

# **SCHEDULE A**

## **PROPOSED ANNUAL BUDGET AND SUPPORTING DOCUMENTATION**

**OF**

### **CITY OF MATLOSANA MUNICIPALITY (NW403)**

#### **2021/22 – 2023/24 MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK**

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## Table of contents

### ANNEXURE

#### PART 1 – ANNUAL BUDGET

1.1	MAYOR'S REPORT.....	1
1.2	COUNCIL RESOLUTION.....	3
1.3	EXECUTIVE SUMMARY.....	5
1.4	OPERATING REVENUE FRAMEWORK.....	7
1.5	OPERATING EXPENDITURE FRAMEWORK.....	16
1.6	CAPITAL EXPENITURE.....	21
1.7	ANNUAL BUDGET TABLES.....	22

#### PART 2 SUPPORTING DOCUMENTATION

2.1	OVEVIEW OF THE ANNUAL BUDGET PROCESS.....	38
2.2	OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP.....	40
2.3	MEASURABLE PERFORMANCE OBJECTIVE AND INDICATORS.....	43
2.4	OVERVIEW OF BUDGET RELATED POLIIES.....	49
2.5	OVERVIEW OF BUDGET ASSUMPTIONS.....	51
2.6	OVERVIEW OF BUDGET FUNDING.....	52
2.7	COUNCILLORS AND EMPLOYEE BENEFITS.....	63
2.8	MONTHLY TARGET FOR REVENUE.....	66
2.9	CAPITAL EXPENDITURE DETAILS.....	72
2.10	LEGISLATION COMPLIANCE STATUS.....	82
2.11	OTHER SUPPORTING DOCUMENTS.....	84
2.12	MUNICIPAL MANAGER'S QUALITY CERTIFICATE.....	103

#### List of tables

Table 1	Consolidated Overview of the 2021/22 MTREF.....	7
Table 2	Summary of revenue classified by main revenue source.....	8
Table 3	Percentage growth in revenue classified by main revenue source.....	9
Table 4	Operating Transfers and Grant receipts.....	11
Table 5	Comparison of proposed rates to levied for the 2021/22 financial year.....	12
Table 6	Water Tariffs.....	13
Table 7	Comparison between current electricity charges and increases (domestic).....	14
Table 8	Waste removal tariffs .....	14
Table 9	MBRR Table SA14 – Household bills.....	15
Table 10	Summary of operating expenditure by standard classification item.....	16
Table 11	Repairs and maintenance per asset class.....	19
Table 12	2017/18 Medium – term capital budget per vote.....	22
Table 13	MBRR Table A1- Budget Summary.....	23
Table 14	MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by (classification).....	25
Table 15	MBRR Table A3 – Budgeted Financial Performance (revenue and expenditure by municipal vote).....	26
Table 16	MBRR Table A4 – Budgeted Financial Performance (revenue and expenditure by standard classification).....	27
Table 17	MBRR Table A5 – Budgeted Capital Expenditure by vote, standard classification and funding source.....	29
Table 18	MBRR Table A6 Budgeted Financial Position .....	30
Table 19	MBRR Table A7 Budgeted Cash Flow Statement.....	32
Table 20	MBRR Table A8 Cash Back Reserves/Accumulated Surplus Reconciliation.....	33
Table 21	MBRR Table A9 Asset Management.....	34

Table 22 MBRR Table A10 Basic Service Delivery Measurement.....	37
Table 23 MBRR Table SA4 – Reconciliation between the IDP strategic objectives and budgeted operating revenue.....	41
Table 24 MBRR Table SA5 – Reconciliation between the IDP strategic objectives and budgeted operating expenditure.....	42
Table 25 MBRR Table SA6 – Reconciliation between the IDP strategic objectives and budgeted operating capital.....	42
Table 26 MBRR Table SA7 Measurable Performance objectives.....	46
Table 27 MBRR Table SA8 Performance indicators and benchmark.....	47
Table 28 MBRR SA15 - Detail Investment Information .....	53
Table 29 MBRR SA16 – Investment particular by maturity.....	53
Table 30 Sources of capital revenue over the MTREF.....	54
Table 31 MBRR SA17 – Detail of borrowing.....	55
Table 32 MBRR SA18 – Capital transfers and grant receipts.....	56
Table 33 MBRR A7 – Budget Cash flow statement.....	57
Table 34 MBRR A8 – Cash Back Reserves/Accumulated Surplus Reconciliation.....	58
Table 35 MBRR SA10 – Funding compliance measurement.....	58
Table 36 MBRR SA19 – Expenditure on transfers and grant programmes.....	61
Table 37 MBRR SA20 – Reconciliation between of transfers, grant receipts and unspent funds .....	62
Table 38 MBRR SA22 Summary of councillors and staff benefits.....	63
Table 39 MBRR SA23 – Salaries, allowances and benefits (political office bearers/ of councillors /senior managers) .....	64
Table 40 MBRR SA24 – Summary of personnel numbers.....	65
Table 41 MBRR Table SA25 - Budgeted monthly revenue and expenditure .....	66
Table 42 MBRR Table SA26 – Budgeted monthly revenue and expenditure (municipal vote) .....	67
Table 43 MBRR Table SA27 - Budgeted monthly revenue and expenditure (standard classification) .....	68
Table 44 MBRR Table SA28 – Budgeted monthly capital expenditure (municipal vote)....	69
Table 45 MBRR Table SA29 - Budgeted monthly capital expenditure (standard classification) .....	70
Table 46 MBRR Table SA30 – Budgeted monthly cash flow.....	71
Table 47 MBRR SA34a – Capital expenditure on new assets by asset class .....	72
Table 48 MBRR SA34c – Repairs and maintenance expenditure by asset class.....	74
Table 49 MBRR SA35 – Future financial implications of the capital budget .....	81
Table 50 MBRR SA36 – Detailed capital budget per municipal vote.....	82
Table 51 MBRR SA1 – Supporting detail to budgeted financial year.....	87
Table 52 MBRR SA2 – Matrix financial performance budget (revenue source/ expenditure type and department).....	87
Table 53 MBRR SA3 – Supporting detail to statement of financial position.....	88
Table 54 MBRR SA9 – Social, economic and demographic statistics and assumptions...	89
Table 55 MBRR SA32 – List of external mechanisms .....	91
Table 56 MBRR SA 11– Property rates by summary.....	92
Table 57 NBRR SA 12a – Property rates by category (Current year).....	93
Table 58 MBRR SA 12b - Property rates by category (Budget year).....	94
Table 59 MBRR SA13a – Service Tariffs by category.....	95
Table 60 MBRR SA13b - Service Tariffs by category – explanatory.....	97
Table 61 MBRR SA 37 - .....	98
Table 62 MBRR SA 38 – Consolidated Projects.....	99

## Abbreviations and Acronyms

<b>AMR</b>	<b>Automated Meter Reading</b>
<b>ASGISA</b>	<b>Accelerated and Shared Growth Initiative</b>
<b>BPC</b>	<b>Budget Planning Committee</b>
<b>CBD</b>	<b>Central Business District</b>
<b>CFO</b>	<b>Chief Financial Officer</b>
<b>MM</b>	<b>Municipal Manager</b>
<b>CPI</b>	<b>Consumer Price Index</b>
<b>CRRF</b>	<b>Capital Replacement Reserve Fund</b>
<b>DBSA</b>	<b>Development Bank of South Africa</b>
<b>DoRA</b>	<b>Division of Revenue Act</b>
<b>DWA</b>	<b>Department of Water Affairs</b>
<b>EE</b>	<b>Employment Equity</b>
<b>EEDSM</b>	<b>Energy Efficiency Demand Side Management</b>
<b>EM</b>	<b>Executive Mayor</b>
<b>FBS</b>	<b>Free basic services</b>
<b>GAMAP</b>	<b>Generally Accepted Municipal Accounting Practice</b>
<b>GDP</b>	<b>Gross domestic product</b>
<b>GFS</b>	<b>Government Financial Statistics</b>
<b>GRAP</b>	<b>General Recognised Accounting Practice</b>
<b>HR</b>	<b>Human Resources</b>
<b>IDP</b>	<b>Integrated Development Strategy</b>
<b>IT</b>	<b>Information Technology</b>
<b>km</b>	<b>kilometre</b>
<b>KPA</b>	<b>Key Performance Area</b>
<b>KPI</b>	<b>Key Performance Indicator</b>
<b>kWh</b>	<b>kilowatt</b>
<b>ℓ</b>	<b>litre</b>
<b>LED</b>	<b>Local Economic Development</b>
<b>MFMA</b>	<b>Municipal Financial Management Act</b>
<b>MIG</b>	<b>Municipal Infrastructure Grant</b>
<b>MMC</b>	<b>Member of Mayoral Committee</b>
<b>MPRA</b>	<b>Municipal Properties Rates Act</b>
<b>MSA</b>	<b>Municipal Systems Act</b>
<b>MTEF</b>	<b>Medium-term Expenditure Framework</b>
<b>MTREF</b>	<b>Medium-term Revenue and Expenditure Framework</b>
<b>NERSA</b>	<b>National Electricity Regulator South Africa</b>
<b>NGO</b>	<b>Non-Governmental organisations</b>
<b>NKPIs</b>	<b>National Key Performance Indicators</b>
<b>OHS</b>	<b>Occupational Health and Safety</b>
<b>OP</b>	<b>Operational Plan</b>
<b>PBO</b>	<b>Public Benefit Organisations</b>
<b>PHC</b>	<b>Provincial Health Care</b>
<b>PMS</b>	<b>Performance Management System</b>
<b>PPE</b>	<b>Property Plant and Equipment</b>
<b>PPP</b>	<b>Public Private Partnership</b>
<b>RG</b>	<b>Restructuring Grant</b>
<b>SALGA</b>	<b>South African Local Government Association</b>
<b>SDBIP</b>	<b>Service Delivery Budget Implementation Plan</b>
<b>SMME</b>	<b>Small Micro and Medium Enterprises</b>

## **PART 1 – ANNUAL BUDGET**

### **1.1 INTRODUCTION (Executive Mayor)**

**STATE OF THE CITY ADDRESS DELIVERED BY EXECUTIVE MAYOR, COUNCILLOR  
MAETU KGAILE,**

### 3 EXECUTIVE SUMMARY

In March 2020, the deadly Corona virus (COVID-19) spread rapidly across the globe. This had and still have the severe social and economic impact on the country. The state of the economy in South Africa as a whole has recorded a decline in the economic output due to COVID-19 restrictions that has negatively affected the economy.

The state of the economy continues to have an adverse effect on the consumers of the City of Matlosana in the 2021/22 financial year. As a result, the municipal revenue and cash flow remain under pressure. Therefore, the application of sound financial management principles for the compilation of the City of Matlosana's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The City will continue with efforts to enhance revenue. However, more needs to be done to ensure the sustainability of the municipality as the Auditor General has expressed itself over the going concern matter of the municipality.

In South Africa, economic growth has continued to stagnate and weaknesses in the world economy are likely to amplify our own challenges. The outlook remains highly uncertain, and the economic effects of the pandemic are far-reaching. Rising unemployment and income losses has affected the debt collection of the City of Matlosana. The GDP is expected to recover in late 2023.

In addition to low growth, South Africa's biggest economic risk is Eskom. Ongoing problems with the utility's operations continue to disrupt the supply of electricity to households and businesses. Government has allocated significant resources to assist Eskom.

South Africa's public finances deteriorated over the past decade; a trend that accelerated in recent years as low growth led to large revenue shortfalls. For 10 years, the country has run large budget deficits. This has put the country deeply in debt, to the point where interest payments have begun.

National Treasury's MFMA circulars 107 and 108 were used to guide with the compilation of the 2021/22 – 2023/24 MTREF.

The main challenges experienced during the compilation of the 2021/22 – 2023/24 MTREF can be summarized as follows:

- The declining economic growth, which is impacted further by COVID-19.
- High unemployment rate and the impact on household ability to pay for municipal services.
- The 2021 MTREF includes large reduction in planned transfers to municipalities.
- The real economic growth is projected to be 3.3% in 2021. Although the growth rates are likely to improve as restrictions are removed, the output is expected to return to pre-pandemic levels in 2024. The recovery in South Africa will be slower than many of its developing-country peers.
- CPI inflation estimates over 2021/22 medium term are 3,9%; 4,2% and 4.4% respectively.
- The economic challenges will continue to exert pressure on municipal revenue generation and collection levels.

- Securing the health of the asset base (especially the revenue generating assets) by increasing spending on repairs and maintenance and renewal of assets;
- The increased cost of bulk water and electricity (due to tariff increases from Midvaal and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable – as there will be a point where services will no longer be affordable;
- A growing debtor's book as well as the remaining outstanding creditors, especially for bulk services;
- Wage increases for municipal staff that continues to exceed consumer inflation, as well as the need to fill critical vacancies with limited resources;
- The declining liquidity ratio due to budgeted deficit of financial performance
- The impact of the current COVID 19 epidemic on the consumer base of the municipality and the sustainability of the municipality.

The following budget principles and guidelines directly informed the compilation of the 2021/22 MTREF:

- Price increases in the inputs of services that are beyond the control of the municipality are for instance the cost of bulk water and electricity. Furthermore, tariffs need to remain or move towards being cost reflective; and should take into account the need to address infrastructure backlogs.
- The cost containment measures that was implemented to eliminate wasteful expenditure, reprioritise spending and ensure savings on six focus areas namely;
  - Consultancy fees;
  - No credit cards;
  - Travel and related costs;
  - Advertising;
  - Catering and event;
  - As well as the costs for accommodation.

The Municipalities did take note of the cost containment measures as per Municipal Cost Containment Regulation – Circular 97. The municipality also developed a Cost Containment policy that was approved on 21 October 2019.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2021/22 Medium-term Revenue and Expenditure Framework:

**Table 1 Consolidated Overview of the 2021/22 MTREF**

	<b>Budget Year 2020/2021</b>	<b>Budget Year 2021/2022</b>	<b>Budget Year +1 2022/2023</b>	<b>Budget Year+2 2023/2024</b>
	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>
Total Operating Revenue	(3 399 142)	(3 331 180)	(3 483 588)	(3 611 463)
Total Operating Expenditure	3 382 374	3 573 723	3 628 316	3 796 776
Total Capital	(162 800)	(167 630)	(175 431)	(194 403)
Surplus/(Deficit) for the year after Capital contribution	179 568	74 912	(30 703)	(9 089)

The two outer years, operational revenue will increase by 4.2% and 4.4% respectively.

Total operating expenditure for the 2021/22 financial year has been appropriated at R 3.3 billion.

The bulk of the capital programs will be funded from Government grants and transfers. No provision is made for Council funded capital in the coming financial year. Council funded capital must be cash backed.

#### **1.4 OPERATING REVENUE FRAMEWORK**

For the City of Matlosana to continue improving the quality of services to its citizens, it needs to generate the required revenue. In these tough economic conditions, strong revenue management is fundamental to the financial sustainability of any municipality. The reality is that we are faced with development backlogs, unemployment, poverty and ageing infrastructure. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

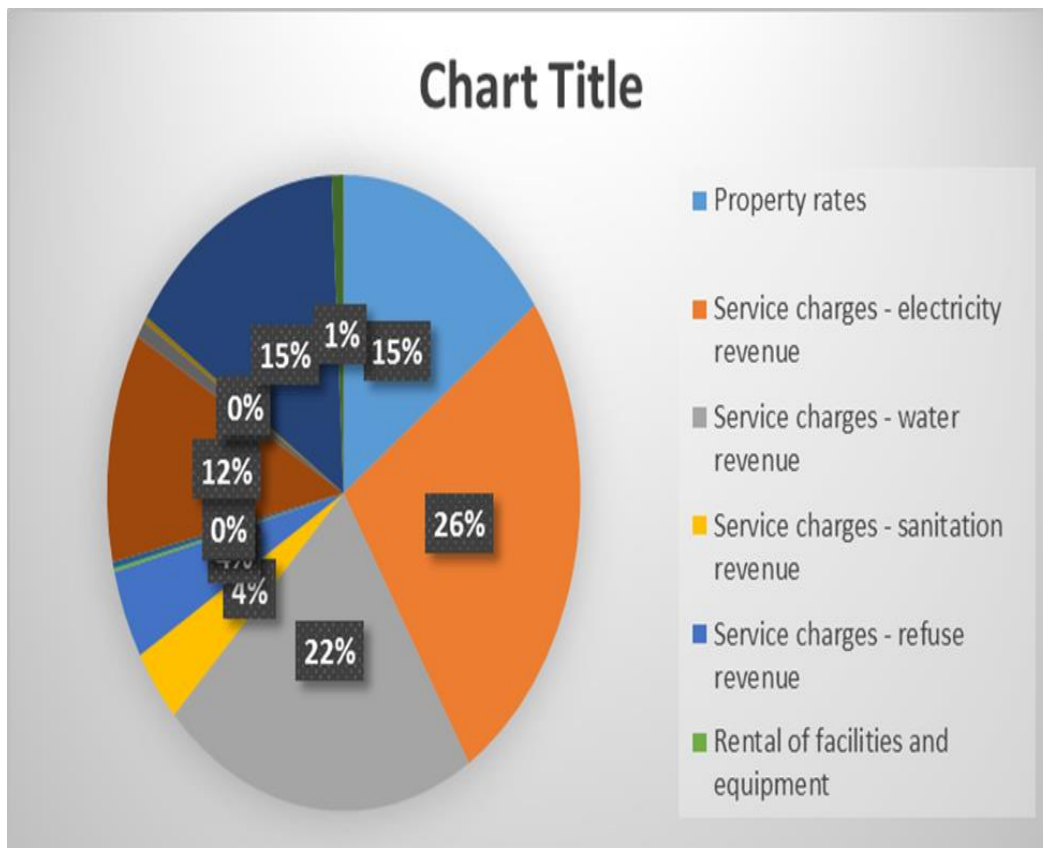


The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the City and continued economic development;
- Efficient revenue management which aims to ensure maximum annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa;
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act; 2004 (Act 6 of 2004) (MPRA) as amended;
- Increased ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services;
- Enforcement of the Credit Control and Debt Collection Policy.

To achieve the above the municipality, need to investigate the implementation of Smart metering technology that will assist with accurate billing, water and electricity theft and reduces the cost of meter readings and overtime to process it. The municipality is in the process of implementing Smart Metering.

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



### **Table 3 Percentage growth in revenue by main revenue source**

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

Revenue generated from rates and service charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charges revenue comprise 71 % of the total revenue mix in 2021/22. The above table includes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality.

Property rates is the third largest revenue source totaling 15 % and will increase to R 498 million.

The fourth largest source (besides other service charges) is transfer recognised-operational grants and transfers totaled R 494.6 million in the 2021/22 financial year.

#### **Find below explanations for increases in excess of 6%:**

- Electricity is currently increased by 6% of basic charges and 5.22% of consumption. These percentages may increase further based on NERSA final increases.
- Water revenue will increase with 8% because of the bulk increase from Midvaal of 8%.
- Services charges on Refuse and Sanitation will be increased with 6%.
- Interest of outstanding debtors will increase in line with the adjustment budget and 2018/19 audited outcome.
- Fines and penalties will increase as the municipality increase its debt collection and fines for illegal connections.

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

**Table 4 Supporting Table SA18 Operating Transfers and Grant Receipts.**

NW403 City Of Matlosana - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		358 630	401 392	379 450	479 973	551 344	551 344	493 610	527 903	525 722
Local Government Equitable Share										
Equitable Share		354 377	392 856	369 400	466 536	537 907	537 907	484 096	515 794	517 385
Expanded Public Works Programme Integrated		2 108	2 037	1 983	2 092	2 092	2 092	1 786	0	-
Local Government Financial Management Grant		2 145	2 215	2 680	3 000	3 000	3 000	3 100	3 100	3 100
Municipal Disaster Relief Grant		-	-	1 013	-	-	-	-	-	-
Municipal Infrastructure Grant		-	4 284	4 374	4 345	4 345	4 345	4 628	5 009	5 237
EEDSM		-	-	-	4 000	4 000	4 000	-	4 000	-
<b>Provincial Government:</b>		1 310	1 394	980	823	823	823	1 016	0	-
Disaster and Emergency Services		-	478	-	-	-	-	-	-	-
Sport and Recreation		1 310	916	980	823	823	823	1 016	0	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	359 940	402 786	380 430	480 796	552 167	552 167	494 626	527 903	525 722
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		172 460	229 405	130 875	162 800	162 800	162 800	167 630	175 431	194 403
Integrated National Electrification Programme Grant		20 364	22 000	3 960	24 251	24 251	24 251	26 707	22 000	25 000
Municipal Infrastructure Grant		103 356	115 405	83 115	82 549	82 549	82 549	87 923	95 178	99 509
Neighbourhood Development Partnership Grant		48 740	75 000	40 800	56 000	56 000	56 000	43 000	38 253	44 219
Water Services Infrastructure Grant		-	17 000	-	-	-	-	10 000	20 000	25 675
		-	7 000	3 000	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	14 000	14 000	-	-	-
Developers Contribution		-	-	-	-	14 000	14 000	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	172 460	229 405	130 875	162 800	176 800	176 800	167 630	175 431	194 403
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		532 400	632 191	511 305	643 596	728 967	728 967	662 256	703 334	720 125

Tariff setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, salary and wage increases, other input costs of services provided by the municipality and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

The percentage increase of Midvaal Water's bulk tariff is far beyond the mentioned inflation target and will be 8% for 2021/22. Bulk electricity tariff increases are determined by external agencies such as the National Electricity Regulator of South Africa. The impact it has on the municipality's electricity tariffs is largely beyond the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

The consumer price index is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items like food, petrol and medical services, whereas items such as the cost of remuneration, bulk purchases of electricity and water, and fuel inform the cost drivers of municipalities. The current challenge facing the Municipality is managing the gap between cost

drivers and tariffs levied, as any shortfall must be made up by either operational gains or service level reductions.

### 1.4.1 Property Rates

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. Property rates will increase with 3.9%. The municipality will implement the new valuation roll during the 2020/21 financial year.

The following stipulations in the Property Rates Policy are highlighted:

- Residential - The first R 15 000 of the market value of a property assigned in the valuation roll or supplementary valuation roll is statutorily exempted from the levying of rates as per the provisions of section 17 (1) (h) of the MPRA)  
Retired or disabled persons on residential property only who earn less than or equals two government pensions can qualify for (100%) discount, the property must be categorized as residential.

**Table 5 Comparison of rates to levied for the 2021/22 financial year**

<b>Category</b>	<b>Current Tariff (1 July 2020)</b>	<b>Proposed tariff (from 1 July 2021)</b>
	<b>R</b>	<b>R</b>
Residential properties	0.01359	0.01412
State owned properties	0.03242	0.013268
Business & Commercial	0.03242	0.03368
Agricultural	0.00339	0.00352
Vacant land	0.03242	0.03368
Industrial	0.03242	0.03368
Public benefit organization properties	0.01359	0.01412

### 1.4.2 Sale of Water and Impact on Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth out strips supply. The City of Matlosana is facing the similar dilemma as any municipality in the Country. Consequently, National Treasury urges municipalities to review the level and structure of their water tariffs carefully, with a view to ensure:

- That water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants and water networks; and the cost associated with reticulation expansion;
- That water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor(indigent); and
- That water tariffs are designed to encourage efficient and sustainable consumption (e.g. through increasing block tariffs).

One of the focus areas in the 2020/21 MTREF need to be the curbing of water distribution losses. In this regard, the municipality has developed a plan for water distribution losses.

Midvaal Water Company will increase its bulk tariffs by 8 percent. The tariff structure is designed to charge higher levels of consumption at a higher rate. The basic charge for water will increase with 6% and consumption on a sliding scale up to 8%. All registered indigents will again be granted 6 kl water free of charge see Table 6 Water Tariffs.

Table SA14 will show the impact of the increases in water tariffs on the water charges for a single dwelling house:

**Table 6**

CATEGORY	CURRENT TARIFFS 2020/21	PROPOSED TARIFFS 2021/22
	Rand per kℓ	Rand per kℓ
<b>RESIDENTIAL</b>		
For the first 6kl, per kl: 1-6	R 22,93	R24,76
For the following 14 kl, per kl: 7 - 20	R28,09	R 30,34
For the following 30 kl, per kl: 21 - 50	R 28,98	R 31,30
For the following 50 kl, per kl: 51 - 100	R29,98	R 32,38
For the following 100 kl, per kl: 101 - 200	R 31,62	R 34,15
For the following 100 kl, per kl: 201 - 300	R 33,51	R 36,19
For the following 100 kl, per kl: 301 -	R 42,20	R 45,58

### 1.4.3 Sale of Electricity and Impact on Tariff Increases

The municipality have budgeted for a electricity tariff increase of 5.02 percent on electricity consumption that will be subject to the Eskom increases approved by Nersa and can be much higher. Basic charges with effect from 1 July 2021 will increase with 6%. Increases on consumption will be implemented on a sliding scale in accordance with the block tariffs for consumption. The municipality still awaits the latest available draft tariff increases from the National Electricity regulator of South Africa.

The inadequate electricity bulk capacity and the impact of distribution losses remains a challenge for the municipality.

All registered indigents consumers will be granted 50 Kwh of electricity per month free of charge.

The following table shows the impact of the increases in electricity tariffs on the electricity charges for domestic customers:

### Table 7 Comparison between current electricity charges and increases (Domestic)

Table SA14 will show the impact of the increases in electricity tariffs on the electricity charges for a single dwelling house:

Monthly consumption kWh	Current amount Payable 2020/21 R	Proposed amount Payable 2021/22 R
1-50	1.1046	1.1620
51-350	1.4120	1.4854
351-600	1.8988	1.9975
601-1500	2.1811	2.2945
>1500	2.2964	2.4158

#### 1.4.4 Sanitation and Impact on Tariff Increases

The increase in sanitation tariffs are capped at 6% for 2021/22 financial year as per guideline from National Treasury. The impact of higher electricity cost impacts on the operation cost of sewer plants profitability on sewer services.

**Table 9 MBRR Table SA14 – Household bills** will show the impact of the increases in sanitation tariffs on the sanitation charges

#### 1.4.5 Waste Removal and Impact on Tariff Increase

A 6 percent increase in the waste removal tariffs are proposed from 1 July 2021 to keep the service sustainable. The municipality is busy with an exercise to make the trading services cost reflective that might have an impact on the tariff increases. Any increase higher than 6 per cent may result in affordability challenges for individual rates payers raising the risk associated with bad debt.

The following table compares current and proposed amounts payable from 1 July 2021:

**Table 8 Solid Waste Removal Tariffs**

CATEGORY	CURRENT TARIFFS 2020/21	PROPOSED TARIFFS 2021/22
	Rand per ℓ	Rand per ℓ
<b>RESIDENTIAL</b>		
Per 85 and 240L container once a week	R 150.72	R 159,76
Per 85 and 240L container twice a week	R 195.17	R 206,88

Table SA14 will show the impact of the proposed increases in waste removal tariffs.

#### 1.4.6 Overall impact of tariff increases on households.

The table SA14 in Schedule A shows the overall expected impact of the tariff increases on a large and small household, as well as indigent household receiving free basic services.

