 450
Vote 9 - Solid Waste Removal		500	-	-	-	-	-	-	-	500		150	200
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-		-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-		-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-		-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-		-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-		-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-		-	-
<b>Capital multi-year expenditure sub-total</b>	3	35 339	-	-	-	-	-	-	-	35 339		38 072	29 451
<b>Single-year expenditure to be adjusted</b>	2												
Vote 1 - Executive and Council		40	-	-	-	-	-	-	-	40		60	85
Vote 2 - Municipal Manager		40	-	-	-	-	-	-	-	40		60	85
Vote 3 - Finance and administration		235	-	-	-	-	-	11	11	246		594	656
Vote 4 - Community and social services		100	-	-	-	-	-	110	110	210		205	235
Vote 5 - Public safety		1 175	-	-	-	-	-	280	280	1 455		160	200
Vote 6 - Planning and development		-	-	-	-	-	-	-	-	-		-	-
Vote 7 - Road transport		18 409	-	-	-	-	-	1 070	1 070	19 479		19 143	19 540
Vote 8 - Energy sources		15 840	-	-	-	-	-	35	35	15 875		17 700	8 450
Vote 9 - Solid Waste Removal		500	-	-	-	-	-	(280)	(280)	220		150	200
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-		-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-		-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-		-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-		-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-		-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-		-	-
<b>Capital single-year expenditure sub-total</b>		36 339	-	-	-	-	-	1 226	1 226	37 565		38 072	29 451
<b>Total Capital Expenditure - Vote</b>		71 678	-	-	-	-	-	1 226	1 226	72 904		76 144	58 902
<b>Capital Expenditure - Functional</b>													
<b>Governance and administration</b>		315	-	-	-	-	-	11	11	326		724	826
Executive and council		80	-	-	-	-	-	-	-	80		130	170
Finance and administration		235	-	-	-	-	-	11	11	246		594	656
Internal audit		-	-	-	-	-	-	-	-	-		-	-
<b>Community and public safety</b>		1 275	-	-	-	-	-	390	390	1 665		355	435
Community and social services		100	-	-	-	-	-	110	110	210		205	235
Sport and recreation		-	-	-	-	-	-	-	-	-		-	-
Public safety		1 175	-	-	-	-	-	280	280	1 455		150	200
Housing		-	-	-	-	-	-	-	-	-		-	-
Health		-	-	-	-	-	-	-	-	-		-	-
<b>Economic and environmental services</b>		18 409	-	-	-	-	-	1 070	1 070	19 479		19 143	19 540
Planning and development		-	-	-	-	-	-	-	-	-		-	-
Road transport		18 409	-	-	-	-	-	1 070	1 070	19 479		19 143	19 540
Environmental protection		-	-	-	-	-	-	-	-	-		-	-
<b>Trading services</b>		16 340	-	-	-	-	-	(245)	(245)	16 095		17 850	8 650
Energy sources		15 840	-	-	-	-	-	35	35	15 875		17 700	8 450
Water management		-	-	-	-	-	-	-	-	-		-	-
Waste water management		-	-	-	-	-	-	-	-	-		-	-
Waste management		500	-	-	-	-	-	(280)	(280)	220		150	200
<b>Other</b>		-	-	-	-	-	-	-	-	-		-	-
<b>Total Capital Expenditure - Functional</b>	3	36 339	-	-	-	-	-	1 226	1 226	37 565		38 072	29 451
<b>Funded by:</b>													
National Government		32 749	-	-	-	-	-	-	-	32 749		34 033	25 820
Provincial Government		-	-	-	-	-	-	-	-	-		-	-
District Municipality		-	-	-	-	-	-	-	-	-		-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-		-	-
<b>Transfers recognised - capital</b>	4	32 749	-	-	-	-	-	-	-	32 749		34 033	25 820
<b>Public contributions &amp; donations</b>		-	-	-	-	-	-	-	-	-		-	-
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-		-	-
<b>Internally generated funds</b>		3 590	-	-	-	-	-	1 226	1 226	4 816		4 039	3 631
<b>Total Capital Funding</b>		36 339	-	-	-	-	-	1 226	1 226	37 565		38 072	29 451

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

1. Table A5 is a breakdown of the capital programs in relation to capital expenditure by municipal vote (multi – year and single – year appropriations); capital expenditure by standard classification; and funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. Mthonjaneni Municipality has increased it's capital budget to spend from R 39,683 million to R 49,423 million in order to address backlogs of electricity in some other wards that are within the jurisdiction of Mthonjaneni Local Municipality and also to address the under budgeting in the admin block building project.
3. The capital programs of Mthonjaneni Municipality is funded from national & provincial grants and subsidies and from accumulated cash backed reserves that are not committed for any other purposes.

