

**DR. KENNETH  
KAUNDA**  
DISTRICT MUNICIPALITY



*“Exploring Prosperity through sustainable  
service delivery for all”*

# **ANNUAL BUDGET 2021/2022 TO 2023/24**

## **MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS**

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## **ABBREVIATIONS AND ACRONYMS**

**AMR** -Automated Meter Reading  
**ASGISA** -Accelerated and Shared Growth Initiative  
**BPC**- Budget Planning Committee  
**CBD**- Central Business District  
**CFO** -Chief Financial Officer  
**CM** -City Manager  
**CPI** -Consumer Price Index  
**CRRF** -Capital Replacement Reserve Fund  
**DBSA** -Development Bank of South Africa  
**DoRA** -Division of Revenue Act  
**DWA** Department of Water Affairs  
**EE** Employment Equity  
**EEDSM** Energy Efficiency Demand Side Management  
**EM** Executive Mayor  
**FBS** Free basic services  
**GAMAP** Generally Accepted Municipal Accounting Practice  
**GDP** Gross domestic product  
**GDS** Gauteng Growth and Development Strategy  
**GFS** Government Financial Statistics  
**GRAP** General Recognised Accounting Practice  
**HR**- Human Resources  
**HSRC**- Human Science Research Council  
**IDP**- Integrated Development Strategy  
**IT** -Information Technology  
**Kl**- kilolitre  
**Km** kilometre  
**KPA**- Key Performance Area  
**KPI**- Key Performance Indicator  
**KWh**- kilowatt  
**L** -litre  
**LED**- Local Economic Development  
**MEC**- Member of the Executive Committee  
**MFMA** -Municipal Financial Management Act Programme  
**MIG**- Municipal Infrastructure Grant  
**MMC**- Member of Mayoral Committee  
**MPRA**- Municipal Properties Rates Act  
**MSA**- Municipal Systems Act  
**MTEF**- Medium-term Expenditure Framework  
**MTREF**- Medium-term Revenue and Expenditure Framework  
**NERSA**- National Electricity Regulator South Africa  
**NGO** -Non-Governmental organisations  
**NKPIs**- National Key Performance Indicators  
**OHS** -Occupational Health and Safety

**OP** -Operational Plan  
**PBO**- Public Benefit Organisations  
**PHC**- Provincial Health Care  
**PMS**- Performance Management System  
**PPE** -Property Plant and Equipment  
**PPP**- Public Private Partnership  
**PTIS** -Public Transport Infrastructure System  
**RG**- Restructuring Grant  
**RSC** Regional Services Council  
**SALGA**- South African Local Government Association  
**SAPS**- South African Police Service  
**SDBIP**- Service Delivery Budget Implementation Plan  
**SMME**- Small Micro and Medium Enterprises

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# PART 1: FINAL ANNUAL BUDGET

## Purpose of Approval of the Annual Budget for the Financial Year 2021/2022

The purpose of this report is to submit the Final Annual Budget for 2021/2022 to Council in line with the provisions of the Municipal Finance Management Act section 24(1) that stipulate that the municipal council must at least 30 days before the start of the budget year consider approval of the annual budget.

### 1.1. Mayor's Report

Thank you, Honourable Speaker, Cllr. Patrick Masiu.

Honourable Speaker, Cllr. Patrick Masiu

Single Whip, Cllr Ntombi Koloti,

Single Whips of opposition parties

Mayoral Committee Members

Fellow Councillors,

The Acting municipal manager, senior managers accountable to the municipal manager and other officials of the Dr Kenneth Kaunda District Municipality

Officials from other Government departments if any, **Good morning.**

Honourable members,

The Municipal Finance Management Act, No.56 of 2003 (MFMA), section 16 reads as follows:

The Council of the municipality must for each financial year approve an annual budget for the municipality before the start of the new financial year (at least 30 days before the start of the budgeted financial year – **(May 2021)**).

Honourable members,

- The schedule of key deadlines (IDP & Budget process Plan) was tabled in council in October 2020 and published.
- The 2021/22 Draft Budget was tabled before Council on the 25<sup>th</sup> March 2021 (**Council Resolution: Item A.43/3/2021**) together with the reviewed Integrated development plan.
- The Final Budget and Integrated development plan is tabled for approval by council not later than 31<sup>st</sup> of May 2021.

I am presenting the 5<sup>th</sup> Medium Term Revenue and Expenditure Framework of the current and last office term amid an economy ravaged by Covid-19 pandemic. Honourable members I wish to applaud men and women, frontline worker for their fearless sacrifice in the battle against Covid-19 virus, The Ministers, Doctors, Nurses and all practitioners who are directly involved in preventing the spread of the pandemic. The North-West Province has **Seventy-Three Thousand Seven Hundred and Sixty-One (73 761) Covid-19 confirmed cases** with **Sixty-Seven Thousand and Thirty-Nine ((67 039) recovered cases** and **Four Thousand Eight Hundred and Seventy-Eight (4 878) active cases**. The Province has lost **One Thousand Eight Hundred and forty-four (1 844)** as a result of Covid-19 virus. The pandemic has caused pains in many South-Africans who continue losing jobs and their loved ones.

Honourable members, the 2021/22 MTREF took in to consideration the highlights of the budget speech presented by the premier of North-West Province, Mr. Job Mokgoro during the state of province address and it also takes in to consideration the budget speech presented by minister of finance, Mr. Tito Mboweni in February 2021. The followings were noted:

- I) Real GDP is expected to grow by 3.3% in 2021 and then taper off to 2.2% in 2022 and 1.6% in 2023 as outlined in Circular 108 of the Municipal Finance Management Act meant to guide with regard to inflation targets.
- II) Treasury expects a budget deficit of **14%** to GDP in 2020/21 due to the pressures of Covid-19.
- III) Government's borrowing will remain well above **R500 billion** per year in the medium term with gross loan debt to increase to **R5.2 trillion** in 2023/24.
- IV) The Division of Revenue Act, Government gazette no 44178 of February 2021 for allocation of grants and subsidies to municipalities.
- V) R11 billion allocated to the Presidential Youth Employment Initiative bringing the funding for employment creation to close to R100 billion.
- VI) Agriculture and Tourism allocation of R495 million.

The 2021/22-2023/24 MTREF of the Dr Kenneth Kaunda District Municipality can be summarised as follows:

- The proposed operating revenue for the 2021/22 financial year has been appropriated at **R211.6 Million**. The operating revenue has decreased by 0.99% or R2.1 million for the 2021/22 financial year when compared to the 2020/21 Adjustment Budget. For the two outer years, operating revenue will increase by 1.9% or R3.9 million and 2.1% or **R4.5 million** respectively.

***The following contributing factors has led to the reduction in the operating income***

- Equitable share has decreased by 10.19% or R3.1 Million as compared to the 2020/21 Adjustment Budget.
- Sale of Assets has decreased by 75% or R200 thousand as compared to the 2020/21 Adjustment Budget. The municipality will auction vehicles in the 2020/21 financial year.
- LGSETA Grant has decreased by 100% or R3.2 Million.

- The proposed operating expenditure for the 2021/22 financial year has been appropriated at **R211.6 Million** and translates into a budgeted surplus of **R3 thousand**. The operating expenditure has decreased by 0.8% or R1.7 Million in the 2021/22 financial year when compared to the 2020/21 Adjustment Budget. For the two outer years, operating expenditure will increase by 1.5% or R3 Million and 2.4% or **R5.2 Million** respectively.
  - (a) The proposed employee related costs for the 2021/22 financial is budgeted **R119 Million**. The employee related costs has increased by 5.44% or **R6.1 Million**. The Budget speech of the Minister on zero increase for public servants was noted however 5.44% estimate is made while waiting for the final pronouncement by the SALGA Bargaining Council on multi-year salary agreement negotiations. The **R6.1 Million** will also be utilised for filling of critical vacant positions estimated at **R3.6 Million**. The percentage of Employee related costs is far above the acceptable norm due to legacy issues of the past. The Dr Kenneth Kaunda District Municipality took over the municipal health services with zero budget during the 2007/08 financial year not in line with Section 77 and 78(1) of Municipal Systems Act. The management is currently engaging Provincial and National Government to look at the possibility of increasing the equitable-share in order to address the legacy issues.
  - (b) The proposed remuneration of councillors for the 2021/22 financial has been budgeted **R13 Million**. The remuneration of councillors remains unchanged following the remarks of the minister of finance during the budget speech that there will not be any increase on remuneration of public office bearers. The estimate is made while waiting for the final pronouncement on the increase (if any) by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).
  - (c) After consideration of employee related costs and the remuneration of Councillors the municipality is left with **R79.5 Million** from the total operating expenditure budget. The operational budget is then allocated to Outsource Services, Consultants and Professional Services, and Contractors, Operational Costs, Inventory, Operating leases, Transfers and Subsidies as well as the Depreciation.

**The R79.5 million is summarised as follow:**

- The proposed outsource services budget for the 2021/22 financial year is **R8.3 Million**. The outsource services has decreased by 3.6% or **R310 Thousand** when compared to the 2020/21 Adjustment Budget.
- The proposed budget on Consultants and Professional Services for the 2021/22 financial year is **R10.8 Million**. The Consultants and Professional Services has decreased by 31.9% or **R5 Million** when compared to the 2020/21 Adjustment Budget. The following contributing factors has led to the 31.9% decrease: Audit Committee fees, the Dolomite contract is ending in May 2021, Spatial development framework, Legal fees and Consultants for the preparation of Annual Financial Statements.
- The proposed contractors budget for the 2021/22 financial year is **R8.4 Million**. The budget has increased by 24.79% or **R1.6 Million** when compared to the 2020/21 Adjustment Budget due to the additional budget on road maintenance. The District municipality will assist the locals with patching of potholes.



- The proposed operational costs budget for the 2021/22 financial year is **R29.4 Million**. The budget has decreased by 14.86% or **R5.1 Million** when compared to the 2020/21 Adjustment Budget.
  - The Covid-19 is budget **R3.8 Million**.
  - The disaster management/relief fund is budgeted **R800 Thousand**.
  - The MTREF also caters for mayoral outreach programmes, community based planning, bursaries, grants to local SMMEs.
- The proposed Capital budget for the 2021/22 financial year has been appropriated at **R144.4 Million**. The capital expenditure has increased by 397.8% or **R115.5 Million** when compared to the 2020/21 Adjustment Budget. For the two outer years, capital expenditure will decrease by 83.8% or **R121 Million** and 1.1% or **R264 Thousand** respectively. The Capital budget is funded from internally generated and long-term borrowing for the construction of the new municipal building. After a careful consideration of the municipality's ability to afford to service the long-term loan including the period provided by the financial institution to repay the loan, the following adjustments are proposed on the 2021/22 Capital Budget
    - (a) Performance Management System be removed in the 2021/22 and be budget on the 2022/23 (item 9 on the list)
    - (b) Fleet be removed in the 2021/22 and be budget in the 2022/23 (item 15 and 38 on the list).
    - (c) Procurement Management System be removed in the 2021/22 and be budget in the 2022/23 (item 39 on the list).
    - (d) Electricity Master plan be removed in the 2021/22 and be implemented in the current year as initially planned for.
    - (e) ICT Infrastructure budget be reduced by **R1.2 Million**
    - (f) The loan amount be reduced to **R90 million** (item 45 on the list).

The new Capital Budget after consideration of the above changes is estimated at **R117 Million**. The 2021/22 Capital budget can be categorised as follow:

- New municipal building is budgeted **R90 million**.
- Municipal Environmental Health, Fire and Disaster is budgeted **R5.4 Million**.
  - Water projects are budgeted **R4.8 Million**
  - Sanitation is budgeted **R2.8 Million**
  - Solid Waste Management **R1.2 Million**
  - Upgrading of network and other ICT related equipment's are budgeted **R4.4 Million**.

The municipality will follow the necessary processes to acquire a loan as a capital funding source for the construction of new municipal offices.

The district will give priority to rural areas within the Dr Kenneth Kaunda District Municipality and the main focus will be on Water, Sanitation, Electricity and solid waste management. The District Draft IDP has been based on an attempt to align it with the IDPs of the locals and priorities and strategies to National KPA'S, evaluating the existing spending trends against the IDP priorities and tracking the achievement of the legislative mandate.

I therefore, table the 2021/22–2023/24 MTREF of Dr Kenneth Kaunda District Municipality in terms of MFMA Section 28, with the following recommendations:

**THEREFORE RECOMMENDED:**

1. That the 2021/2022–2023/2024 MTREF of the Dr Kenneth Kaunda District Municipality is tabled before council for approval.
2. That the 2021/2022–2023/2024 MTREF (Operating revenue) of **Two–Hundred and Eleven Million Six–Hundred and Six Thousand (R211 606 000.00)** in terms of the MBRR A Schedule is tabled before council.
3. That the 2021/2022–2023/2024 MTREF (Operating expenditure) of **Two–Hundred and Eleven Million Six–Hundred and Two–Thousand Seven Hundred and Ten (R211 602 710)** in terms of the MBRR A Schedule is tabled before council.
4. That the 2021/2022–2023/2024 MTREF is funded with a surplus of **Three– Thousand Two–Hundred and Ninety (R3 290.00)**.
5. That the 2021/2022–2023/2024 MTREF (Capital budget) of **One–Hundred and Seventeen Million Three–hundred and Five thousand (R117 305 000.00)** in terms of the MBRR A Schedule is tabled before council.
6. Approval of the budget policies as amended.
7. That the 2021/2022–2023/2024 MTREF of the Dr Kenneth Kaunda District Municipality once approved by council be submitted to the Provincial and National Treasury and other relevant stakeholders.
8. That the measurable performance objectives (IDP) for the 2021/2022 and for each year of the medium-term framework be tabled before Council for approval.
9. That the Procurement plan for the 2021/22 be tabled for approval together with 2021/2022–2023/2024 MTREF.

I thank you

## 1.2. Council Resolutions and Items

### PURPOSE

To place before the Municipal Council of the Dr Kenneth Kaunda District Municipality the 2021/22-2023/24 final annual budget for approval.

### BACKGROUND

Municipal Finance Management Act, No.56 of 2003 (MFMA), section 16 reads as follows:

#### **“16. Annual Budgets**

- (1) The Council of the municipality must for each financial year approve an annual budget for the municipality before the start of that financial year (at least 30 days before the start of the budgeted financial year – **(May 2021)**).
- (2) In order for the municipality to comply with subsection (1), the mayor of the municipality must table the Draft Annual Budget at a Council meeting at least 90 days before the start of the budget year. **(31 March 2021)**.

### **THEREFORE RECOMMENDED:**

1. That the 2021/2022-2023/2024 MTREF of the Dr Kenneth Kaunda District Municipality be tabled before Council for approval.
2. That the final Annual Budget 2021/2022 revenue funding of **R211 606 000.00** in terms of the MBRR A Schedule be tabled before Council for approval.
3. That the final Annual Budget 2021/2022 total operating expenditure of **R211 602 710.00** in terms of the MBRR A Schedule be tabled before Council for approval.
4. That the final Annual Budget 2021/2022 is funded with **R3 290.00** surplus.
5. That the final Annual Budget 2021/2022 capital expenditure of **R117 305 000.00** in terms of the MBRR A Schedule be tabled before Council for approval.
6. Approval of the budget policies as amended.
7. That the final Annual Budget 2021/2022 of the Dr Kenneth Kaunda District Municipality once approved by council be submitted to the relevant stakeholders.
8. That the measurable performance objectives (IDP) for the 2021/2022 and for each year of the medium-term framework be tabled before Council for approval.
9. That the Procurement plan for the 2021/22 be tabled for approval together with 2021/2022–2023/2024 MTREF.

### 1.3. Executive Summary

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

National Treasury's MFMA Circulars No. 28, 42, 51, 54, 55, 58, 59, 66, 67, 70, 71, 72, 74, 75, 78, 79, 85, 86, 89, 91,93, 94, 107, 108 and budget related regulation no 32141 of 17 April 2009 and Chapter 4, 7 etc. of the MFMA were used to guide the compilation of the 2020/21 MTREF.