**Table 9 MBRR Table SA14 – Household bills**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Randient</b>											
<b>Monthly Account for Household - 'Middle Income Range'</b>	1										
<b>Rates and services charges:</b>											
Property rates		0.06	0.06	672.21	711.21	711.21	711.21	3.5%	849.35	888.42	924.52
Electricity: Basic levy		0.06	0.06	145.25	134.04	134.04	134.04	4.5%	140.07	146.37	153.69
Electricity: Consumption		0.08	0.02	1 100.62	1 718.75	1 718.75	1 718.75	6.2%	1 825.99	1 939.94	2 075.73
Water: Basic levy		0.06	0.09	155.12	143.15	143.15	143.15	4.5%	149.59	156.32	164.14
Water: Consumption		0.10	0.09	801.96	759.82	759.82	759.82	8.0%	820.82	837.70	904.74
Sanitation		0.06	0.06	85.47	78.87	78.87	78.87	4.5%	82.42	86.13	90.44
Refuse removal		0.06	0.06	156.29	144.23	144.23	144.23	4.5%	150.72	157.50	165.38
Other		0.06	0.06	87.75	80.97	80.97	80.97	4.5%	84.61	88.42	92.84
<b>sub-total</b>		<b>0.54</b>	<b>0.50</b>	<b>3 204.67</b>	<b>3 771.04</b>	<b>3 771.04</b>	<b>3 771.04</b>	<b>8.8%</b>	<b>4 103.57</b>	<b>4 300.80</b>	<b>4 571.48</b>
VAT on Services		0.07	0.06	354.54	428.38	428.38	428.38		455.59	477.73	510.57
<b>Total large household bill:</b>		<b>0.61</b>	<b>0.56</b>	<b>3 559.21</b>	<b>4 199.42</b>	<b>4 199.42</b>	<b>4 199.42</b>	<b>8.6%</b>	<b>4 559.16</b>	<b>4 778.53</b>	<b>5 082.05</b>
<b>% increase/-decrease</b>			<b>(7.7%)</b>	<b>635 210.8%</b>	<b>18.0%</b>	<b>-</b>	<b>-</b>		<b>8.6%</b>	<b>4.8%</b>	<b>6.4%</b>
<b>Monthly Account for Household - 'Affordable Range'</b>	2										
<b>Rates and services charges:</b>											
Property rates		0.06	0.06	465.38	492.38	492.38	492.38	3.5%	622.85	651.50	681.47
Electricity: Basic levy		0.06	0.06	145.25	134.04	134.04	134.04	4.5%	140.07	146.37	153.69
Electricity: Consumption		0.08	0.02	718.90	718.63	718.63	718.63	6.2%	763.47	811.11	867.89
Water: Basic levy		0.06	0.09	155.12	143.15	143.15	143.15	4.5%	149.59	156.32	164.14
Water: Consumption		0.10	0.09	660.38	625.67	625.67	625.67	8.0%	675.92	689.80	729.77
Sanitation		0.06	0.06	85.47	78.87	78.87	78.87	4.5%	82.42	86.13	90.44
Refuse removal		0.06	0.06	156.29	144.23	144.23	144.23	4.5%	150.72	157.50	165.38
Other		0.06	0.06	87.75	80.97	80.97	80.97	4.5%	84.61	88.42	92.84
<b>sub-total</b>		<b>0.48</b>	<b>0.44</b>	<b>2 474.54</b>	<b>2 417.94</b>	<b>2 417.94</b>	<b>2 417.94</b>	<b>10.4%</b>	<b>2 669.65</b>	<b>2 787.15</b>	<b>2 945.62</b>
VAT on Services		0.06	0.05	281.28	269.58	269.58	269.58		286.55	298.99	316.98
<b>Total small household bill:</b>		<b>0.54</b>	<b>0.49</b>	<b>2 755.82</b>	<b>2 687.52</b>	<b>2 687.52</b>	<b>2 687.52</b>	<b>10.0%</b>	<b>2 956.20</b>	<b>3 086.14</b>	<b>3 262.60</b>
<b>% increase/-decrease</b>			<b>(8.7%)</b>	<b>560 217.8%</b>	<b>(2.5%)</b>	<b>-</b>	<b>-</b>		<b>10.0%</b>	<b>4.4%</b>	<b>5.7%</b>
<b>Monthly Account for Household - 'Indigent' Household receiving free basic services</b>	3										
<b>Rates and services charges:</b>											
Property rates		206.88	-	-	-	-	-	3.5%	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	4.5%	-	-	-
Electricity: Consumption		298.80	336.00	357.66	398.79	398.79	398.79	6.2%	423.00	453.33	485.06
Water: Basic levy		-	-	-	-	-	-	4.5%	-	-	-
Water: Consumption		242.30	421.40	337.13	364.14	364.14	364.14	8.0%	393.26	401.46	424.76
Sanitation		-	-	-	-	-	-	4.5%	-	-	-
Refuse removal		-	-	-	-	-	-	4.5%	-	-	-
Other		-	-	-	-	-	-	4.5%	-	-	-
<b>sub-total</b>		<b>747.98</b>	<b>757.40</b>	<b>694.79</b>	<b>762.93</b>	<b>762.93</b>	<b>762.93</b>	<b>7.0%</b>	<b>816.26</b>	<b>854.79</b>	<b>909.82</b>
VAT on Services		75.75	106.04	97.27	106.81	106.81	106.81	#NAME?	114.28	119.67	127.37
<b>Total small household bill:</b>		<b>823.73</b>	<b>863.44</b>	<b>792.06</b>	<b>869.74</b>	<b>869.74</b>	<b>869.74</b>	<b>7.0%</b>	<b>930.54</b>	<b>974.46</b>	<b>1 037.19</b>
<b>% increase/-decrease</b>			<b>4.8%</b>	<b>(8.3%)</b>	<b>9.8%</b>	<b>-</b>	<b>-</b>		<b>7.0%</b>	<b>4.7%</b>	<b>6.4%</b>

## 1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the proposed 2021/22 budget MTREF, is informed by the following factors:

- The repairs and maintenance backlogs.
- Funding of the budget over the medium-term as informed by section 18 and 19 of 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 a high level summary of the 2021/22 budget and MTREF (classified per main type of operating expenditure):

**Table 10 Summary of operating expenditure by standard classification item**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand											
<b>Expenditure By Type</b>											
Employee related costs	2	579 462	635 361	643 219	649 483	649 483	649 483	111 917	712 008	747 609	792 464
Remuneration of councillors		33 182	34 473	34 588	38 988	38 988	38 988	7 089	37 223	37 967	39 486
Debt impairment	3	617 012	722 372	835 012	968 659	896 009	896 009	607 808	709 622	616 189	643 301
Depreciation & asset impairment	2	435 408	402 457	411 946	420 711	420 711	420 711	259 276	404 082	421 053	439 580
Finance charges		45 826	72 736	79 009	3 537	3 537	3 537	512	2 292	2 389	2 494
Bulk purchases - electricity	2	467 670	673 365	691 073	600 626	600 626	600 626	155 905	790 255	616 189	643 301
Inventory consumed	8	474 781	-	-	-	10 185	419 561	-	479 891	730 166	762 294
Contracted services		39 175	46 005	49 470	136 194	137 625	137 625	50 217	318 349	331 714	346 316
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	172 755	681 553	758 393	564 176	572 690	163 314	15 605	120 000	125 040	127 541
Losses		-	11 692	11 573	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>2 865 272</b>	<b>3 280 015</b>	<b>3 514 282</b>	<b>3 382 374</b>	<b>3 329 855</b>	<b>3 329 855</b>	<b>1 208 329</b>	<b>3 573 723</b>	<b>3 628 316</b>	<b>3 796 776</b>

The budget allocation for employee related costs (including remuneration of councillors) for the 2020/21 financial year totals R 749.23 million, which is 21 % of the total operating expenditure. Employee Salaries and Allowances will increase in line with the 3.9% CPI. There will be no increase on remuneration of Councillors.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an expected collection rate of **70%** and the writing off interest on outstanding debtors. Adherence to the debt collection policy is monitored continuously through the year. The collection of outstanding debt and increasing the payment rate of consumers will again be one of the main priorities for the 2021/22 budget year. While this expenditure is considered a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R 404 million for the 2021/22 financial year and equates to 11% of the total operating expenditure. The Municipality has fully implemented GRAP 17. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.



Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges amounts to R2.2 million and decreases as loans is settled.

Bulk purchases are directly informed by the purchases of electricity from Eskom and water from Midvaal. The cost incurred to provide those services have been factored into the budget appropriations and directly inform the revenue provisions.

Contracted Services have decreased with 47% from the very low base set after the 2020/21 adjustment budget. As part of the compilation of the 2021/22 MTREF, management critically evaluated this group of expenditure. The municipality had tabled a Cost Containment Policy to enforce operational efficiencies.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Departments were requested to submit zero based budgets with the necessary proof of evidence. Increases that were not supported by the necessary proof of evidence were also limited.

### **Find below explanations for increases in excess of 6%.**

Water Bulk Purchases increases with 8% as per Midvaal Guidelines.

Provision for the urgent challenges that the water and sewer sections faced with maintenance of infrastructure. Provision is also made for the repair and maintenance of the road infrastructure as well.

The provision for Debt Impairment has been increased compared to the previous year's budget and in line with the 2021/22 mid-year assessment. The debt impairment is calculated at a 70% collection rate.

#### **1.5.1 Priority given to Repairs and Maintenance.**

According to the 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. Repair and Maintenance at less than 3% of the operational budget is below the national norm of 8%. One must note that it only includes material, outsourced services, and exclude the salaries and vehicle charges associated with Repair and Maintenance. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

During the compilation of the 2021/22 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the City's infrastructure and historic deferred maintenance.

The table below provides a breakdown of the repairs and maintenance in relation to asset class

**Table 11 Repairs and maintenance per asset class**



Pay/Enquiry Points										
Building Plan Offices										
Workshops	-	79	-	47	47	47				
Yards										
Stores	-	-	19 707	52	52	52				
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing	-	-	-	-	-	-	28	29	30	
Staff Housing							28	29	30	
Social Housing										
Capital Spares										
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets										
<b>Intangible Assets</b>	4 470	3 517	13 937	8 385	8 385	8 385	2 063	2 150	2 244	
Servitudes										
Licences and Rights	4 470	3 517	13 937	8 385	8 385	8 385	2 063	2 150	2 244	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications	4 470	3 517	13 937	8 385	8 385	8 385	2 063	2 150	2 244	
Load Settlement Software Applications										
Unspecified										
<b>Computer Equipment</b>	-	1 520	(2 589)	2 483	2 483	2 483	2 484	2 485	-	
Computer Equipment	-	1 520	(2 589)	2 483	2 483	2 483	2 484	2 485	-	
<b>Furniture and Office Equipment</b>	1 056	530	413	918	958	958	919	921	-	
Furniture and Office Equipment	1 056	530	413	918	958	958	919	921	-	
<b>Machinery and Equipment</b>	13 919	3 688	13 708	10 443	10 443	10 443	10 452	10 462	-	
Machinery and Equipment	13 919	3 688	13 708	10 443	10 443	10 443	10 452	10 462	-	
<b>Transport Assets</b>	30 763	24 031	-	23 742	22 642	22 642	24 834	25 976	-	
Transport Assets	30 763	24 031	-	23 742	22 642	22 642	24 834	25 976	-	
<b>Land</b>	-	-	-	-	-	-	-	-	-	
Land										
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals										
<b>Total Repairs and Maintenance Expenditure</b>	1	86 920	92 597	135 693	120 024	119 643	119 643	357 895	378 259	394 902

### 1.5.2 Free Basic Services: Basic Social Services Package.

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive the free services, the households are required to register in terms of the City's Indigent Policy. Detail 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 MBRR A10 (Basic Service Delivery Measurement)

The cost of the social package of the registered indigent households, is financed by national government through the local government equitable share grant received in terms of the annual Division of Revenue Act.

### 1.6 Capital Expenditure

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

**Table 12 2020/21 Medium-term capital budget per vote**

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 01 - Public Safety		-	-	-	-	-	-	-	-	-	-
Vote 02 - Health Services		-	-	-	-	-	-	-	-	-	-
Vote 03 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 04 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 05 - Sport Arts And Culture		-	1 800	-	25 734	10 000	10 000	714	-	-	-
Vote 06 - Council General		-	-	-	-	-	-	-	-	-	-
Vote 07 - Civil Engineering		-	9 783	-	12 648	42 279	42 279	12 259	12 922	21 790	22 392
Vote 08 - Water Section		-	66 923	-	11 792	18 099	18 099	4 318	10 500	33 109	20 000
Vote 09 - City Electrical Engineering		-	4 452	-	26 811	51 779	51 779	11 693	26 707	22 000	25 000
Vote 10 - Corporate Governane		-	-	-	-	-	-	-	-	-	-
Vote 11 - Budget And Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 12 - Cleansing		-	-	-	-	-	-	-	-	-	-
Vote 13 - Sewerage		-	8 822	-	4 467	24 467	24 467	9 983	10 000	20 000	47 502
Vote 14 - Market		-	-	-	19 296	7 745	7 745	4 556	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	91 779	-	100 748	154 369	154 369	43 522	60 129	96 899	114 894
<b>Single-year expenditure to be appropriated</b>	2										
Vote 01 - Public Safety		108	-	-	-	-	-	-	-	-	-
Vote 02 - Health Services		-	-	-	-	-	-	-	-	-	-
Vote 03 - Community Services		1 995	3 794	-	-	-	-	-	-	-	-
Vote 04 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 05 - Sport Arts And Culture		3 180	-	9 812	-	-	-	-	14 374	15 674	18 836
Vote 06 - Council General		1 739	10 777	841	-	-	-	-	-	-	-
Vote 07 - Civil Engineering		64 892	74 197	18 494	28 000	6 016	6 016	1 369	46 129	22 098	15 446
Vote 08 - Water Section		67 924	8 118	38 251	-	3 759	3 759	1 454	21 161	16 315	16 123
Vote 09 - City Electrical Engineering		22 021	19 612	29 664	13 088	8 458	8 458	1 456	4 480	10 487	10 649
Vote 10 - Corporate Governane		-	-	-	-	-	-	-	-	-	-
Vote 11 - Budget And Treasury Office		2 733	630	3 532	-	-	-	-	-	-	-
Vote 12 - Cleansing		-	-	-	2 284	-	-	-	-	-	-
Vote 13 - Sewerage		9 190	15 676	5 563	18 680	38 911	38 911	2 636	11 000	2 300	3 635
Vote 14 - Market		-	-	2 888	-	-	-	-	10 357	11 657	14 819
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		173 783	132 804	109 046	62 052	57 144	57 144	6 915	107 501	78 532	79 509
<b>Total Capital Expenditure - Vote</b>		173 783	224 584	109 046	162 800	211 513	211 513	50 437	167 630	175 431	194 403

For 2021/22, an amount of R 167.630 million is being appropriated for the development of infrastructure. For the 2021/22 year there will be no provision for Council funded capital.

Total new assets represent 100 per cent or R 167.630 million of the total capital budget while no provision were made for asset renewal. In addition to the MBRR Table A9, MBRR Tables SA34a, b, c provides a detailed breakdown of the capital program relating to new asset construction, as well as operational repairs and maintenance by asset class

### 1.7 Annual Budget Tables.

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 2021/22 MTREF budget for approval by the Council. Explanatory notes accompany each table on the facing page.

**Table 13 MBRR Table A1 - Budget Summary**

Description	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	294 055	325 128	334 343	480 060	480 060	480 060	299 438	498 782	519 731	542 599
Service charges	1 407 815	1 577 773	1 626 428	1 941 587	1 941 587	1 941 587	1 245 696	1 866 625	1 945 018	2 030 604
Investment revenue	10 588	21 171	16 545	10 536	10 536	10 536	4 111	10 785	11 238	11 732
Transfers recognised - operational	359 817	396 885	435 815	480 796	552 167	552 167	185 154	494 626	527 903	525 722
Other own revenue	315 307	472 186	428 722	486 163	488 013	488 013	277 008	460 363	479 698	500 805
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>2 387 581</b>	<b>2 793 143</b>	<b>2 841 852</b>	<b>3 399 142</b>	<b>3 472 363</b>	<b>3 472 363</b>	<b>2 011 409</b>	<b>3 331 180</b>	<b>3 483 588</b>	<b>3 611 463</b>
Employee costs	579 462	635 361	643 219	649 483	649 483	649 483	111 917	712 008	747 609	792 464
Remuneration of councillors	33 182	34 473	34 588	38 988	38 988	38 988	7 089	37 223	37 967	39 486
Depreciation & asset impairment	435 408	402 457	411 946	420 711	420 711	420 711	259 276	404 082	421 053	439 580
Finance charges	45 826	72 736	79 009	3 537	3 537	3 537	512	2 292	2 389	2 494
Inventory consumed and bulk purchases	942 451	673 365	691 073	600 626	610 812	1 020 188	155 905	1 270 147	1 346 355	1 405 595
Transfers and grants	-	-	-	-	-	-	-	-	-	-
Other expenditure	828 942	1 461 622	1 654 447	1 669 029	1 606 325	1 196 948	673 630	1 147 971	1 072 943	1 117 157
<b>Total Expenditure</b>	<b>2 865 272</b>	<b>3 280 015</b>	<b>3 514 282</b>	<b>3 382 374</b>	<b>3 329 855</b>	<b>3 329 855</b>	<b>1 208 329</b>	<b>3 573 723</b>	<b>3 628 316</b>	<b>3 796 776</b>
<b>Surplus/(Deficit)</b>	<b>(477 691)</b>	<b>(486 871)</b>	<b>(672 430)</b>	<b>16 768</b>	<b>142 508</b>	<b>142 508</b>	<b>803 080</b>	<b>(242 542)</b>	<b>(144 728)</b>	<b>(185 313)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	178 023	170 191	131 339	162 800	162 800	162 800	63 981	167 630	175 431	194 403
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)	-	-	-	-	14 000	14 000	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(299 667)</b>	<b>(316 680)</b>	<b>-</b>	<b>179 568</b>	<b>319 308</b>	<b>319 308</b>	<b>867 061</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(299 667)</b>	<b>(316 680)</b>	<b>-</b>	<b>179 568</b>	<b>319 308</b>	<b>319 308</b>	<b>867 061</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>173 783</b>	<b>224 584</b>	<b>109 046</b>	<b>162 800</b>	<b>211 513</b>	<b>211 513</b>	<b>50 437</b>	<b>167 630</b>	<b>175 431</b>	<b>194 403</b>
Transfers recognised - capital	172 044	213 117	104 240	162 800	197 513	197 513	50 437	167 630	175 431	194 403
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	1 739	11 467	4 806	-	14 000	14 000	-	-	-	-
<b>Total sources of capital funds</b>	<b>173 783</b>	<b>224 584</b>	<b>109 046</b>	<b>162 800</b>	<b>211 513</b>	<b>211 513</b>	<b>50 437</b>	<b>167 630</b>	<b>175 431</b>	<b>194 403</b>
<b>Financial position</b>										
Total current assets	208 209	908 281	1 065 127	2 156 168	709 880	277 485	1 838 514	6 232 166	7 512 873	8 732 846
Total non current assets	5 378 718	5 299 248	5 005 652	4 572 759	4 714 391	4 714 391	4 850 115	13 279 371	13 366 818	13 592 796
Total current liabilities	994 477	1 465 614	1 909 081	1 581 540	1 160 907	1 160 907	2 782 040	1 294 500	1 357 900	1 476 483
Total non current liabilities	498 923	540 462	496 821	641 050	33 000	33 000	81 102	15 000	15 750	-
Community wealth/Equity	4 573 210	4 251 732	3 710 641	4 506 337	3 931 663	3 797 969	3 825 486	18 202 037	19 506 041	20 849 159
<b>Cash flows</b>										
Net cash from (used) operating	214 038	360 656	129 849	182 150	166 255	166 255	949 519	(397 345)	106 009	(46 758)
Net cash from (used) investing	(158 427)	(229 109)	(126 724)	(158 800)	(201 199)	(201 199)	6 857	182 370	(75 431)	55 597
Net cash from (used) financing	(9 988)	21 369	(15 252)	(3 000)	(3 000)	(3 000)	(1 435)	5 000	2 150	(45 150)
<b>Cash/cash equivalents at the year end</b>	<b>136 106</b>	<b>289 021</b>	<b>276 895</b>	<b>56 063</b>	<b>(2 230)</b>	<b>(2 230)</b>	<b>954 941</b>	<b>90 603</b>	<b>123 332</b>	<b>87 021</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	159 206	289 021	300 578	56 063	120 000	120 000	(406 984)	90 603	123 332	87 021
Application of cash and investments	736 609	1 064 948	1 419 606	(704)	374 500	374 500	(1 471 065)	(2 780 605)	(3 697 101)	(3 688 314)
<b>Balance - surplus (shortfall)</b>	<b>(577 403)</b>	<b>(775 927)</b>	<b>(1 119 028)</b>	<b>56 767</b>	<b>(254 500)</b>	<b>(254 500)</b>	<b>1 064 081</b>	<b>2 871 208</b>	<b>3 820 433</b>	<b>3 775 335</b>
<b>Asset management</b>										
Asset register summary (WDV)	5 323 927	5 002 513	4 688 572	4 658 350	4 714 391	4 714 391	4 714 391	5 129 129	5 318 064	5 524 220
Depreciation	435 408	402 457	411 946	420 711	420 711	420 711	420 711	404 082	421 053	439 580
Renewal and Upgrading of Existing Assets	-	91 779	-	59 547	25 371	25 371	25 371	33 296	45 874	-
Repairs and Maintenance	86 920	92 597	135 693	120 024	119 643	119 643	119 643	614 578	645 723	644 134
<b>Free services</b>										
Cost of Free Basic Services provided	-	72 974	221 452	271 967	271 967	271 967	284 724	284 724	174 686	-
Revenue cost of free services provided	-	90 478	93 220	78 339	78 339	78 339	-	-	83 753	-
<b>Households below minimum service level</b>										
Water:	-	-	-	2	-	-	-	-	-	-
Sanitation/sewage:	5	5	5	5	5	5	5	5	5	6
Energy:	166	168	168	180	180	180	180	180	193	207
Refuse:	-	-	-	8	-	-	8	8	8	8

## **Explanatory notes to MBRR Table A1 - Budget Summary**

1. Table A1 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).
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 service delivery backlogs.
3. Financial management reforms emphasizes 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 negative due to non-cash item – (provision for bad debts and depreciation).
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognized is reflected on the Financial Performance Budget;
    - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
    - iii. Internally generated funds are financed from our investments. The amount is incorporated in the Net cash from investing on the Cash Flow Budget.
4. 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 provide by the municipality continues to increase, even though the revenue cost of free services provided by the municipality continues to decrease.

**Table 14 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

Functional Classification Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Revenue - Functional</b>	1									
<i><b>Governance and administration</b></i>		893 867	937 758	888 340	1 130 128	1 202 699	1 202 699	1 196 518	1 365 718	1 365 472
Executive and council		2 793	107 152	2 215	26 541	27 741	27 741	26 611	1 653	1 709
Finance and administration		891 074	830 606	886 126	1 103 588	1 174 959	1 174 959	1 169 907	1 364 065	1 363 763
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		100 405	37 109	49 089	32 792	32 792	32 792	33 517	34 436	41 170
Community and social services		3 972	3 484	10 393	3 052	3 052	3 052	2 263	3 042	3 523
Sport and recreation		2 321	2 887	11 904	1 136	1 136	1 136	1 188	351	19
Public safety		92 604	30 737	26 793	28 604	28 604	28 604	30 066	31 043	32 409
Housing		1 502	-	-	-	-	-	-	-	5 219
Health		6	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		85 906	28 676	31 775	133 882	133 882	133 882	139 551	11 529	6 935
Planning and development		4 907	8 013	8 789	8 797	8 797	8 797	9 245	11 118	839
Road transport		80 763	20 477	22 806	124 641	124 641	124 641	129 842	-	6 096
Environmental protection		236	186	180	444	444	444	464	411	-
<i><b>Trading services</b></i>		1 465 252	1 939 520	1 979 517	2 244 958	2 258 958	2 258 958	2 109 035	2 244 877	2 389 721
Energy sources		726 178	836 855	852 666	1 069 442	1 083 442	1 083 442	920 242	971 345	1 034 908
Water management		615 033	764 521	789 206	816 265	816 265	816 265	845 301	893 279	932 154
Waste water management		2 353	132 790	122 421	141 874	141 874	141 874	142 006	134 799	166 405
Waste management		121 688	205 354	215 225	217 378	217 378	217 378	201 485	245 454	256 254
<i><b>Other</b></i>	4	20 174	20 272	24 470	20 182	20 832	20 832	20 190	2 459	2 567
<b>Total Revenue - Functional</b>	2	2 565 605	2 963 334	2 973 191	3 561 942	3 649 163	3 649 163	3 498 811	3 659 019	3 805 866
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		884 248	605 561	845 636	587 383	585 619	585 619	595 064	517 890	546 527
Executive and council		128 076	237 161	265 204	258 876	257 926	257 926	270 734	192 443	158 428
Finance and administration		751 940	363 650	575 703	323 476	322 662	322 662	318 987	319 647	388 099
Internal audit		4 232	4 750	4 729	5 032	5 032	5 032	5 343	5 801	-
<i><b>Community and public safety</b></i>		314 553	276 374	258 644	257 498	277 518	277 518	270 943	456 471	482 736
Community and social services		34 478	43 042	64 745	77 439	87 439	87 439	80 917	72 021	162 225
Sport and recreation		123 730	138 071	75 923	66 763	66 844	66 844	70 153	116 198	34 738
Public safety		133 763	94 601	117 194	112 367	112 017	112 017	118 891	237 500	253 058
Housing		10 053	524	642	705	705	705	756	17 478	18 550
Health		12 529	135	140	224	10 513	10 513	226	13 274	14 165
<i><b>Economic and environmental services</b></i>		256 853	219 378	220 128	238 954	239 793	239 793	341 188	225 960	208 564
Planning and development		78 163	46 949	50 079	56 410	56 689	56 689	60 019	15 440	-
Road transport		177 248	171 294	168 843	180 732	181 292	181 292	279 269	193 419	208 564
Environmental protection		1 442	1 134	1 206	1 812	1 812	1 812	1 900	17 101	-
<i><b>Trading services</b></i>		1 383 779	2 141 886	2 147 500	2 277 471	2 205 856	2 205 856	2 248 233	2 405 171	2 523 358
Energy sources		616 456	1 137 677	941 786	1 182 974	1 146 334	1 146 334	1 128 106	1 453 600	1 509 246
Water management		490 859	679 892	820 269	756 451	736 921	736 921	778 427	615 593	644 293
Waste water management		114 970	147 563	168 489	170 257	169 907	169 907	174 594	175 996	184 207
Waste management		161 494	176 753	216 955	167 789	152 694	152 694	167 106	159 982	185 612
<i><b>Other</b></i>	4	25 839	36 817	42 375	21 068	21 068	21 068	118 294	22 823	35 591
<b>Total Expenditure - Functional</b>	3	2 865 272	3 280 015	3 514 282	3 382 374	3 329 855	3 329 855	3 573 723	3 628 316	3 796 776
<b>Surplus/(Deficit) for the year</b>		(299 667)	(316 680)	(541 091)	179 568	319 308	319 308	(74 912)	30 703	9 089

**Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

- Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification.
- Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital).