**Table 10: MBRR Table A6 – Budgeted Financial Position**

Choose name from list - Table B6 Adjustments Budget Financial Position -

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
R thousands		A	A1	B	C	D	E	F	G	H		
<b>ASSETS</b>												
<b>Current assets</b>												
Cash		9 473							–	9 473	9 473	9 473
Call investment deposits	1	16 524	–	–	–	–	–	–	–	16 524	16 524	16 524
Consumer debtors	1	4 283	–	–	–	–	–	–	–	4 283	4 977	4 283
Other debtors		26 594							–	26 594	26 594	26 594
Current portion of long-term receivables									–	–	–	–
Inventory		419							–	419	419	419
<b>Total current assets</b>		<b>57 293</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>57 293</b>	<b>57 987</b>	<b>57 293</b>
<b>Non current assets</b>												
Long-term receivables									–	–		
Investments									–	–		
Investment property		2 327							–	2 327	2 327	2 327
Investment in Associate									–	–		
Property, plant and equipment	1	281 254	–	–	–	–	–	–	–	281 254	281 254	281 254
Agricultural									–	–		
Biological		2 793							–	2 793	2 793	2 793
Intangible		81							–	81	81	81
Other non-current assets		1							–	1	1	1
<b>Total non current assets</b>		<b>286 456</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>286 456</b>	<b>286 456</b>	<b>286 456</b>
<b>TOTAL ASSETS</b>		<b>343 749</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>343 749</b>	<b>344 442</b>	<b>343 749</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft									–	–		
Borrowing		–	–	–	–	–	–	–	–	–	–	–
Consumer deposits		1 052							–	1 052	1 052	1 052
Trade and other payables		12 922	–	–	–	–	–	–	–	12 922	12 922	12 922
Provisions		579							–	579	579	579
<b>Total current liabilities</b>		<b>14 553</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>14 553</b>	<b>14 553</b>	<b>14 553</b>
<b>Non current liabilities</b>												
Borrowing	1	–	–	–	–	–	–	–	–	–	–	–
Provisions	1	7 379	–	–	–	–	–	–	–	7 379	7 379	7 379
<b>Total non current liabilities</b>		<b>7 379</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7 379</b>	<b>7 379</b>	<b>7 379</b>
<b>TOTAL LIABILITIES</b>		<b>21 932</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>21 932</b>	<b>21 932</b>	<b>21 932</b>
<b>NET ASSETS</b>	2	<b>321 817</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>321 817</b>	<b>322 511</b>	<b>321 817</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		321 817	–	–	–	–	–	–	–	321 817	321 817	321 817
Reserves		–	–	–	–	–	–	–	–	–	–	–
Minorities' interests									–	–		
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>		<b>321 817</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>321 817</b>	<b>321 817</b>	<b>321 817</b>

## Explanatory notes to Table A6 – Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councillors 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 ready 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 Budget Financial Position.