The following table is a consolidated overview of the proposed 2021/22-2023/2024 Medium-term Revenue and Expenditure Framework:

**Table 1**

DISCRPTION	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
TOTAL REVENUE	- 208 953 000,00	- 213 728 000,00	- 213 728 000,00	- 206 319 071,55	- 211 606 000,00	- 0,99	- 215 595 280,00	- 220 115 032,00
TOTAL EXPENDITURE	211 707 806,00	211 707 806,00	213 338 345,00	146 408 219,89	211 602 710,00	- 0,81	214 659 301,00	219 906 635,00
<b>SURPLUS/DEFICIT FOR THE YEAR</b>	<b>2 754 806,00</b>	<b>- 2 020 194,00</b>	<b>- 389 655,00</b>	<b>- 59 910 851,66</b>	<b>- 3 290,00</b>	<b>- 1,81</b>	<b>- 935 979,00</b>	<b>- 208 397,00</b>
TOTAL CAPITAL EXPENDITURE	27 760 000,00	27 760 000,00	28 950 000,00	3 612 459,52	117 305 000,00	305,20	18 713 390,00	19 298 037,00
<b>TOTAL BUDGET</b>	<b>239 467 806,00</b>	<b>239 467 806,00</b>	<b>242 288 345,00</b>	<b>150 020 679,41</b>	<b>328 907 710,00</b>		<b>233 372 691,00</b>	<b>239 204 672,00</b>

- The proposed operating revenue for the 2021/22 financial year has been appropriated at **R211.6 Million**. The operating revenue has decreased by 0.99% or R2.1 million for the 2021/22 financial year when compared to the 2020/21 Adjustment Budget. For the two outer years, operating revenue will increase by 1.9% or R3.9 million and 2.1% or R4.5 million respectively.
- The proposed operating expenditure for the 2021/22 financial year has been appropriated at **R211.6 Million** and translates into a budgeted surplus of R3 thousands. The operating expenditure has decreased by 0.8% or R1.7 Million in the 2021/22 financial year when compared to the 2020/21 Adjustment Budget. For the two outer years, operating expenditure will increase by 1.5% or R3 Million and 2.4% or R5.2 Million respectively.
- The proposed capital budget for the 2021/22 financial year has been appropriated at **R117.3 Million**. The capital expenditure has increased by 305.2% or R88.3 Million when compared to the 2020/21 Adjustment Budget. For the two outer years, capital

expenditure will decrease by 84% or R98.5 Million and 3.1% or R584 thousand respectively. The capital budget is funded from internally generated funds.

**Table 2**  
**Revenue by source**

	REVENUE BY SOURCE	CURRENT YEAR 2020 / 2021			MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK				
		APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
1	TS_O_M_NG_LOCAL GOV FIN MNG GRANT	- 1 000 000,00	- 1 000 000,00	- 1 000 000,00	- 1 000 000,00	- 1 000 000,00	-	- 1 000 000,00	- 1 000 000,00
2	TS_O_M_NRF_EQUITABLE SHARE	- 26 461 000,00	- 31 236 000,00	- 31 236 000,00	- 30 789 000,00	- 28 052 000,00	- 10,19	- 29 703 000,00	- 30 023 000,00
3	TS_O_M_NRF_FUEL LEVY	- 167 384 000,00	- 167 384 000,00	- 167 384 000,00	- 167 384 000,00	- 172 078 000,00	2,80	- 176 234 000,00	- 180 098 000,00
4	INTER: BANK ACCOUNTS	- 1 200 000,00	- 1 200 000,00	- 1 200 000,00	- 106 618,12	- 1 200 000,00	-	- 1 250 400,00	- 1 305 418,00
5	INTER: SHORT TERM INVEST & CALL ACCOUNTS	- 4 000 000,00	- 4 000 000,00	- 4 000 000,00	- 2 109 873,67	- 4 000 000,00	-	- 4 168 000,00	- 4 351 392,00
6	SALE OF: ASSET < CAP THRESH	- 200 000,00	- 200 000,00	- 200 000,00	-	- 50 000,00	- 75,00	- 52 100,00	- 54 392,00
7	SALE OF: PUBLICATION - TENDER DOCUMENTS	- 90 000,00	- 90 000,00	- 90 000,00	- 44 300,00	- 90 000,00	-	- 93 780,00	- 97 906,00
8	TS_O_M_DPAA_NDA_EDUC;TR&DEV SETA	- 3 250 000,00	- 3 250 000,00	- 3 250 000,00	- 328 307,47	-	- 100,00	-	-
9	TS_O_M_NG_EPWP GRANT	- 1 691 000,00	- 1 691 000,00	- 1 691 000,00	- 1 691 000,00	- 2 122 000,00	25,49	-	-
10	TS_O_M_NG_RURAL ROAD ASSET MNG SYS GRANT	- 2 480 000,00	- 2 480 000,00	- 2 480 000,00	- 2 480 000,00	- 2 514 000,00	1,37	- 2 573 000,00	- 2 641 000,00
11	MANAGEMENT FEES (SPATIAL DEV. FRAMEWORK)	- 697 000,00	- 697 000,00	- 697 000,00	-	-	- 100,00	-	-
12	HEALTH CERTIFICATES	- 500 000,00	- 500 000,00	- 500 000,00	- 385 972,29	- 500 000,00	-	- 521 000,00	- 543 924,00
	<b>TOTAL : INCOME</b>	<b>- 208 953 000,00</b>	<b>- 213 728 000,00</b>	<b>- 213 728 000,00</b>	<b>- 206 319 071,55</b>	<b>- 211 606 000,00</b>	<b>- 0,99</b>	<b>- 215 595 280,00</b>	<b>- 220 115 032,00</b>

- The proposed operating revenue for the 2021/22 financial year has been appropriated at **R211.6 Million**. The operating revenue has decreased by 0.99% or R2.1 million for the 2021/22 financial year when compared to the 2020/21 Adjustment Budget.
- **The following contributing factors has led to the reduction in the operating income:**
  - Equitable share has decreased by 10.19% or R3.1 Million as compared to the 2020/21 Adjustment Budget.
  - Sale of Assets has decreased by 75% or R200 thousand as compared to the 2020/21 Adjustment Budget. The municipality will auction vehicles in the 2020/21 financial year.
  - LGSETA Grant has decreased by 100% or R3.2 Million.
  - Spatial Development Framework decrease by 100% or R697 thousand. The income has been received.

**Table 3**  
**Operating Expenditure by type**

DISCRIPTION	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	EXPENDITURE AS A %
EMPLOYEE RELATED COSTS	112 878 907,00	112 878 907,00	112 878 907,00	86 854 088,71	119 015 734,00	5,44	56,24
REMUNERATION OF COUNCILLORS	13 190 316,00	13 190 316,00	13 074 855,00	8 431 796,50	13 074 855,00	-	6,18
OUTSOURCED SERVICES	8 520 000,00	8 520 000,00	8 685 000,00	5 665 507,67	8 375 000,00	- 3,57	3,96
CONSULTANTS AND PROFESSIONAL SERVICES	13 894 000,00	13 894 000,00	15 934 000,00	12 544 714,72	10 841 000,00	- 31,96	5,12
CONTRACTORS	6 573 300,00	6 573 300,00	6 797 300,00	4 431 821,59	8 482 300,00	24,79	4,01
OPERATIONAL COSTS	35 257 850,00	35 257 850,00	34 567 850,00	15 279 332,04	29 429 750,00	- 14,86	13,91
INVENTORY	5 118 500,00	5 118 500,00	4 125 500,00	2 304 422,86	4 178 000,00	1,27	1,97
OPERATING LEASES	3 090 000,00	3 090 000,00	3 090 000,00	2 699 560,97	3 380 000,00	9,39	1,60
TRANSFER AND SUBSIDIES	7 691 000,00	7 691 000,00	8 691 000,00	3 290 245,60	8 122 000,00	- 6,55	3,84
DEPRECIATION AND AMORTISATION	5 298 933,00	5 298 933,00	5 298 933,00	4 906 729,23	6 509 071,00	22,84	3,08
GAINS AND LOSSES	195 000,00	195 000,00	195 000,00	-	195 000,00	-	0,09
<b>TOTAL OPERATING EXPENDITURE</b>	<b>211 707 806,00</b>	<b>211 707 806,00</b>	<b>213 338 345,00</b>	<b>146 408 219,89</b>	<b>211 602 710,00</b>	<b>- 0,81</b>	<b>100,00</b>

- The proposed operating expenditure for the 2021/22 financial year has been appropriated at **R211.6 Million** and translates into a budgeted surplus of R3 thousands. The operating

expenditure has decreased by 0.8% or R1.7 Million in the 2021/22 financial year when compared to the 2020/21 Adjustment Budget.

**The allocation towards operating expenditure budget is as follows:**

- The proposed employee related costs for the 2021/22 financial has been appropriated at **R119 Million**. The employee related costs have increased by 5.44% or R6.1 Million. The 5.44% estimate is made while waiting for the final pronouncement by the SALGA Bargaining Council multi-year salary agreement.
- The proposed remuneration of councillors for the 2021/22 financial has been appropriated at **R13 Million**. The remuneration of councillors remains unchanged as the 2020/21 Adjustment budget. The estimate is made while waiting for the final pronouncement on the increase by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).
- After consideration of employee related cost and the remuneration of Councillors the municipality is left with **R79.5 Million** from the total operating expenditure budget. The operational budget is then allocated to Outsource Services, Consultants and Professional Services, and Contractors, Operational Costs, Inventory, Operating leases, Transfers and Subsidies as well as Depreciation.

**Table 4**  
**Outsource Services**

	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
<b>OUTSOURCE SERVICES</b>								
OS:CATERING SERVICES	1 335 000,00	1 335 000,00	1 460 000,00	449 311,72	1 310 000,00	- 10,27	1 197 380,00	1 238 181,00
OS: DRIVERS LICENSE CARDS	50 000,00	50 000,00	50 000,00	-	50 000,00	-	52 100,00	54 392,00
OS: PERSONNEL & LABOUR-CBP	3 000 000,00	3 000 000,00	3 000 000,00	2 014 174,00	2 700 000,00	- 10,00	2 813 400,00	3 045 974,00
OS:TRANSPORT SERVICES	480 000,00	480 000,00	480 000,00	12 000,00	400 000,00	- 16,67	521 800,00	545 139,00
OS: HYGIENE SERVICES	135 000,00	135 000,00	125 000,00	164,00	130 000,00	4,00	135 460,00	141 420,00
OS: MEDICAL SERVICES [HEALTH SERV & SUP]	35 000,00	35 000,00	35 000,00	575,41	35 000,00	-	36 470,00	38 075,00
OS: PERSONNEL & LABOUR-EPWP	1 350 000,00	1 350 000,00	1 350 000,00	885 688,47	3 100 000,00	129,63	3 230 200,00	3 372 329,00
OS: BURIAL SERVICES	250 000,00	250 000,00	300 000,00	286 950,00	250 000,00	- 16,67	260 500,00	271 962,00
OS: CLEANING SERVICES	35 000,00	35 000,00	35 000,00	23 350,00	100 000,00	185,71	104 200,00	108 785,00
OS: CLEARING & GRASS CUTTING SERVICES	150 000,00	150 000,00	150 000,00	50 060,00	300 000,00	100,00	312 600,00	326 354,00
OS: PERSONNEL & LABOUR-EPWP	1 700 000,00	1 700 000,00	1 700 000,00	1 943 234,07	-	- 100,00	-	-
<b>TOTAL</b>	<b>8 520 000,00</b>	<b>8 520 000,00</b>	<b>8 685 000,00</b>	<b>5 665 507,67</b>	<b>8 375 000,00</b>	<b>- 3,57</b>	<b>8 664 110,00</b>	<b>9 142 611,00</b>

- The proposed outsource services budget for the 2021/22 financial year has been appropriated at **R8.3 Million**. The outsource services has decreased by 3.6% or R310 thousand when compared to the 2020/21 Adjustment Budget. For the two outer years, outsource services will increase by 3.3% or R289 thousand and 5.5% or R478

thousand respectively. There is reduction on catering services, transport services as well as burial services.

**Table 5**  
**Consultants and Professional Services**

CONSULTANTS AND PROFESSIONAL SERVICES	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
C&PS: B&A ACCOUNTANTS & AUDITORS	150 000,00	150 000,00	100 000,00	-	100 000,00	-	104 200,00	108 785,00
C&PS: B&A ACTUARIES	20 000,00	20 000,00	20 000,00	17 300,00	20 000,00	-	20 840,00	21 757,00
C&PS: B&A AIR POLLUTION-AIR QUALITY	92 000,00	92 000,00	42 000,00	-	42 000,00	-	43 764,00	45 690,00
C&PS: B&A AUDIT COMMITTEE	1 200 000,00	1 200 000,00	1 200 000,00	942 609,79	1 000 000,00	- 16,67	1 000 000,00	1 000 000,00
C&PS: B&A HUMAN RESOURCES	15 000,00	15 000,00	15 000,00	14 425,00	15 000,00	-	15 630,00	16 318,00
C&PS: B&A COMMUNICATION RESEARCH	-	-	-	-	200 000,00	-	-	-
C&PS: B&A MEDICAL EXAMINATIONS	50 000,00	50 000,00	50 000,00	4 650,00	50 000,00	-	52 100,00	54 392,00
C&PS: B&A OCCUPATIONAL HEALTH & SAFE	125 000,00	125 000,00	125 000,00	891,17	100 000,00	- 20,00	104 200,00	108 785,00
C&PS: B&A ORGANISATIONAL	20 000,00	20 000,00	-	-	20 000,00	-	20 840,00	21 757,00
C&PS: B&A RESEARCH & ADVISORY-PPP	1 300 000,00	1 300 000,00	300 000,00	-	-	- 100,00	-	-
C&PS: I&P ECOLOGICAL-EPWP	75 000,00	75 000,00	75 000,00	-	-	- 100,00	-	-
C&PS: I&P ENGINEERING CIVIL	10 000,00	10 000,00	-	-	20 000,00	-	20 840,00	21 757,00
C&PS: I&P GEOINFORMATIC SERVICES	2 000 000,00	2 000 000,00	2 000 000,00	1 758 600,00	-	- 100,00	-	-
C&PS: I&P LAND & QUANTITY SURVEYORS SDF	697 000,00	697 000,00	697 000,00	446 219,56	300 000,00	- 56,96	-	-
C&PS: LAB SERV WATER	500 000,00	500 000,00	500 000,00	23 673,93	500 000,00	-	521 000,00	543 924,00
C&PS: LEGAL COST ADVICE & LITIGATION	3 000 000,00	3 000 000,00	5 600 000,00	4 702 362,17	3 800 000,00	- 32,14	3 959 600,00	4 133 822,00
C&PS:B&A BUSINESS & FIN MANAGEMENT	2 000 000,00	2 000 000,00	2 700 000,00	2 527 669,27	2 130 000,00	- 21,11	1 400 000,00	1 000 000,00
C&PS:B&ARESEARCH&ADVISORY	160 000,00	160 000,00	30 000,00	-	30 000,00	-	31 260,00	32 635,00
C&PS:I&P LAND & QUANTITY SURVEYORS RRAMS	2 480 000,00	2 480 000,00	2 480 000,00	2 106 313,83	2 514 000,00	1,37	2 573 000,00	2 641 000,00
<b>TOTAL</b>	<b>13 894 000,00</b>	<b>13 894 000,00</b>	<b>15 934 000,00</b>	<b>12 544 714,72</b>	<b>10 841 000,00</b>	<b>- 31,96</b>	<b>9 867 274,00</b>	<b>9 750 622,00</b>

- The proposed budget on Consultants and Professional Services for the 2021/22 financial year has been appropriated at **R10.8 Million**. The Consultants and Professional Services has decreased by 31.9% or R5 Million when compared to the 2020/21 Adjustment Budget. For the two outer years, consultants and professional services will decrease by 8.9% or R973 thousand and 1.2% or R116 thousand respectively.
- The following contributing factors has led to the 31.9% decrease:
  - Audit Committee fees
  - The Dolomite contract is ending May 2021.
  - Spatial development framework
  - Legal fees
  - PPP projects
  - Consultants for the preparation of Annual Financial Statements