**Table 15 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**



**NW403 City Of Matlosana - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Revenue by Vote</b>	1									
Vote 01 - Public Safety		92 604	30 737	27 806	28 604	28 604	28 604	30 066	81 043	32 409
Vote 02 - Health Services		-	-	-	-	-	-	-	-	-
Vote 03 - Community Services		2 370	5 102	1 879	2 294	2 294	2 294	2 331	3 282	3 426
Vote 04 - Housing		1 957	4 859	4 129	4 452	4 452	4 452	4 516	6 109	6 058
Vote 05 - Sport Arts And Culture		3 924	5 055	19 584	2 338	2 338	2 338	1 585	111	116
Vote 06 - Council General		4 651	885	2 053	25 613	25 613	25 613	25 641	2	2
Vote 07 - Civil Engineering		85 215	23 631	27 466	128 986	128 986	128 986	134 570	5 009	5 667
Vote 08 - Water Section		615 256	764 723	789 513	816 517	816 517	816 517	845 565	943 690	932 583
Vote 09 - City Electrical Engineering		726 178	836 855	852 666	1 069 442	1 083 442	1 083 442	1 108 981	971 345	1 034 908
Vote 10 - Corporate Governane		122	102 668	162	928	2 128	2 128	970	1 651	1 724
Vote 11 - Budget And Treasury Office		889 095	830 606	886 126	1 103 588	1 174 959	1 174 959	869 690	1 264 065	1 363 746
Vote 12 - Cleansing		121 688	205 152	214 917	217 126	217 126	217 126	201 222	245 454	256 254
Vote 13 - Sewerage		2 371	132 790	122 421	141 874	141 874	141 874	253 483	134 799	166 405
Vote 14 - Market		20 174	20 272	24 470	20 182	20 832	20 832	20 190	2 458	2 566
Vote 15 - Other		-	1	1	-	-	-	-	1	1
<b>Total Revenue by Vote</b>	2	<b>2 565 605</b>	<b>2 963 334</b>	<b>2 973 191</b>	<b>3 561 942</b>	<b>3 649 163</b>	<b>3 649 163</b>	<b>3 498 811</b>	<b>3 659 019</b>	<b>3 805 866</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 01 - Public Safety		133 763	141 012	170 006	165 928	174 028	174 028	173 717	239 403	253 058
Vote 02 - Health Services		10 053	9 206	9 088	10 242	20 531	20 531	10 720	13 274	14 165
Vote 03 - Community Services		34 478	78 822	100 080	94 793	94 274	94 274	99 461	100 597	106 459
Vote 04 - Housing		12 529	13 302	15 399	17 583	17 583	17 583	18 767	17 478	18 550
Vote 05 - Sport Arts And Culture		145 945	118 149	76 839	77 641	78 041	78 041	81 744	85 722	90 504
Vote 06 - Council General		128 043	136 021	136 779	134 551	134 751	134 751	140 798	150 109	158 428
Vote 07 - Civil Engineering		180 366	197 787	191 408	204 910	205 449	205 449	204 989	198 242	208 564
Vote 08 - Water Section		490 859	697 872	836 042	763 648	744 118	744 118	737 040	632 694	644 293
Vote 09 - City Electrical Engineering		616 456	1 140 465	941 786	1 182 974	1 146 334	1 146 334	1 226 741	1 455 600	1 509 246
Vote 10 - Corporate Governane		57 812	47 369	53 461	54 810	54 433	54 433	57 957	56 878	60 402
Vote 11 - Budget And Treasury Office		744 879	356 160	562 740	312 738	313 200	313 200	357 786	310 830	327 697
Vote 12 - Cleansing		161 494	164 425	201 183	160 616	145 521	145 521	159 888	158 009	185 612
Vote 13 - Sewerage		114 970	150 275	168 489	170 233	169 883	169 883	264 568	175 969	184 207
Vote 14 - Market		25 839	20 092	42 375	21 068	21 068	21 068	28 291	22 894	24 306
Vote 15 - Other		7 785	9 060	8 608	10 641	10 641	10 641	11 257	10 617	11 285
<b>Total Expenditure by Vote</b>	2	<b>2 865 272</b>	<b>3 280 015</b>	<b>3 514 282</b>	<b>3 382 374</b>	<b>3 329 855</b>	<b>3 329 855</b>	<b>3 573 723</b>	<b>3 628 316</b>	<b>3 796 776</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(299 667)</b>	<b>(316 680)</b>	<b>(541 091)</b>	<b>179 568</b>	<b>319 308</b>	<b>319 308</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>

**Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Table A3 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 16 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

**NW403 City Of Matlosana - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Revenue By Source</b>											
Property rates	2	294 055	325 128	334 343	480 060	480 060	480 060	299 438	498 782	519 731	542 599
Service charges - electricity revenue	2	678 390	751 771	773 206	994 684	994 684	994 684	550 102	870 963	907 546	947 475
Service charges - water revenue	2	510 685	572 665	603 420	674 306	674 306	674 306	483 220	719 313	749 524	782 503
Service charges - sanitation revenue	2	98 497	112 025	112 769	123 230	123 230	123 230	92 966	125 918	131 207	136 980
Service charges - refuse revenue	2	120 243	141 313	137 033	149 367	149 367	149 367	119 409	150 431	156 741	163 646
Rental of facilities and equipment		5 097	5 216	6 356	5 593	6 243	6 243	1 512	6 186	6 446	6 730
Interest earned - external investments		10 588	21 171	16 545	10 536	10 536	10 536	4 111	10 785	11 238	11 732
Interest earned - outstanding debtors		220 170	284 309	352 476	372 714	372 714	372 714	268 080	388 919	405 253	423 084
Dividends received											
Fines, penalties and forfeits		11 247	9 470	9 104	28 684	28 684	28 684	395	28 684	29 888	31 203
Licences and permits		12 654	7 675	6 146	7 720	7 720	7 720	854	9 354	9 746	10 175
Agency services		10 744	12 460	-	0	0	0	-	0	0	-
Transfers and subsidies		359 817	396 885	435 815	480 796	552 167	552 167	185 154	494 626	527 903	525 722
Other revenue	2	55 396	153 056	54 639	71 453	72 653	72 653	6 150	27 220	28 364	29 612
Gains		-	-	-	-	-	-	18	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>2 387 581</b>	<b>2 793 143</b>	<b>2 841 852</b>	<b>3 399 142</b>	<b>3 472 363</b>	<b>3 472 363</b>	<b>2 011 409</b>	<b>3 331 180</b>	<b>3 483 588</b>	<b>3 611 463</b>
<b>Expenditure By Type</b>											
Employee related costs	2	579 462	635 361	643 219	649 483	649 483	649 483	111 917	712 008	747 609	792 464
Remuneration of councillors		33 182	34 473	34 588	38 988	38 988	38 988	7 089	37 223	37 967	39 486
Debt impairment	3	617 012	722 372	835 012	968 659	896 009	896 009	607 808	709 622	616 189	643 301
Depreciation & asset impairment	2	435 408	402 457	411 946	420 711	420 711	420 711	259 276	404 082	421 053	439 580
Finance charges		45 826	72 736	79 009	3 537	3 537	3 537	512	2 292	2 389	2 494
Bulk purchases - electricity	2	467 670	673 365	691 073	600 626	600 626	600 626	155 905	790 255	616 189	643 301
Inventory consumed	8	373 512	413 443	474 781	-	-	-	10 185	479 891	730 166	762 294
Contracted services		39 175	46 005	49 470	136 194	137 625	137 625	50 217	318 349	331 714	346 316
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-
Other expenditure	4, 5	274 024	268 110	283 612	135 092	136 030	136 030	15 605	120 000	125 040	127 541
Losses		-	11 692	11 573	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>2 865 272</b>	<b>3 280 015</b>	<b>3 514 282</b>	<b>2 953 290</b>	<b>2 883 009</b>	<b>2 883 009</b>	<b>1 218 514</b>	<b>3 573 723</b>	<b>3 628 316</b>	<b>3 796 776</b>
<b>Surplus/(Deficit)</b>		<b>(477 691)</b>	<b>(486 871)</b>	<b>(672 430)</b>	<b>445 852</b>	<b>589 354</b>	<b>589 354</b>	<b>792 895</b>	<b>(242 542)</b>	<b>(144 728)</b>	<b>(185 313)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		178 023	170 191	131 339	162 800	162 800	162 800	63 981	167 630	175 431	194 403
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	14 000	14 000	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(299 667)</b>	<b>(316 680)</b>	<b>(541 091)</b>	<b>608 652</b>	<b>766 154</b>	<b>766 154</b>	<b>856 876</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>		<b>(299 667)</b>	<b>(316 680)</b>	<b>(541 091)</b>	<b>608 652</b>	<b>766 154</b>	<b>766 154</b>	<b>856 876</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(299 667)</b>	<b>(316 680)</b>	<b>(541 091)</b>	<b>608 652</b>	<b>766 154</b>	<b>766 154</b>	<b>856 876</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		<b>(299 667)</b>	<b>(316 680)</b>	<b>(541 091)</b>	<b>608 652</b>	<b>766 154</b>	<b>766 154</b>	<b>856 876</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>

## Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R 3.33 billion in 2021/22 and escalates to R 3.7 billion by 2022/23
2. Revenue to be generated from property rates is R 498 million in the 2021/22 financial year and increases to R 542,6 million by 2023/24.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totaling R 1.8 billion for the 2020/21 financial year and increasing to R 2 billion by 2023/24.

### Expenditure by major type

4. Bulk purchases have significantly increased over the 2013/14 to 2020/21 period escalating from R 647 million to R1.270 billion. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom and water from Midvaal Water.
5. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains.
6. Other expenditure is broken down on Table SA 1 for financial transparency.

**Table 17 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

Vote Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	1										
<b>Capital Expenditure - Functional</b>											
<i>Governance and administration</i>		4 472	11 407	4 372	-	-	-	-	-	-	-
Executive and council		1 739	10 777	841	-	-	-	-	-	-	-
Finance and administration		2 733	630	3 532	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		5 283	5 594	9 812	25 734	10 000	10 000	714	14 374	15 674	18 836
Community and social services		1 995	3 794	-	-	-	-	-	-	-	-
Sport and recreation		3 180	1 800	9 812	25 734	10 000	10 000	714	14 374	15 674	18 836
Public safety		108	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		64 892	83 980	18 494	40 648	48 296	48 296	13 628	59 051	60 351	63 513
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		64 892	83 980	18 494	40 648	48 296	48 296	13 628	59 051	60 351	63 513
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		99 136	123 603	73 479	77 122	145 472	145 472	31 540	83 848	87 748	97 234
Energy sources		22 021	24 064	29 664	39 899	60 237	60 237	13 149	31 187	32 487	35 649
Water management		67 924	75 041	38 251	11 792	21 858	21 858	5 772	31 661	32 961	36 123
Waste water management		9 190	24 498	5 563	23 147	63 378	63 378	12 618	21 000	22 300	25 462
Waste management		-	-	-	2 284	-	-	-	-	-	-
Other		-	-	2 888	19 296	7 745	7 745	4 556	10 357	11 657	14 819
<b>Total Capital Expenditure - Functional</b>	3	173 783	224 584	109 046	162 800	211 513	211 513	50 437	167 630	175 431	194 403
<b>Funded by:</b>											
National Government		171 936	213 117	104 240	162 800	197 513	197 513	50 437	167 630	175 431	194 403
Provincial Government		108	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial)		-	-	-	-	-	-	-	-	-	-
Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	172 044	213 117	104 240	162 800	197 513	197 513	50 437	167 630	175 431	194 403
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		1 739	11 467	4 806	-	14 000	14 000	-	-	-	-
<b>Total Capital Funding</b>	7	173 783	224 584	109 046	162 800	211 513	211 513	50 437	167 630	175 431	194 403

## Explanatory notes to Table A5 - 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 (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. Single-year capital expenditure has been appropriated at R 167.6 million for the 2021/22 financial year and remains relatively constant over the MTREF at levels of R180.4million and R194.3 million respectively for the two outer years.

**Table 18 MBRR Table A6 - Budgeted Financial Position**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		30 260	289 021	300 578	16 063	20 000	20 000	160 135	10 603	23 332	17 021
Call investment deposits	1	105 845	–	–	40 000	100 000	100 000	(567 119)	80 000	100 000	70 000
Consumer debtors	1	358 590	465 448	564 054	1 884 726	575 657	575 657	1 558 262	5 628 260	6 315 130	6 961 968
Other debtors		142 825	128 206	199 851	165 979	1 390	1 390	687 191	291 182	239 731	190 612
Current portion of long-term receivables		–	25 606	644	–	–	–	44	–	–	–
Inventory	2	(328 044)	(413 443)	(474 781)	49 400	(474 781)	(474 781)	(461 948)	(240 219)	399 637	1 087 681
<b>Total current assets</b>		<b>309 477</b>	<b>494 838</b>	<b>590 346</b>	<b>2 156 168</b>	<b>222 265</b>	<b>222 265</b>	<b>1 376 566</b>	<b>5 769 826</b>	<b>7 077 829</b>	<b>8 327 282</b>
<b>Non current assets</b>											
Long-term receivables		–	–	–	–	–	–	–	–	–	–
Investments		23 100	–	–	–	–	–	–	–	–	–
Investment property		156 054	256 453	257 100	105 000	105 000	105 000	257 100	108 000	113 400	117 823
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	5 171 305	5 002 513	4 688 572	4 466 759	4 608 391	4 608 391	4 591 717	13 170 371	13 252 368	13 473 883
Biological Intangible		649	658	1 297	1 000	1 000	1 000	1 297	1 000	1 050	1 091
Other non-current assets		27 611	39 624	58 683	–	–	–	–	–	–	–
<b>Total non current assets</b>		<b>5 378 718</b>	<b>5 299 248</b>	<b>5 005 652</b>	<b>4 572 759</b>	<b>4 714 391</b>	<b>4 714 391</b>	<b>4 850 115</b>	<b>13 279 371</b>	<b>13 366 818</b>	<b>13 592 796</b>
<b>TOTAL ASSETS</b>		<b>5 688 196</b>	<b>5 794 086</b>	<b>5 595 998</b>	<b>6 728 928</b>	<b>4 936 656</b>	<b>4 936 656</b>	<b>6 226 680</b>	<b>19 049 197</b>	<b>20 444 647</b>	<b>21 920 078</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	14 432	–	2 839	92 839	17 000	17 000	1 614	18 000	18 900	18 900
Consumer deposits		29 941	33 345	36 634	4 000	38 000	38 000	61 365	43 000	45 150	46 911
Trade and other payables	4	930 750	1 411 397	1 849 662	1 084 702	705 907	705 907	2 223 525	820 500	860 200	960 110
Provisions		19 354	20 872	19 947	400 000	400 000	400 000	495 537	413 000	433 650	450 562
<b>Total current liabilities</b>		<b>994 477</b>	<b>1 465 614</b>	<b>1 909 081</b>	<b>1 581 540</b>	<b>1 160 907</b>	<b>1 160 907</b>	<b>2 782 040</b>	<b>1 294 500</b>	<b>1 357 900</b>	<b>1 476 483</b>
<b>Non current liabilities</b>											
Borrowing		71 031	98 976	82 049	83 790	33 000	33 000	81 102	15 000	15 750	–
Provisions		427 892	441 487	414 771	557 261	–	–	–	–	–	–
<b>Total non current liabilities</b>		<b>498 923</b>	<b>540 462</b>	<b>496 821</b>	<b>641 050</b>	<b>33 000</b>	<b>33 000</b>	<b>81 102</b>	<b>15 000</b>	<b>15 750</b>	<b>–</b>
<b>TOTAL LIABILITIES</b>		<b>1 493 400</b>	<b>2 006 077</b>	<b>2 405 902</b>	<b>2 222 591</b>	<b>1 193 907</b>	<b>1 193 907</b>	<b>2 863 142</b>	<b>1 309 500</b>	<b>1 373 650</b>	<b>1 476 483</b>
<b>NET ASSETS</b>	5	<b>4 194 796</b>	<b>3 788 010</b>	<b>3 190 096</b>	<b>4 506 337</b>	<b>3 742 749</b>	<b>3 742 749</b>	<b>3 363 538</b>	<b>17 739 697</b>	<b>19 070 997</b>	<b>20 443 595</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)	4	4 573 210	4 251 732	3 710 641	4 506 337	3 931 663	3 742 749	3 363 538	17 739 697	19 070 997	20 443 595
Reserves	4	–	–	–	–	–	–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>4 573 210</b>	<b>4 251 732</b>	<b>3 710 641</b>	<b>4 506 337</b>	<b>3 931 663</b>	<b>3 742 749</b>	<b>3 363 538</b>	<b>17 739 697</b>	<b>19 070 997</b>	<b>20 443 595</b>

## **Explanatory notes to Table A6 - Budgeted Financial Position**

1. Table A6 is consistent with international standards of good financial management practice, and improves understand ability 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 readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 53 is supported by an extensive table of notes (SA3) providing a 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
4. 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.
5. 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.

## Table 19 MBRR Table A7 - Budgeted Cash Flow Statement

### NW403 City Of Matlosana - Table A7 Budgeted Cash Flows

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		294 055	325 128	334 343	288 036	302 438	302 438	2 169 082	349 147	391 857	406 949
Service charges		717 535	983 946	951 139	1 164 952	1 223 200	1 223 200	101 469	1 306 638	1 590 310	1 522 953
Other revenue		55 190	76 999	59 731	86 069	145 426	145 426	295 700	63 278	64 975	67 879
Transfers and Subsidies - Operational	1	379 000	468 632	379 966	480 796	553 367	553 367		494 626	527 903	525 722
Transfers and Subsidies - Capital	1	178 023	170 191	131 339	162 800	162 800	162 800		167 630	175 431	194 403
Interest		231 828	78 078	57 231	229 950	159 622	159 622		399 704	382 797	400 023
Dividends									-	-	-
<b>Payments</b>											
Suppliers and employees		(1 540 108)	(1 669 582)	(1 704 891)	(2 226 917)	(2 377 061)	(2 377 061)	(1 613 195)	(3 176 075)	(3 024 875)	(3 162 193)
Finance charges		(101 486)	(72 736)	(79 009)	(3 537)	(3 537)	(3 537)	(3 537)	(2 292)	(2 389)	(2 494)
Transfers and Grants	1								-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>214 038</b>	<b>360 656</b>	<b>129 849</b>	<b>182 150</b>	<b>166 255</b>	<b>166 255</b>	<b>949 519</b>	<b>(397 345)</b>	<b>106 009</b>	<b>(46 758)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		2 297		88	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables			(2 509)	(568)	4 000	-	-	-	350 000	100 000	250 000
Decrease (increase) in non-current investments		(2 107)	(2 572)	(19 504)	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(158 617)	(224 028)	(106 740)	(162 800)	(201 199)	(201 199)	6 857	(167 630)	(175 431)	(194 403)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(158 427)</b>	<b>(229 109)</b>	<b>(126 724)</b>	<b>(158 800)</b>	<b>(201 199)</b>	<b>(201 199)</b>	<b>6 857</b>	<b>182 370</b>	<b>(75 431)</b>	<b>55 597</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits		5 817	3 404	3 288	-	-	-	(1 435)	5 000	2 150	(45 150)
<b>Payments</b>											
Repayment of borrowing		(15 805)	17 965	(18 540)	(3 000)	(3 000)	(3 000)	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(9 988)</b>	<b>21 369</b>	<b>(15 252)</b>	<b>(3 000)</b>	<b>(3 000)</b>	<b>(3 000)</b>	<b>(1 435)</b>	<b>5 000</b>	<b>2 150</b>	<b>(45 150)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>45 622</b>	<b>152 915</b>	<b>(12 127)</b>	<b>20 350</b>	<b>(37 944)</b>	<b>(37 944)</b>	<b>954 941</b>	<b>(209 975)</b>	<b>32 729</b>	<b>(36 310)</b>
Cash/cash equivalents at the year begin:	2	90 484	136 106	289 021	35 714	35 714	35 714	-	300 578	90 603	123 332
Cash/cash equivalents at the year end:	2	136 106	289 021	276 895	56 063	(2 230)	(2 230)	954 941	90 603	123 332	87 021

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

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

**Table 20 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	136 106	289 021	276 895	56 063	(2 230)	(2 230)	954 941	90 603	123 332	87 021
Other current investments > 90 days		(0)	-	23 683	(0)	122 230	122 230	(1 361 925)	(0)	(0)	0
Non current assets - investments	1	23 100	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>159 206</b>	<b>289 021</b>	<b>300 578</b>	<b>56 063</b>	<b>120 000</b>	<b>120 000</b>	<b>(406 984)</b>	<b>90 603</b>	<b>123 332</b>	<b>87 021</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		27 770	99 517	43 668	15 000	15 000	15 000	324 499	30 000	-	-
Unspent borrowing		71 031	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	637 807	965 431	1 375 938	(15 704)	359 500	359 500	(1 795 564)	(2 810 605)	(3 697 101)	(3 688 314)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>736 609</b>	<b>1 064 948</b>	<b>1 419 606</b>	<b>(704)</b>	<b>374 500</b>	<b>374 500</b>	<b>(1 471 065)</b>	<b>(2 780 605)</b>	<b>(3 697 101)</b>	<b>(3 688 314)</b>
<b>Surplus(shortfall)</b>		<b>(577 403)</b>	<b>(775 927)</b>	<b>(1 119 028)</b>	<b>56 767</b>	<b>(254 500)</b>	<b>(254 500)</b>	<b>1 064 081</b>	<b>2 871 208</b>	<b>3 820 433</b>	<b>3 775 335</b>

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. As part of the budgeting and planning guidelines that informed the compilation of the 2021/22
6. MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

**Table 21 MBRR Table A9 - Asset Management**





NW403 City Of Matlosana - Table A9 Asset Management

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>										
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	5 323 927	5 002 513	4 688 572	4 658 350	4 714 391	4 714 391	5 129 129	5 318 064	5 524 220
Roads Infrastructure		1 538 371	4 214 132	4 099 878	644 008	648 024	648 024	1 374 078	1 434 429	1 497 943
Storm water Infrastructure		-	-	-	80 000	80 000	80 000	146 923	146 923	146 923
Electrical Infrastructure		961 504	(28 717)	(56 499)	1 529 899	1 545 370	1 545 370	909 429	941 916	977 565
Water Supply Infrastructure		887 877	(26 523)	(156 753)	861 792	875 858	875 858	813 682	846 643	882 765
Sanitation Infrastructure		826 379	(38 919)	(32 738)	781 413	817 735	817 735	718 354	740 654	766 116
Solid Waste Infrastructure		-	-	-	8 284	6 000	6 000	29 485	29 485	29 485
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	3 000	3 000	3 000	3 000	3 150	-
<b>Infrastructure</b>		<b>4 214 131</b>	<b>4 119 973</b>	<b>3 853 887</b>	<b>3 908 397</b>	<b>3 975 988</b>	<b>3 975 988</b>	<b>3 994 952</b>	<b>4 143 201</b>	<b>4 300 798</b>
Community Assets		510 600	541 021	459 243	564 612	553 061	553 061	808 827	836 159	869 815
Heritage Assets		12 723	10 652	9 941	-	-	-	-	-	-
Investment properties		156 054	256 453	257 100	105 000	105 000	105 000	267 127	278 347	290 594
Other Assets		188	34 675	10 281	30 000	30 000	30 000	690	719	750
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		649	658	658	1 000	1 000	1 000	1 348	1 094	1 142
Computer Equipment		10 157	7 318	13 224	10 000	10 000	10 000	6 124	6 382	6 662
Furniture and Office Equipment		2 841	6 382	4 629	10 000	10 000	10 000	7 138	7 437	7 765
Machinery and Equipment		37 600	3 360	4 367	27 842	27 842	27 842	2 787	2 904	3 032
Transport Assets		378 984	19 747	75 242	-	-	-	40 136	41 822	43 662
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	2 275	-	1 500	1 500	1 500	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	<b>5 323 927</b>	<b>5 002 513</b>	<b>4 688 572</b>	<b>4 658 350</b>	<b>4 714 391</b>	<b>4 714 391</b>	<b>5 129 129</b>	<b>5 318 064</b>	<b>5 524 220</b>
<b>EXPENDITURE OTHER ITEMS</b>		<b>522 329</b>	<b>495 055</b>	<b>547 639</b>	<b>540 736</b>	<b>540 355</b>	<b>540 355</b>	<b>1 018 660</b>	<b>1 066 776</b>	<b>1 083 714</b>
Depreciation	7	435 408	402 457	411 946	420 711	420 711	420 711	404 082	421 053	439 580
<b>Repairs and Maintenance by Asset Class</b>	3	<b>86 920</b>	<b>92 597</b>	<b>135 693</b>	<b>120 024</b>	<b>119 643</b>	<b>119 643</b>	<b>614 578</b>	<b>645 723</b>	<b>644 134</b>
Roads Infrastructure		12 867	19 549	26 247	23 798	24 198	24 198	193 716	162 251	332 077
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		8 427	13 522	9 755	26 703	26 703	26 703	69 310	7 280	7 536
Water Supply Infrastructure		10 046	8 326	4 034	9 396	9 396	9 396	49 668	160 904	16 666
Sanitation Infrastructure		-	2 687	3 221	2 824	2 824	2 824	3 651	4 075	4 271
Solid Waste Infrastructure		-	-	10 850	-	-	-	46 166	47 254	48 657
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		<b>31 340</b>	<b>44 083</b>	<b>54 106</b>	<b>62 721</b>	<b>63 121</b>	<b>63 121</b>	<b>362 509</b>	<b>381 764</b>	<b>409 207</b>
Community Facilities		-	2 219	26 070	5 391	5 691	5 691	10 110	11 133	12 019
Sport and Recreation Facilities		5 002	9 189	4 364	3 609	3 609	3 609	41 794	46 050	48 076
<b>Community Assets</b>		<b>5 002</b>	<b>11 408</b>	<b>30 434</b>	<b>8 999</b>	<b>9 299</b>	<b>9 299</b>	<b>51 904</b>	<b>57 183</b>	<b>60 095</b>
Heritage Assets		147	260	173	176	176	176	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		224	3 561	25 510	2 158	2 137	2 137	159 385	164 752	172 558
Housing		-	-	-	-	-	-	28	29	30
<b>Other Assets</b>		<b>224</b>	<b>3 561</b>	<b>25 510</b>	<b>2 158</b>	<b>2 137</b>	<b>2 137</b>	<b>159 413</b>	<b>164 781</b>	<b>172 588</b>
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		4 470	3 517	13 937	8 385	8 385	8 385	2 063	2 150	2 244
<b>Intangible Assets</b>		<b>4 470</b>	<b>3 517</b>	<b>13 937</b>	<b>8 385</b>	<b>8 385</b>	<b>8 385</b>	<b>2 063</b>	<b>2 150</b>	<b>2 244</b>
Computer Equipment		-	1 520	(2 589)	2 483	2 483	2 483	2 484	2 485	-
Furniture and Office Equipment		1 056	530	413	918	958	958	919	921	-
Machinery and Equipment		13 919	3 688	13 708	10 443	10 443	10 443	10 452	10 462	-
Transport Assets		30 763	24 031	-	23 742	22 642	22 642	24 834	25 976	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>522 329</b>	<b>495 055</b>	<b>547 639</b>	<b>540 736</b>	<b>540 355</b>	<b>540 355</b>	<b>1 018 660</b>	<b>1 066 776</b>	<b>1 083 714</b>

**Explanatory notes to Table A9 - Asset Management**

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal 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 of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE.

**Table 22 MBRR Table A10 - Basic Service Delivery Measurement**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		144 949	144 949	146 398	146 398	146 398	146 398	156 939	168 239	180 352
Piped water inside yard (but not in dwelling)		30 591	30 591	30 897	30 897	30 897	30 897	33 122	35 506	38 063
Using public tap (at least min.service level)	2	2 090	2 090	2 111	2 111	2 111	2 111	2 263	2 425	2 600
Other water supply (at least min.service level)	4	2 090	2 090	2 111	2 111	2 111	2 111	2 263	2 425	2 600
<i>Minimum Service Level and Above sub-total</i>		179 719	179 719	181 517	181 517	181 517	181 517	194 586	208 596	223 615
Using public tap (< min.service level)	3	2 089	2 089	2 110	2 089	2 110	2 110	2 261	2 424	2 599
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		2 089	2 089	2 110	2 089	2 110	2 110	2 261	2 424	2 599
<b>Total number of households</b>	5	<b>181 808</b>	<b>181 808</b>	<b>183 626</b>	<b>183 605</b>	<b>183 626</b>	<b>183 626</b>	<b>196 847</b>	<b>211 020</b>	<b>226 214</b>
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		125 993	125 993	127 253	127 253	127 253	127 253	136 416	146 238	156 767
Flush toilet (with septic tank)		216	216	218	218	218	218	234	251	269
Chemical toilet		616	616	622	622	622	622	667	715	767
Pit toilet (ventilated)		2 779	2 779	2 807	2 807	2 807	2 807	3 000	3 225	3 458
Other toilet provisions (> min.service level)		1 149	1 149	1 161	1 161	1 161	1 161	1 244	1 334	1 430
<i>Minimum Service Level and Above sub-total</i>		130 754	130 754	132 061	132 061	132 061	132 061	141 570	151 763	162 690
Bucket toilet		1 000	1 000	1 010	1 010	1 010	1 010	1 083	1 161	1 244
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		3 581	3 581	3 617	3 617	3 617	3 617	3 877	4 156	4 456
<i>Below Minimum Service Level sub-total</i>		4 581	4 581	4 627	4 627	4 627	4 627	4 960	5 317	5 700
<b>Total number of households</b>	5	<b>135 335</b>	<b>135 335</b>	<b>136 688</b>	<b>136 688</b>	<b>136 688</b>	<b>136 688</b>	<b>146 530</b>	<b>157 080</b>	<b>168 390</b>
<b>Energy:</b>										
Electricity (at least min.service level)		142 819	142 819	144 247	144 247	144 247	144 247	154 633	165 766	177 702
Electricity - prepaid (min.service level)		23 420	23 420	23 654	23 654	23 654	23 654	25 357	27 183	29 140
<i>Minimum Service Level and Above sub-total</i>		166 239	166 239	167 901	167 901	167 901	167 901	179 990	192 949	206 842
Electricity (< min.service level)		142 819	142 819	144 247	144 247	144 247	144 247	154 633	165 766	177 702
Electricity - prepaid (< min.service level)		23 420	23 420	23 654	23 654	23 654	23 654	25 357	27 183	29 140
Other energy sources		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		166 239	166 239	167 901	167 901	167 901	167 901	179 990	192 949	206 842
<b>Total number of households</b>	5	<b>332 478</b>	<b>332 478</b>	<b>335 803</b>	<b>335 803</b>	<b>335 803</b>	<b>335 803</b>	<b>359 980</b>	<b>385 899</b>	<b>413 684</b>
<b>Refuse:</b>										
Removed at least once a week		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	5 716	5 716	5 716
Using own refuse dump		2	2	2	2	2	2	2 430	2 430	2 430
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		2	2	2	2	2	-	8 146	8 146	8 146
<b>Total number of households</b>	5	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>8 146</b>	<b>8 146</b>	<b>8 146</b>
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		-	-	-	-	-	-	20 623	21 035	21 456
Sanitation (free minimum level service)		-	-	-	-	-	-	20 623	21 035	21 456
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	13 026	13 286	13 552
Refuse (removed at least once a week)		-	-	-	-	-	-	20 623	21 035	21 456
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		-	-	28 446	64 380	89 291	89 291	85 719	89 662	93 786
Sanitation (free sanitation service to indigent households)		-	-	11 116	38 364	16 890	16 890	50 646	53 103	55 652
Electricity/other energy (50kwh per indigent household per month)		-	-	13 800	56 012	60 212	60 212	89 902	94 158	98 588
Refuse (removed once a week for indigent households)		-	-	19 612	52 961	52 961	52 961	45 700	47 802	50 001
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
<b>Total cost of FBS provided</b>		-	-	<b>72 974</b>	<b>211 718</b>	<b>219 355</b>	<b>219 355</b>	<b>271 967</b>	<b>284 724</b>	<b>298 027</b>
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)		15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000
Water (kilolitres per household per month)		6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)		1	1	1	1	1	1	1	1	1
Sanitation (Rand per household per month)		-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		-	-	-	-	-	-	-	-	-
<b>Revenue cost of subsidised services provided (R'000)</b>	9									
Property rates (tariff adjustment) ( impermissible values per section 17 of MPRA)		-	-	-	-	-	-	-	-	-
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		-	-	90 478	16 428	77 272	77 272	78 339	81 943	85 712
Water (in excess of 6 kilolitres per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removed a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates		-	-	-	-	-	-	-	-	-
Housing - top structure subsidies		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total revenue cost of subsidised services provided</b>	6	-	-	<b>90 478</b>	<b>16 428</b>	<b>77 272</b>	<b>77 272</b>	<b>78 339</b>	<b>81 943</b>	<b>85 712</b>

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

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

# **PART 2 – SUPPORTING DOCUMENTATION**

## **2.1 Overview of the Annual Budget Process**

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

The Budget Steering Committee of the City of Matlosana consists of the Executive Mayor, MMC's, Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Executive Mayor.