**Table 11: MBRR Table A7 – Budgeted Cash Flow Statement**

Choose name from list - Table B7 Adjustments Budget Cash Flows -

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted 3	Accum. Funds 4	Multi-year capital 5	Unfore. Unavoid. 6	Nat. or Prov. Govt 7	Other Adjusts. 8	Total Adjusts. 9	Adjusted Budget 10	Adjusted Budget	Adjusted Budget
<b>R thousands</b>		<b>A</b>	<b>A1</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates		8 310						–	–	8 310	8 005	8 486
Service charges		23 487						–	–	23 487	23 274	24 671
Other revenue		9 185						–	–	9 185	7 349	7 818
Government - operating	1	79 371						–	–	79 371	80 399	85 721
Government - capital	1	32 749						–	–	32 749	34 033	25 820
Interest		1 200						(450)	(450)	750	1 266	1 336
Dividends		–						–	–	–	–	–
<b>Payments</b>												
Suppliers and employees		(117 015)						(16 913)	(16 913)	(133 928)	(120 570)	(125 199)
Finance charges		–						–	–	–	–	–
Transfers and Grants	1	–						–	–	–	–	–
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>37 287</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(17 363)</b>	<b>(17 363)</b>	<b>19 924</b>	<b>33 757</b>	<b>28 652</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Receipts</b>												
Proceeds on disposal of PPE		–						–	–	–	–	–
Decrease (Increase) in non-current debtors		8 500						–	–	8 500	5 000	6 000
Decrease (increase) other non-current receivables		–						–	–	–	–	–
Decrease (increase) in non-current investments		–						–	–	–	–	–
<b>Payments</b>												
Capital assets		(36 339)						(1 226)	(1 226)	(37 565)	(38 062)	(29 451)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(27 839)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(1 226)</b>	<b>(1 226)</b>	<b>(29 065)</b>	<b>(33 062)</b>	<b>(23 451)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans								–	–	–	–	–
Borrowing long term/refinancing								–	–	–	–	–
Increase (decrease) in consumer deposits								–	–	–	–	–
<b>Payments</b>												
Repayment of borrowing								–	–	–	–	–
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>9 448</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(18 590)</b>	<b>(18 590)</b>	<b>(9 142)</b>	<b>695</b>	<b>5 201</b>
Cash/cash equivalents at the year begin:	2	(6 551)						10 231	10 231	3 680	(5 462)	(4 767)
Cash/cash equivalents at the year end:	2	2 897	–	–	–	–	–	(8 358)	(8 358)	(5 462)	(4 767)	434

**Table 12: MBRR Table A8 – Cash Backed Reserves/Accumulated Surplus Reconciliation**

Choose name from list - Table B8 Cash backed reserves/accumulated surplus reconciliation -

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>R thousands</b>												
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	2 897	–	–	–	–	–	(8 358)	(8 358)	(5 462)	(4 767)	434
Other current investments > 90 days		23 101	–	–	–	–	–	8 358	8 358	31 459	30 764	25 563
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–	–
<b>Cash and investments available:</b>		<b>25 997</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>25 997</b>	<b>25 997</b>	<b>25 997</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		17	–	–	–	–	–	–	–	17	17	17
Unspent borrowing									–	–		
Statutory requirements									–	–		
Other working capital requirements	2	(12 228)	–					6 137	6 137	(6 092)	(9 986)	(9 605)
Other provisions									–	–		
Long term investments committed		–	–					–	–	–	–	–
Reserves to be backed by cash/investments		–	–					–	–	–	–	–
<b>Total Application of cash and investments:</b>		<b>(12 211)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>6 137</b>	<b>6 137</b>	<b>(6 074)</b>	<b>(9 969)</b>	<b>(9 588)</b>
<b>Surplus(shortfall)</b>		<b>38 208</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(6 137)</b>	<b>(6 137)</b>	<b>32 072</b>	<b>35 967</b>	<b>35 585</b>

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

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in – flow that is likely to result from the implementation of the budget.

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

**Table 13: MBRR Table A9 – Asset Management**

Choose name from list - Table B9 Asset Management -

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	B	C	D	E	F	G	H		
R thousands												
CAPITAL EXPENDITURE												
<u>Total New Assets to be adjusted</u>	1	36 339	–	–	–	–	–	1 226	1 226	37 565	38 072	29 451
Roads Infrastructure		12 589	–	–	–	–	–	1 226	1 226	13 815	18 033	18 820
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		15 640	–	–	–	–	–	–	–	15 640	17 200	8 050
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		500	–	–	–	–	–	–	–	500	150	200
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Infrastructure		28 729	–	–	–	–	–	1 226	1 226	29 955	35 383	27 070
Community Facilities		5 160	–	–	–	–	–	–	–	5 160	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–	–	–
Community Assets		5 160	–	–	–	–	–	–	–	5 160	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–	–
Other Assets	6	–	–	–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–	–	–
Licences and Rights		100	–	–	–	–	–	–	–	100	150	160
Intangible Assets		100	–	–	–	–	–	–	–	100	150	160
Computer Equipment		190	–	–	–	–	–	–	–	190	402	476
Furniture and Office Equipment		225	–	–	–	–	–	–	–	225	487	565
Machinery and Equipment		335	–	–	–	–	–	–	–	335	650	580
Transport Assets		1 600	–	–	–	–	–	–	–	1 600	1 000	600
Land		–	–	–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–	–	–
<u>Total Renewal of Existing Assets to be adjusted</u>	2	–	–	–	–	–	–	–	–	–	–	–
Roads Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–	–	–