**Table 6**  
**Contractors**

CONTRACTORS	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
CONTR: MAINTENANCE OF EQUIPMENT	129 300,00	129 300,00	19 300,00	-	52 300,00	170,98	54 496,00	59 895,00
CONTR: SAFEGUARD & SECURITY	3 500 000,00	3 500 000,00	3 400 000,00	2 810 628,61	3 400 000,00	-	3 542 800,00	3 698 683,00
CONTR: EMPLOYEE WELLNESS	200 000,00	200 000,00	100 000,00	-	100 000,00	-	104 200,00	108 785,00
CONTR: MAINTENANCE OF EQUIPMENT-BUILDING	500 000,00	500 000,00	980 000,00	427 005,45	1 000 000,00	2,04	1 042 000,00	1 087 848,00
CONTR: MAINTENANCE OF EQUIPMENT-SOLAR	1 200 000,00	1 200 000,00	1 000 000,00	782 608,70	1 200 000,00	20,00	1 250 400,00	1 305 418,00
CONTR: MAINTENANCE OF EQUIPMENT-VEHICLES	550 000,00	550 000,00	550 000,00	281 631,69	550 000,00	-	573 100,00	598 316,00
CONTR: MAINTENANCE OF EQUIPMENT-OFFIC EQ	70 000,00	70 000,00	70 000,00	11 566,71	50 000,00	- 28,57	52 100,00	54 392,00
CONTR: ARTISTS & PERFORMERS	135 000,00	135 000,00	385 000,00	110 450,00	450 000,00	16,88	468 900,00	486 531,00
CONTR: AUDIO-VISUAL SERVICES-EPWP	50 000,00	50 000,00	50 000,00	-	-	- 100,00	-	-
CONTR: FIRE PROTECTION	6 000,00	6 000,00	-	-	80 000,00	-	-	-
CONTR: MAINTENANCE OF EQUIPMENT-EMERG EQU	25 000,00	25 000,00	35 000,00	-	50 000,00	42,86	52 100,00	54 392,00
CONTR: MAINTENANCE OF EQUIPMENT-PLANT&EQ	208 000,00	208 000,00	208 000,00	7 930,43	150 000,00	- 27,88	156 300,00	163 177,00
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	-	-	-	-	200 000,00	-	208 400,00	217 570,00
CONTR: MAINTENANCE-TELEPHONE SYSTEM	-	-	-	-	100 000,00	-	104 200,00	108 785,00
CONTR: MAINTENANCE OF EQUIPMENT-ROAD MAINTENANCE	-	-	-	-	1 000 000,00	-	750 000,00	400 000,00
CONTR: MAINTENANCE- TRACKING SYSTEM	-	-	-	-	100 000,00	-	104 200,00	108 785,00
<b>TOTAL</b>	<b>6 573 300,00</b>	<b>6 573 300,00</b>	<b>6 797 300,00</b>	<b>4 431 821,59</b>	<b>8 482 300,00</b>	<b>24,79</b>	<b>8 463 196,00</b>	<b>8 452 577,00</b>

- The proposed contractors budget for the 2021/22 financial year has been appropriated at **R8.4 Million**. The contractors have increased by 24.79% or R1.6 million when compared to the 2020/21 Adjustment Budget. For the two outer years, contractors will increase by 0.2% or R19 thousand and 0.1% or R10 thousand respectively.
- The 24.79% increase is due to:
  - The maintenance of the financial system (Solar) and
  - Maintenance of buildings
  - Road Maintenance



**Table 7  
Operational Costs**

	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
<b>OPERATIONAL COST</b>								
OC: LGSETA INTERNSHIP	-	-	-	-	672 000,00	-	772 000,00	572 000,00
OC: LEARNERSHIP & SKILLS PROGRAMMES	-	-	-	-	574 400,00	-	674 400,00	474 400,00
OC: LGSETA BURSARY	-	-	-	-	300 000,00	-	300 000,00	300 000,00
TEXTILE & MANUFACTURING	-	-	-	-	350 000,00	-	-	-
SANS CODES	-	-	-	-	100 000,00	-	-	-
FIRE MASTER PLAN	-	-	-	-	200 000,00	-	-	-
FIE SERVICE BY-LAWS	-	-	-	-	100 000,00	-	-	-
AIR QUALITY BY-LAWS	-	-	-	-	250 000,00	-	-	-
INTERGRATED WASTE MANAGEMENT PLAN	-	-	-	-	500 000,00	-	-	-
DISASTER INFORMATION SYSTEM LICENCE FEES	-	-	-	-	70 000,00	-	-	-
OC: WET FUEL	60 000,00	60 000,00	60 000,00	-	50 000,00	-16,67	52 100,00	54 392,00
OC: SIGNAGE	115 000,00	115 000,00	165 000,00	-	155 000,00	-6,06	134 200,00	128 785,00
OC: PROFESSIONAL BODIES M/SHIP & SUBS	106 000,00	106 000,00	106 000,00	18 230,50	85 000,00	-19,81	88 570,00	92 467,00
OC: MUNICIPAL SERVICES	1 570 000,00	1 570 000,00	1 570 000,00	1 303 085,25	1 770 000,00	12,74	1 844 340,00	1 776 149,00
OC: HIRE CHARGES	903 000,00	903 000,00	1 743 000,00	280 797,17	1 673 000,00	-4,02	2 045 446,00	2 135 443,00
OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS	-	-	1 024 000,00	-	1 350 000,00	31,84	1 302 500,00	1 468 597,00
OC: EXT COM SERV PROV - INTERNET CHARGE	7 500,00	7 500,00	7 500,00	1 550,00	7 500,00	-	7 815,00	8 159,00
OC: EXT COM SERV PROV - INTERNET CHARGE	40 000,00	40 000,00	40 000,00	32 488,00	40 000,00	-	41 680,00	43 514,00
OC: COMM - PHONE FAX TELEGRAPH & TELEX	31 500,00	31 500,00	31 500,00	-	31 500,00	-	32 823,00	34 267,00
OC: COMM - RADIO & TV TRANSMISSIONS	10 000,00	10 000,00	10 000,00	-	6 000,00	-40,00	6 252,00	6 527,00
OC: COMM - LICENCES (RADIO & TELEVISION)	90 000,00	90 000,00	90 000,00	-	50 000,00	-44,44	52 100,00	54 392,00
OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS	342 000,00	342 000,00	662 000,00	375 036,12	620 000,00	-6,34	698 140,00	728 859,00
OC: INDIGENT RELIEF	500 000,00	500 000,00	500 000,00	-	300 000,00	-40,00	312 600,00	326 354,00
OC: ADV/PUB/MARK-CORP&MUN ACTIV- HOUSING	1 000 000,00	1 000 000,00	1 000 000,00	-	300 000,00	-70,00	312 600,00	326 354,00
OC: ADV/PUB/MARK-CORP&MUN ACTIV-TOWNSH TU	3 000 000,00	3 000 000,00	3 000 000,00	-	-	-100,00	-	-
OC: ADV/PUB/MARK-CORP&MUN ACTIV	5 090 000,00	5 090 000,00	2 266 000,00	575 668,52	1 345 000,00	-40,64	1 401 490,00	1 463 154,00
OC: TRANSPORT - EVENTS	40 000,00	40 000,00	250 000,00	48 560,00	250 000,00	-	260 500,00	271 962,00
OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL	22 200,00	22 200,00	22 200,00	-	20 000,00	-9,91	20 840,00	21 757,00
OC: T&S DOM TRP - W/OUT OPR OWN TRANSPRT	97 600,00	97 600,00	97 600,00	36 305,04	93 600,00	-4,10	97 531,00	101 822,00
OC: T&S DOM - FOOD & BEVERAGE (SERVED)	34 500,00	34 500,00	34 500,00	5 073,32	31 000,00	-10,14	33 344,00	34 811,00
OC: T&S DOM - DAILY ALLOWANCE	141 250,00	141 250,00	181 250,00	1 107,00	119 450,00	-34,10	125 509,00	131 031,00
OC: PRINTING & PUBLICATIONS	20 000,00	20 000,00	20 000,00	-	20 000,00	-	20 840,00	21 757,00
OC: TRANSPORT - MUNICIPAL ACTIVITIES	325 000,00	325 000,00	245 000,00	36 100,00	215 000,00	-12,24	218 150,00	221 588,00
OC: SKILLS DEVELOPMENT FUND LEVY	848 300,00	848 300,00	848 300,00	571 458,04	762 300,00	-10,14	794 317,00	829 268,00
OC: PROFESSIONAL BODIES M/SHIP&SUBS-SALGA	1 200 000,00	1 200 000,00	1 400 000,00	1 400 700,00	1 600 000,00	14,29	1 700 000,00	1 740 557,00
OC: EXT COM SERV PROV - S/WARE LICENCES	6 000,00	6 000,00	6 000,00	-	6 000,00	-	6 252,00	6 527,00
OC: EXT COM SERV PROV - GPS LICENCE FEES	150 000,00	150 000,00	150 000,00	-	150 000,00	-	156 300,00	163 177,00
OC: T&S DOM - ACCOMMODATION	1 030 000,00	1 030 000,00	430 000,00	217 559,81	430 000,00	-	500 160,00	522 167,00
OC: T&S DOM PUB TRP - AIR TRANSPORT	250 000,00	250 000,00	50 000,00	-	80 000,00	60,00	83 360,00	87 028,00
OC: WORKMEN'S COMPENSATION FUND	500 000,00	500 000,00	500 000,00	-	500 000,00	-	500 000,00	500 000,00
TRACKING SYSTEM	-	-	-	-	200 000,00	-	-	-
OC: TOLL GATE FEES	80 000,00	80 000,00	30 000,00	-	30 000,00	-	31 260,00	32 635,00
OC: REG FEES NATIONAL	1 150 000,00	1 150 000,00	1 150 000,00	949 711,77	1 300 000,00	13,04	1 321 000,00	1 343 923,00
OC: LIC - VEHICLE LIC & REGISTRATIONS	100 000,00	100 000,00	130 000,00	86 701,06	200 000,00	53,85	208 400,00	217 570,00
OC: INSUR UNDER - PREMIUMS	850 000,00	850 000,00	1 200 000,00	1 007 585,77	1 200 000,00	-	1 250 400,00	1 100 000,00
OC: INSUR UNDER - EXCESS PAYMENTS	20 000,00	20 000,00	20 000,00	9 347,83	25 000,00	25,00	26 050,00	27 196,00
OC: EXT COM SERV PROV-SPEC COMPUT SERV-BCX	1 500 000,00	1 500 000,00	1 500 000,00	528 970,01	750 000,00	-50,00	781 500,00	815 886,00
OC: EXT COM SERV PROV - NETWORK EXTENS	200 000,00	200 000,00	200 000,00	-	-	-100,00	-	-
OC: ENTERTAINMENT - SENIOR MANAGEMENT	10 000,00	10 000,00	10 000,00	-	10 000,00	-	10 420,00	10 878,00
OC: ENTERTAINMENT - COUNCILLORS	130 000,00	130 000,00	130 000,00	22 517,39	130 000,00	-	135 460,00	141 420,00
OC: COMM - LICENCES (RADIO & TELEVISION)	150 000,00	150 000,00	150 000,00	27 500,00	80 000,00	-46,67	83 360,00	87 028,00
OC: COMM - LICENCE FEES	-	-	-	-	100 000,00	-	104 200,00	108 785,00
OC: BC/FAC/C FEES - BANK ACCOUNTS	210 000,00	210 000,00	210 000,00	107 502,08	200 000,00	-4,76	208 400,00	217 570,00
OC: AUDIT COST: EXTERNAL	3 500 000,00	3 500 000,00	3 500 000,00	2 128 248,30	3 500 000,00	-	3 500 000,00	2 800 000,00
OC: STORAGE OF FILES (ARCHIVING)	30 000,00	30 000,00	30 000,00	-	30 000,00	-	31 260,00	32 635,00
OC: LEARNERSHIPS & INTERNSHIPS	3 400 000,00	3 400 000,00	3 400 000,00	2 688 409,83	300 000,00	-91,18	312 600,00	326 354,00
OC: EXT COM SERV PROV - SPEC COMPUT SERV	95 000,00	95 000,00	95 000,00	-	85 000,00	-10,53	88 570,00	92 467,00
OC: EXT COM SERV PROV - NETWORK EXTENS	-	-	-	-	200 000,00	-	100 000,00	50 000,00
OC: EXT COM SERV PROV - INTERNET CHARGE	900 000,00	900 000,00	900 000,00	434 642,13	800 000,00	-11,11	833 600,00	870 278,00
OC: COMM - POSTAGE & SUBSCRIPTION FEES	20 000,00	20 000,00	20 000,00	2 565,19	25 000,00	25,00	26 050,00	27 196,00
OC: COMM - PHONE FAX TELEGRAPH & TELEX	1 300 000,00	1 300 000,00	1 100 000,00	714 687,57	1 000 000,00	-9,09	1 042 000,00	500 000,00
OC: CLEAN SERV - CAR VALET/WASHING SERV	24 000,00	24 000,00	24 000,00	13 930,00	24 000,00	-	25 008,00	26 108,00
OC: CLEAN SERV - LAUNDRY SERVICES	1 000,00	1 000,00	1 000,00	-	1 000,00	-	1 042,00	1 088,00
OC: BURSARIES (EMPLOYEES)	200 000,00	200 000,00	200 000,00	165 051,33	300 000,00	50,00	300 000,00	300 000,00
OC: SIGNAGE-COVID 19	100 000,00	100 000,00	450 000,00	-	100 000,00	-77,78	104 200,00	108 785,00
OC: SIGNAGE-BRANDING	-	-	-	-	150 000,00	-	156 300,00	163 177,00
OC: PRINTING & PUBLICATIONS	480 000,00	480 000,00	480 000,00	346 654,03	350 000,00	-27,08	364 700,00	380 747,00
OC: EXT COM SERV PROV - SPEC COMPUT SERV	300 000,00	300 000,00	200 000,00	77 355,00	350 000,00	75,00	364 700,00	380 747,00
OC: ENTERTAINMENT - SENIOR MANAGEMENT	50 000,00	50 000,00	50 000,00	4 956,60	50 000,00	-	52 100,00	54 392,00
OC: COMM - RADIO & TV TRANSMISSIONS	600 000,00	600 000,00	600 000,00	342 878,58	500 000,00	-16,67	521 000,00	543 924,00
OC: BURSARIES (EMPLOYEES)	60 000,00	60 000,00	60 000,00	59 999,34	-	-100,00	-	-
OC: ADV/PUB/MARK - TENDERS	250 000,00	250 000,00	150 000,00	107 276,53	150 000,00	-	156 300,00	163 177,00
OC: ADV/PUB/MARK - STAFF RECRUITMENT	200 000,00	200 000,00	150 000,00	24 804,00	150 000,00	-	156 300,00	163 177,00
OC: ADV/PUB/MARK - MUNICIPAL NEWSLETTERS	200 000,00	200 000,00	200 000,00	54 822,61	300 000,00	50,00	312 600,00	326 354,00
OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS	-	-	288 700,00	28 000,00	100 000,00	-65,36	104 200,00	108 785,00
OC: ADV/PUB/MARK - CORP & MUN ACTIVITIES	200 000,00	200 000,00	11 300,00	11 300,00	20 000,00	76,99	20 840,00	21 757,00
OC: ADV/PUB/MARK - CORP & MUN ACTIVITIES	500 000,00	500 000,00	500 000,00	183 320,00	800 000,00	60,00	833 600,00	870 278,00
OC: UNIFORM & PROTECTIVE CLOTHING	465 000,00	465 000,00	465 000,00	211 230,92	410 000,00	-11,83	427 220,00	446 017,00
OC: SYSTEM ACCESS&INFORMATION FEES-MPAC	38 000,00	38 000,00	38 000,00	-	38 000,00	-	39 596,00	41 338,00
OC: REG FEES NATIONAL-CONFERENCE & CONGR	80 000,00	80 000,00	80 000,00	35 645,40	80 000,00	-	83 360,00	87 028,00
OC: REG FEES NATIONAL-CBP	100 000,00	100 000,00	100 000,00	-	80 000,00	-20,00	83 360,00	87 028,00
OC: HONORARIA (VOLUNTARILY WORKERS)	200 000,00	200 000,00	200 000,00	-	100 000,00	-50,00	104 200,00	108 785,00
OC: COMM - SMS BULK MESSAGE SERVICE	20 000,00	20 000,00	20 000,00	-	20 000,00	-	20 840,00	21 757,00
OC: COMM - RADIO & TV TRANSMISSIONS	15 000,00	15 000,00	15 000,00	-	15 000,00	-	15 630,00	16 318,00
<b>TOTAL</b>	<b>35 257 850,00</b>	<b>35 257 850,00</b>	<b>34 567 850,00</b>	<b>15 279 332,04</b>	<b>29 429 750,00</b>	<b>-14,86</b>	<b>28 937 785,00</b>	<b>28 065 663,00</b>

- The proposed operational costs budget for the 2021/22 financial year has been appropriated at **R29.4 Million**. The operational costs have decreased by 14.86% or R5.1 Million when compared to the 2020/21 Adjustment Budget. For the two outer years,

operational costs will decrease by 1.7% or R491 thousand and decrease by 3% or R872 thousand respectively.