The primary aim of the Budget Steering Committee is to ensure:

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

### **2.1.1 Budget Process Review**

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

The required IDP and budget time schedule was tabled on 31 August 2020.

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

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

The process plan included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the draft SDBIP; and
- The review of the performance management and monitoring processes.

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

The following key factors and planning strategies have informed the compilation of the 2021/22 MTREF:

- Growth of the City.
- National and Provincial priorities;
- Policy priorities and strategic objectives.
- Asset maintenance.
- Economic climate and trends.
- Performance trends.
- Cash Flow Management Strategy.
- Debtor Payment Levels and collection.
- Loan and Investment possibilities.
- The need for tariff increases versus the ability of the community to pay for services.
- Improved and sustainable service delivery.

### **2.1.4 Community Consultation.**

The Mayor will engage on the public participation process after the tabling of 2021/22 – 2023/24 MTREF in Council. Due to the COVID19 social distancing measures this process will be done via electronic media and communication. That includes the interviews of the Executive Mayor on the local radio; publication of the 2021/22 – 2023/24 MTREF budget on the municipal website as well as placement of budget flyers at municipal buildings.

All documents in the appropriate format (electronic and printed) will be submitted to National and Provincial Treasury, and other national and provincial departments in accordance with section 23 of the MFMA. The 2020/21 MTREF budget will also be placed on the municipal website [www.matlosana.gov.za](http://www.matlosana.gov.za)

### **2.1.5 Engagements with NT, PT & other stakeholders**

The engagements and the assessments of the tabled 2021/22 MTREF will commence from 31 May to 30 June 2021. National and Provincial treasuries will evaluate all municipal budgets for completeness and for being fully funded.

## **2.2 Overview of Alignment of Annual Budget with IDP**

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

The IDP provides a five-year strategic programme of action aimed at setting short; medium and long term strategic priorities to create a development platform; which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which Council use to provide vision, leadership and direction to all those that have a

role to play in the development of a municipal area. The IDP enables the municipality to make the best use of scarce resources and speed up service delivery.

IDP is an approach to planning aimed at involving the municipality and the community to find the best solutions towards sustainable development.

The IDP developed by Council must correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in the area. Applied to the City, issues of national and provincial importance should be reflected in the IDP of the Municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities.

The national and provincial priorities; policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009.
- Government Programme of Action.
- Development Facilitation Act of 1995.
- Provincial Growth and Development Strategy (GGDS).
- National and Provincial spatial development perspectives.
- Relevant sector plans such as transportation; legislation and policy.
- National Key Performance Indicators (NKPIs)
- The National and Provincial Priority Outcome.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

### **2.3 Measurable Performance Objectives and Indicators**

Performance Management is a system intended to manage and monitor service delivery progress against identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by National Framework for Managing Programme Performance Information, the City has developed and implemented a performance management system, which is constantly refined as the integrated planning process unfolds. The municipality targets, monitors, assesses and reviews organisational performance, which is currently not directly linked to individual employees' performance.

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

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

**Table 23 MBRR Table SA4 – Reconciliation between the IDP strategic objectives and budgeted revenue**

NW403 City Of Matlosana - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
R thousand													
...				–	–		–	252	252			–	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				7 143	2 172	2 215	26 541	250 362	250 362	257 905	281 543	293 931	
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT				889 095	830 606	886 126	1 103 588	1 202 699	1 202 699	978 980	1 188 640	1 219 699	
LOCAL ECONOMIC DEVELOPMENT				3 924	34 832	46 594	20 182	20 832	20 832	2 448	2 469	2 567	
SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT				1 163 187	20 273	21 149	2 248 831	1 998 218	1 998 218	2 091 848	2 010 952	2 095 265	
Allocations to other priorities				2	324 232	1 905 260	1 885 769						
Total Revenue (excluding capital transfers and contributions)				1	2 387 581	2 793 143	2 841 852	3 399 142	3 472 363	3 472 363	3 331 181	3 483 594	3 611 463

**Table 24 MBRR Table SA5 – Reconciliation between the IDP strategic objectives and budgeted operating expenditure**

NW403 City Of Matlosana - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
R thousand													
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				220 333	183 390	265 204	–	7 197	7 197	1 406	1 473	1 559	
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT				744 879	356 160	575 703	189 360	514 329	514 329	306 252	714 461	701 198	
LOCAL ECONOMIC DEVELOPMENT				36 742	29 151	42 375	312 738	503 360	503 360	34 499	36 410	38 621	
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				145 945	347 189	478 771	31 709	31 708	31 708	212 084	440 447	466 437	
SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT				1 717 372	2 364 124	2 152 229	2 848 567	2 291 180	2 291 180	3 019 481	2 435 524	2 588 962	
Allocations to other priorities													
Total Expenditure				1	2 865 272	3 280 015	3 514 282	3 382 374	3 347 775	3 347 775	3 573 722	3 628 316	3 796 776



Strategic Objective	Goal	Goal Code	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
...				-	-	-	-	-	-	-	-	-
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				242 839	220 333	183 390	241 967	202 090	202 090	189 360	198 754	208 816
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT				666 588	744 879	356 160	259 837	215 133	215 133	312 738	307 786	307 853
LOCAL ECONOMIC DEVELOPMENT				30 260	36 742	29 151	44 036	32 409	32 409	31 709	33 322	35 047
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION				72 088	145 945	347 189	402 878	352 190	352 190	348 603	365 643	383 847
SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT				1 182 582	1 268 809	2 347 399	2 268 493	2 321 876	2 321 876	2 499 964	2 520 624	2 551 040
Allocations to other priorities				526 021	448 563							
<b>Total Expenditure</b>				<b>2 720 379</b>	<b>2 865 272</b>	<b>3 263 289</b>	<b>3 217 212</b>	<b>3 123 697</b>	<b>3 123 697</b>	<b>3 382 374</b>	<b>3 426 128</b>	<b>3 486 603</b>

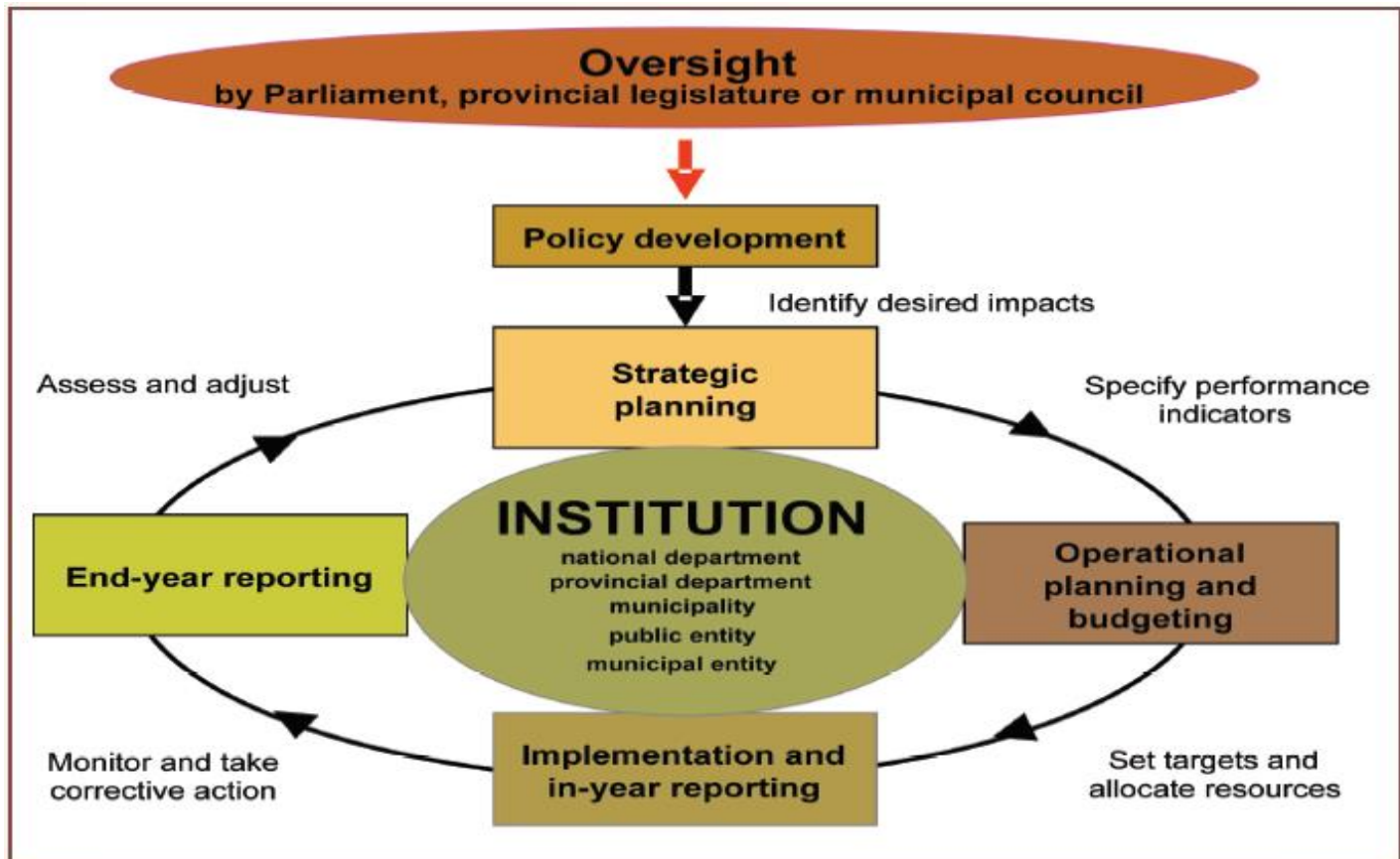
**Table 25 MBRR Table SA6 – Reconciliation between the IDP strategic objectives and budgeted operating expenditure**

NW403 City Of Matlosana - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				3 842	863	841	-	25 734	25 734	14 374	15 674	18 836
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT				2 733	524	3 532	-	-	-	-	-	-
LOCAL ECONOMIC DEVELOPMENT				-	-	2 888	19 296	7 745	7 745	10 357	11 657	14 819
SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT				93 125	223 197	101 785	143 505	185 362	185 362	142 899	148 099	160 747
Allocations to other priorities				74 082								
<b>Total Capital Expenditure</b>				<b>173 783</b>	<b>224 584</b>	<b>109 046</b>	<b>162 800</b>	<b>218 841</b>	<b>218 841</b>	<b>167 630</b>	<b>175 431</b>	<b>194 403</b>

## 2.3 Measurable performance objective and indicators

Performance Management is an intended to manage and monitor service delivery against the identified strategic objective and priorities. In accordance, the legislative requirements and good business practices as informed by the National Framework for managing programme performance information.



**Figure 1 Planning, budgeting and reporting cycle**

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

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

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

**Table 26 MBRR Table SA7 - Measurable performance objectives**





Compliance with GRAP to ensure effective capital asset management (PPE, Intangible, Investment Property, Biological and Heritage Assets)	Zero (0) findings in the External Report on non-compliance with GRAP	0	0	0	0	0	0	0	0	0
Maintaining an acceptable Long Term Debt as a percentage of revenue as set out in the Long Term Financial Plan	Long Term Debt as percentage of revenue: Calculated as Long Term Liabilities/Revenue x 100	20%	20%	20%	35%	35%	35%	35%	35%	35%
Sound financial management by maintaining an acceptable Acid Test Ratio	Acid Test Ratio: Calculated as Current Assets-Inventory/Current Liabilities	250%	2.5	2.5	1.5	1.2	1.1	0.9	0.7	0.5
Maintain a financially unqualified audit opinion	Financial statements considered free from material misstatements as per Auditor General Report	1	1	1	1	1	1	1	1	1

### TECHNICAL SERVICES

Electricity capital spending measured by the % of budget spent	Percentage (%) spent of approved electricity capital projects	90%	100%	50%	90%	90%	90%	90%	90%	90%
Effective management of electricity provisioning systems evaluated i.to electricity losses	Percentag (%) of electricity losses calculated on a twelve month rolling period as kwh sold/kwh purchased.	24%	16%	20%	15%	12%	10%	7%	5%	2%
Effective management of water provisioning systems to minimise water losses by implementing measures to reduce water losses	Percentag (%) calculated on a twelve month rolling period as KL billed / kl used	15%	16%	16%	17%	17%	17%	17%	17%	17%
Excellent water quality measured by the quality of water as per SANS 241 criteria	Percentage (%) water quality level as per blue drop project as measured annually	95%	95%	95%	95%	95%	95%	95%	95%	95%
Water capital spending measured by the percentage of budget spent	Percentage (%) of spent approved water capital projects as per approved budget	90%	90%	90%	90%	90%	90%	90%	90%	90%
Waste water capital spending measured by the % of budget spent	Percentage (%) spent of approved budget of sanitation capital projects as per approved budget	90%	90%	90%	90%	90%	90%	90%	90%	90%
Provision of free basic electricity to registered indigent account holders connected to the municipal electrical infrastructure network	No. of indigent account holders receiving free basic electricity which are connected to the municipal electrical infrastructure network	10 000	10 000	10 300	10 300	10 300	10 300	10 300	10 300	10 300
Provision of electricity to formal residential properties connected to the municipal electrical infrastructure network for both credit and prepaid electrical metering	No. of formal residential properties connected to the municipal electrical infrastructure network	29 000	31 000	31 000	31 000	31 000	31 000	31 000	31 000	31 000
Provision of electricity to informal residential properties in the designated informal areas which are connected to the municipal electrical infrastructure network for prepaid electrical metering	Number of residential prepaid meters registered on the Promun Financial System in the designated informal areas that meet agreed service standards	550	550	1 500	1 500	1 500	1 500	1 500	1 500	1 500
Provision of free basic sanitation services to registered indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & billed for sewer service, irrespective of the number of water closets (toilets)	Number of indigent account holders receiving free basic sanitation in terms of Equitable Share requirements	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000	10 000
Provision of sanitation services to residential properties which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets)	Number of residential properties which are billed for sewerage in accordance to the Promun financial system	26 000	27 000	27 000	27 000	27 000	27 000	27 000	27 000	27 000
Provision of clean piped water to indigent account holders which are connected to the municipal water infrastructure network	Number of indigent account holders receiving free basic water	11 000	11 000	10 300	10 300	10 300	10 300	10 300	10 300	10 300
Provision of clean piped water to registered indigent account holders which are connected to the municipal water infrastructure network	Number of formal residential properties that meet agreed service standards for piped water	31 500	33 000	33 000	33 000	33 000	33 000	33 000	33 000	33 000
Provision of clean piped water to all informal areas by means of water stand pipes in informal areas which have a water meter attached, and are registered on the Promun financial system	Number of water meters, measuring water to informal areas including stand pipes	74	74	74	70	70	70	70	70	70

COMMUNITY SERVICES										
Sports fields are maintained measured by the percentage (%) of the maintenance budget spent	Percentage (%) of Sport maintenance budget spent	90%	90%	90%	90%	90%	90%	90%	90%	90%
Effective maintenance of refuse removal assets i.to approved budget	Percentage (%) of waste management maintenance budget spent	90%	90%	90%	90%	90%	90%	90%	90%	90%
Annual Review of the Disaster Management Plan by end November	Plan completed and submitted to Council	1	1	1	1	1	1	1	1	1
Effective Management of Community Safety Department measured by percentage (%) of Capital Budget spent	Percentage (%) of approved capital budget spent for Community Safety department	95.00%	95.00%	95.00%	95%	95%	95%	95%	95%	95%
Effective Management of Fire Service measured by percentage (%) of Capital Budget spent	Percentage (%) of approved capital budget spent for Fire Services department	95.00%	95.00%	95.00%	95%	95%	95%	95%	95%	95%
Provision of free basic refuse removal and solid waste disposal to registered indigent account holders in the Mossel Bay area	Number of indigent account holders receiving free basic refuse removal monthly	5 800	11 000	10 300	10 300	10 300	10 300	10 300	10 300	10 300
Provision of refuse removal and solid waste disposal to all residential account holders in the Mossel Bay area	Number of formal residential properties for which refuse is removed at least once a week	31 000	32 000	33 000	33 000	33 000	33 000	33 000	33 000	33 000
PLANNING AND INTEGRATED SERVICES										
Revision of the Municipal Spatial Development Framework	Draft reviewed SDF submitted to Council	New	New	1	1	1	1	1	1	1
Update Human Settlement Pipeline	Reviewed Human Settlement Pipeline submitted to Council				1	1	1	1	1	1
Municipal roads and stormwater capital spending measured by the percentage (%) of budget spent	Percentage (%) spent of approved roads and stormwater capital projects as approved budget	90%	90%	90%	90%	90%	90%	90%	90%	90%
The maintenance of the municipal Buildings measured by the percentage (%) of budget spent of the approved budget for Municipal Buildings and Land	Percentage (%) spent of maintenance budget as per approved budget as per approved budget for Municipal Buildings and Land	90%	90%	90%	90%	90%	90%	90%	90%	90%

The following table sets out the municipalities main performance objectives and benchmarks for the 2021/22 MTREF.

**Table 27 MBRR Table SA8 - Performance indicators and benchmarks**

Description of financial indicator	Basis of calculation	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Borrowing Management</b>											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	2,2%	1,5%	2,4%	0,2%	0,2%	0,2%	0,0%	0,1%	0,1%	0,1%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing / Own Revenue	3,0%	2,3%	4,1%	0,2%	0,2%	0,2%	0,0%	0,1%	0,1%	0,1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<b>Safety of Capital</b>											
Gearing	Long Term Borrowing/ Funds & Reserves	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
<b>Liquidity</b>											
Current Ratio	Current assets/current liabilities	0,3	0,3	0,3	1,4	0,2	0,2	0,5	4,5	5,2	5,6
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0,3	0,3	0,3	1,4	0,2	0,2	0,5	4,5	5,2	5,6
Liquidity Ratio	Monetary Assets/Current Liabilities	0,1	0,2	0,2	0,0	0,1	0,1	(0,1)	0,1	0,1	0,1
<b>Revenue Management</b>											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		59,4%	68,7%	65,5%	60,2%	63,0%	63,0%	146,9%	84,8%	84,5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		59,4%	68,8%	65,6%	60,0%	63,0%	63,0%	146,9%	70,0%	80,4%	75,0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	21,0%	22,2%	26,9%	60,3%	16,6%	16,6%	111,6%	177,7%	188,2%	198,1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
<b>Creditors Management</b>											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		663,4%	453,9%	652,2%	1908,0%	-30976,7%	-30976,7%	143,1%	872,5%	697,5%	1103,3%
<b>Other Indicators</b>											
Electricity Distribution Losses (2)	Total Volume Losses (kW)										
	Total Cost of Losses (Rand '000)										
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
	Total Volume Losses (kℓ)										
	Total Cost of Losses (Rand '000)										
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	24,3%	22,7%	22,6%	19,1%	18,7%	18,7%	5,6%	21,4%	21,5%	21,9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	26,0%	24,2%	24,2%	20,3%	19,8%	19,8%		22,5%	22,6%	23,0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	3,6%	3,3%	4,8%	3,5%	3,4%	3,4%		18,4%	18,5%	17,8%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	20,2%	17,0%	17,3%	12,5%	12,2%	12,2%	12,9%	12,2%	12,2%	12,2%
<b>IDP regulation financial viability indicators</b>											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	33,7	31,6	10,3	17,9	17,9	17,9	4,6	7,4	7,4	7,7
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	29,4%	32,5%	38,9%	84,5%	23,8%	23,8%	145,2%	249,6%	265,3%	277,2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0,8	1,3	1,2	0,3	(0,0)	(0,0)	12,1	0,4	0,5	0,4

Performance indicators and benchmarks

**Borrowing Management**

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. The following financial performance indicators have formed part of the compilation of the 2021/22 MTREF:



- Capital charges to operating expenditure measures what portion of total operating expenditure is used to service the existing loans. The municipality do not have a large dependency on loans and therefore this ratio is acceptable. This also indicate the possible under usage of loans to deliver on projects or to renew its asset base.
- Capital charges to operating revenue is due to the nature of the municipalities business in line with the previous ratio.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The municipality has identified the need to utilize loans as to ensure that it can fulfill its service delivery commitments in the future and will do so prudently.

Analysing the municipalities debt profile thus clearly shows the underutilization of financing infrastructure. Notwithstanding this fact the municipality will diligently evaluate the feasibility of financing to ensure that while service delivery is ensured the municipality will also be able to service the future financing cost as well as repayment. In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs.

- *Current ratio* is a measure of the current assets divided by the current liabilities. The goal of the municipality is to achieve a ratio of more than 1:1 as would be the norm. The generation of net cash inflows is of high importance and plans already put in place as well of further focus on expenditure control, revenue enhancement and loss control should have the desired affect to improve the current ratio.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. As indicated in the previous paragraph the municipality believe that it is on track to achieve this ratio with the current plans in place.
- Due to cash flow constraints the municipality have to manage the payment of its creditors. Special arrangements were made with ESKOM and MIDVAAL. All other creditors are serviced in an equitable manner in order to create a stable environment for the municipality to acquire services and goods. The municipality will strive to pay all creditors within 30 days but do acknowledge that this will only be achieved over a period.

### **Other Indicators**

- The electricity distribution losses remain a challenge as it is higher than the norm. The municipality need to urgently address the matter in the 2021/22 budget as it impacts on the municipality's ability to have a funded sustainable budget
- The water distribution losses for the 2019/20 year at over 40% is too high. Continued focus on leaks and illegal connections and other proposed actions should bear fruit and this should have a positive impact on the future cash flows of the municipality.
- Employee costs as a percentage of revenue is constant over the MTREF. This can be attributed to mainly to inflation linked drivers on both sides of the equation.

- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also stable.

## **2.4 Overview of Budget related-policies.**

The Municipality's budgeting process is guided and governed by relevant legislation; frameworks; strategies and related policies.

### **2.4.1 Review of Customer Care; Credit Control and Debt Collection Policies.**

This policy was reviewed; among others; in order to achieve a higher collection rate.

### **2.4.2 Review of Indigent Relief Policy.**

The indigent relief policy was reviewed and amendments were made to the indigent qualifying threshold.

### **2.4.3 Review of Rates Policy**

The Rates policy was reviewed to bring it in line with amendments in the property rates act.

### **2.4.4 Supply Chain Management Policy**

The policy was not reviewed.

### **2.4.5 Expenditure Management Policy**

This policy will remain in place.

### **2.4.5 Irrecoverable Bad Debt Policy**

The Irrecoverable Bad Debt Policy was also reviewed.

### **2.4.6 Tariff Policy**

The Tariff Policy was reviewed to provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery.

### **2.4.7 Investment & Cash Management Policy**

The policy will remain intact.

### **2.4.8 Budget Policy**

The policy will remain in place.

### **2.4.9 Asset Management Policy**

The policy will remain in place.

### **2.4.10 Borrowing Management Policy**

The policy will remain in place.

### **2.4.11 Funding & Reserve Policy**

The policy will remain in place.

### **2.4.12 Cost Containment Policy**

Had been reviewed in October 2019 in line with the latest guidelines.

#### **2.4.13 Unauthorised, Irregular, Fruitless & Wasteful Expenditure Policy**

To regulate, guide and control the process of reporting Unauthorised, Irregular, Fruitless & Wasteful Expenditure stay in place.

#### **2.4.14 Inventory Policy**

To better manage and control inventory will stay in place.

#### **2.4.15 Virement Policy**

The policy will remain in place.

#### **2.4.16 Grants & Reserves Policy**

Updated as per the DORA and the latest communication from NT.

All the above policies will be available on the City's website, [www.matlosana.gov.za](http://www.matlosana.gov.za), well as the following approved budget related policies.

### **2.5 Overview of Budget Assumptions.**

#### **2.5.1 External Factors.**

Owing to the economic slowdown impact by the closure of mines in the region due to the low gold price, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the Municipality's finances.

#### **2.5.2 General Inflation Outlook and its impact on the municipal activities.**

Four key factors have been taken into consideration in the compilation of the 2021/22 – 2023/24 MTREF.

- National Government macro-economic targets.
- The general inflationary outlook and the impact on City's residents and businesses.
- The impact of municipal cost drivers.
- The increase in prices for bulk electricity and water.

#### **2.5.3 Interest Rates for Borrowing and Investment of Funds.**

MFMA specifies that borrowing can only be utilized to fund capital or refinancing borrowing in certain conditions. For simplicity, the 2021/22 MTREF is based on the assumption that all borrowings are undertaken using fixed interest rates for amortisation-style loans requiring both regular principal and interest payments.

#### **2.5.4 Collection Rate for Revenue Services.**

The base assumption is that tariff and rates increase will increase at a rate slightly higher than CPI over long term. It is assumed that current economic conditions and relatively controlled inflationary conditions will continue for the forecasted term. For the medium term, inflation is not expected to bridge the 6% band set by the Reserve Bank. On. The COVID 19 state of emergency will has a negative impact on revenue collection of the municipality.

### **2.5.5 Growth or Decline in Tax Base of the Municipality.**

Debtors revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth of the City, household formation growth rate and the poor household change rate. The municipality expected that the current COVID 19 epidemic would have a negative impact on the current tax based of the municipality. It is expected that the number of indigent consumers will increased.

### **2.5.6 Salary Increases**

The collective agreement has expired. The municipality made a provision for a 3.9% increase.

### **2.5.7 Impact of National, Provincial and Local Policies.**

Integration of service delivery between national; provincial and local government is critical to ensure focussed service delivery and, in this regard, various measures were implemented to align IDPs; provincial and national strategies around priority spatial interventions.

In this regard, the following national priorities form the basis of all integration initiatives:

- Creating Jobs.
- Enhancing Education and Skills Development.
- Improving Health Services.
- Rural Development and Agriculture.
- Fighting Crime and Corruption.
- Infrastructure development.

The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

### **2.5.8 Ability of the Municipality to Spend and Deliver on Programmes**

Due to cash flow constrains it is estimated that the spending rate will be lower on operational expenditure. All grant-funded capital must be spent by the end of the financial year to avoid any fund being withheld by the National Treasury.

## **2.6 Overview of Budget Funding**

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal, property rates, operating and capital grants from organs of state and other minor charges like building plan fees, licenses and permits etc.

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

- Growth in the City and economic development.
- Revenue Management and Enhancement.
- Achievement of a higher annual collection rate for consumer revenue.

- National Treasury guidelines;
- Electricity tariff increases within the NERSA approval.
- Achievement of full cost recovery of specific user charges.
- Determining tariff escalation rate by establishing/calculating revenue requirements.
- The Property Rates Policy in terms of the MPRA.
- Ability to extend new services and obtain cost recovery levels.

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

Investment revenue contributes marginally to the revenue base of the Municipality with a budget allocation of R 10.7 million for the financial years of the 2021/22 MTREF.

The tables below provide detail investment information and investment particulars by maturity.