<b>Total Capital Expenditure to be adjusted</b>	<b>4</b>													
Roads Infrastructure		12 589	-	-	-	-	-	-	1 226	1 226	13 815	18 033	18 820	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-
Electrical Infrastructure		15 640	-	-	-	-	-	-	-	-	15 640	17 200	8 050	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		500	-	-	-	-	-	-	-	-	500	150	200	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure		28 729	-	-	-	-	-	-	1 226	1 226	29 955	35 383	27 070	-
Community Facilities		5 160	-	-	-	-	-	-	-	-	5 160	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-	-	-	-	-
Community Assets		5 160	-	-	-	-	-	-	-	-	5 160	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and Rights		100	-	-	-	-	-	-	-	-	100	150	160	-
Intangible Assets		100	-	-	-	-	-	-	-	-	100	150	160	-
Computer Equipment		190	-	-	-	-	-	-	-	-	190	402	476	-
Furniture and Office Equipment		225	-	-	-	-	-	-	-	-	225	487	565	-
Machinery and Equipment		335	-	-	-	-	-	-	-	-	335	650	580	-
Transport Assets		1 600	-	-	-	-	-	-	-	-	1 600	1 000	600	-
Land		-	-	-	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	<b>4</b>	<b>36 339</b>	-	-	-	-	-	-	<b>1 226</b>	<b>1 226</b>	<b>37 565</b>	<b>38 072</b>	<b>29 451</b>	-

**Table 14: MBRR Table A10 – Basic service delivery measurement**

Choose name from list - Table B10 Basic service delivery measurement -

Description	Ref	Budget Year 2018/19									Budget Year +1 2019/20	Budget Year +2 2020/21
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	7 A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>Household service targets</b>	1											
<b>Water:</b>												
Piped water inside dwelling									-	-		
Piped water inside yard (but not in dwelling)									-	-		
Using public tap (at least min.service level)	2								-	-		
Other water supply (at least min.service level)									-	-		
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3								-	-		
Other water supply (< min.service level)	3,4								-	-		
No water supply									-	-		
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-	-	-
<b>Sanitation/sewerage:</b>												
Flush toilet (connected to sewerage)									-	-		
Flush toilet (with septic tank)									-	-		
Chemical toilet									-	-		
Pit toilet (ventilated)									-	-		
Other toilet provisions (> min.service level)									-	-		
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-	-	-
Bucket toilet									-	-		
Other toilet provisions (< min.service level)									-	-		
No toilet provisions									-	-		
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-	-	-
<b>Total number of households</b>	5	-	-	-	-	-	-	-	-	-	-	-
<b>Energy:</b>												
Electricity (at least min. service level)		386							-	386	424.6	467.06
Electricity - prepaid (> min.service level)		13412							-	13 412	14753.2	16228.52
Minimum Service Level and Above sub-total		13 798	-	-	-	-	-	-	-	13 798	15 178	16 696
Electricity (< min.service level)		315							-	315	346.5	381.15
Electricity - prepaid (< min. service level)		0							-	-	0	0
Other energy sources		78							-	78	85.8	94.38
Below Minimum Service Level sub-total		393	-	-	-	-	-	-	-	393	432	476
<b>Total number of households</b>	5	14 191	-	-	-	-	-	-	-	14 191	15 610	17 171
<b>Refuse:</b>												
Removed at least once a week (min.service)		3600.3							-	3 600	3960.33	0
Minimum Service Level and Above sub-total		3 600	-	-	-	-	-	-	-	3 600	3 960	-
Removed less frequently than once a week		58							-	58	63.8	70.18
Using communal refuse dump		1417							-	1 417	1558.7	1714.57
Using own refuse dump		11147							-	11 147	12261.7	13487.87
Other rubbish disposal		145							-	145	159.5	175.45
No rubbish disposal		0							-	-	0	0
Below Minimum Service Level sub-total		12 767	-	-	-	-	-	-	-	12 767	14 044	15 448
<b>Total number of households</b>	5	16 367	-	-	-	-	-	-	-	16 367	18 004	15 448