**Table 8**  
**Inventory**

	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
INV - CONSUMABLE STORES - STANDARD RATED	1 289 500,00	1 289 500,00	1 389 500,00	722 529,49	1 273 000,00	- 8,38	1 347 306,00	1 162 587,00
INV - CONSUMABLE STORES - ZERO RATED-FUEL	1 480 000,00	1 480 000,00	1 150 000,00	981 948,87	1 120 000,00	- 2,61	1 031 260,00	1 076 635,00
INV - CONSUMABLE STORES - STANDARD RATED-FOAM	16 000,00	16 000,00	32 000,00	29 300,00	60 000,00	87,50	62 520,00	65 271,00
INVENTORY - MATERIALS & SUPPLIES	233 000,00	233 000,00	444 000,00	260 099,50	525 000,00	18,24	547 050,00	571 120,00
INVENTORY-MATERIALS&SUPPLIES-COVID 19	1 500 000,00	1 500 000,00	500 000,00	234 545,00	500 000,00	-	521 000,00	543 926,00
INVENTORY-MATERIALS&SUPPLIES-DIS MAN REL	100 000,00	100 000,00	110 000,00	76 000,00	300 000,00	172,73	312 600,00	326 354,00
INVENTORY-MATERIALS&SUPPLIES-EMERGENCY F	500 000,00	500 000,00	500 000,00	-	400 000,00	- 20,00	500 000,00	500 000,00
<b>TOTAL</b>	<b>5 118 500,00</b>	<b>5 118 500,00</b>	<b>4 125 500,00</b>	<b>2 304 422,86</b>	<b>4 178 000,00</b>	<b>1,27</b>	<b>4 321 736,00</b>	<b>4 245 893,00</b>

- The proposed inventory budget for the 2021/22 financial year has been appropriated at **R4.1 Million**. The inventory increased by 1.27% or R52 thousand when compared to the 2020/21 Adjustment Budget. For the two outer years, inventory will increase by 3.4% or R143 thousand in 2022/23 and decrease by 1.8% or R75 thousand in 2023/24.
- The following contributing factors has led to the 1.2% reduction:
  - Inventory-consumable stores
  - Emergency fund

**Table 9**  
**Operating leases**

	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
OPR LEASES: COMPUTER EQUIPMENT	1 048 000,00	1 048 000,00	1 048 000,00	815 260,25	1 140 000,00	8,78	1 187 880,00	1 240 147,00
OPR LEASES: MACHINERY & EQUIPMENT	10 000,00	10 000,00	10 000,00	-	10 000,00	-	10 420,00	10 878,00
OPR LEASES: OTHER ASSETS	2 032 000,00	2 032 000,00	2 032 000,00	1 884 300,72	2 230 000,00	9,74	2 323 660,00	2 425 901,00
<b>TOTAL</b>	<b>3 090 000,00</b>	<b>3 090 000,00</b>	<b>3 090 000,00</b>	<b>2 699 560,97</b>	<b>3 380 000,00</b>	<b>9,39</b>	<b>3 521 960,00</b>	<b>3 676 926,00</b>

- The proposed budget on operating leases for the 2021/22 financial year has been appropriated at **R3.3 Million**. The operating leases have increased by 9.39% or R290 thousand when compared to the 2020/21 Adjustment Budget. For the two outer years, operating leases will increase by 4.2% or R141 thousand and 4.4% or R154 thousand respectively.

**Table 10**  
**Transfers and Subsidies**

	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
<b>TRANSFERS AND SUBSIDIES</b>								
HH: BURSARIES NON-EMPLOYEE CASH	100 000,00	100 000,00	100 000,00	51 838,95	100 000,00	-	104 200,00	108 784,00
HH OTH TRANS: BURSARIES NON EMPLOYEE	1 000 000,00	1 000 000,00	2 000 000,00	654 280,00	1 500 000,00	- 25,00	1 563 000,00	1 631 772,00
PRIV ENT: SUBS N-FIN ENT-PR - PRODUCT	100 000,00	100 000,00	100 000,00	-	100 000,00	-	104 200,00	108 785,00
HH SSP SOC ASS: POVERTY RELIEF	200 000,00	200 000,00	200 000,00	94 943,75	200 000,00	-	250 000,00	300 000,00
HH OTH TRANS: EPWP - SKILL DEV & TRAIN	1 691 000,00	1 691 000,00	1 691 000,00	1 289 182,90	2 122 000,00	-	-	-
NON PROF: TOURISM	100 000,00	100 000,00	100 000,00	-	100 000,00	-	104 200,00	108 785,00
TS_O_M_MUNIC ENT-AGENCY	3 000 000,00	3 000 000,00	3 000 000,00	1 200 000,00	-	- 100,00	-	-
HH OTH TRANS: LED SUPPORT GRANTS	1 500 000,00	1 500 000,00	1 500 000,00	-	4 000 000,00	166,67	3 300 000,00	2 500 000,00
<b>TOTAL</b>	<b>7 691 000,00</b>	<b>7 691 000,00</b>	<b>8 691 000,00</b>	<b>3 290 245,60</b>	<b>8 122 000,00</b>	<b>- 6,55</b>	<b>5 425 600,00</b>	<b>4 758 126,00</b>

- The proposed budget on transfers and subsidies for the 2021/22 financial year has been appropriated at **R8.1 Million**. The transfers and subsidies have decreased by 6.55% or R569 thousand when compared to the 2020/21 Adjustment Budget. For the two outer years, transfers and subsidies will reduce by 33.2% or R2.6 Million 2022/23 and increase by 12.3% or R667 thousand in 2023/24.
- The following contributing factors has led to the 6.55% reduction:
  - Transfer to the Dr KKDM Economic Agency.
  - Bursaries to non-employees.

**Table 11**  
**Depreciation and Amortisation**

	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
	APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT FEBRUARY 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
<b>DEPRECIATION &amp; AMORTISATION</b>								
AMORTISATION INTANG COMPUTER SOFTWARE	837 738,00	837 738,00	837 738,00	-	1 005 000,00	19,97	1 047 210,00	1 065 778,00
DEPRECIATION FURNITURE & OFFICE EQUIPM	734 288,00	734 288,00	734 288,00	-	947 170,00	28,99	986 951,00	1 030 377,00
DEPRECIATION COMPUTER EQUIPMENT	509 971,00	509 971,00	509 971,00	-	604 871,00	18,61	630 276,00	641 961,00
DEPRECIATION TRANSPORT ASSETS	1 200 299,00	1 200 299,00	1 200 299,00	-	1 567 273,00	30,57	1 633 098,00	1 704 955,00
DEPRECIATION NETWORK & COMM DATA CENTRES	1 300 000,00	1 300 000,00	1 300 000,00	-	1 500 000,00	15,38	1 563 000,00	1 631 772,00
DEPRECIATION LANDFILL SITES	41 685,00	41 685,00	41 685,00	-	45 000,00	7,95	46 890,00	48 953,00
DEPRECIATION MACHINERY & EQUIPMENT	3 113,00	3 113,00	3 113,00	-	3 234,00	3,89	3 370,00	3 518,00
DEPRECIATION NETWORK & COMM DATA CENTRES	77 734,00	77 734,00	77 734,00	-	80 765,00	3,90	84 157,00	87 860,00
DEPRECIATION COMMUNITY HALLS	72 383,00	72 383,00	72 383,00	-	100 000,00	38,15	104 200,00	108 785,00
DEPRECIATION OP BUILDING MUNIC OFFICES	800,00	800,00	800,00	-	1 000,00	25,00	1 042,00	1 088,00
DEPRECIATION OP BUILDING MUNIC OFFICES	15 105,00	15 105,00	15 105,00	-	30 000,00	98,61	31 260,00	32 634,00
DEPRECIATION OP BUILDING MUNIC OFFICES	60 959,00	60 959,00	60 959,00	-	65 000,00	6,63	67 730,00	70 710,00
DEPRECIATION OP BUILDING MUNIC OFFICES	387 343,00	387 343,00	387 343,00	-	500 000,00	29,08	521 000,00	543 924,00
DEPRECIATION OP BUILDING MUNIC OFFICES	28 025,00	28 025,00	28 025,00	-	29 118,00	3,90	30 340,00	31 676,00
DEPRECIATION OP BUILDING MUNIC OFFICES	29 490,00	29 490,00	29 490,00	-	30 640,00	3,90	31 927,00	33 332,00
<b>TOTAL</b>	<b>5 298 933,00</b>	<b>5 298 933,00</b>	<b>5 298 933,00</b>	<b>-</b>	<b>6 509 071,00</b>	<b>22,84</b>	<b>6 782 451,00</b>	<b>7 037 323,00</b>

- The proposed budget on depreciation and amortisation for the 2021/22 financial year has been appropriated at R6.5 Million. The depreciation and amortisation have increased by 22.84% or R1.2 Million when compared to the 2020/21 Adjustment Budget. For the two outer years, depreciation and amortisation will increase by 4.2% or R276 thousand and 3.76% or R254 thousand respectively.

The 22.84% increase was due to the conditional assessment conducted on the Fixed Assets Register

**Table 12  
Capital Expenditure**

DR KENNETH KAUNDA DISTRICT MUNICIPALITY FINAL ANNUAL BUDGET 2021 / 2022										
CAPITAL EXPENDITURE BREAKDOWN										
No	DEPARTMENT	DISCRPTION	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
			APPROVED BUDGET	ADJUSTED BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
1	EXECUTIVE MAYOR	OFFICE EQUIPMENT	10 000,00	10 000,00	10 000,00	-	-	-	-	-
2	MUNICIPAL MANAGER	INTANGIBLE ASSETS	80 000,00	80 000,00	80 000,00	30 780,40	-	100,00	10 420,00	10 878,00
3	MUNICIPAL MANAGER	OFFICE FURNITURE AND FITTINGS	10 000,00	10 000,00	10 000,00	3 500,00	30 000,00	200,00	10 420,00	10 878,00
4	MUNICIPAL MANAGER	OFFICE EQUIPMENT	35 000,00	35 000,00	35 000,00	23 725,00	35 000,00	-	36 470,00	38 075,00
5	MUNICIPAL MANAGER	STILL-DIGITAL CAMERA	15 000,00	15 000,00	-	-	-	-	-	-
6	MUNICIPAL MANAGER	VIDEO CAMERA	40 000,00	40 000,00	-	-	-	-	-	-
7	MUNICIPAL MANAGER	PA SYSTEM	30 000,00	30 000,00	590 000,00	-	-	100,00	-	-
8	MUNICIPAL MANAGER	CORDESS MIC SYSTEM	5 000,00	5 000,00	-	-	-	-	-	-
9	MUNICIPAL MANAGER	PERFORMANCE MANAGEMENT SYSTEM	-	-	-	-	-	-	-	-
10	INTERNAL AUDIT	TEAMMATE SOFTWARE	190 000,00	190 000,00	190 000,00	-	190 000,00	-	200 000,00	205 000,00
11	INTERNAL AUDIT	OFFICE EQUIPMENT	10 000,00	10 000,00	10 000,00	-	10 000,00	-	10 420,00	10 878,00
12	CORPORATE SERVICES	MICROSOFT OFFICE-SOFTWARE	800 000,00	800 000,00	800 000,00	223 930,80	500 000,00	37,50	500 000,00	300 000,00
13	CORPORATE SERVICES	ELECTRONIC RECORD SYSTEM	1 000 000,00	1 000 000,00	1 000 000,00	-	2 000 000,00	100,00	1 000 000,00	800 000,00
14	CORPORATE SERVICES	ELECTRONIC BIOMETRIC SYSTEM	1 000 000,00	1 000 000,00	1 000 000,00	-	1 000 000,00	-	800 000,00	500 000,00
15	CORPORATE SERVICES	FLEET	1 000 000,00	1 000 000,00	1 000 000,00	-	-	100,00	-	-
16	CORPORATE SERVICES	COVID ASSETS	-	-	500 000,00	-	500 000,00	-	400 000,00	300 000,00
17	CORPORATE SERVICES	OFFICE EQUIPMENT	10 000,00	10 000,00	10 000,00	9 445,00	10 000,00	-	10 420,00	10 878,00
18	CORPORATE SERVICES	SHAREPOINT SERVER	350 000,00	350 000,00	264 500,00	-	300 000,00	13,42	100 000,00	100 000,00
19	CORPORATE SERVICES	BACKUP SERVER	80 000,00	80 000,00	80 000,00	-	100 000,00	25,00	105 000,00	110 000,00
20	CORPORATE SERVICES	VIRTUAL PRIVATE NETWORK	800 000,00	800 000,00	300 000,00	-	1 300 000,00	333,33	1 000 000,00	800 000,00
21	CORPORATE SERVICES	MUNICIPAL SERVER	-	-	-	-	-	-	-	-
22	CORPORATE SERVICES	AIRCONDITIONING EQUIPMENT	600 000,00	600 000,00	300 000,00	120 773,30	500 000,00	66,67	250 000,00	200 000,00
23	CORPORATE SERVICES	SOCIAL DISTANCE OFFICES	500 000,00	500 000,00	100 000,00	70 000,00	100 000,00	-	-	-
24	CORPORATE SERVICES	UPGRADE OF BUILDING	1 900 000,00	1 900 000,00	1 900 000,00	1 353 052,89	1 000 000,00	47,37	-	-
25	FROM BTO	NETWORK UPGRADE	-	-	-	-	2 000 000,00	-	800 000,00	500 000,00
26	FROM BTO	ANTIVIRUS	-	-	-	-	100 000,00	-	50 000,00	50 000,00
27	FROM BTO	ACTIVE DIRECTORY	-	-	-	-	100 000,00	-	-	-
28	FROM BTO	INTERGRATION OF HR AND PAYROLL SYSTEMS	-	-	-	-	500 000,00	-	-	-
29	FROM BTO	COMPUTER EQUIPMENT	-	-	-	-	-	-	-	-
30	FROM BTO	NETWORK EQUIPMENT- CABINETS	-	-	-	-	-	-	-	-
31	NEW	TELEPHONE SYSTEM	-	-	-	-	1 500 000,00	-	-	-
32	BTO	NETWORK UPGRADE	1 600 000,00	1 600 000,00	1 300 000,00	-	-	100,00	-	-
33	BTO	ANTIVIRUS	100 000,00	100 000,00	100 000,00	-	-	100,00	-	-
34	BTO	ACTIVE DIRECTORY	50 000,00	50 000,00	50 000,00	-	-	100,00	-	-
35	BTO	INTERGRATION OF HR AND PAYROLL SYSTEMS	70 000,00	70 000,00	70 000,00	16 681,67	-	100,00	-	-
36	BTO	OFFICE FURNITURE AND FITTINGS	25 000,00	25 000,00	25 000,00	16 681,74	100 000,00	300,00	30 000,00	25 000,00
37	BTO	OFFICE EQUIPMENT	25 000,00	25 000,00	25 000,00	-	50 000,00	100,00	52 100,00	54 392,00
38	BTO	FLEET	-	-	500 000,00	-	-	100,00	-	-
39	BTO	PROCUREMENT MANAGEMENT PLAN	-	-	-	-	-	-	-	-
40	BTO	COMPUTER EQUIPMENT	150 000,00	150 000,00	1 235 500,00	1 098 688,40	-	100,00	-	-
41	BTO	NETWORK EQUIPMENT- CABINETS	100 000,00	100 000,00	100 000,00	-	-	100,00	-	-
42	LED & PLANNING	ELECTRICITY MASTER PLAN	1 500 000,00	1 500 000,00	1 500 000,00	-	-	100,00	-	-
43	LED & PLANNING	SANITATION PROJECTS-RURAL AREAS	2 400 000,00	2 400 000,00	2 400 000,00	-	2 800 000,00	16,67	5 500 000,00	6 500 000,00
44	LED & PLANNING	OFFICE EQUIPMENT	50 000,00	50 000,00	50 000,00	-	50 000,00	-	52 100,00	54 392,00
45	LED & PLANNING	OFFICE PARK- MUNICIPAL BUILDING	9 000 000,00	9 000 000,00	9 000 000,00	-	90 000 000,00	900,00	-	-
46	NEW VOTE (LED&P)	WATER SUPPLY PROJECTS-RURAL AREAS	-	-	-	-	3 000 000,00	-	6 500 000,00	7 500 000,00
47	NEW VOTE (LED&P)	AGRI-PARKS	-	-	-	-	500 000,00	-	-	-
48	COMMUNITY SERVICES	NEW VEHICLES	3 500 000,00	3 500 000,00	3 500 000,00	547 066,00	1 300 000,00	62,86	-	-
49	COMMUNITY SERVICES	TWO WAY RADIO SYSTEM_FIRE EMERG SERVICES	50 000,00	50 000,00	-	-	300 000,00	-	312 600,00	326 354,00
50	COMMUNITY SERVICES	TOOLS	100 000,00	100 000,00	150 000,00	36 472,00	200 000,00	33,33	208 400,00	217 570,00
51	COMMUNITY SERVICES	PEST CONTROL EQUIPMENT	20 000,00	20 000,00	20 000,00	-	300 000,00	1 400,00	300 000,00	313 200,00
52	COMMUNITY SERVICES	SAMPLING KITS	100 000,00	100 000,00	100 000,00	47 800,00	100 000,00	-	104 200,00	108 785,00
53	COMMUNITY SERVICES	OFFICE EQUIPMENT	20 000,00	20 000,00	20 000,00	13 862,32	20 000,00	-	20 840,00	21 757,00
54	COMMUNITY SERVICES	OFFICE EQUIPMENT	10 000,00	10 000,00	10 000,00	-	-	100,00	-	-
55	NEW VOTE (COM. SERV)	OFFICE FURNITURE AND FITTINGS	-	-	-	-	200 000,00	-	-	-
56	COMMUNITY SERVICES	INDUSTRIAL VACUUM CLEANER	10 000,00	10 000,00	-	-	-	-	-	-
57	COMMUNITY SERVICES	AIRCORN	15 000,00	15 000,00	15 000,00	-	200 000,00	1 233,33	-	-
58	NEW VOTE (COM. SERV)	BACK UP GENERATOR	-	-	-	-	300 000,00	-	-	-
59	NEW VOTE (COM. SERV)	WATER TANKER TRUCK & EQUIPMENT	-	-	-	-	1 800 000,00	-	-	-
60	NEW VOTE (COM. SERV)	OFFICE-VENTERSDORP	-	-	-	-	800 000,00	-	-	-
61	NEW VOTE (COM. SERV)	BOREHOLE	-	-	-	-	300 000,00	-	-	-
62	NEW VOTE (COM. SERV)	SOLID WASTE BULK CONTAINERS / WASTE BINS	-	-	-	-	1 200 000,00	-	-	-
63	COMMUNITY SERVICES	FIRE FIGHTING EQUIPMENT	200 000,00	200 000,00	200 000,00	-	300 000,00	50,00	250 000,00	230 000,00
64	NEW VOTE (COM. SERV)	DISASTER MANAGEMENT SPATIAL SYSTEM	-	-	-	-	500 000,00	-	-	-
65	NEW VOTE (COM. SERV)	DISASTER INFORMATION SYSTEM	-	-	-	-	500 000,00	-	-	-
66	NEW VOTE (COM. SERV)	ENTRANCE GATE	-	-	-	-	200 000,00	-	-	-
67	COMMUNITY SERVICES	FIRE BAY DOORS	200 000,00	200 000,00	400 000,00	-	500 000,00	25,00	100 000,00	-
		<b>TOTAL CAPITAL EXPENDITURE</b>	<b>27 760 000,00</b>	<b>27 760 000,00</b>	<b>28 950 000,00</b>	<b>3 612 459,52</b>	<b>117 305 000,00</b>	<b>305,20</b>	<b>18 713 390,00</b>	<b>19 298 037,00</b>

The proposed capital budget for the 2021/22 financial year has been appropriated at **R117.3 Million**. The capital expenditure has increased by 305.2% or R88.3 Million when compared to the 2020/21 Adjustment Budget. For the two outer years, capital expenditure will decrease by 84% or R98.5 Million and 3.1% or R584 thousand respectively. The capital budget is funded from internally generated funds.