**Table 28 MBRR SA15 – Detail Investment Information**

NW403 City Of Matlosana - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>										
<b>Parent municipality</b>										
Securities - National Government Listed Corporate Bonds										
Deposits - Bank		30 260	287 403	290 992	16 063	100 000	100 000	110 000	115 500	-
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits		-	34 675	10 281	-	-	-	-	-	-
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
<b>Municipality sub-total</b>	1	<b>30 260</b>	<b>322 078</b>	<b>301 273</b>	<b>16 063</b>	<b>100 000</b>	<b>100 000</b>	<b>110 000</b>	<b>115 500</b>	<b>-</b>
<b>Entities</b>										
Securities - National Government Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
<b>Entities sub-total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>		<b>30 260</b>	<b>322 078</b>	<b>301 273</b>	<b>16 063</b>	<b>100 000</b>	<b>100 000</b>	<b>110 000</b>	<b>115 500</b>	<b>-</b>

**Table 29 MBRR SA16 – Investment particulars by maturity**

NW403 City Of Matlosana - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (€)	Investment Top Up	Closing Balance
Name of institution & investment ID	1	Yrs/Months												
<b>Parent municipality</b>														
Municipality sub-total										225 033		(890 115)	874 198	100 000
ABSA		daily	call	Y	variable	3,25				10	1	(5 000)	6 735	65
ABSA		daily	call	Y	variable	4,2				47 879	1 435	(60 000)	16 000	3 879
ABSA		daily	call	Y	variable	6,25				24 233	978	(90 382)	86 500	1 634
ABSA		daily	call	Y	variable	4,2				1 428	162	(356 000)	345 000	7 571
ABSA		daily	call	Y	variable	1,05				9 163	532	(5 133)	3 000	7 030
ABSA		daily	call	Y	variable	6,15				1 343	195	(64 000)	64 000	1 904
ABSA		daily	call	Y	variable	6,28				37 731	999	(58 000)	30 000	2 828
INVESTEC		daily	call	Y	variable	6,3				5 902	1 861		274	6 176
NEDBANK		daily	call	Y	variable	7,85				87 000	2 694	(200 000)	250 000	37 000
FNB		daily	call	Y	variable					644	980	(50 000)	71 371	21 371
SANLAM		months	fixed	Y					01 August 2024	35			35	738
SANLAM		months	fixed	Y					01 December 2023	9 637	600		600	9 637
FNB		months	fixed	Y					30 June 2021	14	1			14
FNB		months	fixed	Y					30 July 2021	49	3		3	52
														-
<b>Entities</b>														
N/A														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>										<b>225 033</b>		<b>(890 115)</b>	<b>874 198</b>	<b>100 000</b>

## 2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2021/22 medium-term capital programme:

**Table 30 Sources of capital revenue over the MTREF**

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		<b>172 460</b>	<b>229 405</b>	<b>130 875</b>	<b>162 800</b>	<b>162 800</b>	<b>162 800</b>	<b>167 630</b>	<b>175 431</b>	<b>194 403</b>
Integrated National Electrification Programme Grant		20 364	22 000	3 960	24 251	24 251	24 251	26 707	22 000	25 000
Municipal Infrastructure Grant		103 356	115 405	83 115	82 549	82 549	82 549	87 923	95 178	99 509
Neighbourhood Development Partnership Grant		48 740	75 000	40 800	56 000	56 000	56 000	43 000	38 253	44 219
Water Services Infrastructure Grant		-	17 000	-	-	-	-	10 000	20 000	25 675

Capital grants and receipts equates to R 167.6 million for the 2020/21 financial year and increase to R 170.1 million and R194,4 million in 2022/23 and 2023/24 respectively.

The following table is a detailed analysis of the Municipality's borrowing liability.

**Table 31 MBRR Table SA 17 - Detail of borrowings**

**NW403 City Of Matlosana - Supporting Table SA17 Borrowing**

Borrowing - Categorised by type R thousand	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Parent municipality</b>										
Annuity and Bullet Loans		71 031	103 428	83 274	33 000	33 000	33 000	4 697	4 697	4 697
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Municipality sub-total</b>	1	71 031	103 428	83 274	33 000	33 000	33 000	4 697	4 697	4 697
<b>Entities</b>										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)		71 031								
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
<b>Entities sub-total</b>	1	71 031	-	-	-	-	-	-	-	-
<b>Total Borrowing</b>	1	142 063	103 428	83 274	33 000	33 000	33 000	4 697	4 697	4 697



**Table 32 MBRR Table SA 18 - Capital transfers and grant receipts**

NW403 City Of Matlosana - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		358 630	401 392	379 450	479 973	551 344	551 344	493 610	527 903	525 722
Local Government Equitable Share										
Equitable Share		354 377	392 856	369 400	466 536	537 907	537 907	484 096	515 794	517 385
Expanded Public Works Programme Integrate		2 108	2 037	1 983	2 092	2 092	2 092	1 786	0	-
Local Government Financial Management Gra		2 145	2 215	2 680	3 000	3 000	3 000	3 100	3 100	3 100
Municipal Disaster Relief Grant		-	-	1 013	-	-	-	-	-	-
Municipal Infrastructure Grant		-	4 284	4 374	4 345	4 345	4 345	4 628	5 009	5 237
EEDSM					4 000	4 000	4 000		4 000	
<b>Provincial Government:</b>		1 310	1 394	980	823	823	823	1 016	0	-
Disaster and Emergency Services		-	478	-	-	-	-	-	-	-
Sport and Recreation		1 310	916	980	823	823	823	1 016	0	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	359 940	402 786	380 430	480 796	552 167	552 167	494 626	527 903	525 722
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		172 460	229 405	130 875	162 800	162 800	162 800	167 630	175 431	194 403
Integrated National Electrification Programme Grant		20 364	22 000	3 960	24 251	24 251	24 251	26 707	22 000	25 000
Municipal Infrastructure Grant		103 356	115 405	83 115	82 549	82 549	82 549	87 923	95 178	99 509
Neighbourhood Development Partnership Grant		48 740	75 000	40 800	56 000	56 000	56 000	43 000	38 253	44 219
Water Services Infrastructure Grant		-	17 000	-	-	-	-	10 000	20 000	25 675
			7 000	3 000						
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	14 000	14 000	-	-	-
Developers Contribution		-	-	-	-	14 000	14 000	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	172 460	229 405	130 875	162 800	176 800	176 800	167 630	175 431	194 403
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		532 400	632 191	511 305	643 596	728 967	728 967	662 256	703 334	720 125

## 2.6.3 Cash Flow Management

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

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words, the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

**Table 33 MBRR Table A7 - Budget cash flow statement**

NW403 City Of Matlosana - Table A7 Budgeted Cash Flows

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates		294 055	325 128	334 343	288 036	302 438	302 438	2 169 082	349 147	391 857	406 949
Service charges		717 535	983 946	951 139	1 164 952	1 223 200	1 223 200	101 469	1 306 638	1 590 310	1 522 953
Other revenue		55 190	76 999	59 731	86 069	145 426	145 426	295 700	63 278	64 975	67 879
Transfers and Subsidies - Operational	1	379 000	468 632	379 966	480 796	553 367	553 367		494 626	527 903	525 722
Transfers and Subsidies - Capital	1	178 023	170 191	131 339	162 800	162 800	162 800		167 630	175 431	194 403
Interest		231 828	78 078	57 231	229 950	159 622	159 622		399 704	382 797	400 023
Dividends									-	-	-
<b>Payments</b>											
Suppliers and employees		(1 540 108)	(1 669 582)	(1 704 891)	(2 226 917)	(2 377 061)	(2 377 061)	(1 613 195)	(3 176 075)	(3 024 875)	(3 162 193)
Finance charges		(101 486)	(72 736)	(79 009)	(3 537)	(3 537)	(3 537)	(3 537)	(2 292)	(2 389)	(2 494)
Transfers and Grants	1								-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>214 038</b>	<b>360 656</b>	<b>129 849</b>	<b>182 150</b>	<b>166 255</b>	<b>166 255</b>	<b>949 519</b>	<b>(397 345)</b>	<b>106 009</b>	<b>(46 758)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE		2 297		88	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables			(2 509)	(568)	4 000	-	-	-	350 000	100 000	250 000
Decrease (increase) in non-current investments		(2 107)	(2 572)	(19 504)	-	-	-	-	-	-	-
<b>Payments</b>											
Capital assets		(158 617)	(224 028)	(106 740)	(162 800)	(201 199)	(201 199)	6 857	(167 630)	(175 431)	(194 403)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(158 427)</b>	<b>(229 109)</b>	<b>(126 724)</b>	<b>(158 800)</b>	<b>(201 199)</b>	<b>(201 199)</b>	<b>6 857</b>	<b>182 370</b>	<b>(75 431)</b>	<b>55 597</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits		5 817	3 404	3 288	-	-	-	(1 435)	5 000	2 150	(45 150)
<b>Payments</b>											
Repayment of borrowing		(15 805)	17 965	(18 540)	(3 000)	(3 000)	(3 000)	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(9 988)</b>	<b>21 369</b>	<b>(15 252)</b>	<b>(3 000)</b>	<b>(3 000)</b>	<b>(3 000)</b>	<b>(1 435)</b>	<b>5 000</b>	<b>2 150</b>	<b>(45 150)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>45 622</b>	<b>152 915</b>	<b>(12 127)</b>	<b>20 350</b>	<b>(37 944)</b>	<b>(37 944)</b>	<b>954 941</b>	<b>(209 975)</b>	<b>32 729</b>	<b>(36 310)</b>
Cash/cash equivalents at the year begin:	2	90 484	136 106	289 021	35 714	35 714	35 714	-	300 578	90 603	123 332
Cash/cash equivalents at the year end:	2	136 106	289 021	276 895	56 063	(2 230)	(2 230)	954 941	90 603	123 332	87 021

**Cash Backed Reserves/Accumulated Surplus Reconciliation**

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

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

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

**Table 34 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Cash and investments available</b>											
Cash/cash equivalents at the year end	1	136 106	289 021	276 895	56 063	(2 230)	(2 230)	954 941	90 603	123 332	87 021
Other current investments > 90 days		(0)	-	23 683	(0)	122 230	122 230	(1 361 925)	(0)	(0)	0
Non current assets - Investments	1	23 100	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>159 206</b>	<b>289 021</b>	<b>300 578</b>	<b>56 063</b>	<b>120 000</b>	<b>120 000</b>	<b>(406 984)</b>	<b>90 603</b>	<b>123 332</b>	<b>87 021</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		27 770	99 517	43 668	15 000	15 000	15 000	324 499	30 000	-	-
Unspent borrowing		71 031	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	637 807	965 431	1 375 938	(15 704)	359 500	359 500	(1 795 564)	(2 810 605)	(3 697 101)	(3 688 314)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>736 609</b>	<b>1 064 948</b>	<b>1 419 606</b>	<b>(704)</b>	<b>374 500</b>	<b>374 500</b>	<b>(1 471 065)</b>	<b>(2 780 605)</b>	<b>(3 697 101)</b>	<b>(3 688 314)</b>
<b>Surplus(shortfall)</b>		<b>(577 403)</b>	<b>(775 927)</b>	<b>(1 119 028)</b>	<b>56 767</b>	<b>(254 500)</b>	<b>(254 500)</b>	<b>1 064 081</b>	<b>2 871 208</b>	<b>3 820 433</b>	<b>3 775 335</b>

**Cash and cash equivalents / Cash backed reserves and accumulated funds**

**Funding compliance measurement**

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

**Table 35 MBRR SA10 – Funding compliance measurement**

Description	MFMA section	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Funding measures</b>												
Cash/cash equivalents at the year end - R'000	18(1)b	1	136 106	289 021	276 895	56 063	(2 230)	(2 230)	954 941	90 603	123 332	87 021
Cash + investments at the yr end less applications - R'000	18(1)b	2	(577 403)	(775 927)	(1 119 028)	56 767	(254 500)	(254 500)	1 064 081	2 871 208	3 820 433	3 775 335
Cash year end/monthly employee/supplier payments	18(1)b	3	0,8	1,3	1,2	0,3	(0,0)	(0,0)	12,1	0,4	0,5	0,4
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(198 399)	(730 123)	(1 015 872)	179 568	329 493	738 869	856 876	(74 912)	30 703	9 089
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	5,8%	(3,0%)	17,5%	(6,0%)	(6,0%)	(42,2%)	(8,3%)	(1,8%)	(1,6%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	52,9%	58,4%	56,3%	52,9%	57,4%	57,4%	140,8%	60,8%	69,5%	65,0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	36,3%	38,0%	42,6%	40,0%	37,0%	37,0%	39,3%	30,0%	25,0%	25,0%
Capital payments % of capital expenditure	18(1)c;19	8	91,3%	99,8%	97,9%	100,0%	95,1%	95,1%	(13,6%)	100,0%	100,0%	100,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10	-	-	-	-	-	-	-	0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	23,5%	23,5%	168,2%	(71,9%)	0,0%	289,1%	925,8%	10,7%	9,1%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	1,7%	1,9%	2,9%	2,7%	2,6%	2,6%	13,4%	4,7%	4,9%	4,8%
Asset renewal % of capital budget	20(1)(vi)	14	0,0%	40,9%	0,0%	14,9%	7,6%	7,6%	0,0%	11,9%	11,4%	0,0%

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year.

**Monthly average payments covered by cash or cash equivalents**

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the

municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts.

***Cash receipts as a percentage of ratepayer and other revenue***

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget

***Debt impairment expense as a percentage of billable revenue***

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues.

***Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)***

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing of 2021/22 is 0 per cent of own funded capital.

***Transfers/grants revenue as a percentage of Government transfers/grants available***

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers.

**Table 36 MBRR SA19 - Expenditure on transfers and grant programs**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>EXPENDITURE:</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		364 070	400 382	438 510	479 973	120 043	120 043	493 610	527 903	525 722
Local Government Equitable Share		354 377								
Equitable Share		2 108	392 856	429 953	466 536	4 000	4 000	484 096	515 794	517 385
Expanded Public Works Programme Integrated Grant		2 145	932	1 386	2 092	61 566	61 566	1 786	0	-
Local Government Financial Management Grant		5 440	2 215	2 511	3 000	2 076	2 076	3 100	3 100	3 100
Municipal Disaster Relief Grant		-		-	-	2 987	2 987	-	-	-
Municipal Infrastructure Grant			4 284	4 660	4 345	45 289	45 289	4 628	5 009	5 237
EEDSM			95		4 000	4 125	4 125		4 000	
<b>Provincial Government:</b>		1 310	883	952	823	1 033	1 033	1 016	-	-
Libraries; Archives and Museums		1 187	883	-	-	-	-	-	-	-
Specify (Add grant description)		123	-	952	823	1 033	1 033	1 016	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants</b>		<b>365 380</b>	<b>401 265</b>	<b>439 462</b>	<b>480 796</b>	<b>121 076</b>	<b>121 076</b>	<b>494 626</b>	<b>527 903</b>	<b>525 722</b>
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		172 460	165 759	124 798	162 800	197 513	197 513	167 630	175 431	194 403
Integrated National Electrification Programme Grant		20 364	12 205	3 869	24 251	24 251	24 251	26 707	22 000	25 000
Municipal Disaster Relief Grant		103 356	-	1 013	-	26 082	26 082	-	-	-
Municipal Infrastructure Grant		48 740	84 097	81 769	82 549	91 180	91 180	87 923	95 178	99 509
Neighbourhood Development Partnership Grant		-	52 457	38 147	40 000	40 000	40 000	43 000	38 253	44 219
Water Services Infrastructure Grant		-	17 000	-	16 000	16 000	16 000	10 000	20 000	25 675
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>Developers Contribution</i>		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>172 460</b>	<b>165 759</b>	<b>124 798</b>	<b>162 800</b>	<b>197 513</b>	<b>197 513</b>	<b>167 630</b>	<b>175 431</b>	<b>194 403</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>537 840</b>	<b>567 024</b>	<b>564 260</b>	<b>643 596</b>	<b>318 589</b>	<b>318 589</b>	<b>662 256</b>	<b>703 334</b>	<b>720 125</b>

**Table 37 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>										
<b>Operating transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year		8	(141)	(0)	-	-	-	-	-	-
Current year receipts		4 391	(403 742)	(378 076)	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	395 872	377 203	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		141	(8 010)	(873)	-	-	-	-	-	-
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	(132)	-	-	-	-	-	-	-
Current year receipts		-	(478)	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	2 122	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		1 934	1 513	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		4 994	(4 994)	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		4 994	(4 994)	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total operating transfers and grants revenue</b>		-	397 995	377 203	-	-	-	-	-	-
<b>Total operating transfers and grants - CTBM</b>	2	7 069	(11 492)	(873)	-	-	-	-	-	-
<b>Capital transfers and grants:</b>	1,3									
<b>National Government:</b>										
Balance unspent at beginning of the year		1 540	(20 701)	(33 646)	(15 000)	(15 000)	(15 000)	(12 000)	-	-
Current year receipts		198 296	(233 689)	(132 249)	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	168 201	128 446	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	(86 189)	(37 450)	(15 000)	(15 000)	(15 000)	(12 000)	-	-
<b>Provincial Government:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>										
Balance unspent at beginning of the year		-	-	-	-	-	-	-	-	-
Current year receipts		-	-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>		-	168 201	128 446	-	-	-	-	-	-
<b>Total capital transfers and grants - CTBM</b>	2	-	(86 189)	(37 450)	(15 000)	(15 000)	(15 000)	(12 000)	-	-
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		-	566 195	505 649	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		7 069	(97 681)	(38 323)	(15 000)	(15 000)	(15 000)	(12 000)	-	-

## 2.7 Councilor and employee benefits

### Table 38 MBRR SA22 - Summary of councilor and staff benefits

NW403 City Of Matlosana - Supporting Table SA22 Summary councilor and staff benefits

Summary of Employee and Councilor remuneration	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
R thousand		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		33 182	20 925	21 504	22 979	22 979	22 979	24 702	26 555	-
Pension and UIF Contributions		-	1 812	1 921	2 656	2 656	2 656	2 855	3 069	-
Medical Aid Contributions		-	327	328	123	123	123	132	142	-
Motor Vehicle Allowance		-	7 711	7 913	-	-	-	-	-	-
Cellphone Allowance		-	3 408	3 460	3 841	3 841	3 841	4 129	4 439	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	7	9 389	9 389	9 389	10 093	10 850	-
<b>Sub Total - Councillors</b>		<b>33 182</b>	<b>34 183</b>	<b>35 132</b>	<b>38 988</b>	<b>38 988</b>	<b>38 988</b>	<b>41 912</b>	<b>45 056</b>	<b>-</b>
<b>% increase</b>	4		<b>3,0%</b>	<b>2,8%</b>	<b>11,0%</b>	<b>-</b>	<b>-</b>	<b>7,5%</b>	<b>7,5%</b>	<b>(100,0%)</b>
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		8 085	6 738	8 354	9 975	9 975	9 975	10 723	11 527	-
Pension and UIF Contributions		-	9	9	17	17	17	18	19	-
Medical Aid Contributions		-	38	38	35	35	35	38	40	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3	-	560	560	1 036	1 036	1 036	1 114	1 197	-
Cellphone Allowance	3	-	24	24	111	111	111	119	128	-
Housing Allowances	3	-	-	-	-	-	-	-	-	-
Other benefits and allowances	3	-	-	-	7	7	7	8	8	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>8 085</b>	<b>7 368</b>	<b>8 984</b>	<b>11 181</b>	<b>11 181</b>	<b>11 181</b>	<b>12 019</b>	<b>12 921</b>	<b>-</b>
<b>% increase</b>	4		<b>(8,9%)</b>	<b>21,9%</b>	<b>24,4%</b>	<b>-</b>	<b>-</b>	<b>7,5%</b>	<b>7,5%</b>	<b>(100,0%)</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		352 403	375 527	403 609	423 258	423 258	423 258	451 335	481 519	-
Pension and UIF Contributions		72 550	78 969	84 003	83 474	83 474	83 474	84 788	86 200	-
Medical Aid Contributions		44 750	46 588	50 295	41 899	41 899	41 899	43 687	46 231	-
Overtime		39 481	47 872	53 207	19 946	19 946	19 946	19 947	19 949	-
Performance Bonus		-	-	-	30 915	30 915	30 915	33 234	35 726	-
Motor Vehicle Allowance	3	10 034	11 600	12 850	-	-	-	-	-	-
Cellphone Allowance	3	639	986	1 027	1 152	1 152	1 152	1 238	1 331	-
Housing Allowances	3	2 254	6 524	6 697	6 832	6 832	6 832	7 124	7 438	-
Other benefits and allowances	3	42 812	54 450	60 234	21 786	21 786	21 786	23 420	25 177	-
Payments in lieu of leave		8 429	-	-	9 040	9 040	9 040	9 718	10 447	-
Long service awards		6 110	(8 757)	(566)	-	-	-	-	-	-
Post-retirement benefit obligations	6	-	21 601	(28 137)	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>579 462</b>	<b>635 361</b>	<b>643 219</b>	<b>638 302</b>	<b>638 302</b>	<b>638 302</b>	<b>674 492</b>	<b>714 017</b>	<b>-</b>
<b>% increase</b>	4		<b>9,6%</b>	<b>1,2%</b>	<b>(0,8%)</b>	<b>-</b>	<b>-</b>	<b>5,7%</b>	<b>5,9%</b>	<b>(100,0%)</b>
<b>Total Parent Municipality</b>		<b>620 729</b>	<b>676 912</b>	<b>687 336</b>	<b>688 471</b>	<b>688 471</b>	<b>688 471</b>	<b>728 423</b>	<b>771 993</b>	<b>-</b>
			<b>9,1%</b>	<b>1,5%</b>	<b>0,2%</b>	<b>-</b>	<b>-</b>	<b>5,8%</b>	<b>6,0%</b>	<b>(100,0%)</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>620 729</b>	<b>676 912</b>	<b>687 336</b>	<b>688 471</b>	<b>688 471</b>	<b>688 471</b>	<b>728 423</b>	<b>771 993</b>	<b>-</b>
<b>% increase</b>	4		<b>9,1%</b>	<b>1,5%</b>	<b>0,2%</b>	<b>-</b>	<b>-</b>	<b>5,8%</b>	<b>6,0%</b>	<b>(100,0%)</b>
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>587 547</b>	<b>642 729</b>	<b>652 204</b>	<b>649 483</b>	<b>649 483</b>	<b>649 483</b>	<b>686 511</b>	<b>726 938</b>	<b>-</b>

**Table 39 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)**

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contribution	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
<b><u>Councillors</u></b>	3							
Speaker	4		566 128	96 965	265 880			928 973
Chief Whip			481 663	76 818	252 037			810 518
Executive Mayor			722 218	102 424	381 250			1 205 891
Deputy Executive Mayor								-
Executive Committee								-
Total for all other councillors			21 397 461	1 860 154	11 019 505			34 277 120
<b>Total Councillors</b>	8	-	<b>23 167 470</b>	<b>2 136 360</b>	<b>11 918 672</b>			<b>37 222 502</b>
<b><u>Senior Managers of the Municipality</u></b>	5							
Municipal Manager (MM)			1 307 820	1 901	322 865	-		1 632 586
Chief Finance Officer			1 214 100	2 130	193 830			1 410 060
SM D01			1 177 072	1 901	369 555			1 548 528
SM D02			1 014 588	49 085	159 750			1 223 423
SM D03			1 228 055	2 130	79 875			1 310 060
SM D04			1 639 084	2 965	201 285			1 843 334
SM D05			-	-	-			-
SM D06			-	-	-			-
SM D07			1 265 900	1 901	19 170			1 286 970
SM D08			-	-	-			-
SM D09			1 345 095	-	62 835			1 407 930
								-
<i>List of each official with packages &gt;= senior manager</i>								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
<b>Total Senior Managers of the Municipality</b>	8,10	-	<b>10 191 713</b>	<b>62 012</b>	<b>1 409 165</b>	<b>-</b>		<b>11 662 890</b>
<b><u>A Heading for Each Entity</u></b>	6,7							
List each member of board by designation								-
								-
								-
								-
								-
								-
								-
								-
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								-
								-
								-
								-
								-
<b>Total for municipal entities</b>	8,10	-	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	10	-	<b>33 359 184</b>	<b>2 198 372</b>	<b>13 327 837</b>	<b>-</b>		<b>48 885 393</b>



**Table 40 MBRR SA24 – summary of personnel numbers**

Summary of Personnel Numbers Number	Ref	2019/20			Current Year 2020/21			Budget Year 2021/22		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>										
Councillors (Political Office Bearers plus Other Councillors)	4				77		77	77		77
Board Members of municipal entities	5									
<b>Municipal employees</b>										
Municipal Manager and Senior Managers	3				8		8	8		8
Other Managers	7				45	45		45	45	
Professionals		-	-	-	53	53	-	53	53	-
Finance					7	7		7	7	
Spatial/town planning					2	2		2	2	
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse					2	2		2	2	
Other					42	42		42	42	
Technicians		-	-	-	237	237	-	237	237	-
Finance					22	22		22	22	
Spatial/town planning					19	19		19	19	
Information Technology					1	1		1	1	
Roads					5	5		5	5	
Electricity					20	20		20	20	
Water					8	8		8	8	
Sanitation					10	10		10	10	
Refuse					4	4		4	4	
Other					148	148		148	148	
Clerks (Clerical and administrative)					506	506		506	506	
Service and sales workers					162	162		162	162	
Skilled agricultural and fishery workers					10	10		10	10	
Craft and related trades					142	142		142	142	
Plant and Machine Operators					172	172		172	172	
Elementary Occupations					1 194	1 194		1 194	1 194	
<b>TOTAL PERSONNEL NUMBERS</b>	9	-	-	-	2 606	2 521	85	2 606	2 521	85