## Part 2 – Supporting Documentation

**Table 15: Adjustments to Expenditure on allocations and grant programmes**

Choose name from list - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme -

Description	Ref	Budget Year 2018/19							Budget Year	Budget Year
		Original	Prior	Multi-year	Nat. or Prov.	Other	Total	Adjusted	+1 2019/20	+2 2020/21
		Budget	Adjusted	capital	Govt	Adjusts.	Adjusts.	Budget	Adjusted	Adjusted
R thousands		A	2	3	4	5	6	7		
		A1		B	C	D	E	F		
<b>EXPENDITURE ON TRANSFERS AND GRANT PROGRAM:</b>	1									
<u>Operating expenditure of Transfers and Grants</u>										
<b>National Government:</b>		75 637	-	-	-	-	-	75 637	80 399	85 721
Local Government Equitable Share		70 979				-	-	70 979	77 549	82 871
Finance Management		2 850				-	-	2 850	2 850	2 850
EPWP Incentive		1 808				-	-	1 808	-	-
Demarcation Transition Grant										
<b>Provincial Government:</b>		1 035	-	-	-	-	-	1 035	1 091	1 150
Community libraries Service grant		197				-	-	197	211	226
Provincialisation of Libraries		838				-	-	838	880	924
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total operating expenditure of Transfers and Grants:</b>		76 672	-	-	-	-	-	76 672	81 490	86 871
<u>Capital expenditure of Transfers and Grants</u>										
<b>National Government:</b>		32 749	-	-	-	-	-	32 749	34 033	25 820
Municipal Infrastructure Grant (MIG)		17 749				-	-	17 749	18 033	18 820
integrated national electrification grant (INEG)		15 000				-	-	15 000	16 000	7 000
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total capital expenditure of Transfers and Grants</b>		32 749	-	-	-	-	-	32 749	34 033	25 820
<b>Total capital expenditure of Transfers and Grants</b>		109 421	-	-	-	-	-	109 421	115 523	112 691

**Table 16: Adjustments to councillor allowances and employee benefits**

Choose name from list - Supporting Table SB11 Adjustments Budget - councillor and staff benefits -

Summary of remuneration	Ref	Budget Year 2018/19									% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	
R thousands		A	5 A1	6 B	7 C	8 D	9 E	10 F	11 G	12 H	
<b>Councillors (Political Office Bearers plus Other)</b>											
Basic Salaries and Wages		4 436						517	517	4 953	11.7%
Pension and UIF Contributions		634						133	133	766	21.0%
Medical Aid Contributions		65						21	21	86	31.9%
Motor Vehicle Allowance		1 641						253	253	1 894	15.4%
Cellphone Allowance		1 020						—	—	1 020	
Housing Allowances		—						—	—	—	
Other benefits and allowances		90						—	—	90	
<b>Sub Total - Councillors</b>		<b>7 886</b>	<b>—</b>			<b>—</b>		<b>924</b>	<b>924</b>	<b>8 810</b>	<b>11.7%</b>
<b>% increase</b>			<b>(0)</b>							<b>0</b>	
<b>Senior Managers of the Municipality</b>											
Basic Salaries and Wages		3 456						(1 095)	(1 095)	2 361	-31.7%
Pension and UIF Contributions		9						(2)	(2)	7	-25.3%
Medical Aid Contributions		—						—	—	—	
Overtime		—						—	—	—	
Performance Bonus		482						(115)	(115)	367	
Motor Vehicle Allowance		902						(387)	(387)	515	-42.9%
Cellphone Allowance		18						—	—	18	0.0%
Housing Allowances		72						—	—	72	
Other benefits and allowances		173						(61)	(61)	113	
Payments in lieu of leave		—						—	—	—	
Long service awards		—						—	—	—	
Post-retirement benefit obligations		—						—	—	—	
<b>Sub Total - Senior Managers of Municipality</b>	5	<b>5 113</b>	<b>—</b>	<b>—</b>		<b>—</b>		<b>(1 660)</b>	<b>(1 660)</b>	<b>3 453</b>	<b>-32.5%</b>
<b>% increase</b>			<b>(0)</b>							<b>(0)</b>	
<b>Other Municipal Staff</b>											
Basic Salaries and Wages		27 363						4 800	4 800	32 163	17.5%
Pension and UIF Contributions		3 844						173	173	4 017	4.5%
Medical Aid Contributions		2 179						(51)	(51)	2 128	-2.3%
Overtime		1 273						196	196	1 469	15.4%
Performance Bonus		2 253						(56)	(56)	2 197	
Motor Vehicle Allowance		3 337						(23)	(23)	3 315	-0.7%
Cellphone Allowance		167						36	36	203	21.6%
Housing Allowances		31						—	—	31	
Other benefits and allowances		3 020						359	359	3 380	
Payments in lieu of leave		—						—	—	—	
Long service awards		—						—	—	—	
Post-retirement benefit obligations		—						—	—	—	
<b>Sub Total - Other Municipal Staff</b>	5	<b>43 467</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>5 435</b>	<b>5 435</b>	<b>48 903</b>	<b>12.5%</b>
<b>% increase</b>											
<b>Total Parent Municipality</b>		<b>56 466</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4 699</b>	<b>4 699</b>	<b>61 165</b>	<b>8.3%</b>