The final annual budget for 2021/22 budget year is to give effect to Dr Kenneth Kaunda District Municipality`s service delivery priorities and objectives, thereby fulfilling the needs as depicted in the Integrated Development Plan (IDP).

The allocation on Transfers and subsidies as depicted in the summary totals is made up of District Economic Development and Office of the Executive Mayor.

It is against this background that financial and technical support to Small Medium and Micro Enterprises and Cooperatives is an integral part of the Dr Kenneth Kaunda District Municipality`s Local Economic Development strategy. The District is therefore supporting community-based initiatives through conditional grants for viable business plans. This will support a meaningful District Economic Development initiative that foster micro and small business opportunities and job creation.

The objectives of LED and Planning the grants funding is to bring in new category of entrepreneurs presently constrained by limited access to funding, to broaden access through new funding, flexible instruments and leverage with selected partners thus providing the tools with which to share in the growing South African economy, to introduce flexibility in services delivery and accommodate the special circumstances of women owned and run enterprises both as regards funding range and type of facility offered.

Every year the Office of the Executive Mayor awards study bursaries to deserving Students within the Dr Kenneth Kaunda District Municipality for social contribution.

There is a portion allocated for Special projects in the Office of the Executive Mayor for other community projects which deals with challenges such as children, elderly, youth, women, people living with disability and war on poverty.

**The main challenges experienced during the compilation of the 2021/22 MTREF can be summarised as follows:**

- The continued negative effect of the economic downturn due to the outbreak of COVID-19.
- The dependency on grants available for funding; operating grants and subsidies makes it difficult to contribute towards capital budget.
- The ongoing difficulties in the national and local economy due the persistent high unemployed remains one of the country`s pressing challenges.
- A provision for contribution to the capital replacement reserve (CRR) in the operating budget has been made in order to grow our reserve.
- The need to reprioritise projects and expenditure within the limited existing resource envelope.

## 1.4. Annual Budget Tables (Parent Municipality)

### (Table A1 Budget Summary)

DC40 Dr Kenneth Kaunda - 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	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	2 772	3 596	5 677	5 200	5 200	5 200	1 592	5 200	5 418	5 657
Transfers recognised - operational	179 967	185 029	193 506	202 266	207 041	207 041	149 919	205 766	209 510	213 762
Other own revenue	866	610	1 994	1 487	1 487	1 487	376	640	667	696
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>183 605</b>	<b>189 234</b>	<b>201 177</b>	<b>208 953</b>	<b>213 728</b>	<b>213 728</b>	<b>151 888</b>	<b>211 606</b>	<b>215 595</b>	<b>220 115</b>
Employee costs	86 772	89 696	96 365	112 879	112 879	112 879	69 808	119 016	124 848	130 341
Remuneration of councillors	9 661	9 850	10 257	13 190	13 075	13 075	6 663	13 075	13 624	14 223
Depreciation & asset impairment	8 908	7 760	6 931	5 494	5 494	5 494	-	6 704	6 986	7 249
Finance charges	849	-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	-	-	-	-	-	-	-	-	-	-
Transfers and grants	6 609	4 333	6 919	7 691	8 691	8 691	2 494	8 122	5 426	4 758
Other expenditure	73 258	59 144	48 140	72 454	73 200	73 200	29 231	64 686	63 776	63 334
<b>Total Expenditure</b>	<b>186 055</b>	<b>170 784</b>	<b>168 612</b>	<b>211 708</b>	<b>213 338</b>	<b>213 338</b>	<b>108 196</b>	<b>211 603</b>	<b>214 659</b>	<b>219 907</b>
<b>Surplus/(Deficit)</b>	<b>(2 450)</b>	<b>18 450</b>	<b>32 565</b>	<b>(2 755)</b>	<b>390</b>	<b>390</b>	<b>43 691</b>	<b>3</b>	<b>936</b>	<b>208</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-	-	-
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>(2 450)</b>	<b>18 450</b>	<b>-</b>	<b>(2 755)</b>	<b>390</b>	<b>390</b>	<b>43 691</b>	<b>3</b>	<b>936</b>	<b>208</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(2 450)</b>	<b>18 450</b>	<b>-</b>	<b>(2 755)</b>	<b>390</b>	<b>390</b>	<b>43 691</b>	<b>3</b>	<b>936</b>	<b>208</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>6 557</b>	<b>2 517</b>	<b>2 356</b>	<b>27 760</b>	<b>28 950</b>	<b>28 950</b>	<b>2 756</b>	<b>117 305</b>	<b>18 713</b>	<b>19 298</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	90 000	-	-
Internally generated funds	<b>6 557</b>	<b>2 517</b>	<b>2 356</b>	<b>27 760</b>	<b>28 950</b>	<b>28 950</b>	<b>2 756</b>	<b>27 305</b>	<b>18 713</b>	<b>19 298</b>
<b>Total sources of capital funds</b>	<b>6 557</b>	<b>2 517</b>	<b>2 356</b>	<b>27 760</b>	<b>28 950</b>	<b>28 950</b>	<b>2 756</b>	<b>117 305</b>	<b>18 713</b>	<b>19 298</b>
<b>Financial position</b>										
Total current assets	(43 973)	71 304	111 113	24 415	26 370	26 370	151 621	52 906	32 300	10 646
Total non current assets	31 724	25 521	20 743	53 233	54 423	54 423	23 499	142 778	44 187	44 771
Total current liabilities	(30 962)	55 497	58 468	20 687	20 687	20 687	59 794	26 949	36 455	23 046
Total non current liabilities	9 510	11 704	11 670	11 397	11 397	11 397	11 670	103 364	13 364	13 364
Community wealth/Equity	9 204	29 625	61 718	45 565	48 709	48 709	103 655	65 371	26 668	19 008
<b>Cash flows</b>										
Net cash from (used) operating	8 012	27 506	38 530	2 739	5 884	5 884	43 691	6 707	7 922	7 458
Net cash from (used) investing	(6 557)	(2 517)	(2 356)	(27 760)	(28 950)	(28 950)	(2 756)	(117 305)	(18 713)	(19 298)
Net cash from (used) financing	-	-	-	-	-	-	-	90 000	(9 814)	(9 814)
<b>Cash/cash equivalents at the year end</b>	<b>15 194</b>	<b>34 751</b>	<b>72 205</b>	<b>23 423</b>	<b>25 377</b>	<b>25 377</b>	<b>117 000</b>	<b>52 906</b>	<b>32 300</b>	<b>10 646</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	(50 207)	36 031	76 117	24 416	26 370	26 370	117 486	52 906	32 300	10 646
Application of cash and investments	(81 066)	(43 785)	(6 082)	5 930	5 930	5 930	(20 842)	21 890	21 890	9 337
<b>Balance - surplus (shortfall)</b>	<b>30 859</b>	<b>79 816</b>	<b>82 199</b>	<b>18 485</b>	<b>20 440</b>	<b>20 440</b>	<b>138 328</b>	<b>31 016</b>	<b>10 410</b>	<b>1 309</b>
<b>Asset management</b>										
Asset register summary (WDV)	31 724	25 521	20 743	53 233	54 423	54 423	54 423	142 778	44 187	44 771
Depreciation	8 908	7 760	6 931	5 494	5 494	5 494	5 494	6 704	6 986	7 249
Renewal and Upgrading of Existing Assets	-	1 288	212	-	-	-	-	3 300	6 500	7 500
Repairs and Maintenance	1 628	1 198	1 535	2 682	2 862	2 862	2 862	4 152	4 035	3 829
<b>Free services</b>										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
<b>Households below minimum service level</b>										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

### MBRR Table A1 - Budget Summary

Table A1 is a budget summary and provides a concise overview of the District budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the amounts approved by Council for operating Performance, resources deployed to capital expenditure, financial position, cash and funding Compliance, Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:

- The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
- Capital expenditure is balanced by capital funding sources, of which
- Transfers recognised is reflected on the Financial Performance Budget;
- Operating surplus and accumulated cash-backed surpluses from previous years.

The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.

The Cash backing/surplus reconciliation shows that there are long term obligations which are not cash backed in a single budget year but over multiple years.

Council has taken a deliberate decision to ensure adequate Cash-backing for all material obligations in accordance with the adopted Funding and Reserves Policy. This cannot be achieved in one financial year. It is anticipated that the goal of having all obligations cash-backed will be achieved when a small surplus is reflected due to most contracts ceasing.

Compliance with section 18 of the MFMA is assumed because a surplus would directly indicate that the annual budget is appropriately funded and considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2021/22 MTREF was funded.

As part of the budgeting and planning guidelines that informed the compilation of the 2021/22 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

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

DC40 Dr Kenneth Kaunda - Table A2 Budgeted Financial Performance (revenue and expenditure by functional 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									
<b>Governance and administration</b>		182 381	188 839	200 252	203 585	208 360	208 360	206 470	212 501	216 930
Executive and council		117	–	5	–	–	–	–	–	–
Finance and administration		182 264	188 839	200 248	203 585	208 360	208 360	206 470	212 501	216 930
Internal audit		–	–	–	–	–	–	–	–	–
<b>Community and public safety</b>		712	–	447	500	500	500	500	521	544
Community and social services		195	–	447	500	500	500	500	521	544
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		517	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		512	396	478	4 868	4 868	4 868	4 636	2 573	2 641
Planning and development		–	–	–	4 868	4 868	4 868	4 636	2 573	2 641
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		512	396	478	–	–	–	–	–	–
<b>Trading services</b>		–	–	–	–	–	–	–	–	–
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
<b>Other</b>	4	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	2	183 605	189 234	201 177	208 953	213 728	213 728	211 606	215 595	220 115
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		138 034	121 976	117 319	128 501	133 146	133 146	131 647	136 769	139 984
Executive and council		55 357	41 184	44 766	60 927	63 043	63 043	61 601	64 361	67 628
Finance and administration		78 734	75 841	67 511	61 525	63 612	63 612	63 166	65 281	64 960
Internal audit		3 943	4 951	5 042	6 049	6 491	6 491	6 879	7 126	7 396
<b>Community and public safety</b>		10 348	11 101	14 777	52 715	51 249	51 249	51 603	52 598	54 890
Community and social services		6 648	7 613	8 275	52 715	51 249	51 249	51 603	52 598	54 890
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		3 700	3 489	6 502	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		37 674	37 706	36 516	30 492	28 943	28 943	28 353	25 292	25 032
Planning and development		12 594	10 212	8 503	30 492	28 943	28 943	28 353	25 292	25 032
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		25 079	27 494	28 013	–	–	–	–	–	–
<b>Trading services</b>		–	–	–	–	–	–	–	–	–
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
<b>Other</b>	4	–	–	–	–	–	–	–	–	–
<b>Total Expenditure - Functional</b>	3	186 055	170 784	168 612	211 708	213 338	213 338	211 603	214 659	219 907
<b>Surplus/(Deficit) for the year</b>		(2 450)	18 450	32 565	(2 755)	390	390	3	936	208

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

Table A2 is a view of the budgeted financial performance in relation to revenue and Expenditure per functional standard classification. The modified functional standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile „whole of government“ reports.

Note the Total Revenue on this table includes capital revenues (Transfers recognised – Capital) and so does not balance to the operating revenue shown on Table A4.

Other functions that show a deficit between revenue and expenditure are being financed from operational grants and other revenue sources reflected under the Budget and treasury.



## Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

DC40 Dr Kenneth Kaunda - 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 - Executive Council		117	-	5	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		89	-	205	3 250	3 250	3 250	-	-	-
Vote 04 - Financial Services		178 297	185 339	195 091	200 335	205 110	205 110	206 470	212 501	216 930
Vote 05 - Led & Planning		3 878	3 499	4 952	4 868	4 868	4 868	4 636	2 573	2 641
Vote 06 - Community Services		1 224	396	925	500	500	500	500	521	544
Vote 07 - -		-	-	-	-	-	-	-	-	-
Vote 08 - -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>183 605</b>	<b>189 234</b>	<b>201 177</b>	<b>208 953</b>	<b>213 728</b>	<b>213 728</b>	<b>211 606</b>	<b>215 595</b>	<b>220 115</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 01 - Executive Council		17 357	16 890	15 957	23 602	24 545	24 545	22 909	24 274	25 472
Vote 02 - Municipal Manager		41 943	29 245	33 851	43 374	44 989	44 989	45 571	47 214	49 552
Vote 03 - Corporate Services		22 134	25 443	22 316	30 203	33 550	33 550	33 061	35 274	35 463
Vote 04 - Financial Services		45 688	41 560	35 340	31 322	30 062	30 062	30 106	30 007	29 497
Vote 05 - Led & Planning		23 506	19 050	18 705	30 492	28 943	28 943	28 353	25 292	25 032
Vote 06 - Community Services		35 427	38 595	42 443	52 715	51 249	51 249	51 603	52 598	54 890
Vote 07 - -		-	-	-	-	-	-	-	-	-
Vote 08 - -		-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>186 055</b>	<b>170 784</b>	<b>168 612</b>	<b>211 708</b>	<b>213 338</b>	<b>213 338</b>	<b>211 603</b>	<b>214 659</b>	<b>219 907</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(2 450)</b>	<b>18 450</b>	<b>32 565</b>	<b>(2 755)</b>	<b>390</b>	<b>390</b>	<b>3</b>	<b>936</b>	<b>208</b>

## 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 organisational structure of the district. This means it is not possible to present the operating surplus or deficit of a department or section as more than 90% of total revenue result from transfers from National treasury.