**2.8 Monthly targets for revenue, expenditure and cash flow**

**Table 41 MBRR SA25 - Budgeted monthly revenue and expenditure**

NW403 City Of Matlosana - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
<b>R thousand</b>																	
<b>Revenue By Source</b>																	
Property rates		51 176	30 088	43 854	105 118	29 704	39 203	33 819	33 865	33 634	23 703	23 770	50 847	498 782	519 731	542 599	
Service charges - electricity revenue		89 160	86 057	71 102	58 226	68 139	61 826	64 165	64 083	70 760	75 936	91 587	69 922	870 963	907 546	947 475	
Service charges - water revenue		68 114	59 629	40 919	53 691	64 638	78 572	50 828	70 150	47 667	44 570	60 000	80 536	719 313	749 524	782 503	
Service charges - sanitation revenue		10 212	10 099	9 183	9 288	9 975	10 263	9 153	9 747	9 133	9 061	10 000	19 803	125 918	131 207	136 980	
Service charges - refuse revenue		13 918	10 918	10 918	13 918	13 918	13 918	13 918	13 918	9 918	13 918	13 918	7 336	150 431	156 741	163 646	
Rental of facilities and equipment		552	550	508	941	941	941	941	527	650	637	590	(1 594)	6 186	6 446	6 730	
Interest earned - external investments		270	270	270	270	270	270	270	270	270	270	270	7 815	10 785	11 238	11 732	
Interest earned - outstanding debtors		5 828	5 273	5 399	4 939	2 312	3 900	4 153	4 917	4 962	4 031	4 031	339 174	388 919	405 253	423 084	
Dividends received																	
Fines, penalties and forfeits		127	87	99	26	94	24	159	187	146	492	175	27 067	28 684	29 888	31 203	
Licences and permits		497	497	497	497	497	497	497	497	497	497	497	3 889	9 354	9 746	10 175	
Agency services		420	316	330	430	460	402	415	470	330	418	405	(4 426)	0	0		
Transfers and subsidies		190 956	3 244		780	916	130 586		611	115 685			51 847	494 626	527 903	525 722	
Other revenue		1 921	1 921	1 921	1 921	1 921	1 921	1 921	1 921	1 921	1 921	1 921	6 087	27 220	28 364	29 612	
Gains																	
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>433 152</b>	<b>208 949</b>	<b>185 000</b>	<b>250 045</b>	<b>193 815</b>	<b>342 322</b>	<b>180 238</b>	<b>201 163</b>	<b>295 573</b>	<b>175 453</b>	<b>207 164</b>	<b>658 306</b>	<b>3 331 180</b>	<b>3 483 588</b>	<b>3 611 463</b>	
<b>Expenditure By Type</b>																	
Employee related costs		50 987	50 987	55 697	55 697	55 697	55 697	55 697	55 697	55 697	55 697	55 697	108 762	712 008	747 609	792 464	
Remuneration of councillors		2 763	2 763	2 763	2 763	2 763	2 763	2 763	3 475	2 862	6 100	2 862	2 586	37 223	37 967	39 496	
Debt impairment				6 681	3 274	13 998	21 005		12 035	23 816			628 813	709 622	616 189	643 301	
Depreciation & asset impairment							207 707		34 618	69 236			92 522	404 082	421 053	439 580	
Finance charges		213	1 026	1 026	208	199	1 049	203	182	859	1 244	191	(4 107)	2 292	2 389	2 494	
Bulk purchases - electricity			30 005		35 402	39 249	90 634	57 417	53 030	110 579	221 025	29 129	123 786	790 255	616 189	643 301	
Inventory consumed		95	9 762	9 762	6 166	11 647	11 647	11 647	11 647	10 513	23 513	363 730	479 891	730 166	762 294	762 294	
Contracted services		1 260	7 067	12 014	16 869	21 944	25 263	25 263	14 276	28 843	41 692	41 692	82 166	318 349	331 714	346 316	
Transfers and subsidies																	
Other expenditure		16 006	16 006	16 006	16 006	16 006	16 006	16 006	16 006	16 006	16 006	16 006	(56 065)	120 000	125 040	127 541	
Losses																	
<b>Total Expenditure</b>		<b>71 324</b>	<b>117 616</b>	<b>103 948</b>	<b>139 980</b>	<b>156 023</b>	<b>431 771</b>	<b>168 994</b>	<b>200 966</b>	<b>319 544</b>	<b>352 276</b>	<b>169 090</b>	<b>1 342 191</b>	<b>3 573 723</b>	<b>3 628 316</b>	<b>3 796 776</b>	
<b>Surplus/(Deficit)</b>		<b>361 828</b>	<b>91 333</b>	<b>81 052</b>	<b>110 065</b>	<b>37 792</b>	<b>(89 448)</b>	<b>11 244</b>	<b>197</b>	<b>(23 971)</b>	<b>(176 823)</b>	<b>38 074</b>	<b>(683 885)</b>	<b>(242 542)</b>	<b>(144 728)</b>	<b>(185 313)</b>	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		2 300	7 500		3 500	25 000	20 000	15 000	10 000	10 000	15 000	15 000	44 330	167 630	175 431	194 403	
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																	
Transfers and subsidies - capital (in-kind - all)																	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>364 128</b>	<b>98 833</b>	<b>81 052</b>	<b>113 565</b>	<b>62 792</b>	<b>(69 448)</b>	<b>26 244</b>	<b>10 197</b>	<b>(13 971)</b>	<b>(161 823)</b>	<b>53 074</b>	<b>(639 555)</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>	
Taxation																	
Attributable to minorities																	
Share of surplus/ (deficit) of associate																	
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>364 128</b>	<b>98 833</b>	<b>81 052</b>	<b>113 565</b>	<b>62 792</b>	<b>(69 448)</b>	<b>26 244</b>	<b>10 197</b>	<b>(13 971)</b>	<b>(161 823)</b>	<b>53 074</b>	<b>(639 555)</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>	

Table 42 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

NW403 City Of Matosana - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24	
<b>R thousand</b>																	
<b>Revenue by Vote</b>																	
Vote 01 - Public Safety		1 737	124	479	1 459	326	1 254	4 570	2 546	4 570	4 124	7 460	1 420	30 066	81 043	32 409	
Vote 02 - Health Services		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 03 - Community Services		237	96	124	212	316	327	259	--	125	124	124	388	2 331	3 282	3 426	
Vote 04 - Housing		124	124	125	124	145	413	146	746	216	488	255	1 612	4 516	6 109	6 058	
Vote 05 - Sport Arts And Culture		124	126	124	150	116	134	--	126	--	125	126	435	1 585	1 111	1 116	
Vote 06 - Council General		2 366	1 254	2 366	4 570	3 660	1 237	2 366	1 256	2 537	2 370	666	994	25 641	2	2	
Vote 07 - Civil Engineering		15 363	6 327	9 363	10 327	14 524	12 599	5 370	8 256	9 985	12 537	11 255	18 665	134 570	5 009	5 667	
Vote 08 - Water Section		12 366	15 370	12 327	25 363	124 124	41 254	58 795	362 066	98 327	15 362	25 624	54 588	845 565	943 690	932 583	
Vote 09 - City Electrical Engineering		85 987	36 599	65 987	73 699	56 327	136 986	175 786	95 790	36 260	98 363	102 660	144 539	1 108 981	971 345	1 034 908	
Vote 10 - Corporate Governane		12	33	26	26	46	126	33	215	257	125	42	31	970	1 651	1 724	
Vote 11 - Budget And Treasury Office		45 633	205 370	65 327	115 424	7 459	98 327	78 197	32 660	25 875	63 260	102 366	29 795	869 690	1 264 065	1 363 746	
Vote 12 - Cleansing		12 366	21 570	10 237	25 370	21 548	17 259	8 633	8 124	3 266	5 479	36 126	31 246	201 222	245 454	256 254	
Vote 13 - Sewerage		16 533	42 590	25 370	25 148	11 237	15 362	8 370	5 412	25 699	11 556	3 266	62 942	253 483	134 799	166 405	
Vote 14 - Market		1 259	1 259	3 257	2 366	1 459	1 258	257	1 265	3 599	1 152	1 256	1 803	20 190	2 458	2 566	
Vote 15 - Other		--	--	--	--	--	--	--	--	--	--	--	--	--	1	1	
<b>Total Revenue by Vote</b>		<b>194 105</b>	<b>330 838</b>	<b>195 110</b>	<b>284 235</b>	<b>241 285</b>	<b>326 533</b>	<b>342 780</b>	<b>518 463</b>	<b>210 715</b>	<b>215 065</b>	<b>291 224</b>	<b>348 458</b>	<b>3 498 811</b>	<b>3 659 019</b>	<b>3 805 866</b>	
<b>Expenditure by Vote to be appropriated</b>																	
Vote 01 - Public Safety		14 476	15 699	14 785	23 660	21 327	14 590	10 257	15 699	15 987	15 327	270	11 640	173 717	239 403	253 058	
Vote 02 - Health Services		590	459	125	459	143	256	5 699	866	148	825	865	285	10 720	13 274	14 165	
Vote 03 - Community Services		15 363	8 257	9 257	2 590	8 288	8 695	11 790	11 548	2 590	5 897	12 366	2 821	99 461	100 597	106 459	
Vote 04 - Housing		1 564	3 653	2 569	1 257	2 366	1 257	1 366	870	1 897	257	1 590	122	18 767	17 478	18 550	
Vote 05 - Sport Arts And Culture		9 366	5 898	3 860	6 812	14 790	5 987	7 587	5 237	1 479	10 370	5 848	4 512	81 744	85 722	90 504	
Vote 06 - Council General		11 733	18 785	17 590	16 596	8 965	4 857	15 897	14 786	11 590	8 659	6 588	4 751	140 798	150 109	168 428	
Vote 07 - Civil Engineering		15 698	18 365	15 699	15 327	17 332	21 490	12 537	10 327	14 570	21 255	22 000	20 389	204 989	198 242	208 564	
Vote 08 - Water Section		51 236	26 987	53 087	25 370	69 524	78 695	59 654	54 693	41 254	64 126	53 087	159 327	737 040	632 694	644 293	
Vote 09 - City Electrical Engineering		101 237	215 470	98 363	87 257	98 054	88 127	48 125	84 660	62 536	88 127	109 522	145 265	1 226 741	1 455 600	1 509 246	
Vote 10 - Corporate Governane		3 626	1 237	2 366	5 698	4 830	5 633	6 985	4 820	5 236	4 125	5 214	8 187	57 957	56 878	60 402	
Vote 11 - Budget And Treasury Office		25 649	41 254	21 590	52 369	12 855	25 000	52 366	12 588	11 555	19 321	13 001	70 238	357 786	310 830	327 697	
Vote 12 - Cleansing		10 260	12 303	15 237	14 590	13 324	15 327	5 222	14 555	2 563	25 361	11 223	19 923	159 888	158 009	185 612	
Vote 13 - Sewerage		14 547	12 333	11 257	17 547	20 316	30 127	15 333	10 257	5 012	12 366	14 880	100 593	264 568	175 969	184 207	
Vote 14 - Market		1 839	1 254	4 590	1 524	2 365	3 266	988	1 363	1 256	214	2 366	7 267	28 291	22 894	24 306	
Vote 15 - Other		938	770	326	746	789	366	124	759	1 254	1 237	1 000	2 950	11 257	10 617	11 285	
<b>Total Expenditure by Vote</b>		<b>278 122</b>	<b>382 723</b>	<b>270 699</b>	<b>271 801</b>	<b>295 267</b>	<b>303 673</b>	<b>253 930</b>	<b>243 026</b>	<b>178 927</b>	<b>277 467</b>	<b>259 817</b>	<b>558 269</b>	<b>3 573 723</b>	<b>3 628 316</b>	<b>3 796 776</b>	
<b>Surplus/(Deficit) before assoc.</b>		<b>(84 017)</b>	<b>(51 885)</b>	<b>(75 590)</b>	<b>12 434</b>	<b>(53 983)</b>	<b>22 861</b>	<b>88 850</b>	<b>275 437</b>	<b>31 788</b>	<b>(62 403)</b>	<b>31 407</b>	<b>(209 811)</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>	
Taxation																	
Attributable to minorities																	
Share of surplus/ (deficit) of associate																	
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>(84 017)</b>	<b>(51 885)</b>	<b>(75 590)</b>	<b>12 434</b>	<b>(53 983)</b>	<b>22 861</b>	<b>88 850</b>	<b>275 437</b>	<b>31 788</b>	<b>(62 403)</b>	<b>31 407</b>	<b>(209 811)</b>	<b>(74 912)</b>	<b>30 703</b>	<b>9 089</b>	

**Table 43 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)**

NW403 City Of Matlosana - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework					
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24			
<b>Revenue - Functional</b>																			
<b>Governance and administration</b>		48 011	206 656	67 718	120 019	11 165	99 689	80 595	34 131	28 669	65 755	103 074	331 037	1 196 518	1 365 718	1 365 472			
Executive and council		2 366	1 254	2 366	4 570	3 660	1 237	2 366	1 256	2 537	2 370	666	1 964	26 611	1 653	1 709			
Finance and administration		45 633	205 370	65 327	115 424	7 459	98 327	78 197	32 660	25 875	63 260	102 366	330 012	1 169 907	1 364 065	1 363 763			
Internal audit		12	33	26	26	46	126	33	215	257	125	42	(639)	–	–	–			
<b>Community and public safety</b>		2 220	469	852	1 944	903	2 126	4 975	3 419	4 911	4 860	7 964	(1 129)	33 517	34 436	41 170			
Community and social services		237	96	124	212	316	327	259	–	125	124	124	320	2 263	3 042	3 523			
Sport and recreation		124	126	124	150	116	134	–	126	–	125	126	38	1 188	351	19			
Public safety		1 737	124	479	1 459	326	1 254	4 570	2 546	4 570	4 124	7 460	1 420	30 066	31 043	32 408			
Housing		124	124	125	124	145	413	146	746	216	488	255	(2 904)	–	–	5 219			
Health																			
<b>Economic and environmental services</b>		16 622	7 585	12 620	12 693	15 982	13 857	5 627	9 522	13 584	13 689	12 511	5 259	139 551	11 529	6 935			
Planning and development		1 259	1 259	3 257	2 366	1 459	1 258	257	1 265	3 599	1 152	1 256	(9 143)	9 245	11 118	839			
Road transport		15 363	6 327	9 363	10 327	14 524	12 599	5 370	8 256	9 985	12 537	11 255	13 937	129 842	–	6 095			
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	464	464	411			
<b>Trading services</b>		127 252	116 128	113 920	149 579	213 235	210 861	251 584	471 392	163 551	130 760	167 676	(6 903)	2 109 055	2 244 877	2 389 721			
Energy sources		65 987	36 599	65 987	73 699	56 327	136 986	175 786	95 790	36 260	98 363	102 660	(44 200)	920 242	971 345	1 034 908			
Water management		12 366	15 370	12 327	25 363	124 124	41 254	58 795	362 066	98 327	15 362	25 624	54 324	845 301	893 279	932 154			
Waste water management		16 533	42 590	25 370	25 148	11 237	15 362	8 370	5 412	25 699	11 556	3 266	(48 536)	142 006	134 799	166 405			
Waste management		12 366	21 570	10 237	25 370	21 548	17 259	8 633	8 124	3 266	5 479	36 126	31 509	201 485	245 454	256 254			
<b>Other</b>		12 366	21 570	10 237	25 370	21 548	17 259	8 633	8 124	3 266	5 479	36 126	(149 786)	20 190	2 459	2 567			
<b>Total Revenue - Functional</b>		206 471	352 408	205 346	309 605	262 832	343 792	351 413	526 587	213 981	220 544	327 350	178 482	3 498 811	3 659 019	3 805 866			
<b>Expenditure - Functional</b>																			
<b>Governance and administration</b>		41 008	61 276	41 545	74 664	26 650	35 490	75 249	32 194	28 381	32 106	24 802	121 699	595 064	517 890	546 527			
Executive and council		11 733	18 785	17 590	16 596	8 965	4 857	15 897	14 786	11 590	8 659	6 588	134 687	270 734	192 443	158 428			
Finance and administration		25 649	41 254	21 590	52 369	12 855	25 000	52 366	12 588	11 555	19 321	13 001	31 439	318 987	319 647	388 099			
Internal audit		3 626	1 237	2 366	5 698	4 830	5 633	6 985	4 820	5 236	4 125	5 214	(44 427)	5 343	5 801	–			
<b>Community and public safety</b>		41 359	33 965	30 597	34 777	46 913	30 786	36 698	34 219	22 100	32 677	20 939	(94 087)	270 943	456 471	482 736			
Community and social services		15 363	8 257	9 257	2 590	8 288	8 695	11 790	11 548	2 590	5 897	12 366	(15 724)	80 917	72 021	162 225			
Sport and recreation		9 366	5 898	3 860	6 812	14 790	5 987	7 587	5 237	1 479	10 370	5 848	(7 080)	70 153	116 198	34 738			
Public safety		14 476	15 699	14 785	23 660	21 327	14 590	10 257	15 699	15 987	15 327	270	(43 185)	118 891	237 500	253 058			
Housing		1 564	3 653	2 569	1 257	2 366	1 257	1 366	870	1 897	257	1 590	(17 889)	756	17 478	18 550			
Health		590	459	125	459	143	256	5 699	866	148	825	865	(10 209)	226	13 274	14 165			
<b>Economic and environmental services</b>		17 537	19 619	20 288	16 851	19 698	24 756	13 524	11 690	15 826	21 468	24 366	135 565	341 188	225 960	208 564			
Planning and development		1 839	1 254	4 590	1 524	2 365	3 266	988	1 363	1 256	214	2 366	38 995	60 019	15 440	–			
Road transport		15 698	18 365	15 699	15 327	17 332	21 490	12 537	10 327	14 570	21 255	22 000	94 669	279 269	193 419	208 564			
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	1 900	1 900	17 101	–			
<b>Trading services</b>		177 280	267 094	177 943	144 763	201 217	212 275	128 335	164 165	111 366	189 980	188 710	285 105	2 248 233	2 405 171	2 523 358			
Energy sources		101 237	215 470	98 363	87 257	98 054	88 127	48 125	84 660	62 536	88 127	109 522	46 630	1 128 106	1 453 600	1 509 246			
Water management		51 236	26 987	53 067	25 370	69 524	78 695	59 654	54 693	41 254	64 126	53 087	200 714	778 427	615 593	644 293			
Waste water management		14 547	12 333	11 257	17 547	20 316	30 127	15 333	10 257	5 012	12 366	14 880	10 619	174 594	175 996	184 207			
Waste management		10 260	12 303	15 237	14 590	13 324	15 327	5 222	14 555	2 563	25 361	11 223	27 142	167 106	159 982	185 612			
<b>Other</b>		938	770	326	746	789	366	124	759	1 254	1 237	1 000	109 986	118 294	22 823	35 591			
<b>Total Expenditure - Functional</b>		278 122	382 723	270 699	271 801	295 267	303 673	253 930	243 026	178 927	277 467	259 817	558 269	3 573 723	3 628 316	3 796 776			
<b>Surplus/(Deficit) before assoc.</b>		(71 651)	(30 315)	(65 353)	37 804	(32 435)	40 120	97 483	283 560	35 054	(56 924)	67 532	(379 787)	(74 912)	30 703	9 089			
Share of surplus/ (deficit) of associate																			
<b>Surplus/(Deficit)</b>	1	(71 651)	(30 315)	(65 353)	37 804	(32 435)	40 120	97 483	283 560	35 054	(56 924)	67 532	(379 787)	(74 912)	30 703	9 089			

**Table 44 MBRR SA28 - Budgeted monthly capital expenditure (municipal vote)**

NW403 City Of Matlosana - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Multi-year expenditure to be appropriated</b>	1															
Vote 01 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Health Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Sport Arts And Culture		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 06 - Council General		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Civil Engineering		1 237	2 366	896	215	1 237	1 254	1 256	897	1 024	1 453	587	502	12 922	21 790	22 392
Vote 08 - Water Section		512	512	479	1 236	125	457	2 570	1 024	1 258	512	712	1 101	10 500	33 109	20 000
Vote 09 - City Electrical Engineering		3 210	2 145	4 125	1 256	2 565	1 024	2 365	3 265	1 256	800	2 660	2 035	26 707	22 000	25 000
Vote 10 - Corporate Governane		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Budget And Treasury Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Cleansing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Sewerage		200	1 500	411	512	2 651	1 254	1 254	1 024	124	125	237	709	10 000	20 000	47 502
Vote 14 - Market		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	2	5 159	6 524	5 912	3 220	6 578	3 988	7 445	6 209	3 662	2 890	4 196	4 347	60 129	96 899	114 894
<b>Single-year expenditure to be appropriated</b>																
Vote 01 - Public Safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 02 - Health Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 03 - Community Services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 04 - Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 05 - Sport Arts And Culture		1 025	365	202	1 256	2 032	-	1 254	3 012	2 536	-	1 254	1 437	14 374	15 674	18 836
Vote 06 - Council General		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 07 - Civil Engineering		6 002	3 613	2 003	1 024	4 563	4 237	2 032	3 215	5 524	3 052	2 032	8 833	46 129	22 098	15 446
Vote 08 - Water Section		2 032	-	4 237	2 145	1 024	1 237	2 032	-	2 556	500	2 653	2 745	21 161	16 315	16 123
Vote 09 - City Electrical Engineering		500	415	365	-	125	1 237	-	200	-	700	-	937	4 480	10 487	10 649
Vote 10 - Corporate Governane		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Budget And Treasury Office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Cleansing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 13 - Sewerage		222	121	522	411	1 237	2 366	1 254	1 459	-	2 635	-	773	11 000	2 300	3 635
Vote 14 - Market		102	-	2 365	512	-	633	2 599	425	-	1 256	-	2 464	10 357	11 657	14 819
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	2	9 884	4 514	9 694	5 349	8 981	9 709	9 170	8 311	10 616	8 144	5 939	17 189	107 501	78 532	79 509
<b>Total Capital Expenditure</b>	2	15 044	11 038	15 606	8 569	15 559	13 697	16 615	14 520	14 278	11 034	10 135	21 536	167 630	175 431	194 403

**Table 45 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)**

NW403 City Of Matlosana - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Capital Expenditure - Functional</b>	1															
<b>Governance and administration</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	3 000	-	-	4 125	5 125	-	2 000	-	-	-	124	14 374	15 674	18 836
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	3 000	-	-	4 125	5 125	-	2 000	-	-	-	124	14 374	15 674	18 836
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		2 104	6 512	-	16 524	12 536	-	10 570	-	-	5 124	-	5 682	59 051	60 351	63 513
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		2 104	6 512	-	16 524	12 536	-	10 570	-	-	5 124	-	5 682	59 051	60 351	63 513
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		4 839	9 715	13 968	4 733	9 935	9 100	9 083	4 716	5 682	3 710	3 003	5 363	83 848	87 748	97 234
Energy sources		2 366	4 327	9 327	231	1 266	2 317	5 214	1 326	2 032	1 237	514	1 032	31 187	32 487	35 649
Water management		1 237	3 265	1 425	3 265	5 452	5 547	1 236	2 153	2 414	1 237	2 365	2 063	31 661	32 961	36 123
Waste water management		1 237	2 124	3 217	1 237	3 217	1 237	2 633	1 237	1 237	124	-	2 268	21 000	22 300	25 462
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-	10 357	10 357	11 657	14 819
<b>Total Capital Expenditure - Functional</b>	2	6 943	19 228	13 968	21 257	26 596	14 225	19 652	6 716	5 682	8 833	3 003	21 526	167 630	175 431	194 403
<b>Funded by:</b>																
National Government		6 943	19 228	13 968	21 257	26 596	14 225	19 652	6 716	5 682	8 833	3 003	21 526	167 630	175 431	194 403
Provincial Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital		6 943	19 228	13 968	21 257	26 596	14 225	19 652	6 716	5 682	8 833	3 003	21 526	167 630	175 431	194 403
Borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Funding</b>		6 943	19 228	13 968	21 257	26 596	14 225	19 652	6 716	5 682	8 833	3 003	21 526	167 630	175 431	194 403

**Table 46 MBRR SA30 - Budgeted monthly cash flow**

NW403 City Of Matlosana - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Cash Receipts By Source</b>															
Property rates	11 681	10 590	13 259	13 896	25 896	25 690	24 590	42 599	28 979	36 898	39 880	75 192	349 147	391 857	406 949
Service charges - electricity revenue	45 892	25 980	49 859	22 898	32 896	35 990	45 895	35 977	35 979	48 792	46 986	182 532	608 674	819 158	710 607
Service charges - water revenue	38 975	32 980	52 126	53 338	29 865	35 977	26 598	55 985	25 986	45 987	33 987	71 716	503 519	560 534	586 878
Service charges - sanitation revenue	10 259	12 259	6 699	6 659	4 160	4 897	4 827	4 599	5 690	5 219	5 190	17 687	88 143	101 814	102 735
Service charges - refuse revenue	12 589	12 189	12 490	10 260	7 896	7 896	11 249	10 490	3 599	5 987	5 612	5 047	105 302	108 804	122 734
Rental of facilities and equipment	-	-	617	325	969	2 290	1 596	124	169	57	-	41	6 186	5 831	6 094
Interest earned - external investments	-	-	2 360	1 260	650	-	1 260	-	-	-	3 685	1 571	10 785	11 528	12 046
Interest earned - outstanding debtors	25 969	-	-	125 965	-	33 596	31 897	32 698	125 996	2 160	3 270	7 468	388 919	371 269	387 976
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	1 260	1 240	6 169	3 250	2 989	2 290	1 596	2 024	1 690	4 698	-	1 500	28 684	30 842	32 230
Licences and permits	-	-	2 360	1 260	650	1 570	-	1 260	-	-	1 685	570	9 354	8 447	8 827
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0
Transfers and Subsidies - Operational	-	33 200	816	-	-	-	356 986	-	10 364	-	-	93 259	494 626	527 903	525 722
Other revenue	-	-	-	-	-	-	-	-	-	-	-	19 054	19 054	19 855	20 728
<b>Cash Receipts by Source</b>	<b>146 624</b>	<b>128 436</b>	<b>146 753</b>	<b>239 110</b>	<b>105 950</b>	<b>150 193</b>	<b>505 234</b>	<b>187 012</b>	<b>238 351</b>	<b>149 797</b>	<b>140 294</b>	<b>475 637</b>	<b>2 613 992</b>	<b>2 957 842</b>	<b>2 923 526</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	26 956	63 000	-	-	33 000	-	-	34 630	-	-	10 044	167 630	175 431	194 403
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	270	-	417	217	-	-	1 807	-	-	500	417	1 374	5 000	2 150	(45 150)
0	-	-	-	-	-	-	-	-	-	-	-	350 000	350 000	100 000	250 000
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>146 894</b>	<b>155 393</b>	<b>210 170</b>	<b>239 326</b>	<b>105 950</b>	<b>183 193</b>	<b>507 040</b>	<b>187 012</b>	<b>272 981</b>	<b>150 297</b>	<b>140 711</b>	<b>837 055</b>	<b>3 136 022</b>	<b>3 235 423</b>	<b>3 322 779</b>
<b>Cash Payments by Type</b>															
Employee related costs	43 896	31 987	30 866	100 009	36 896	50 207	55 069	69 865	56 986	50 200	59 862	126 166	712 008	747 609	752 464
Remuneration of councillors	3 599	3 270	3 369	2 360	3 499	2 699	2 690	3 269	2 570	2 600	3 599	3 701	37 223	37 967	39 486
Finance charges	-	-	852	-	-	500	-	540	-	-	-	400	2 262	2 369	2 494
Bulk purchases - electricity	50 589	90 000	-	-	45 620	45 620	150 000	-	158 000	-	120 500	129 946	790 255	616 189	643 301
Acquisitions - water & other inventory	20 000	-	-	30 000	-	-	50 000	15 000	29 000	65 300	-	270 591	479 891	730 166	762 294
Contracted services	12 562	15 699	12 597	2 690	2 126	2 590	25 987	35 699	12 500	8 956	4 000	182 945	318 349	331 714	346 316
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	12 562	-	12 597	2 690	2 126	25 987	35 699	12 500	8 956	-	-	6 885	120 000	125 040	127 541
<b>Cash Payments by Type</b>	<b>143 187</b>	<b>140 955</b>	<b>60 281</b>	<b>137 748</b>	<b>90 267</b>	<b>101 615</b>	<b>309 732</b>	<b>159 531</b>	<b>272 096</b>	<b>136 012</b>	<b>187 961</b>	<b>720 635</b>	<b>2 778 367</b>	<b>2 922 788</b>	<b>3 060 211</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	-	269	-	-	-	-	-	-	-	-	-	167 362	167 630	175 431	194 403
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	400 000	400 000	104 475	104 475
<b>Total Cash Payments by Type</b>	<b>143 187</b>	<b>141 224</b>	<b>60 281</b>	<b>137 748</b>	<b>90 267</b>	<b>101 615</b>	<b>309 732</b>	<b>159 531</b>	<b>272 096</b>	<b>136 012</b>	<b>187 961</b>	<b>1 287 996</b>	<b>3 345 998</b>	<b>3 202 694</b>	<b>3 359 089</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>3 707</b>	<b>14 169</b>	<b>149 889</b>	<b>101 579</b>	<b>15 684</b>	<b>81 578</b>	<b>197 309</b>	<b>27 481</b>	<b>885</b>	<b>14 285</b>	<b>(47 250)</b>	<b>(450 942)</b>	<b>(209 975)</b>	<b>32 729</b>	<b>(36 310)</b>
Cash/cash equivalents at the month/year begin:	300 578	304 285	318 454	468 343	569 922	585 606	667 184	864 492	891 974	892 859	907 143	859 893	300 578	90 603	123 332
Cash/cash equivalents at the month/year end:	304 285	318 454	468 343	569 922	585 606	667 184	864 492	891 974	892 859	907 143	859 893	408 952	90 603	123 332	87 021







Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>									
<b>Other assets</b>		-	-	841	-	-	-	-	-	-
Operational Buildings		-	-	841	-	-	-	-	-	-
Municipal Offices			-	841	-	-	-	-	-	-
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing		-	-	-	-	-	-	-	-	-
Staff Housing										
Social Housing										
Capital Spares										
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<b>Intangible Assets</b>		-	-	3 532	-	-	-	-	-	-
Servitudes										
Licences and Rights		-	-	3 532	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		-	-	3 532	-	-	-	-	-	-
Load Settlement Software Applications										
Unspecified										
<b>Computer Equipment</b>		1 252	630	-	-	-	-	-	-	-
Computer Equipment		1 252	630	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		556	-	-	-	-	-	-	-	-
Furniture and Office Equipment		556	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		108	-	-	-	-	-	-	-	-
Machinery and Equipment		108	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		1 183	10 777	-	-	-	-	-	-	-
Transport Assets		1 183	10 777	-	-	-	-	-	-	-
<b>Land</b>		1 481	-	-	-	-	-	-	-	-
Land		1 481	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>173 783</b>	<b>132 804</b>	<b>109 046</b>	<b>103 254</b>	<b>186 142</b>	<b>186 142</b>	<b>167 630</b>	<b>175 431</b>	<b>194 403</b>

**Table 48BRR SA34b – Capital expenditure on the renewal of existing assets**





<b>Transport Assets</b>		-	-	-	-	-	-	-	-	-
Transport Assets										
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land										
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<b>Total Capital Expenditure on renewal of existing</b>	1	-	91 779	-	24 251	16 000	16 000	20 000	20 000	-