	SUMMARY	Budget year 2018/19	YTD Actual	Variances	Adjustments	Adjusted Budget 2018/19	Budget year 2019/20	Budget year 2020/21	% Perce ntage
<b>Revenue by Source</b>									
	Property Rates	(13 849 653.64)	4 949 264.01	(18 798 917.65)	(5 000 000.00)	- 18 849 653.64	(14 833 114.99)	(15 648 936.31)	9%
	Service charges-electricity revenue	(25 511 585.63)	7 665 971.68	(33 177 557.31)	(2 000 000.00)	- 27 511 585.63	(26 907 670.97)	(28 387 592.88)	16%
	Service charges-refuse revenue	(1 802 543.02)	788 964.32	(2 591 507.34)	0.00	- 1 802 543.02	(1 895 914.04)	(2 000 189.31)	1%
	Rentals of facilities and equipment	(170 836.13)	3 445.00	(174 281.13)	0.00	- 170 836.13	(170 836.13)	(180 232.12)	0%
	Interest earned-External investments	(1 200 000.00)	230 660.92	(1 430 660.92)	450 000.00	- 750 000.00	(1 266 000.00)	(1 335 630.00)	1%
	Fines	(5 000 000.00)	0.00	(5 000 000.00)	(3 500 000.00)	- 8 500 000.00	(5 260 000.00)	(5 549 300.00)	3%
	Licences and permits	(2 881 069.16)	326 194.74	(3 207 263.90)	0.00	- 2 881 069.16	(3 030 884.76)	(3 197 583.42)	2%
	Grant income-Operating	(76 672 000.00)	57 217 917.26	(133 889 917.26)	0.00	- 76 672 000.00	(81 490 000.00)	(86 871 000.00)	48%
	Grant income-Capital	(32 749 000.00)	23 952 796.57	(56 701 796.57)	0.00	- 32 749 000.00	(34 033 000.00)	(25 820 000.00)	20%
	Other Revenue	(1 132 948.70)	26 280.09	(1 159 228.79)	(5 764 853.00)	- 6 897 801.70	(1 177 055.34)	(1 241 793.38)	1%
		<b>(160 969 636.28)</b>	<b>95 161 494.59</b>	<b>(256 131 130.87)</b>	<b>(15 814 853.00)</b>	<b>- 176 784 489.28</b>	<b>(170 064 476.23)</b>	<b>(170 232 257.42)</b>	<b>100%</b>
<b>Expenditure by Type</b>									
	Employee related costs	48 579 976.96	0.00	48 579 976.96	3 547 081.96	52 127 058.91	50 669 346.02	52 852 072.98	39%
	Remuneration of councillors	7 885 706.38	0.00	7 885 706.38	923 970.53	8 809 676.91	7 984 302.75	8 089 005.20	6%
	Debt impairment	2 300 000.00	0.00	2 300 000.00	(1 400 000.00)	900 000.00	2 350 000.00	2 479 250.00	2%
	Depreciation and asset impairment	5 252 206.00	0.00	5 252 206.00	0.00	5 252 206.00	5 527 206.00	5 817 331.00	4%
	Bulk Purchases	24 500 000.00	12 263 276.94	12 236 723.06	0.00	24 500 000.00	25 847 500.00	27 269 112.50	20%
	Other materials	1 252 125.00	815 612.27	436 512.73	460 000.00	1 712 125.00	1 636 247.50	1 704 136.75	1%
	Other expenditure	16 626 844.77	11 253 415.66	5 373 429.11	6 034 937.85	22 661 963.20	17 191 118.44	17 651 913.66	13%
	Contracted Services	18 203 589.77	14 452 441.59	3 751 148.18	5 018 514.62	23 222 104.39	17 797 787.65	18 151 734.67	15%
		<b>124 600 448.88</b>	<b>38 784 746.46</b>	<b>85 815 702.42</b>	<b>14 584 504.96</b>	<b>139 185 134.42</b>	<b>129 003 508.36</b>	<b>134 014 556.77</b>	<b>100%</b>
	<b>(Surplus)/ Deficit</b>	<b>(36 369 187.40)</b>			<b>(1 230 348.04)</b>	<b>(37 599 354.86)</b>	<b>(41 060 967.86)</b>	<b>(36 217 700.65)</b>	
	<b>Capital Expenditure</b>	<b>36 339 000.00</b>	<b>18 663 634.03</b>	<b>17 675 365.97</b>	<b>1 226 364.80</b>	<b>37 565 364.80</b>	<b>38 071 900.00</b>	<b>29 450 790.00</b>	
	<b>Net (Surplus)/ Deficit</b>	<b>(30 187.40)</b>			<b>(2 456 712.84)</b>	<b>(33 990.06)</b>	<b>(2 989 067.86)</b>	<b>(6 766 910.65)</b>	