**Table A4 - Budgeted Financial Performance (revenue and expenditure)**

DC40 Dr Kenneth Kaunda - 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	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment											
Interest earned - external investments		2 772	3 596	5 677	5 200	5 200	5 200	1 592	5 200	5 418	5 657
Interest earned - outstanding debtors											
Dividends received	2	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-
Licences and permits		313	396	478	500	500	500	332	500	521	544
Agency services											
Transfers and subsidies		179 967	185 029	193 506	202 266	207 041	207 041	149 919	205 766	209 510	213 762
Other revenue	2	40	207	1 516	987	987	987	44	140	146	152
Gains		510	8	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>183 605</b>	<b>189 234</b>	<b>201 177</b>	<b>208 953</b>	<b>213 728</b>	<b>213 728</b>	<b>151 888</b>	<b>211 606</b>	<b>215 995</b>	<b>220 115</b>
<b>Expenditure By Type</b>											
Employee related costs	2	86 772	89 696	96 365	112 879	112 879	112 879	69 808	119 016	124 848	130 341
Remuneration of councillors		9 661	9 850	10 257	13 190	13 075	13 075	6 663	13 075	13 624	14 223
Debt impairment	3	121	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	2	8 908	7 760	6 931	5 494	5 494	5 494	-	6 704	6 986	7 249
Finance charges		849	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	-	-	-	-	-	-	-	-	-	-
Contracted services		42 669	29 657	24 246	28 987	31 416	31 416	17 002	27 698	26 995	27 346
Transfers and subsidies		6 609	4 333	6 919	7 691	8 691	8 691	2 494	8 122	5 426	4 758
Other expenditure	4, 5	29 034	28 528	23 894	43 466	41 783	41 783	12 229	36 988	36 781	35 988
Losses		1 434	960	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>186 055</b>	<b>170 784</b>	<b>168 612</b>	<b>211 708</b>	<b>213 338</b>	<b>213 338</b>	<b>108 196</b>	<b>211 603</b>	<b>214 659</b>	<b>219 907</b>
<b>Surplus/(Deficit)</b>		<b>(2 450)</b>	<b>18 450</b>	<b>32 565</b>	<b>(2 755)</b>	<b>390</b>	<b>390</b>	<b>43 691</b>	<b>3</b>	<b>936</b>	<b>208</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporators, Higher Educational Institutions)	6										
Transfers and subsidies - capital (in-kind - all)											
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(2 450)</b>	<b>18 450</b>	<b>32 565</b>	<b>(2 755)</b>	<b>390</b>	<b>390</b>	<b>43 691</b>	<b>3</b>	<b>936</b>	<b>208</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>		<b>(2 450)</b>	<b>18 450</b>	<b>32 565</b>	<b>(2 755)</b>	<b>390</b>	<b>390</b>	<b>43 691</b>	<b>3</b>	<b>936</b>	<b>208</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(2 450)</b>	<b>18 450</b>	<b>32 565</b>	<b>(2 755)</b>	<b>390</b>	<b>390</b>	<b>43 691</b>	<b>3</b>	<b>936</b>	<b>208</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		<b>(2 450)</b>	<b>18 450</b>	<b>32 565</b>	<b>(2 755)</b>	<b>390</b>	<b>390</b>	<b>43 691</b>	<b>3</b>	<b>936</b>	<b>208</b>

**MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)**

- The proposed operating revenue for the 2021/22 financial year has been appropriated at **R211.6 Million**. The operating revenue has decreased by 0.99% or R2.1 million for the 2021/22 financial year when compared to the 2020/21 Adjustment Budget.
- The proposed operating expenditure for the 2021/22 financial year has been appropriated at **R211.6 Million** and translates into a budgeted surplus of R3 thousands. The operating expenditure has decreased by 0.8% or R1.7 Million in the 2021/22 financial year when compared to the 2020/21 Adjustment Budget
- Transfers recognised – operating includes the local government equitable share and other operating grants. It needs to be noted that in real terms of the grants receipts from national government are growing slightly over the MTREF by 1% 2021/22, 1.8% in 2022/23 and

2% in 2023/24 budget year and the budget is primarily funded from grants receipts from National Treasury which forms a major portion of sources of revenue at 96,31% of the total Revenue.

**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>Capital expenditure - Vote</b>	1										
<b>Multi-year expenditure to be appropriated</b>	2										
Vote 01 - Executive Council		-	-	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 03 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 04 - Financial Services		-	-	-	-	-	-	-	-	-	-
Vote 05 - Led & Planning		-	-	-	-	-	-	-	-	-	-
Vote 06 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 07 - -		-	-	-	-	-	-	-	-	-	-
Vote 08 - -		-	-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	7	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be appropriated</b>	2										
Vote 01 - Executive Council		28	1 534	100	10	10	10	-	10	10	11
Vote 02 - Municipal Manager		38	60	282	415	915	915	31	265	257	265
Vote 03 - Corporate Services		38	132	645	8 040	7 255	7 255	1 058	11 510	5 015	3 671
Vote 04 - Financial Services		5 367	288	959	2 120	3 406	3 406	1 025	150	82	79
Vote 05 - Led & Planning		888	29	-	12 950	12 950	12 950	-	96 350	12 052	14 054
Vote 06 - Community Services		198	475	369	4 225	4 415	4 415	642	9 020	1 296	1 218
Vote 07 - -		-	-	-	-	-	-	-	-	-	-
Vote 08 - -		-	-	-	-	-	-	-	-	-	-
Vote 09 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		6 557	2 517	2 356	27 760	28 950	28 950	2 756	117 305	18 713	19 298
<b>Total Capital Expenditure - Vote</b>		6 557	2 517	2 356	27 760	28 950	28 950	2 756	117 305	18 713	19 298
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		6 359	2 029	1 986	10 585	11 585	11 585	2 114	11 935	5 365	4 026
Executive and council		47	1 591	197	225	725	725	31	75	57	60
Finance and administration		6 293	436	1 604	10 160	10 660	10 660	2 083	11 660	5 098	3 750
Internal audit		19	3	185	200	200	200	-	200	210	216
<b>Community and public safety</b>		171	265	329	4 225	4 415	4 415	642	9 020	1 296	1 218
Community and social services		-	93	68	4 225	4 415	4 415	642	9 020	1 296	1 218
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		171	172	261	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		27	222	40	12 950	12 950	12 950	-	96 350	12 052	14 054
Planning and development		-	12	-	12 950	12 950	12 950	-	96 350	12 052	14 054
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		27	210	40	-	-	-	-	-	-	-
<b>Trading services</b>		-	-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	6 557	2 517	2 356	27 760	28 950	28 950	2 756	117 305	18 713	19 298
<b>Funded by:</b>											
National Government		-	-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	90 000	-	-
<b>Internally generated funds</b>		6 557	2 517	2 356	27 760	28 950	28 950	2 756	27 305	18 713	19 298
<b>Total Capital Funding</b>	7	6 557	2 517	2 356	27 760	28 950	28 950	2 756	117 305	18 713	19 298

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

Table A5 is a breakdown of the capital budget in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

- The proposed capital budget for the 2021/22 financial year has been appropriated at **R144.4 Million**. The capital expenditure has increased by 397.8% or R115.5 Million when compared to the 2020/21 Adjustment Budget. For the two outer years, capital expenditure will decrease by 83.8% or R121 Million and 1.1% or R264 thousand respectively. The capital budget is funded from internally generated funds.

## Table A6 - Budgeted Financial Position

DC40 Dr Kenneth Kaunda - 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		(85 207)	18 031	46 117	9 415	11 370	11 370	17 486	52 906	32 300	10 646
Call investment deposits	1	35 000	18 000	30 000	15 000	15 000	15 000	100 000	-	-	-
Consumer debtors	1	751	(25)	(20)	-	-	-	(20)	-	-	-
Other debtors		5 483	35 299	35 016	-	-	-	34 155	-	-	-
Current portion of long-term receivables		-	-	-	-	-	-	-	-	-	-
Inventory	2	-	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>		<b>(43 973)</b>	<b>71 304</b>	<b>111 113</b>	<b>24 415</b>	<b>26 370</b>	<b>26 370</b>	<b>151 621</b>	<b>52 906</b>	<b>32 300</b>	<b>10 646</b>
<b>Non current assets</b>											
Long-term receivables		0	0	0	0	0	0	0	0	0	0
Investments		-	-	-	-	-	-	-	-	-	-
Investment property		-	-	-	-	-	-	-	-	-	-
Investment in Associate		-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	30 165	24 872	20 204	47 694	49 184	49 184	22 705	134 739	40 187	41 767
Biological		-	-	-	-	-	-	-	-	-	-
Intangible		1 559	649	538	5 539	5 239	5 239	793	8 039	3 999	3 004
Other non-current assets		-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>31 724</b>	<b>25 521</b>	<b>20 743</b>	<b>53 233</b>	<b>54 423</b>	<b>54 423</b>	<b>23 499</b>	<b>142 778</b>	<b>44 187</b>	<b>44 771</b>
<b>TOTAL ASSETS</b>		<b>(12 248)</b>	<b>96 826</b>	<b>131 856</b>	<b>77 649</b>	<b>80 793</b>	<b>80 793</b>	<b>175 120</b>	<b>195 684</b>	<b>76 487</b>	<b>55 417</b>
<b>LIABILITIES</b>											
<b>Current liabilities</b>											
Bank overdraft	1	-	-	-	-	-	-	-	-	-	-
Borrowing	4	494	494	48	263	263	263	48	308	9 814	9 814
Consumer deposits		-	-	-	-	-	-	-	-	-	-
Trade and other payables	4	(47 238)	40 798	41 126	5 930	5 930	5 930	42 453	22 746	22 746	9 337
Provisions		15 782	14 205	17 294	14 493	14 493	14 493	17 294	3 895	3 895	3 895
<b>Total current liabilities</b>		<b>(30 962)</b>	<b>55 497</b>	<b>58 468</b>	<b>20 687</b>	<b>20 687</b>	<b>20 687</b>	<b>59 794</b>	<b>26 949</b>	<b>36 455</b>	<b>23 046</b>
<b>Non current liabilities</b>											
Borrowing		149	154	-	(154)	(154)	(154)	-	90 000	-	-
Provisions		9 361	11 551	11 670	11 551	11 551	11 551	11 670	13 364	13 364	13 364
<b>Total non current liabilities</b>		<b>9 510</b>	<b>11 704</b>	<b>11 670</b>	<b>11 397</b>	<b>11 397</b>	<b>11 397</b>	<b>11 670</b>	<b>103 364</b>	<b>13 364</b>	<b>13 364</b>
<b>TOTAL LIABILITIES</b>		<b>(21 452)</b>	<b>67 201</b>	<b>70 138</b>	<b>32 084</b>	<b>32 084</b>	<b>32 084</b>	<b>71 464</b>	<b>130 313</b>	<b>49 819</b>	<b>36 410</b>
<b>NET ASSETS</b>	5	<b>9 204</b>	<b>29 625</b>	<b>61 718</b>	<b>45 565</b>	<b>48 709</b>	<b>48 709</b>	<b>103 655</b>	<b>65 371</b>	<b>26 668</b>	<b>19 008</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		9 204	29 625	61 718	45 565	48 709	48 709	103 655	65 371	26 668	19 008
Reserves	4	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>9 204</b>	<b>29 625</b>	<b>61 718</b>	<b>45 565</b>	<b>48 709</b>	<b>48 709</b>	<b>103 655</b>	<b>65 371</b>	<b>26 668</b>	<b>19 008</b>

## MBRR Table A6 - Budgeted Financial Position

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).

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.

The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. Municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt.

**Table A7 - Budgeted Cash Flow Statement**

DC40 Dr Kenneth Kaunda - 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>R thousand</b>											
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates											
Service charges											
Other revenue		866	946	1 028	1 487	1 487	1 487	376	640	667	696
Transfers and Subsidies - Operational	1	179 967	185 029	193 506	202 266	207 041	207 041	149 919	205 766	209 510	213 762
Transfers and Subsidies - Capital	1										
Interest		2 772	3 596	5 677	5 200	5 200	5 200	1 582	5 200	5 418	5 657
Dividends											
<b>Payments</b>											
Suppliers and employees		(168 984)	(157 731)	(154 762)	(198 523)	(199 153)	(199 153)	(105 702)	(196 777)	(202 248)	(207 899)
Finance charges											
Transfers and Grants	1	(6 609)	(4 333)	(6 919)	(7 691)	(8 691)	(8 691)	(2 494)	(8 122)	(5 426)	(4 758)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>8 012</b>	<b>27 506</b>	<b>38 530</b>	<b>2 739</b>	<b>5 884</b>	<b>5 884</b>	<b>43 691</b>	<b>6 707</b>	<b>7 922</b>	<b>7 458</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE											
Decrease (increase) in non-current receivables											
Decrease (increase) in non-current investments											
<b>Payments</b>											
Capital assets		(6 557)	(2 517)	(2 356)	(27 760)	(28 950)	(28 950)	(2 756)	(117 305)	(18 713)	(19 298)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(6 557)</b>	<b>(2 517)</b>	<b>(2 356)</b>	<b>(27 760)</b>	<b>(28 950)</b>	<b>(28 950)</b>	<b>(2 756)</b>	<b>(117 305)</b>	<b>(18 713)</b>	<b>(19 298)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans											
Borrowing long term/refinancing									90 000		
Increase (decrease) in consumer deposits											
<b>Payments</b>											
Repayment of borrowing										(9 814)	(9 814)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90 000</b>	<b>(9 814)</b>	<b>(9 814)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>1 456</b>	<b>24 990</b>	<b>36 175</b>	<b>(25 021)</b>	<b>(23 066)</b>	<b>(23 066)</b>	<b>40 936</b>	<b>(20 598)</b>	<b>(20 606)</b>	<b>(21 654)</b>
Cash/cash equivalents at the year begin:	2	13 739	9 761	36 031	48 444	48 444	48 444	76 064	73 503	52 906	32 300
Cash/cash equivalents at the year end:	2	15 194	34 751	72 205	23 423	25 377	25 377	117 000	52 906	32 300	10 646

**MBRR Table A7 - Budgeted Cash Flow Statement**

The budgeted cash flow statement is the first measurement in determining if the budget is funded.

It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.

As part of the 2021/22 Budget the unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalization of spending priorities.

The 2021/22 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.

### Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

DC40 Dr Kenneth Kaunda - 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	15 194	34 751	72 205	23 423	25 377	25 377	117 000	52 906	32 300	10 646
Other current investments > 90 days		(65 401)	1 279	3 912	993	993	993	486	-	-	(0)
Non current assets - Investments	1	0	0	0	0	0	0	0	0	0	0
<b>Cash and investments available:</b>		<b>(50 207)</b>	<b>36 031</b>	<b>76 117</b>	<b>24 416</b>	<b>26 370</b>	<b>26 370</b>	<b>117 486</b>	<b>52 906</b>	<b>32 300</b>	<b>10 646</b>
<b>Application of cash and investments</b>											
Unspent conditional transfers		1 021	1 164	1 052	1 052	1 052	1 052	5 716	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(82 087)	(44 949)	(7 133)	4 879	4 879	4 879	(26 558)	21 890	21 890	9 337
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
<b>Total Application of cash and investments:</b>		<b>(81 066)</b>	<b>(43 785)</b>	<b>(6 082)</b>	<b>5 930</b>	<b>5 930</b>	<b>5 930</b>	<b>(20 842)</b>	<b>21 890</b>	<b>21 890</b>	<b>9 337</b>
<b>Surplus(shortfall)</b>		<b>30 859</b>	<b>79 816</b>	<b>82 199</b>	<b>18 485</b>	<b>20 440</b>	<b>20 440</b>	<b>138 328</b>	<b>31 016</b>	<b>10 410</b>	<b>1 309</b>

### MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.

The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

The Cash backing/surplus reconciliation shows that there are long term obligations which are not cash backed in a single budget year but over multiple years.

Council has taken a deliberate decision to ensure adequate Cash-backing for all material obligations in accordance with the adopted Funding and Reserves Policy. This cannot be achieved in one financial year. It is anticipated that the goal of having all obligations cash-backed will be achieved when a small surplus is reflected due to most contracts ceasing

Compliance with section 18 of the MFMA is assumed because a surplus would directly indicate that the annual budget is appropriately funded and considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2021/22 MTREF was funded.

As part of the budgeting and planning guidelines that informed the compilation of the 2021/22 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.