<b>Other assets</b>		<b>224</b>	<b>3 561</b>	<b>25 510</b>	<b>2 158</b>	<b>2 137</b>	<b>2 137</b>	<b>59 413</b>	<b>64 781</b>	<b>123 356</b>
Operational Buildings		224	3 561	25 510	2 158	2 137	2 137	59 385	64 752	123 326
Municipal Offices		224	3 482	5 804	2 060	2 039	2 039	59 385	64 752	123 326
Pay/Enquiry Points										
Building Plan Offices										
Workshops		-	79	-	47	47	47			
Yards										
Stores		-	-	19 707	52	52	52			
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing		-	-	-	-	-	-	28	29	30
Staff Housing								28	29	30
Social Housing										
Capital Spares										
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<b>Intangible Assets</b>		4 470	3 517	13 937	8 385	8 385	8 385	2 063	2 150	2 244
Servitudes										
Licences and Rights		4 470	3 517	13 937	8 385	8 385	8 385	2 063	2 150	2 244
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		4 470	3 517	13 937	8 385	8 385	8 385	2 063	2 150	2 244
Load Settlement Software Applications										
Unspecified										
<b>Computer Equipment</b>		-	1 520	(2 589)	2 483	2 483	2 483	2 484	2 485	-
Computer Equipment		-	1 520	(2 589)	2 483	2 483	2 483	2 484	2 485	-
<b>Furniture and Office Equipment</b>		1 056	530	413	918	958	958	919	921	-
Furniture and Office Equipment		1 056	530	413	918	958	958	919	921	-
<b>Machinery and Equipment</b>		13 919	3 688	13 708	10 443	10 443	10 443	10 452	10 462	-
Machinery and Equipment		13 919	3 688	13 708	10 443	10 443	10 443	10 452	10 462	-
<b>Transport Assets</b>		30 763	24 031	-	23 742	22 642	22 642	24 834	25 976	-
Transport Assets		30 763	24 031	-	23 742	22 642	22 642	24 834	25 976	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land										
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<b>Total Repairs and Maintenance Expenditure</b>	1	<b>86 920</b>	<b>92 597</b>	<b>135 693</b>	<b>120 024</b>	<b>119 643</b>	<b>119 643</b>	<b>357 895</b>	<b>378 259</b>	<b>394 902</b>

**Table 48BRR SA34d Depreciation - by asset class**





Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>	<b>1</b>									
<b>Other assets</b>		4 944	25 875	7 179	81 691	81 691	81 691	9 505	9 904	10 340
Operational Buildings		4 944	25 875	5 583	81 691	81 691	81 691	5 801	6 045	6 311
Municipal Offices		4 944	25 875	5 583	81 691	81 691	81 691	5 801	6 045	6 311
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing		-	-	1 596	-	-	-	3 704	3 859	4 029
Staff Housing										
Social Housing				1 596				3 704	3 859	4 029
Capital Spares										
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications										
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	911	1 876	2 569	2 569	2 569	-	-	-
Computer Equipment		-	911	1 876	2 569	2 569	2 569	-	-	-
<b>Furniture and Office Equipment</b>		2 632	2 294	1 761	3 409	3 409	3 409	-	-	-
Furniture and Office Equipment		2 632	2 294	1 761	3 409	3 409	3 409	-	-	-
<b>Machinery and Equipment</b>		1 124	-	-	-	-	-	-	-	-
Machinery and Equipment		1 124	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		3 523	2 832	1 123	3 616	3 616	3 616	-	-	-
Transport Assets		3 523	2 832	1 123	3 616	3 616	3 616	-	-	-
<b>Land</b>		24 833	-	-	-	-	-	-	-	-
Land		24 833	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<b>Total Depreciation</b>	<b>1</b>	<b>435 408</b>	<b>402 457</b>	<b>411 946</b>	<b>420 711</b>	<b>420 711</b>	<b>420 711</b>	<b>404 082</b>	<b>421 053</b>	<b>439 580</b>

**Table 48BRR SA34e Capital expenditure on the upgrading of existing assets by - asset class**









<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on upgrading of existing a</b>	<b>1</b>	-	-	-	<b>35 296</b>	<b>9 371</b>	<b>9 371</b>	<b>13 296</b>	<b>25 874</b>	-
<i>Upgrading of Existing Assets as % of total capex</i>		0,0%	0,0%	0,0%	21,7%	4,4%	4,4%	7,3%	12,6%	0,0%
<i>Upgrading of Existing Assets as % of deprecn"</i>		0,0%	0,0%	0,0%	8,4%	2,2%	2,2%	3,3%	6,1%	0,0%

**Table 49 MBRR SA35 - Future financial implications of the capital budget**

Vote Description	Ref	2021/22 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year	Budget Year	Budget Year	Forecast	Forecast	Forecast	Present
		2021/22	+1 2022/23	+2 2023/24	2024/25	2025/26	2026/27	value
<b>R thousand</b>								
<b>Capital expenditure</b>	1							
Vote 01 - Public Safety		-	-	-	-	-	-	-
Vote 02 - Health Services		-	-	-	-	-	-	-
Vote 03 - Community Services		-	-	-	-	-	-	-
Vote 04 - Housing		-	-	-	-	-	-	-
Vote 05 - Sport Arts And Culture		14 374	15 674	18 836	-	-	-	-
Vote 06 - Council General		-	-	-	-	-	-	-
Vote 07 - Civil Engineering		59 051	43 888	37 838	-	-	-	-
Vote 08 - Water Section		31 661	49 424	36 123	-	-	-	-
Vote 09 - City Electrical Engineering		31 187	32 487	35 649	-	-	-	-
Vote 10 - Corporate Governane		-	-	-	-	-	-	-
Vote 11 - Budget And Treasury Office		-	-	-	-	-	-	-
Vote 12 - Cleansing		-	-	-	-	-	-	-
Vote 13 - Sewerage		21 000	22 300	51 137	-	-	-	-
Vote 14 - Market		10 357	11 657	14 819	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-
<i>List entity summary if applicable</i>								
<b>Total Capital Expenditure</b>		<b>167 630</b>	<b>175 431</b>	<b>194 403</b>	-	-	-	-
<b>Future operational costs by vote</b>	2							
Vote 01 - Public Safety								
Vote 02 - Health Services								
Vote 03 - Community Services								
Vote 04 - Housing								
Vote 05 - Sport Arts And Culture								
Vote 06 - Council General								
Vote 07 - Civil Engineering								
Vote 08 - Water Section								
Vote 09 - City Electrical Engineering								
Vote 10 - Corporate Governane								
Vote 11 - Budget And Treasury Office								
Vote 12 - Cleansing								
Vote 13 - Sewerage								
Vote 14 - Market								
Vote 15 - Other								
<i>List entity summary if applicable</i>								
<b>Total future operational costs</b>		-	-	-	-	-	-	-
<b>Future revenue by source</b>	3							
Property rates		500 831	522 476	-				
Service charges - electricity revenue		1 041 945	1 092 211	-				
Service charges - water revenue		703 252	747 378	-				
Service charges - sanitation revenue		129 241	135 752	-				
Service charges - refuse revenue		147 268	145 072	-				
Rental of facilities and equipment		5 709	5 831	-				
<i>List other revenues sources if applicable</i>		11 021	11 528	-				
<i>List entity summary if applicable</i>								
<b>Total future revenue</b>		<b>2 539 267</b>	<b>2 660 249</b>	-	-	-	-	-
<b>Net Financial Implications</b>		<b>(2 371 637)</b>	<b>(2 484 818)</b>	<b>194 403</b>	-	-	-	-

**Table 50 MBRR SA36 - Detailed capital budget per municipal vote**

Row and	Function	Project Description	Project Number	Type	WTF Service Outcome	KOF	Dev Strategic Objective	Asset Class	Asset Sub-Class	Ward Location	OPRL Location	OPRL Link	2022 Medium Term Review & Expenditure Framework					
													Audited Outcome 2019/20	Current Year 20/21 Full Year Forecast	Budget Year 20/21	Budget Year +1(20/22)	Budget Year +2(20/23)	
Parent Municipality:																		
List of capital projects proposed by Function																		
	Essential Council	Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Formal Air Conditioning Equipment	Formal Air Conditioning Equipment	RAHOLEL F/MUNICIPALITY		0	0	40	-	-	-	-
	Essential Council	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Machinery/Air Conditioning Equipment	Machinery/Air Conditioning Equipment	RAHOLEL F/MUNICIPALITY		0	0	10	1 000	-	-	-
	Essential Council	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Tariffs/Access	Tariffs/Access	RAHOLEL F/MUNICIPALITY		0	0	-	1 000	-	-	-
	Essential Council	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Community Facilities	Comms	RAHOLEL F/MUNICIPALITY		0	0	1 000	-	-	-	-
	Essential Council	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Community Facilities	Public Open Space	RAHOLEL F/MUNICIPALITY		0	0	50	-	-	-	-
	Essential Council	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Sports and Recreation Facilities	Customer Facilities	RAHOLEL F/MUNICIPALITY		0	0	70	-	-	-	-
	Essential Council	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Operational Buildings	Waste/Other	RAHOLEL F/MUNICIPALITY		0	0	700	-	-	-	-
	Finance and Administration	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Computer Equipment	Computer Equipment	RAHOLEL F/MUNICIPALITY		0	0	-	1 000	-	-	-
	Finance and Administration	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Operational Buildings	Waste/Other	RAHOLEL F/MUNICIPALITY		0	0	30	-	-	-	-
	Sports and Recreation	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Community Facilities	Parks	RAHOLEL F/MUNICIPALITY		0	0	170	-	-	-	-
	Sports and Recreation	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Sports and Recreation Facilities	Customer Facilities	RAHOLEL F/MUNICIPALITY		0	0	100	-	-	-	-
	Sports and Recreation	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Sports and Recreation Facilities	Customer Facilities	WAPD		0	0	1 000	1 944	2574	4734	12300
	Road Transport	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Road Infrastructure	Roads	RAHOLEL F/MUNICIPALITY		0	0	10 700	10 420	20 000	30 100	200 000
	Road Transport	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Road Infrastructure	Roads	WAPD		0	0	5 700	10 200	12 000	22 000	240 000
	Energy Services	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		General Infrastructure	High Voltage	RAHOLEL F/MUNICIPALITY		0	0	6 000	-	-	-	-
	Energy Services	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		General Infrastructure	High Voltage	RAHOLEL F/MUNICIPALITY		0	0	10 000	11 000	10 000	-	-
	Energy Services	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		General Infrastructure	Low Voltage	RAHOLEL F/MUNICIPALITY		0	0	40	20 000	20 000	44 000	43 000
	Energy Services	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Machinery/Air Conditioning Equipment	Machinery/Air Conditioning Equipment	RAHOLEL F/MUNICIPALITY		0	0	-	500	-	-	-
	Energy Services	Capital Infrastructure/Procurement/Procurement	-	GENERAL	improvement of water services	Inclusion and Access		General Infrastructure	High Voltage	RAHOLEL F/MUNICIPALITY		0	0	10 000	1 000	20 000	20 000	20 000
	Energy Services	Capital Infrastructure/Procurement/Procurement	-	GENERAL	improvement of water services	Inclusion and Access		General Infrastructure	Low Voltage	RAHOLEL F/MUNICIPALITY		0	0	40	-	-	-	-
	Water Management	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Water Supply Infrastructure	Sanitation	RAHOLEL F/MUNICIPALITY		0	0	10 000	1 000	10 000	10 000	10 000
	Water Management	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Water Supply Infrastructure	Sanitation	RAHOLEL F/MUNICIPALITY		0	0	20 000	20 000	10 000	10 000	10 000
	Water Management	Capital Infrastructure/Procurement/Procurement	-	OPERATING	improvement of water services	Inclusion and Access		Sanitation Infrastructure	Waste/Water Treatment/Water	RAHOLEL F/MUNICIPALITY		0	0	10 000	-	10 000	10 000	10 000
	Water Management	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Sanitation Infrastructure	Pump Station	RAHOLEL F/MUNICIPALITY		0	0	-	50	-	-	-
	Water Management	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Sanitation Infrastructure	Retention	RAHOLEL F/MUNICIPALITY		0	0	1 000	1 000	7 100	10 000	10 000
	Water Management	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Sanitation Infrastructure	Retention	WAPD		0	0	50	-	-	-	-
	Water Management	Capital Infrastructure/Procurement/Procurement	-	NBI	improvement of water services	Growth		Sanitation Infrastructure	Water Treatment/Storage	RAHOLEL F/MUNICIPALITY		0	0	-	-	224	-	-
	Other	Capital Infrastructure/Procurement/Procurement	-	OPERATING	improvement of water services	Inclusion and Access		Community Facilities	Water	RAHOLEL F/MUNICIPALITY		0	0	-	1 000	10 000	10 000	10 000
Parent Capital Expenditure													100 000	170 000	1 000 000	1 000 000	1 000 000	
Entity:																		
List of capital projects proposed by Entity																		
	Entity A	Water project A																
	Entity B	Electricity project B																
Entity Capital Expenditure													-	-	-	-	-	
Total Capital Expenditure													100 000	170 000	1 000 000	1 000 000	1 000 000	

## **2.10 Legislation Compliance Status**

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

### **2.10.1 In Year Reporting**

Reporting to National Treasury in electronic format was complied with on a monthly basis. Section 71 reporting to the Executive Mayor, NT & PT has been complied with, as well as the section 72 & 52 reporting.

### **2.10.2 Internship Programme**

The City of Matlosana is participating in the Municipal Financial Management Internship programme, and has currently employed five interns that still undergoes training in various divisions of Finance and Internal Audit.

13 of the previous interns engaged since the inception of the programme have been permanently employed by the City of Matlosana.

### **2.10.3 Budget and Treasury Office**

The Budget and Treasury Office have been established in accordance with the MFMA.

### **2.10.4 Audit Committee**

An Audit Committee have been established and is fully functional.

### **2.10.5 Municipal Public Accounts Committee**

The Municipal Public Accounts Committee have been established and is fully functional.

### **2.10.6 Service Delivery and Implementation Plan**

The detailed SDBIP document is at a draft stage and will be finalised and approved.

### **2.10.7 Annual Report**

The Annual Report have been compiled in terms of the MFMA and National Treasury requirements.

## 2.11 Other supporting documents

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

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21				2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>R thousand</b>											
<b>REVENUE ITEMS:</b>											
<b>Property rates</b>											
Total Property Rates	6	294 055	415 605	427 563	558 399	558 399	558 399	401 340	498 782	603 484	542 599
<i>Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		-	90 478	93 220	78 339	78 339	78 339	101 901		83 753	-
<b>Net Property Rates</b>		<b>294 055</b>	<b>325 128</b>	<b>334 343</b>	<b>480 060</b>	<b>480 060</b>	<b>480 060</b>	<b>299 438</b>	<b>498 782</b>	<b>519 731</b>	<b>542 599</b>
<b>Service charges - electricity revenue</b>											
Total Service charges - electricity revenue	6	678 390	765 571	833 418	1 084 586	1 084 586	1 084 586	550 102	965 121	948 738	947 475
<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>		-	13 800	60 212	89 902	89 902	89 902		94 158	41 191	
<b>Net Service charges - electricity revenue</b>		<b>678 390</b>	<b>751 771</b>	<b>773 206</b>	<b>994 684</b>	<b>994 684</b>	<b>994 684</b>	<b>550 102</b>	<b>870 963</b>	<b>907 546</b>	<b>947 475</b>
<b>Service charges - water revenue</b>											
Total Service charges - water revenue	6	510 685	601 111	692 711	760 024	760 024	760 024	483 220	808 975	818 720	782 503
<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>		-	28 446	89 291	85 719	85 719	85 719		89 662	69 196	
<b>Net Service charges - water revenue</b>		<b>510 685</b>	<b>572 665</b>	<b>603 420</b>	<b>674 306</b>	<b>674 306</b>	<b>674 306</b>	<b>483 220</b>	<b>719 313</b>	<b>749 524</b>	<b>782 503</b>
<b>Service charges - sanitation revenue</b>											
Total Service charges - sanitation revenue		98 497	123 141	131 756	173 876	173 876	173 876	92 966	179 021	154 420	136 980
<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>		-	11 116	18 987	50 646	50 646	50 646		53 103	23 213	
<b>Net Service charges - sanitation revenue</b>		<b>98 497</b>	<b>112 025</b>	<b>112 769</b>	<b>123 230</b>	<b>123 230</b>	<b>123 230</b>	<b>92 966</b>	<b>125 918</b>	<b>131 207</b>	<b>136 980</b>
<b>Service charges - refuse revenue</b>											
Total refuse removal revenue	6	120 243	160 924	189 994	195 067	195 067	195 067	119 409	198 233	197 826	163 646
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>		-	19 612	52 961	45 700	45 700	45 700		47 802	41 086	-
<b>Net Service charges - refuse revenue</b>		<b>120 243</b>	<b>141 313</b>	<b>137 033</b>	<b>149 367</b>	<b>149 367</b>	<b>149 367</b>	<b>119 409</b>	<b>150 431</b>	<b>156 741</b>	<b>163 646</b>
<b>Other Revenue by source</b>											
Fuel Levy		55 396	153 056	54 639	71 453	72 653	72 653	6 150	27 220	28 364	29 612
Other Revenue											
<b>Total 'Other' Revenue</b>	1	<b>55 396</b>	<b>153 056</b>	<b>54 639</b>	<b>71 453</b>	<b>72 653</b>	<b>72 653</b>	<b>6 150</b>	<b>27 220</b>	<b>28 364</b>	<b>29 612</b>

### Table 51 MBRR Table SA1 - Supporting detail to budgeted financial performance (Continued)

<b>EXPENDITURE ITEMS:</b>											
<b>Employee related costs</b>											
Basic Salaries and Wages	2	579 462	379 876	403 609	433 233	433 233	433 233	70 824	462 058	493 046	545 044
Pension and UIF Contributions		-	78 969	84 003	83 491	83 491	83 491	14 711	84 805	86 219	100 573
Medical Aid Contributions		-	34 740	50 295	41 934	41 934	41 934	6 509	43 725	46 272	45 995
Overtime		-	47 872	53 207	19 941	19 946	19 946	9 187	19 947	19 949	56 399
Performance Bonus		-	29 132	31 478	30 915	30 915	30 915	4 288	33 234	35 726	-
Motor Vehicle Allowance		-	628	560	1 036	1 036	93	1 114	1 197	1 197	16 466
Cellphone Allowance		-	986	1 027	1 263	1 263	1 263	172	1 358	1 460	1 422
Housing Allowances		-	6 524	6 697	6 832	6 832	6 832	1 162	7 124	7 438	8 259
Other benefits and allowances		-	14 005	5 678	21 798	21 793	21 793	2 361	48 925	45 856	18 307
Payments in lieu of leave		-	17 937	22 659	9 040	9 040	9 040	2 610	9 718	10 447	-
Long service awards		-	(8 757)	(566)	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	33 449	(15 428)	-	-	-	-	-	-	-
<b>sub-total</b>	<b>5</b>	<b>579 462</b>	<b>635 361</b>	<b>643 219</b>	<b>649 483</b>	<b>649 483</b>	<b>649 483</b>	<b>111 917</b>	<b>712 008</b>	<b>747 609</b>	<b>792 464</b>
<b>Less: Employees costs capitalised to PPE</b>											
<b>Total Employee related costs</b>	<b>1</b>	<b>579 462</b>	<b>635 361</b>	<b>643 219</b>	<b>649 483</b>	<b>649 483</b>	<b>649 483</b>	<b>111 917</b>	<b>712 008</b>	<b>747 609</b>	<b>792 464</b>
<b>Depreciation &amp; asset impairment</b>											
Depreciation of Property, Plant & Equipment		435 408	394 535	388 913	420 711	420 711	420 711	259 276	404 082	421 053	439 580
Lease amortisation		-	-	-	-	-	-	-	-	-	-
Capital asset impairment		-	7 923	23 033	-	-	-	-	-	-	-
<b>Total Depreciation &amp; asset impairment</b>	<b>1</b>	<b>435 408</b>	<b>402 457</b>	<b>411 946</b>	<b>420 711</b>	<b>420 711</b>	<b>420 711</b>	<b>259 276</b>	<b>404 082</b>	<b>421 053</b>	<b>439 580</b>
<b>Bulk purchases - electricity</b>											
Electricity bulk purchases		467 670	673 365	691 073	600 626	600 626	600 626	155 905	790 255	616 189	643 301
Water Bulk Purchases		-	-	-	-	-	-	-	-	-	-
<b>Total bulk purchases</b>	<b>1</b>	<b>467 670</b>	<b>673 365</b>	<b>691 073</b>	<b>600 626</b>	<b>600 626</b>	<b>600 626</b>	<b>155 905</b>	<b>790 255</b>	<b>616 189</b>	<b>643 301</b>
<b>Transfers and grants</b>											
Cash transfers and grants		-	-	-	-	-	-	-	-	-	-
Non-cash transfers and grants		-	-	-	-	-	-	-	-	-	-
<b>Total transfers and grants</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contracted services</b>											
Outsourced Services		39 175	28 275	33 943	67 568	67 462	67 462	17 552	75 896	78 496	84 467
Consultants and Professional Services		-	-	1 527	52 404	54 320	54 320	12 093	27 522	29 168	31 001
Contractors		-	17 729	14 000	16 222	15 843	15 843	20 571	214 931	224 050	230 848
<b>Total contracted services</b>	<b>1</b>	<b>39 175</b>	<b>46 005</b>	<b>49 470</b>	<b>136 194</b>	<b>137 625</b>	<b>137 625</b>	<b>50 217</b>	<b>318 349</b>	<b>331 714</b>	<b>346 316</b>
<b>Other Expenditure By Type</b>											
Collection costs		-	-	-	-	-	-	-	-	-	-
Contributions to 'other' provisions		-	-	-	-	-	-	-	-	-	-
Audit fees		-	-	-	-	-	-	-	-	-	-
Other Expenditure		172 755	681 553	758 393	564 176	572 690	163 314	15 605	120 000	125 040	127 541
<b>Total 'Other' Expenditure</b>	<b>1</b>	<b>172 755</b>	<b>681 553</b>	<b>758 393</b>	<b>564 176</b>	<b>572 690</b>	<b>163 314</b>	<b>15 605</b>	<b>120 000</b>	<b>125 040</b>	<b>127 541</b>
<b>by Expenditure Item</b>											
Employee related costs	8	-	-	-	-	-	-	-	-	-	-
Inventory Consumed (Project Maintenance)		86 920	92 597	135 693	65 532	65 932	65 932	10 868	61 666	64 256	67 083
Contracted Services		-	-	-	54 493	53 962	53 962	14 776	-	-	-
Other Expenditure		-	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>9</b>	<b>86 920</b>	<b>92 597</b>	<b>135 693</b>	<b>120 024</b>	<b>119 893</b>	<b>119 893</b>	<b>25 644</b>	<b>61 666</b>	<b>64 256</b>	<b>67 083</b>
<b>Inventory Consumed</b>											
Inventory Consumed - Water		339 088	-	-	-	-	61 666	-	121 996	314 003	327 819
Inventory Consumed - Other		135 693	-	-	-	10 185	357 895	-	357 895	416 164	434 475
<b>Total Inventory Consumed &amp; Other Material</b>		<b>474 781</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10 185</b>	<b>419 561</b>	<b>-</b>	<b>479 891</b>	<b>730 166</b>	<b>762 294</b>

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

Description	Ref	Vote 01 - Public Safety	Vote 02 - Health Services	Vote 03 - Community Services	Vote 04 - Housing	Vote 05 - Sport Arts And Culture	Vote 06 - Council General	Vote 07 - Civil Engineering	Vote 08 - Water Section	Vote 09 - City Electrical Engineering	Vote 10 - Corporate Governance	Vote 11 - Budget And Treasury Office	Vote 12 - Cleansing	Vote 13 - Sewerage	Vote 14 - Market	Vote 15 - Other	Total
<b>R thousand</b>	1																
<b>Revenue By Source</b>																	
Property rates		–	–	–	–	–	–	–	–	–	–	498 782	–	–	–	–	498 782
Service charges - electricity revenue		–	–	–	–	–	–	–	870 963	–	–	–	–	–	–	–	870 963
Service charges - water revenue		–	–	–	–	–	–	719 313	–	–	–	–	–	–	–	–	719 313
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–	–	–	125 918	–	–	–	125 918
Service charges - refuse revenue		–	–	–	–	–	–	–	–	–	–	150 431	–	–	–	–	150 431
Rental of facilities and equipment		1 217	–	68	4 798	9	–	–	–	–	15	–	–	–	79	–	6 186
Interest earned - external investments		–	–	–	–	–	–	–	–	–	–	10 785	–	–	–	–	10 785
Interest earned - outstanding debtors		–	–	–	75	–	–	–	144 153	33 397	–	131 951	71 824	2 802	88	–	384 291
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		3 628	–	–	–	1	–	–	15 000	–	–	10 055	–	–	–	–	28 684
Licences and permits		9 354	–	–	–	–	–	–	–	–	–	–	–	–	–	–	9 354
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other revenue		15 594	–	3 081	990	96	2	395	–	1 569	–	12 468	–	–	2 280	–	36 475
Transfers and subsidies		–	–	–	–	1 016	–	1 786	–	0	–	–	–	–	–	–	489 998
Gains		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>29 792</b>	<b>–</b>	<b>3 149</b>	<b>5 862</b>	<b>1 123</b>	<b>2</b>	<b>2 181</b>	<b>863 466</b>	<b>919 360</b>	<b>1 584</b>	<b>1 151 238</b>	<b>222 255</b>	<b>128 720</b>	<b>2 448</b>	<b>–</b>	<b>3 331 180</b>
<b>Expenditure By Type</b>																	
Employee related costs		120 833	4 504	53 449	13 729	45 836	45 639	67 891	43 524	50 951	46 324	79 242	4 211	28 125	21 303	–	625 561
Remuneration of councillors		–	–	–	–	–	37 223	–	–	–	–	–	–	–	–	–	37 223
Debt impairment		–	–	–	–	–	–	–	215 794	261 289	–	149 635	45 129	37 775	–	–	709 622
Depreciation & asset impairment		5 299	841	32 238	1 658	24 240	749	101 801	100 632	58 865	1	5 051	–	65 808	4 853	–	402 037
Finance charges		114	21	58	12	–	855	585	178	112	152	64	–	110	16	–	2 278
Bulk purchases - electricity		–	–	–	–	–	–	–	–	790 255	–	–	–	–	–	–	790 255
Inventory consumed		1 941	4 734	1 001	283	3 132	3 170	6 809	301 603	21 151	397	1 946	231	1 056	544	–	347 988
Contracted services		98 125	614	6 756	28	4 928	24 409	29 046	14 967	11 621	2 758	11 119	–	2 641	2 494	–	209 508
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure		2 815	2 683	2 566	948	3 338	33 445	2 543	993	37 586	4 547	19 062	162	336 048	2 506	–	449 241
Losses		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>229 127</b>	<b>13 397</b>	<b>96 069</b>	<b>16 658</b>	<b>81 473</b>	<b>145 490</b>	<b>208 676</b>	<b>677 691</b>	<b>1 231 830</b>	<b>54 180</b>	<b>266 118</b>	<b>49 733</b>	<b>471 565</b>	<b>31 716</b>	<b>–</b>	<b>3 573 723</b>
<b>Surplus/(Deficit)</b>		<b>(199 335)</b>	<b>(13 397)</b>	<b>(92 919)</b>	<b>(10 796)</b>	<b>(80 351)</b>	<b>(145 488)</b>	<b>(206 485)</b>	<b>185 776</b>	<b>(312 470)</b>	<b>(52 595)</b>	<b>885 119</b>	<b>172 522</b>	<b>(342 844)</b>	<b>(29 269)</b>	<b>–</b>	<b>(242 542)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	–	–	–	0	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(199 335)</b>	<b>(13 397)</b>	<b>(92 919)</b>	<b>(10 796)</b>	<b>(80 351)</b>	<b>(145 488)</b>	<b>(75 572)</b>	<b>185 776</b>	<b>(285 763)</b>	<b>(52 595)</b>	<b>885 119</b>	<b>172 522</b>	<b>(332 844)</b>	<b>(29 269)</b>	<b>–</b>	<b>(74 912)</b>