CAPITAL EXPENDITURE						
VOTE DESCRIPTION	FUNDING SOURCE	BUDGET 2018-19	Adjustments	Adjusted Budget	BUDGET 2019-20	BUDGET 2020-21
<b>Municipal Manager</b>						
Intangible Assets	INTERNAL FUNDS	-		-	-	-
Computer Equipment	INTERNAL FUNDS	20 000.00		20 000.00	40 000.00	50 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	20 000.00		20 000.00	30 000.00	35 000.00
Machinery and Equipment	INTERNAL FUNDS	-		-	-	-
Transport Assets	INTERNAL FUNDS	-		-	-	-
		40 000.00	-	40 000.00	70 000.00	85 000.00
<b>Mayoral and Council</b>						
Computer Equipment	INTERNAL FUNDS	20 000.00		20 000.00	30 000.00	40 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	20 000.00		20 000.00	30 000.00	45 000.00
Machinery and Equipment	INTERNAL FUNDS	-		-	-	-
Transport Assets	INTERNAL FUNDS	-		-	-	-
		40 000.00	-	40 000.00	60 000.00	85 000.00
<b>Executive and council</b>		80 000.00		80 000.00	130 000.00	170 000.00
<b>Administrative and Corporate Support</b>						
Intangible Assets	INTERNAL FUNDS	-		-	-	-
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	20 000.00	10 000.00	30 000.00	74 800.00	82 280.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	-		-	12 100.00	13 310.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	20 000.00	10 000.00	10 000.00	132 000.00	145 200.00
Transport Assets	INTERNAL FUNDS	-		-	-	-
		40 000.00	-	40 000.00	218 900.00	240 790.00
<b>Budget and Treasury Office</b>						
Intangible Assets	INTERNAL FUNDS	100 000.00		100 000.00	150 000.00	160 000.00
Expenditure:Operational Cost:Assets less than the Capitalisation T	INTERNAL FUNDS	35 000.00		35 000.00	70 000.00	80 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	30 000.00		30 000.00	75 000.00	85 000.00
Furniture and Office Equipment	INTERNAL FUNDS	30 000.00	11 364.80	41 364.80	80 000.00	90 000.00
Transport Assets	INTERNAL FUNDS	-		-	-	-
		195 000.00	11 364.80	206 364.80	375 000.00	415 000.00
<b>Finance and administration</b>		235 000.00	11 364.80	246 364.80	593 900.00	655 790.00
<b>Community Services</b>						
Infrastructure Assets	INTERNAL FUNDS	-		-	-	-
Community Assets	INTERNAL FUNDS	5 160 000.00		5 160 000.00	-	-
Computer Equipment	INTERNAL FUNDS	30 000.00		30 000.00	70 000.00	80 000.00
Furniture and Office Equipment (Studio)	INTERNAL FUNDS	30 000.00	110 000.00	140 000.00	80 000.00	90 000.00
Machinery and Equipment	INTERNAL FUNDS	-		-	-	-
Transport Assets	INTERNAL FUNDS	-		-	-	-
		5 220 000.00	110 000.00	5 330 000.00	150 000.00	170 000.00
<b>Libraries</b>						
Furniture and Office Equipment	INTERNAL FUNDS	25 000.00		25 000.00	35 000.00	40 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	15 000.00		15 000.00	20 000.00	25 000.00
Machinery and Equipment	INTERNAL FUNDS	-		-	-	-
Transport Assets	INTERNAL FUNDS	-		-	-	-
		40 000.00	-	40 000.00	55 000.00	65 000.00
<b>Community and social services</b>		5 260 000.00	110 000.00	5 370 000.00	205 000.00	235 000.00
<b>Electricity Services</b>						
<b>Infrastructure Assets</b>						
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	100 000.00		100 000.00	200 000.00	150 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	140 000.00	35 000.00	175 000.00	150 000.00	100 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	150 000.00		150 000.00	350 000.00	300 000.00
<b>Other Assets</b>	NATIONAL GOVERNMENT			-	-	-
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	NATIONAL GOVERNMENT	12 000 000.00	-	12 000 000.00	10 000 000.00	5 000 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	NATIONAL GOVERNMENT	3 000 000.00		3 000 000.00	6 000 000.00	2 000 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	-		-	-	-
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	250 000.00	-	250 000.00	500 000.00	500 000.00
Biological or Cultivated Assets	INTERNAL FUNDS	-		-	-	-
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	100 000.00	-	100 000.00	350 000.00	300 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	100 000.00	-	100 000.00	150 000.00	100 000.00
Transport Assets	INTERNAL FUNDS	-		-	-	-
		15 840 000.00	35 000.00	15 875 000.00	17 700 000.00	8 450 000.00