### Table A9 - Asset Management

DC40 Dr Kenneth Kaunda - 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>CAPITAL EXPENDITURE</b>										
<b>Total New Assets</b>	1	6 557	1 229	2 143	27 760	28 950	28 950	114 005	12 213	11 798
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	1 500	1 500	1 500	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	2 400	2 400	2 400	2 800	5 500	6 500
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		-	-	-	3 900	3 900	3 900	2 800	5 500	6 500
<i>Community Facilities</i>		-	-	91	9 200	9 200	9 200	90 800	250	230
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	91	9 200	9 200	9 200	90 800	250	230
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		26	40	641	3 200	2 700	2 700	3 100	350	200
<i>Housing</i>		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		26	40	641	3 200	2 700	2 700	3 100	350	200
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		817	56	251	4 890	4 590	4 590	7 390	3 350	2 355
<b>Intangible Assets</b>		817	56	251	4 890	4 590	4 590	7 390	3 350	2 355
<i>Computer Equipment</i>		167	504	776	1 480	1 980	1 980	3 200	1 205	1 010
<i>Furniture and Office Equipment</i>		151	541	189	320	810	810	715	233	237
<i>Machinery and Equipment</i>		5 396	88	195	270	770	770	2 900	1 325	1 266
<i>Transport Assets</i>		-	-	-	4 500	5 000	5 000	3 100	-	-
<i>Land</i>		-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	2	-	-	-	-	-	-	3 300	6 500	7 500
<i>Roads Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Storm water Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Electrical Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	3 300	6 500	7 500
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastructure</i>		-	-	-	-	-	-	-	-	-
<b>Infrastructure</b>		-	-	-	-	-	-	3 300	6 500	7 500
<i>Community Facilities</i>		-	-	-	-	-	-	-	-	-
<i>Sport and Recreation Facilities</i>		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-	-
<b>Heritage Assets</b>		-	-	-	-	-	-	-	-	-
<i>Revenue Generating</i>		-	-	-	-	-	-	-	-	-
<i>Non-revenue Generating</i>		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
<i>Operational Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-
<b>Other Assets</b>		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
<i>Servitudes</i>		-	-	-	-	-	-	-	-	-
<i>Licences and Rights</i>		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
<i>Computer Equipment</i>		-	-	-	-	-	-	-	-	-
<i>Furniture and Office Equipment</i>		-	-	-	-	-	-	-	-	-
<i>Machinery and Equipment</i>		-	-	-	-	-	-	-	-	-
<i>Transport Assets</i>		-	-	-	-	-	-	-	-	-
<i>Land</i>		-	-	-	-	-	-	-	-	-
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-

<b>Total Upgrading of Existing Assets</b>	6	--	1 288	212	--	--	--	--	--	--	--	--	--
Roads Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Storm water Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Electrical Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Water Supply Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Sanitation Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Solid Waste Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Rail Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Coastal Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Infrastructure</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Community Facilities	--	--	--	--	--	--	--	--	--	--	--	--	--
Sport and Recreation Facilities	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Community Assets</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Heritage Assets</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Revenue Generating	--	--	--	--	--	--	--	--	--	--	--	--	--
Non-revenue Generating	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Investment properties</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Operational Buildings	--	--	--	--	--	--	--	--	--	--	--	--	--
Housing	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Other Assets</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Biological or Cultivated Assets</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Servitudes	--	--	--	--	--	--	--	--	--	--	--	--	--
Licences and Rights	--	--	212	--	--	--	--	--	--	--	--	--	--
<b>Intangible Assets</b>	--	--	212	--	--	--	--	--	--	--	--	--	--
<b>Computer Equipment</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Furniture and Office Equipment</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Machinery and Equipment</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Transport Assets</b>	--	1 288	--	--	--	--	--	--	--	--	--	--	--
<b>Land</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Zoo's, Marine and Non-biological Animals</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total Capital Expenditure</b>	4	6 557	2 517	2 356	27 760	28 950	28 950	117 305	18 713	19 298			
Roads Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Storm water Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Electrical Infrastructure	--	--	--	1 500	1 500	1 500	1 500	--	--	--	--	--	--
Water Supply Infrastructure	--	--	--	--	--	--	--	3 300	6 500	7 500	--	--	--
Sanitation Infrastructure	--	--	--	2 400	2 400	2 400	2 400	2 800	5 500	6 500	--	--	--
Solid Waste Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Rail Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Coastal Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Infrastructure</b>	--	--	--	91	9 200	9 200	9 200	90 800	250	14 000	230	--	--
Community Facilities	--	--	--	91	9 200	9 200	9 200	90 800	250	14 000	230	--	--
Sport and Recreation Facilities	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Community Assets</b>	--	--	91	9 200	9 200	9 200	90 800	250	--	230	--	--	--
<b>Heritage Assets</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Revenue Generating	--	--	--	--	--	--	--	--	--	--	--	--	--
Non-revenue Generating	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Investment properties</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Operational Buildings	26	40	641	3 200	2 700	2 700	3 100	350	200	--	--	--	--
Housing	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Other Assets</b>	26	40	641	3 200	2 700	2 700	3 100	350	200	--	--	--	--
<b>Biological or Cultivated Assets</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Servitudes	--	--	--	--	--	--	--	--	--	--	--	--	--
Licences and Rights	817	56	463	4 890	4 590	4 590	7 390	3 350	2 355	--	--	--	--
<b>Intangible Assets</b>	817	56	463	4 890	4 590	4 590	7 390	3 350	2 355	--	--	--	--
<b>Computer Equipment</b>	167	504	776	1 480	1 980	1 980	3 200	1 205	1 010	--	--	--	--
<b>Furniture and Office Equipment</b>	151	541	189	320	810	810	715	233	237	--	--	--	--
<b>Machinery and Equipment</b>	5 396	88	195	270	770	770	2 900	1 325	1 266	--	--	--	--
<b>Transport Assets</b>	--	1 288	--	4 500	5 000	5 000	3 100	--	--	--	--	--	--
<b>Land</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Zoo's, Marine and Non-biological Animals</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>		6 557	2 517	2 356	27 760	28 950	28 950	117 305	18 713	19 298			
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>	5	31 724	25 521	20 743	53 233	54 423	54 423	142 778	44 187	44 771			
Roads Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Storm water Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Electrical Infrastructure	--	--	--	1 500	1 500	1 500	--	--	--	--	--	--	--
Water Supply Infrastructure	--	--	--	--	--	--	3 300	6 500	7 500	--	--	--	--
Sanitation Infrastructure	--	--	--	2 400	2 400	2 400	2 800	5 500	6 500	--	--	--	--
Solid Waste Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Rail Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Coastal Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure	14 095	10 230	6 320	10 230	10 230	10 230	10 230	10 230	10 230	10 230			
<b>Infrastructure</b>	14 095	10 230	6 320	14 130	14 130	14 130	16 330	22 230	24 230				
<b>Community Assets</b>	4 779	4 533	3 984	8 954	8 954	8 954	90 554	4	(16)	--	--	--	--
<b>Heritage Assets</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Investment properties</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Operational Buildings	26	134	641	8 271	7 771	7 771	8 171	5 421	5 271	--	--	--	--
Housing	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Other Assets</b>	26	134	641	8 271	7 771	7 771	8 171	5 421	5 271	--	--	--	--
<b>Biological or Cultivated Assets</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
Servitudes	--	--	--	--	--	--	--	--	--	--	--	--	--
Licences and Rights	1 559	649	538	5 539	5 239	5 239	8 039	3 999	3 004	--	--	--	--
<b>Intangible Assets</b>	1 559	649	538	5 539	5 239	5 239	8 039	3 999	3 004	--	--	--	--
<b>Computer Equipment</b>	1 441	1 208	1 374	2 688	3 188	3 188	4 408	2 413	2 218	--	--	--	--
<b>Furniture and Office Equipment</b>	2 426	2 097	1 781	2 265	2 755	2 755	3 660	2 178	2 182	--	--	--	--
<b>Machinery and Equipment</b>	1 767	1 192	1 429	1 457	1 957	1 957	4 087	2 512	2 453	--	--	--	--
<b>Transport Assets</b>	5 632	5 478	4 674	9 930	10 430	10 430	8 530	5 430	5 430	--	--	--	--
<b>Land</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Zoo's, Marine and Non-biological Animals</b>	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>		31 724	25 521	20 743	53 233	54 423	54 423	142 778	44 187	44 771			
<b>EXPENDITURE OTHER ITEMS</b>	7	10 536	8 959	8 466	8 176	8 356	8 356	10 856	11 020	11 079			
<b>Depreciation</b>	7	8 908	7 760	6 931	5 494	5 494	5 494	6 704	6 986	7 249			
<b>Repairs and Maintenance by Asset Class</b>	3	1 628	1 198	1 535	2 682	2 862	2 862	4 152	4 035	3 829			
Roads Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Storm water Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Electrical Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Water Supply Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Sanitation Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Solid Waste Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Rail Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Coastal Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
Information and Communication Infrastructure	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Infrastructure</b>	--	--	--	--	--	--	--	1 000	750	400			
Community Facilities	--	--	--	--	--	--	--	--	--	--			
Sport and Recreation Facilities	--	--	--	--	--	--	--	--	--	--			
<b>Community Assets</b>	--	--	--	--	--	--	--	--	--	--			
<b>Heritage Assets</b>	--	--	--	--	--	--	--	--	--	--			
Revenue Generating	--	--	--	--	--	--	--	--	--	--			
Non-revenue Generating	--	--	--	--	--	--	--	--	--	--			
<b>Investment properties</b>	--	--	--	--	--	--	--	--	--	--			
Operational Buildings	733	494	552	500	980	980	1 000	1 042	1 088	--			
Housing	--	--	--	--	--	--	--	--	--	--			
<b>Other Assets</b>	733	494	552	500	980	980	1 000	1 042	1 088	--			
<b>Biological or Cultivated Assets</b> </													



## MBRR Table A9 - Asset Management

Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on maintenance of equipment by asset class.

The District Municipality maintenance of equipment has increased compared to 2020/21 adjusted budget. Included in the repairs and maintenance of the municipality is, maintenance that needs to be done on municipal buildings, furniture, office equipment, machinery and other equipment. Repairs and Maintenance amounts to R4.1 million for 2021/22.

## Table A10 - Basic Service Delivery Measurement

DC40 Dr Kenneth Kaunda - Table A10 Basic service delivery measurement

Description	Ref	2017/18	2018/19	2019/20	Current Year 2020/21			2021/22 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2021/22	Budget Year +1 2022/23	Budget Year +2 2023/24
<b>Household service targets</b>	1									
<b>Water:</b>										
Piped water inside dwelling		--	--	--	--	--	--	--	--	--
Piped water inside yard (but not in dwelling)	2	--	--	--	--	--	--	--	--	--
Using public tap (at least min.service level)		--	--	--	--	--	--	--	--	--
Other water supply (at least min.service level)	4	--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>		--	--	--	--	--	--	--	--	--
Using public tap (< min.service level)	3	--	--	--	--	--	--	--	--	--
Other water supply (< min.service level)	4	--	--	--	--	--	--	--	--	--
No water supply		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>		--	--	--	--	--	--	--	--	--
<b>Total number of households</b>	5	--	--	--	--	--	--	--	--	--
<b>Sanitation/sewerage:</b>										
Flush toilet (connected to sewerage)		--	--	--	--	--	--	--	--	--
Flush toilet (with septic tank)		--	--	--	--	--	--	--	--	--
Chemical toilet		--	--	--	--	--	--	--	--	--
Pit toilet (ventilated)		--	--	--	--	--	--	--	--	--
Other toilet provisions (> min.service level)		--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>		--	--	--	--	--	--	--	--	--
Bucket toilet		--	--	--	--	--	--	--	--	--
Other toilet provisions (< min.service level)		--	--	--	--	--	--	--	--	--
No toilet provisions		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>		--	--	--	--	--	--	--	--	--
<b>Total number of households</b>	5	--	--	--	--	--	--	--	--	--
<b>Energy:</b>										
Electricity (at least min.service level)		--	--	--	--	--	--	--	--	--
Electricity - prepaid (min.service level)		--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>		--	--	--	--	--	--	--	--	--
Electricity (< min.service level)		--	--	--	--	--	--	--	--	--
Electricity - prepaid (< min. service level)		--	--	--	--	--	--	--	--	--
Other energy sources		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>		--	--	--	--	--	--	--	--	--
<b>Total number of households</b>	5	--	--	--	--	--	--	--	--	--
<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		--	--	--	--	--	--	--	--	--
Using own refuse dump		--	--	--	--	--	--	--	--	--
Other rubbish disposal		--	--	--	--	--	--	--	--	--
No rubbish disposal		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>		--	--	--	--	--	--	--	--	--
<b>Total number of households</b>	5	--	--	--	--	--	--	--	--	--
<b>Households receiving Free Basic Service</b>	7									
Water (6 kilolitres per household per month)		--	--	--	--	--	--	--	--	--
Sanitation (free minimum level service)		--	--	--	--	--	--	--	--	--
Electricity/other energy (50kwh per household per month)		--	--	--	--	--	--	--	--	--
Refuse (removed at least once a week)		--	--	--	--	--	--	--	--	--
<b>Cost of Free Basic Services provided - Formal Settlements (R'000)</b>	8									
Water (6 kilolitres per indigent household per month)		--	--	--	--	--	--	--	--	--
Sanitation (free sanitation service to indigent households)		--	--	--	--	--	--	--	--	--
Electricity/other energy (50kwh per indigent household per month)		--	--	--	--	--	--	--	--	--
Refuse (removed once a week for indigent households)		--	--	--	--	--	--	--	--	--
<b>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</b>										
<b>Total cost of FBS provided</b>		--	--	--	--	--	--	--	--	--
<b>Highest level of free service provided per household</b>										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
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										
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 removal a week for indigent households)										
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
<b>Total revenue cost of subsidised services provided</b>	6									

## MBRR Table A9 - Basic Service Delivery Measurement

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 21 – Budget Preparation Process**

- The schedule of key deadlines (IDP/PMS & Budget process Plan) was tabled and published in October 2020.
- The 2021/22 Draft Budget was tabled by Council on the 25<sup>th</sup> March 2021 (**Council Resolution: Item A.43/3/2021**) together with the review of the IDP in council.
- The Final Budget will be tabled and approved by council not later than 31<sup>st</sup> of May 2021.

#### **OUTCOMES OF CONSULTATIVE PROCESS**

- After the tabling of the draft budget on 25<sup>th</sup> of March 2021, the consultation processes and Meetings in terms of section 23 of the MFMA were held with identified stakeholders on the contents of the budget as well as on measurable performance indicators for the 2021/22 budget year.
- The external consultation with the community to provide inputs on the Draft budget and Integrated Development Plan was done using media platforms such as teleconferencing, Local Radio stations facilitated through live streaming on Facebook.
- The external consultation with the locals to submit their inputs on capital budget to ensure that the 2021/22 MTREF prioritised the needs of the community and allocates the budget towards service delivery.

#### **The following consultation processes took place:**


- IDP / Budget Strategic Session.
- Budget Committee working sessions – HOD's / Unit Managers.
- Aganang Community radio station – 17 May 2021
- Star FM – 19 May 2021
- Budget Steering Committee Meeting
- Submission of the Draft IDP and Final Budget to Council (to be submitted to council meeting scheduled for May 2021).
- Advertisement on a local newspaper and municipal website once approved by council.
- National Treasury and other sector departments as prescribed by section 23 of the MFMA.

- As a further enhancement to this, quarterly service targets and monthly financial targets are contained in the Service Delivery and Budget Implementation Plan (SDBIP). This must be approved by the Mayor within 28 days after the approval of the final budget and forms the basis for the Municipality's in year monitoring.
- The District developmental model was launched during the 2019/20 financial year and Technical IGR forum meetings were resuscitated. The forum played a very important role for the alignment of three spheres of government's objectives, National, Provincial and Local government. The IDPs of three local and of the district are in fact the product of the collaboration of the Dr KKDM with the sector departments and the locals.

### 2.2.1. Schedule of Key deadline

Private Bag X 5017  
Klerksdorp  
2570  
Tel: (018) 473 8000  
Website: www.kaundadistrict.gov.za

**DR. KENNETH  
KAUNDA**  
DISTRICT MUNICIPALITY



Civic Centre  
Patmore Road  
Orlney  
2620  
Fax: (018) 473 2523  
Email: records@kaundadistrict.gov.za

Our Ref: .....

Your Reference: .....

Enquiries: .....

**ITEM A.32/10/2020**


**BUDGET AND TREASURY OFFICE**


**2021/22 BUDGET SCHEDULE OF KEY DEADLINES**

**THEREFORE RESOLVED**

CFO  
S/V

That the 2021/2022 Budget schedule of key deadlines is tabled before the Municipal Council for approval.