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





<b>Land</b>										
Opening Balance	-	-	-	-	-	-	-	-	-	-
Acquisitions	45 468	-	-	-	-	-	-	-	-	-
Sales	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
Correction of Prior period errors	-	-	-	-	-	-	-	-	-	-
<b>Closing Balance - Land</b>	<b>45 468</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing Balance - Inventory &amp; Consumables</b>	<b>(328 044)</b>	<b>(413 443)</b>	<b>(474 781)</b>	<b>(474 781)</b>	<b>(474 781)</b>	<b>(474 781)</b>	<b>(461 948)</b>	<b>(240 219)</b>	<b>399 637</b>	<b>1 087 681</b>
<b>Property, plant and equipment (PPE)</b>										
PPE at cost/valuation (excl. finance leases)	12 207 249	5 424 721	5 135 517	12 741 952	12 951 283	12 951 283	12 426 302	12 460 749	12 636 179	12 830 582
Leases recognised as PPE	-	-	-	-	-	-	-	-	-	-
Less: Accumulated depreciation	7 035 945	422 207	446 945	8 275 193	8 342 892	8 342 892	7 834 585	(709 622)	(616 189)	(643 301)
<b>Total Property, plant and equipment (PPE)</b>	<b>5 171 305</b>	<b>5 002 513</b>	<b>4 688 572</b>	<b>4 466 759</b>	<b>4 608 391</b>	<b>4 608 391</b>	<b>4 591 717</b>	<b>13 170 371</b>	<b>13 252 368</b>	<b>13 473 883</b>
<b>LIABILITIES</b>										
<b>Current liabilities - Borrowing</b>										
Short term loans (other than bank overdraft)	-	-	-	-	-	-	-	-	-	-
Current portion of long-term liabilities	14 432	-	2 839	92 839	17 000	17 000	1 614	18 000	18 900	18 900
<b>Total Current liabilities - Borrowing</b>	<b>14 432</b>	<b>-</b>	<b>2 839</b>	<b>92 839</b>	<b>17 000</b>	<b>17 000</b>	<b>1 614</b>	<b>18 000</b>	<b>18 900</b>	<b>18 900</b>
<b>Trade and other payables</b>										
Trade Payables	902 979	1 311 880	1 805 994	1 069 702	690 907	690 907	1 366 895	790 500	860 200	960 110
Other creditors	-	-	-	-	-	-	-	-	-	-
Unspent conditional transfers	27 770	99 517	43 668	15 000	15 000	15 000	324 499	30 000	-	-
VAT	-	-	-	-	-	-	532 131	-	-	-
<b>Total Trade and other payables</b>	<b>930 750</b>	<b>1 411 397</b>	<b>1 849 662</b>	<b>1 084 702</b>	<b>705 907</b>	<b>705 907</b>	<b>2 223 525</b>	<b>820 500</b>	<b>860 200</b>	<b>960 110</b>
<b>Non current liabilities - Borrowing</b>										
Borrowing	71 031	98 976	82 049	83 790	33 000	33 000	81 102	15 000	15 750	-
Finance leases (including PPP asset element)	-	-	-	-	-	-	-	-	-	-
<b>Total Non current liabilities - Borrowing</b>	<b>71 031</b>	<b>98 976</b>	<b>82 049</b>	<b>83 790</b>	<b>33 000</b>	<b>33 000</b>	<b>81 102</b>	<b>15 000</b>	<b>15 750</b>	<b>-</b>
<b>Provisions - non-current</b>										
Retirement benefits	54 680	-	-	76 578	-	-	-	-	-	-
Refuse landfill site rehabilitation	110 498	-	-	146 479	-	-	-	-	-	-
Other	262 713	441 487	414 771	334 203	-	-	-	-	-	-
<b>Total Provisions - non-current</b>	<b>427 892</b>	<b>441 487</b>	<b>414 771</b>	<b>557 261</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGES IN NET ASSETS</b>										
<b>Accumulated Surplus/(Deficit)</b>										
Accumulated Surplus/(Deficit) - opening balance	4 851 331	4 573 210	4 266 728	3 931 663	3 931 663	3 931 663	3 710 507	3 829 429	4 020 900	-
GRAP adjustments	-	-	-	-	-	-	-	-	-	-
Restated balance	4 851 331	4 573 210	4 266 728	3 931 663	3 931 663	3 931 663	3 710 507	3 829 429	4 020 900	-
Surplus/(Deficit)	(198 399)	(730 123)	(1 015 872)	179 568	329 493	738 869	856 876	(74 912)	30 703	9 089
Transfers to/from Reserves	-	-	-	-	-	-	-	-	-	-
Depreciation offsets	-	-	-	-	-	-	-	-	-	-
Other adjustments	21 546	(4 797)	(14 996)	-	-	-	-	-	-	-
<b>Accumulated Surplus/(Deficit)</b>	<b>4 674 478</b>	<b>3 838 289</b>	<b>3 235 860</b>	<b>4 111 231</b>	<b>4 261 157</b>	<b>4 670 533</b>	<b>4 567 383</b>	<b>3 754 517</b>	<b>4 051 603</b>	<b>9 089</b>
<b>Reserves</b>										
Housing Development Fund	-	-	-	-	-	-	-	-	-	-
Capital replacement	-	-	-	-	-	-	-	-	-	-
Self-insurance	-	-	-	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-
<b>Total Reserves</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>4 674 478</b>	<b>3 838 289</b>	<b>3 235 860</b>	<b>4 111 231</b>	<b>4 261 157</b>	<b>4 670 533</b>	<b>4 567 383</b>	<b>3 754 517</b>	<b>4 051 603</b>	<b>9 089</b>



Total municipal services	Ref		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
			<b>Household service targets (000)</b>								
<b>Water:</b>											
8		Piped water inside dwelling	144 949	144 949	146 398	146 398	146 398	146 398	156 939	168 239	180 352
		Piped water inside yard (but not in dwelling)	30 591	30 591	30 897	30 897	30 897	30 897	33 122	35 506	38 063
		Using public tap (at least min.service level)	2 090	2 090	2 111	2 111	2 111	2 111	2 263	2 425	2 600
10		Other water supply (at least min.service level)	2 090	2 090	2 111	2 111	2 111	2 111	2 263	2 425	2 600
Minimum Service Level and Above sub-total			179 719	179 719	181 517	181 517	181 517	181 517	194 586	208 596	223 615
9		Using public tap (< min.service level)	2 089	2 089	2 110	2 089	2 110	2 110	2 261	2 424	2 599
10		Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total			2 089	2 089	2 110	2 089	2 110	2 110	2 261	2 424	2 599
<b>Total number of households</b>			<b>181 808</b>	<b>181 808</b>	<b>183 626</b>	<b>183 605</b>	<b>183 626</b>	<b>183 626</b>	<b>196 847</b>	<b>211 020</b>	<b>226 214</b>
<b>Sanitation/sewerage:</b>											
		Flush toilet (connected to sewerage)	125 993	125 993	127 253	127 253	127 253	127 253	136 416	146 238	156 767
		Flush toilet (with septic tank)	216	216	218	218	218	218	234	251	269
		Chemical toilet	616	616	622	622	622	622	667	715	767
		Pit toilet (ventilated)	2 779	2 779	2 807	2 807	2 807	2 807	3 009	3 225	3 458
		Other toilet provisions (> min.service level)	1 149	1 149	1 161	1 161	1 161	1 161	1 244	1 334	1 430
Minimum Service Level and Above sub-total			130 754	130 754	132 061	132 061	132 061	132 061	141 570	151 763	162 690
		Bucket toilet	1 000	1 000	1 010	1 010	1 010	1 010	1 083	1 161	1 244
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	3 581	3 581	3 617	3 617	3 617	3 617	3 877	4 156	4 456
Below Minimum Service Level sub-total			4 581	4 581	4 627	4 627	4 627	4 627	4 960	5 317	5 700
<b>Total number of households</b>			<b>135 335</b>	<b>135 335</b>	<b>136 688</b>	<b>136 688</b>	<b>136 688</b>	<b>136 688</b>	<b>146 530</b>	<b>157 080</b>	<b>168 390</b>
<b>Energy:</b>											
		Electricity (at least min.service level)	142 819	142 819	144 247	144 247	144 247	144 247	154 633	165 766	177 702
		Electricity - prepaid (min.service level)	23 420	23 420	23 654	23 654	23 654	23 654	25 357	27 183	29 140
Minimum Service Level and Above sub-total			166 239	166 239	167 901	167 901	167 901	167 901	179 990	192 949	206 842
		Electricity (< min.service level)	142 819	142 819	144 247	144 247	144 247	144 247	154 633	165 766	177 702
		Electricity - prepaid (< min.service level)	23 420	23 420	23 654	23 654	23 654	23 654	25 357	27 183	29 140
		Other energy sources	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total			166 239	166 239	167 901	167 901	167 901	167 901	179 990	192 949	206 842
<b>Total number of households</b>			<b>332 478</b>	<b>332 478</b>	<b>335 803</b>	<b>335 803</b>	<b>335 803</b>	<b>335 803</b>	<b>359 980</b>	<b>385 899</b>	<b>413 684</b>
<b>Refuse:</b>											
		Removed at least once a week	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total			-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	5 716	5 716	5 716
		Using own refuse dump	2	2	2	2	2	-	2 430	2 430	2 430
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total			2	2	2	2	2	-	8 146	8 146	8 146
<b>Total number of households</b>			<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>8 146</b>	<b>8 146</b>	<b>8 146</b>

Municipal in-house services	Ref		2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
			Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
			<b>Household service targets (000)</b>								
<b>Water:</b>											
8		Piped water inside dwelling	144 949	144 949	146 398	146 398	146 398	146 398	156 939	168 239	180 352
		Piped water inside yard (but not in dwelling)	30 591	30 591	30 897	30 897	30 897	30 897	33 122	35 506	38 063
		Using public tap (at least min.service level)	2 090	2 090	2 111	2 111	2 111	2 111	2 263	2 425	2 600
10		Other water supply (at least min.service level)	2 090	2 090	2 111	2 111	2 111	2 111	2 263	2 425	2 600
Minimum Service Level and Above sub-total			179 719	179 719	181 517	181 517	181 517	181 517	194 586	208 596	223 615
9		Using public tap (< min.service level)	2 089	2 089	2 110	2 089	2 110	2 110	2 261	2 424	2 599
10		Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
		No water supply	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total			2 089	2 089	2 110	2 089	2 110	2 110	2 261	2 424	2 599
<b>Total number of households</b>			<b>181 808</b>	<b>181 808</b>	<b>183 626</b>	<b>183 605</b>	<b>183 626</b>	<b>183 626</b>	<b>196 847</b>	<b>211 020</b>	<b>226 214</b>
<b>Sanitation/sewerage:</b>											
		Flush toilet (connected to sewerage)	125 993	125 993	127 253	127 253	127 253	127 253	136 416	146 238	156 767
		Flush toilet (with septic tank)	216	216	218	218	218	218	234	251	269
		Chemical toilet	616	616	622	622	622	622	667	715	767
		Pit toilet (ventilated)	2 779	2 779	2 807	2 807	2 807	2 807	3 009	3 225	3 458
		Other toilet provisions (> min.service level)	1 149	1 149	1 161	1 161	1 161	1 161	1 244	1 334	1 430
Minimum Service Level and Above sub-total			130 754	130 754	132 061	132 061	132 061	132 061	141 570	151 763	162 690
		Bucket toilet	1 000	1 000	1 010	1 010	1 010	1 010	1 083	1 161	1 244
		Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
		No toilet provisions	3 581	3 581	3 617	3 617	3 617	3 617	3 877	4 156	4 456
Below Minimum Service Level sub-total			4 581	4 581	4 627	4 627	4 627	4 627	4 960	5 317	5 700
<b>Total number of households</b>			<b>135 335</b>	<b>135 335</b>	<b>136 688</b>	<b>136 688</b>	<b>136 688</b>	<b>136 688</b>	<b>146 530</b>	<b>157 080</b>	<b>168 390</b>
<b>Energy:</b>											
		Electricity (at least min.service level)	142 819	142 819	144 247	144 247	144 247	144 247	154 633	165 766	177 702
		Electricity - prepaid (min.service level)	23 420	23 420	23 654	23 654	23 654	23 654	25 357	27 183	29 140
Minimum Service Level and Above sub-total			166 239	166 239	167 901	167 901	167 901	167 901	179 990	192 949	206 842
		Electricity (< min.service level)	142 819	142 819	144 247	144 247	144 247	144 247	154 633	165 766	177 702
		Electricity - prepaid (< min.service level)	23 420	23 420	23 654	23 654	23 654	23 654	25 357	27 183	29 140
		Other energy sources	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total			166 239	166 239	167 901	167 901	167 901	167 901	179 990	192 949	206 842
<b>Total number of households</b>			<b>332 478</b>	<b>332 478</b>	<b>335 803</b>	<b>335 803</b>	<b>335 803</b>	<b>335 803</b>	<b>359 980</b>	<b>385 899</b>	<b>413 684</b>
<b>Refuse:</b>											
		Removed at least once a week	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total			-	-	-	-	-	-	-	-	-
		Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
		Using communal refuse dump	-	-	-	-	-	-	5 716	5 716	5 716
		Using own refuse dump	2	2	2	2	2	-	2 430	2 430	2 430
		Other rubbish disposal	-	-	-	-	-	-	-	-	-
		No rubbish disposal	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total			2	2	2	2	2	-	8 146	8 146	8 146
<b>Total number of households</b>			<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>8 146</b>	<b>8 146</b>	<b>8 146</b>

Detail of Free Basic Services (FBS) provided	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework			
					Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21
Electricity	Ref										
List type of FBS service											
<b>Location of households for each type of FBS</b> Formal settlements - (50 kwh per indigent household per month Rands) Number of HH receiving this type of FBS Informal settlements (Rands) Number of HH receiving this type of FBS Informal settlements targeted for upgrading (Rands) Number of HH receiving this type of FBS Living in informal backyard rental agreement (Rands) Number of HH receiving this type of FBS Other (Rands) Number of HH receiving this type of FBS <b>Total cost of FBS - Electricity for informal settlements</b>		-	-	13 800 053	56 012 400	60 212 400	60 212 400	89 901 777 13 026	94 157 628 13 286	98 588 344 13 552	
Water	Ref										
List type of FBS service											
<b>Location of households for each type of FBS</b> Formal settlements - (6 kilolitre per indigent household per month Rands) Number of HH receiving this type of FBS Informal settlements (Rands) Number of HH receiving this type of FBS Informal settlements targeted for upgrading (Rands) Number of HH receiving this type of FBS Living in informal backyard rental agreement (Rands) Number of HH receiving this type of FBS Other (Rands) Number of HH receiving this type of FBS <b>Total cost of FBS - Water for informal settlements</b>		-	-	28 446 292	64 380 000	89 290 801	89 290 801	85 718 771 20 623	89 661 834 21 035	93 788 278 21 456	
Sanitation	Ref										
List type of FBS service											
<b>Location of households for each type of FBS</b> Formal settlements - (free sanitation service to indigent households) Number of HH receiving this type of FBS Informal settlements (Rands) Number of HH receiving this type of FBS Informal settlements targeted for upgrading (Rands) Number of HH receiving this type of FBS Living in informal backyard rental agreement (Rands) Number of HH receiving this type of FBS Other (Rands) Number of HH receiving this type of FBS <b>Total cost of FBS - Sanitation for informal settlements</b>		-	-	11 115 924	38 364 000	16 890 122	16 890 122	50 646 096 20 623	53 102 764 21 035	56 651 697 21 456	
Refuse Removal	Ref										
List type of FBS service											
<b>Location of households for each type of FBS</b> Formal settlements - (removed once a week to indigent households) Number of HH receiving this type of FBS Informal settlements (Rands) Number of HH receiving this type of FBS Informal settlements targeted for upgrading (Rands) Number of HH receiving this type of FBS Living in informal backyard rental agreement (Rands) Number of HH receiving this type of FBS Other (Rands) Number of HH receiving this type of FBS <b>Total cost of FBS - Refuse Removal for informal settlements</b>		-	-	19 611 778	52 961 440	52 961 440	52 961 440	45 699 990 20 623	47 802 189 21 035	50 001 090 21 456	

**Table 55 MBRR SA32 – List of external mechanisms**

**NW403 City Of Matlosana - Supporting Table SA32 List of external mechanisms**

External mechanism  Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
N/A					

**Table 56 MBRR SA11 PROPERTY RATES SUMMARY**

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Valuation:</b>										
Date of valuation:	1	2014/01/07	2000/01/01	2000/01/01	2019/01/09				2020/01/07	2020/01/07
Financial year valuation used					2020/2021				2021/22	2022/23
Municipal by-laws s6 in place? (Y/N)	2	Yes			Yes				Yes	Yes
Municipal/assistant valuer appointed? (Y/N)		Yes						Yes	Yes	Yes
Municipal partnership s38 used? (Y/N)								No	No	No
No. of assistant valuers (FTE)	3	NO			1			NO	NO	NO
No. of data collectors (FTE)	3	N/A						N/A	N/A	N/A
No. of internal valuers (FTE)	3	N/A						N/A	N/A	N/A
No. of external valuers (FTE)	3	N/A						N/A	N/A	N/A
No. of additional valuers (FTE)	4	N/A						N/A	N/A	N/A
Valuation appeal board established? (Y/N)		N/A			Yes			Yes	Yes	Yes
Implementation time of new valuation roll (mths)		12			12			12	12	12
No. of properties	5				102 646			103 500	104 000	104 000
No. of sectional title values	5	3 291			3 315			3 268	3 368	3 368
No. of unreasonably difficult properties s7(2)		3			3			3	3	3
No. of supplementary valuations					-			1 000	1 000	1 000
No. of valuation roll amendments		100						1 000	1 000	1 000
No. of objections by rate payers								-	-	-
No. of appeals by rate payers		1 120						-	-	-
No. of successful objections	8	275						-	-	-
No. of successful objections > 10%	8	845						-	-	-
Supplementary valuation		-						-	-	-
Public service infrastructure value (Rm)	5				1 108			59	59	59
Municipality owned property value (Rm)		93			928			950	950	950
<b>Valuation reductions:</b>										
Valuation reductions-public infrastructure (Rm)		7			N/A			7	7	7
Valuation reductions-nature reserves/park (Rm)		N/A			N/A			N/A	N/A	N/A
Valuation reductions-mineral rights (Rm)		N/A			-			N/A	N/A	N/A
Valuation reductions-R15,000 threshold (Rm)		-			-			-	-	-
Valuation reductions-public worship (Rm)		13			-			13	13	13
Valuation reductions-other (Rm)		-			-			-	-	-
<b>Total valuation reductions:</b>		<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>20</b>	<b>20</b>
Total value used for rating (Rm)	5	20 175			24 606			32 003	32 003	32 003
Total land value (Rm)	5	N/A			N/A			N/A	N/A	N/A
Total value of improvements (Rm)	5	N/A			N/A			N/A	N/A	N/A
Total market value (Rm)	5	20 175			24 606			32 003	32 003	32 003
<b>Rating:</b>										
Residential rate used to determine rate for other categories? (Y/N)		Yes			Yes			Yes	Yes	Yes
Differential rates used? (Y/N)	5	Yes			Yes			Yes	Yes	Yes
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)		No			No			No	No	No
Phasing-in properties s21 (number)		0			3			0	0	0
Rates policy accompanying budget? (Y/N)		Yes			Yes			Yes	Yes	Yes
Fixed amount minimum value (R'000)		-			0			-	-	-
Non-residential prescribed ratios19? (%)										
<b>Rate revenue:</b>										
Rate revenue budget (R'000)	6	352 259			400 836			479 451	499 588	499 588
Rate revenue expected to collect (R'000)	6	334 646			316 661					
Expected cash collection rate (%)					374,5%					
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)		12 803			78 339					
Rebates, exemptions - pensioners (R'000)		622			974			330	332	332
Rebates, exemptions - bona fide farm. (R'000)		485			709			580	581	581
Rebates, exemptions - other (R'000)		-			-			-	-	-
Phase-in reductions/discounts (R'000)		1 909			1 902			-	-	-
<b>Total rebates,exemptns,reductns,discs (R'000)</b>		<b>15 819</b>	<b>-</b>	<b>-</b>	<b>81 925</b>	<b>-</b>	<b>-</b>	<b>910</b>	<b>913</b>	<b>913</b>





**Table 59 MBRR SA13a SERVICE TATIIFS BY CATEGORY**

NW403 City Of Matlosana - Supporting Table SA13a Service Tariffs by category									
Description	Ref	Provide description of tariff structure where appropriate	2016/17	2017/18	2018/19	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
							Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<b>Property rates (rate in the Rand)</b>	1								
Residential properties			0,0105	0,0118	0,0124	0,0131	0,0136	0,0141	0,0147
Residential properties - vacant land			0,0250	0,0281	0,0296	0,0313	0,0324	0,0337	0,0351
Formal/informal settlements			0,0105	0,0118	0,0124	0,0131	0,0136	0,0141	0,0147
Small holdings			0,0026	0,0118	0,0124	0,0131	0,0136	0,0141	0,0147
Farm properties - used			0,0026	0,0029	0,0031	0,0033	0,0034	0,0035	0,0037
Farm properties - not used			0,0026	0,0029	0,0124	0,0131	0,0136	0,0141	0,0147
Industrial properties			0,0250	0,0281	0,0296	0,0313	0,0324	0,0337	0,0351
Business and commercial properties			0,0250	0,0281	0,0296	0,0313	0,0324	0,0337	0,0351
Communal land - residential			N/a	N/a					
Communal land - small holdings			N/a	N/a					
Communal land - farm property			N/a	N/a					
Communal land - business and commercial			N/a	N/a					
Communal land - other			N/a	N/a					
State-owned properties			0,0250	0,0281	0,0296	0,0313	0,0324	0,0337	0,0351
Municipal properties			Nil	-					-
Public service infrastructure			0,0105	0,0118	0,0124	0,0131	-	-	-
Privately owned towns serviced by the owner			N/A	N/A					
State trust land			N/A	N/A					
Restitution and redistribution properties			N/A	N/A					
Protected areas			N/A	N/A					
National monuments properties			N/A	N/A					
<b>Exemptions, reductions and rebates (Rands)</b>									
<b>Residential properties</b>									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate			50 000	50 000	50 000	50 000	50 000	50 000	50 000
Indigent rebate or exemption			50 000	50 000	50 000	50 000	50 000	50 000	50 000
Pensioners/social grants rebate or exemption			50 000	50 000	50 000	50 000	50 000	50 000	50 000
Temporary relief rebate or exemption			Various	Various					
Bona fide farmers rebate or exemption			Various	Various					
<b>Other rebates or exemptions</b>	2		Various	Various					



<b>Water tariffs</b>									
<b>Domestic</b>									
Basic charge/fixed fee (Rands/month)		115	129	136	143	150	159	165	
Service point - vacant land (Rands/month)		115	129	136	143	150	159	165	
Water usage - flat rate tariff (c/kl)			18						
Water usage - life line tariff	(describe structure)	-							
Water usage - Block 1 (c/kl)	1-6 kilolitre	-		1 966	2 123	2 293	2 476	2 580	
Water usage - Block 2 (c/kl)	7-20 kilolitre	1 909	2 230	2 408	2 601	2 809	3 034	3 161	
Water usage - Block 3 (c/kl)	21-50 kilolitre	1 972	2 300	2 484	2 683	2 898	3 130	3 261	
Water usage - Block 4 (c/kl)	51-100 kilolitre	2 041	2 510	2 570	2 776	2 998	3 238	3 374	
<b>Other</b>		2							
<b>Waste water tariffs</b>									
<b>Domestic</b>									
Basic charge/fixed fee (Rands/month)		63	71	75	79	82	87	91	
Service point - vacant land (Rands/month)		63	71	75	79	82	87	91	
Waste water - flat rate tariff (c/k)		N/A	N/A						
Volumetric charge - Block 1 (c/kl)	(fill in structure)	N/A	N/A						
Volumetric charge - Block 2 (c/kl)	(fill in structure)	N/A	N/A						
Volumetric charge - Block 3 (c/kl)	(fill in structure)	N/A	N/A						
Volumetric charge - Block 4 (c/kl)	(fill in structure)	N/A	N/A						
<b>Other</b>		2							
<b>Electricity tariffs</b>									
<b>Domestic</b>									
Basic charge/fixed fee (Rands/month)		112	121	127	134	142	151	157	
Service point - vacant land (Rands/month)		112	121	127	134	142	151	157	
FBE	(how is this targeted?)	N/A	N/A						
Life-line tariff - meter	(describe structure)	N/A	N/A						
Life-line tariff - prepaid	(describe structure)	N/A	N/A						
Flat rate tariff - meter (c/kwh)		N/A	N/A						
Flat rate tariff - prepaid (c/kwh)		N/A	N/A						
Meter - IBT Block 1 (c/kwh)	(fill in thresholds)	80	87	91	134	10 982	11 553	12 038	
Meter - IBT Block 2 (c/kwh)	(fill in thresholds)	101	111	118	133	11 203	11 786	12 281	
Meter - IBT Block 3 (c/kwh)	(fill in thresholds)	158	148	158	179	14 318	15 063	15 696	
Meter - IBT Block 4 (c/kwh)	(fill in thresholds)	154	170	182	205	19 045	20 035	20 876	
Meter - IBT Block 5 (c/kwh)	(fill in thresholds)	163	179	191	216	22 455	23 623	24 615	
Prepaid - IBT Block 1 (c/kwh)	(fill in thresholds)	80	87	91	103	11 046	11 620	12 108	
Prepaid - IBT Block 2 (c/kwh)	(fill in thresholds)	101	87	118	133	14 120	14 854	15 478	
Prepaid - IBT Block 3 (c/kwh)	(fill in thresholds)	135	112	158	179	18 988	19 975	20 814	
Prepaid - IBT Block 4 (c/kwh)	(fill in thresholds)	154	148	182	205	21 811	22 945	23 909	
Prepaid - IBT Block 5 (c/kwh)	(fill in thresholds)	N/A	N/A	191	216	22 964	24 158	25 173	
<b>Other</b>		2							
<b>Waste management tariffs</b>									
<b>Domestic</b>									
Street cleaning charge		N/A	N/A						-
Basic charge/fixed fee		N/A	N/A						-
80l bin - once a week		116	130	137	144	151	160	166	
250l bin - once a week		120	130	137	144	151	160	166	

**Table 60 MBRR SA13b SERVICE TATIFFS BY CATEGORY - EPLANATORY**

Description	Ref	Provide description of tariff structure where appropriate	2017/18	2018/19	2019/20	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
							Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Exemptions, reductions and rebates (Rands)</b>									
- [Insert lines as applicable]		-	50 000	50 000	50 000	50 000	50 000	50 000	50 000
				50 000	50 000	50 000	50 000	50 000	50 000
				50 000	50 000	50 000	50 000	50 000	50 000
<b>Water tariffs</b>									
- [Insert blocks as applicable]		0	115	129	136	143	150	159	165
		1-6 kilolitre	-		1 966	2 123	2 293	2 476	2 580
		7-20 kilolitre	1 909	2 230	2 408	2 601	2 809	3 034	3 161
		21-50 kilolitre	1 972	2 300	2 484	2 683	2 898	3 130	3 261
		51-100 kilolitre	2 041	2 510	2 570	2 776	2 998	3 238	3 374
		101-200 kilolitre			2 711	2 928	3 162	3 415	3 558
		201-300 kilolitre			2 873	3 103	3 351	3 619	3 771
		301-			3 618	3 907	4 220	4 558	4 749
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							
<b>Waste water tariffs</b>									
- [Insert blocks as applicable]		0							
		Houses			75	79	82	87	91
		Houses			75	79	82	87	91
		Houses	-	-	75	79	82	87	91
		Houses	-	-	65	68	71	75	78
		Houses			64	67	70	74	77
		Hostels			34	36	37	40	41
		(fill in structure)			335	352	368	390	406
		(fill in structure)							
<b>Electricity tariffs</b>									
- [Insert blocks as applicable]		0							
		1-50 kWh	80	87	91	134	11 046	11 620	12 108
		51-350 kWh	101	111	118	133	14 120	14 854	15 478
		351-600 kWh	158	148	158	179	18 988	19 975	20 814
		601-1500 kWh	154	170	182	205	21 811	22 945	23 909
		>1501 kWh	163	179	191	216	22 964	24 158	25 173
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							

Table 61 MBRR SA 37

R thousand	Function	Project name	Project number	Type	MTSF Service Outcome	IUDF	Own Strategic Objectives	Asset Class	Asset Sub-Class	Ward Location	GPS Longitude	GPS Latitude	Previous target year to complete	Current Year 2018/19		2019/20 Medium Term Revenue & Expenditure Framework		
														Original Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
	Parent municipality: List all capital projects grouped by Function																	
	N/A																	
	List all capital projects grouped by Entity																	
	Entity Name Project name																	

**Table 62 MBRR SA 38 CONSOLIDATED PROJECTS**



**2.12 Municipal Manager's Quality Certificate**