<b>Roads</b>						
<b>Infrastructure Assets</b>	NATIONAL GOVERNMENT	-		-		
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	NATIONAL GOVERNMENT	12 589 000.00		12 589 000.00	10 000 000.00	10 000 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	NATIONAL GOVERNMENT	-		-	8 033 000.00	8 820 000.00
Community Assets	INTERNAL FUNDS	-		-	-	-
Other Assets (Guard House)	INTERNAL FUNDS	-	70 000.00	70 000.00	-	-
Biological or Cultivated Assets	INTERNAL FUNDS	-		-	-	-
Intangible Assets	INTERNAL FUNDS	-		-	-	-
Computer Equipment	INTERNAL FUNDS	30 000.00		30 000.00	60 000.00	70 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	30 000.00	100 000.00	130 000.00	50 000.00	50 000.00
Machinery and Equipment	INTERNAL FUNDS	-		-	-	-
Transport Assets	INTERNAL FUNDS	600 000.00	900 000.00	1 500 000.00	1 000 000.00	600 000.00
Spacial Development Framework	INTERNAL FUNDS	-		-	-	-
		13 249 000.00	1 070 000.00	14 319 000.00	19 143 000.00	19 540 000.00
<b>Fire Fighting</b>						
Furniture and Office Equipment	INTERNAL FUNDS	30 000.00		30 000.00	20 000.00	30 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	100 000.00		100 000.00	80 000.00	100 000.00
Transport Assets - Engine Truck	INTERNAL FUNDS	1 000 000.00		1 000 000.00	-	-
		1 130 000.00	-	1 130 000.00	100 000.00	130 000.00
<b>Licensing and Protection Services</b>						
Computer Equipment	INTERNAL FUNDS	25 000.00		25 000.00	20 000.00	30 000.00
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	20 000.00		20 000.00	30 000.00	40 000.00
Machinery and Equipment - Guns	INTERNAL FUNDS	-	280 000.00	280 000.00	-	-
Transport Assets	INTERNAL FUNDS	-		-	-	-
		45 000.00	280 000.00	325 000.00	50 000.00	70 000.00
<b>Public safety</b>		1 175 000.00	280 000.00	1 455 000.00	150 000.00	200 000.00
<b>Solid Waste Removal</b>						
Assets:Non-current Assets:Property, Plant and Equipment:Cost Mo	INTERNAL FUNDS	500 000.00	- 420 000.00	80 000.00	150 000.00	200 000.00
Transport Assets ( 2x Ride on Mowers and 1x Slasher)	INTERNAL FUNDS	-	140 000.00	140 000.00	-	-
		500 000.00	- 280 000.00	220 000.00	150 000.00	200 000.00
		36 339 000.00	1 226 364.80	37 565 364.80	38 071 900.00	29 450 790.00