**EXPLORING PROSPERITY**

## 2.2. Overview of alignment of annual Budget with IDP

### DC40 Dr Kenneth Kaunda - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

DC40 Dr Kenneth Kaunda - 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													
SPATIAL RATIONALE				195	2 348	447	-	-	-	-	-	-	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				117	-	5	-	-	-	-	-	-	
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				178 297	185 339	195 091	200 335	205 110	205 110	206 470	212 501	216 930	
DISTRICT ECONOMIC DEVELOPMENT				-	-	-	4 868	4 868	4 868	4 636	2 573	2 641	
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT				89	-	205	3 250	3 250	3 250	-	-	-	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				4 907	1 547	5 430	500	500	500	500	521	544	
Allocations to other priorities													
Total Revenue (excluding capital transfers and contributions)				1	183 605	189 234	201 177	208 953	213 728	213 728	211 606	215 595	220 115

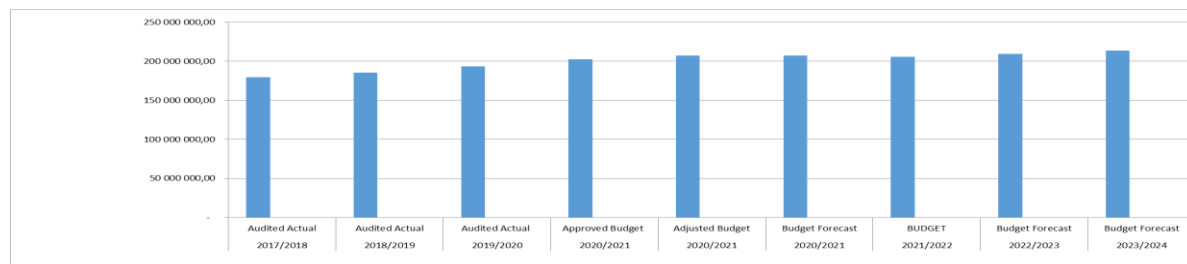
## 2.3. Measurable performance objectives and indicators

### DC40 Dr Kenneth Kaunda - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

DC40 Dr Kenneth Kaunda - 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													
SPATIAL RATIONALE				6 648	7 613	8 275	-	-	-	-	-	-	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION				59 300	46 135	49 808	66 974	69 534	69 534	68 480	71 488	75 024	
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				45 688	41 560	34 994	31 322	30 062	30 062	30 106	30 007	29 497	
DISTRICT ECONOMIC DEVELOPMENT				12 594	10 212	8 503	30 494	28 943	28 943	28 353	25 292	25 032	
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT				22 134	25 443	22 316	30 203	33 550	33 550	33 061	35 274	35 463	
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT				39 691	39 821	44 716	52 715	51 249	51 249	51 603	52 598	54 890	
Allocations to other priorities													
Total Expenditure				1	186 055	170 784	168 612	211 708	213 338	213 338	211 603	214 659	219 907

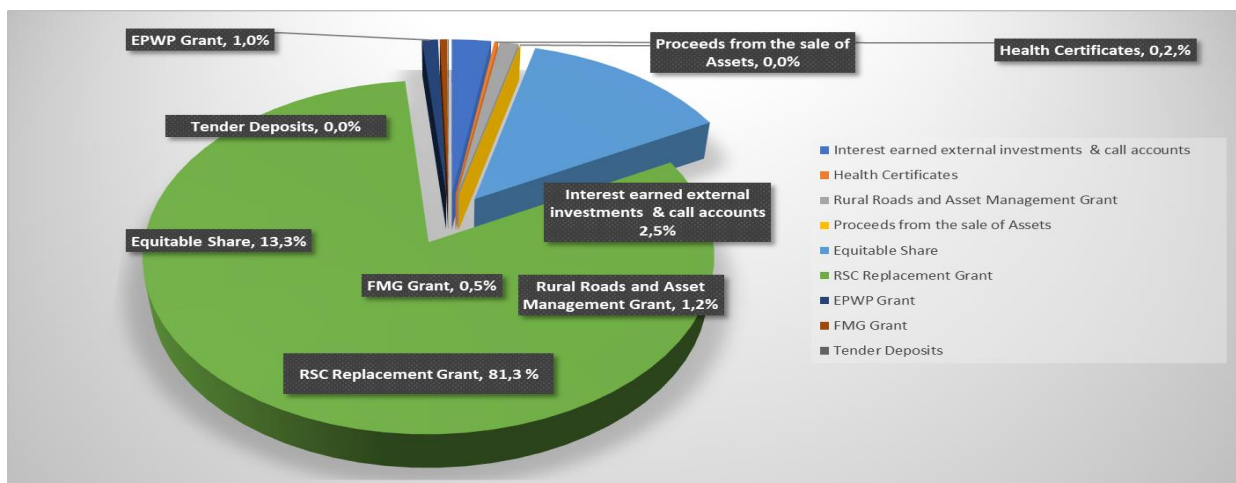
## REVENUE BY MAJOR SOURCE



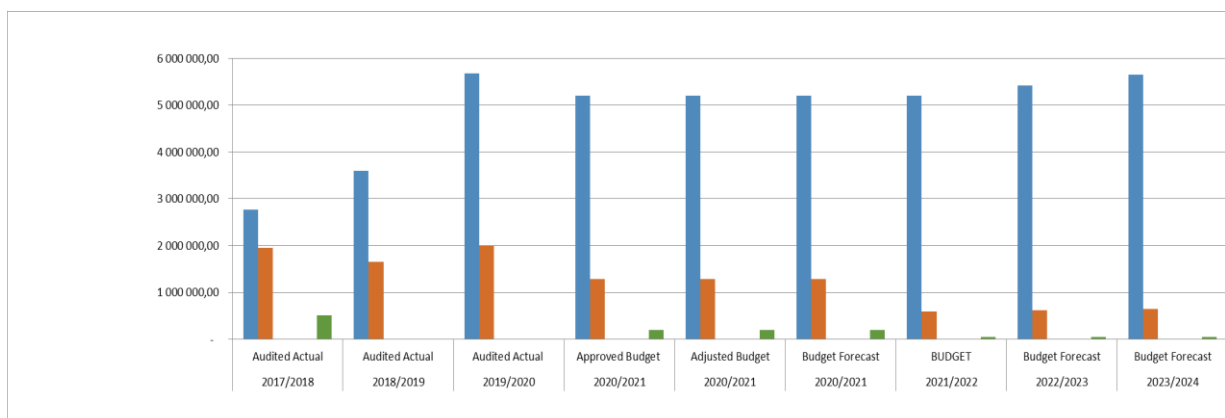
	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2021/2022	2022/2023	2023/2024
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Transfers Recog. Operating	179 654 322,00	185 178 514,00	193 505 872,85	202 266 000,00	207 041 000,00	207 041 000,00	205 766 000,00	209 510 000,00	213 762 000,00
Transfers Recog. Capital	-	-	-	-	-	-	-	-	-
Total revenue by major source	179 654 322,00	185 178 514,00	193 505 872,85	202 266 000,00	207 041 000,00	207 041 000,00	205 766 000,00	209 510 000,00	213 762 000,00

## SOURCE OF FUNDING AS A PERCENTAGE (%)

The following sources of funding forms part of funding as a percentage of total funding :		
		As % of Total funding
<b>BUDGET FUNDING</b>		
Interest earned external investments & call accounts	5 200 000	2,5
Health Certificates	500 000	0,2
Rural Roads and Asset Management Grant	2 514 000	1,2
Proceeds from the sale of Assets	50 000	0,0
Equitable Share	28 052 000	13,3
RSC Replacement Grant	172 078 000	81,3
EPWP Grant	2 122 000	1,0
FMG Grant	1 000 000	0,5
Tender Deposits	90 000	0,0
<b>TOTAL FUNDING</b>	<b>211 606 000</b>	<b>100,00</b>

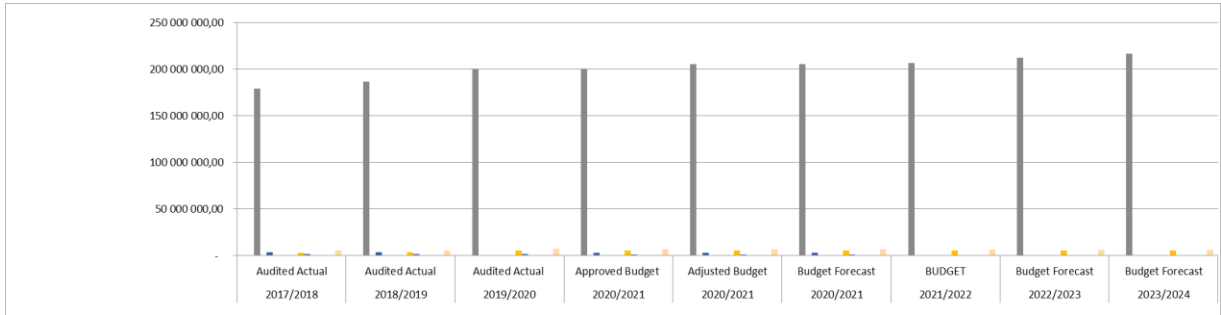


## REVENUE BY MINOR SOURCE



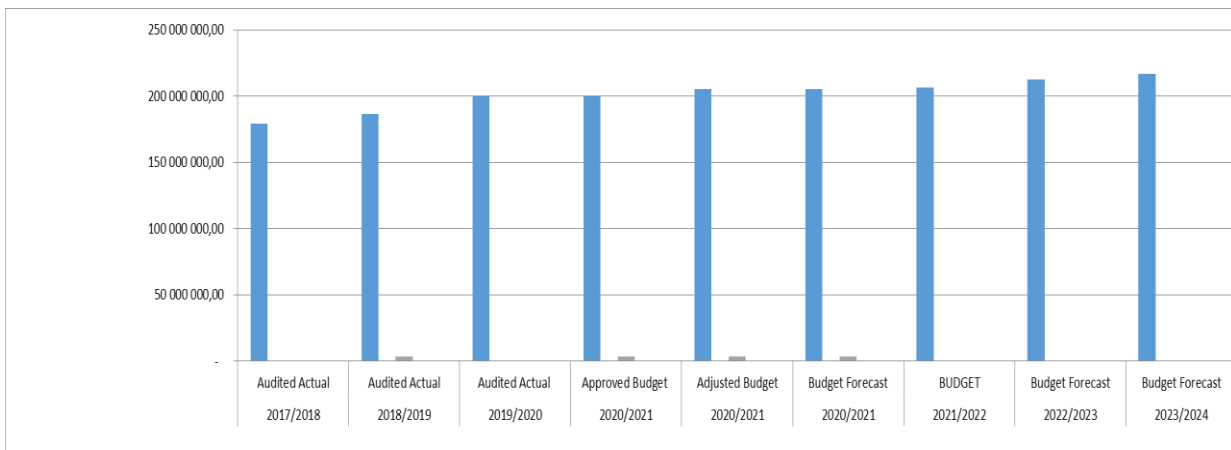
	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2021/2022	2022/2023	2023/2024
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Interest External Investmen	2 771 556,00	3 595 948,19	5 677 254,14	5 200 000,00	5 200 000,00	5 200 000,00	5 200 000,00	5 418 400,00	5 656 810,00
Other Revenue	1 948 501,00	1 655 803,00	1 993 865,32	1 287 000,00	1 287 000,00	1 287 000,00	590 000,00	614 780,00	641 830,00
Rental of Facilities	-	-	-	-	-	-	-	-	-
Interest Outstanding Debtor	-	-	-	-	-	-	-	-	-
Dividends Received	2 250,00	-	-	-	-	-	-	-	-
Gain on Disposal of PPE	510 362,00	-	-	200 000,00	200 000,00	200 000,00	50 000,00	52 100,00	54 392,00
<b>Total revenue by minor source</b>	<b>5 232 669,00</b>	<b>5 251 751,19</b>	<b>7 671 119,46</b>	<b>6 687 000,00</b>	<b>6 687 000,00</b>	<b>6 687 000,00</b>	<b>5 840 000,00</b>	<b>6 085 280,00</b>	<b>6 353 032,00</b>

## REVENUE BY MUNICIPAL VOTE



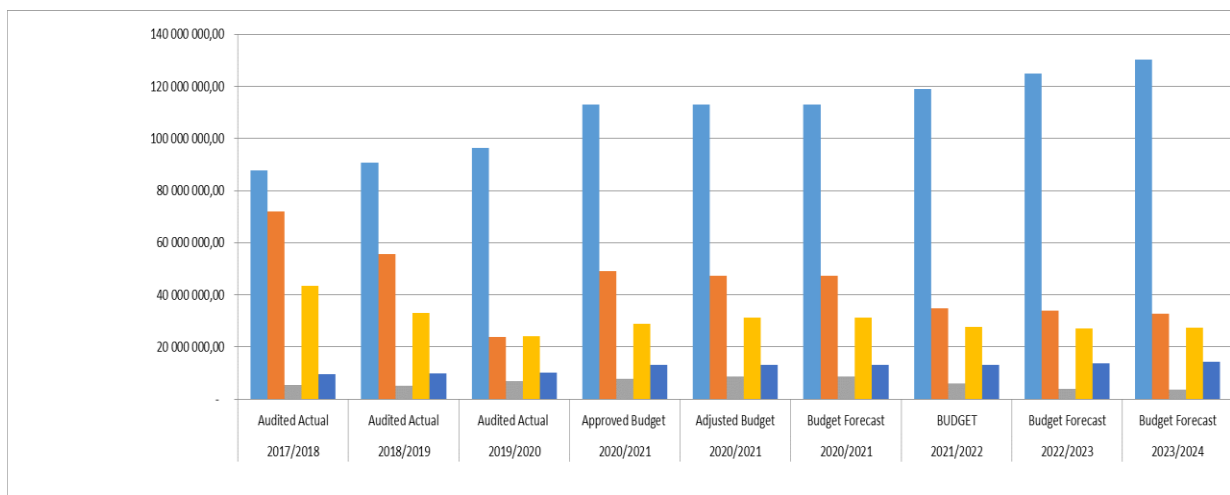
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Office of the Executive Mayor	-	-	4 633,64	-	-	-	-	-	-
Office of the Speaker	-	-	-	-	-	-	-	-	-
Municipal Manager Admin.	-	-	-	-	-	-	-	-	-
Budget and Treasury	179 402 335,00	186 385 433,19	200 247 526,27	200 335 000,00	205 110 000,00	205 110 000,00	206 470 000,00	212 501 280,00	216 930 108,00
Corporate Services	3 857 924,00	3 649 314,00	-	3 250 000,00	3 250 000,00	3 250 000,00	-	-	-
LEDT & Planning	-	-	477 832,40	4 868 000,00	4 868 000,00	4 868 000,00	4 636 000,00	2 573 000,00	2 641 000,00
Community Services	1 067 269,00	395 518,00	447 000,00	500 000,00	500 000,00	500 000,00	500 000,00	521 000,00	543 924,00
<b>Total revenue by municipal vote</b>	<b>184 327 528,00</b>	<b>190 430 265,19</b>	<b>201 176 992,31</b>	<b>208 953 000,00</b>	<b>213 728 000,00</b>	<b>213 728 000,00</b>	<b>211 606 000,00</b>	<b>215 595 280,00</b>	<b>220 115 032,00</b>

## REVENUE BY STANDARD CLASSIFICATION



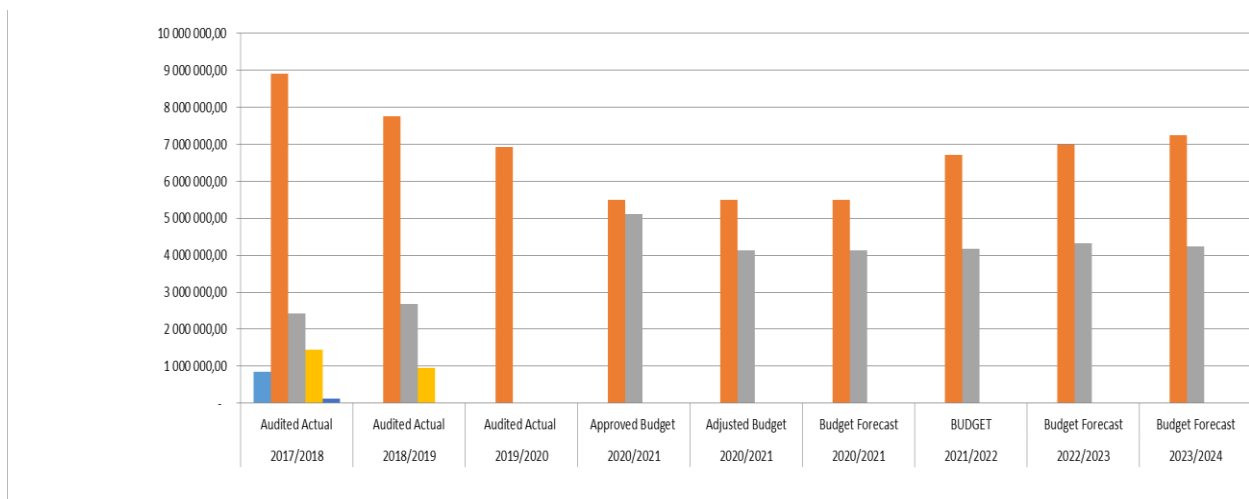
	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2021/2022	2022/2023	2023/2024
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Executive Mayor	46 851,32	-	4 633,64	-	-	-	-	-	-
Municipal Manager	-	-	-	-	-	-	-	-	-
Budget and Treasury	179 402 247,39	186 385 433,19	200 247 526,27	200 335 000,00	205 110 000,00	205 110 000,00	<b>206 470 000,00</b>	212 501 280,00	216 930 108,00
Corporate Services	97 666,00	3 649 314,00	-	3 250 000,00	3 250 000,00	3 250 000,00	-	-	-
LEDT & Planning	-	-	477 832,40	4 868 000,00	4 868 000,00	4 868 000,00	<b>4 635 000,00</b>	2 573 000,00	2 641 000,00
Community Services	1 067 269,00	395 518,00	447 000,00	500 000,00	500 000,00	500 000,00	<b>500 000,00</b>	521 000,00	543 924,00
<b>Total revenue by standard class</b>	<b>180 614 033,71</b>	<b>190 430 265,19</b>	<b>201 176 992,31</b>	<b>208 953 000,00</b>	<b>213 728 000,00</b>	<b>213 728 000,00</b>	<b>211 606 000,00</b>	<b>215 595 280,00</b>	<b>220 115 032,00</b>

## OPERATING EXPENDITURE BY MAJOR TYPE



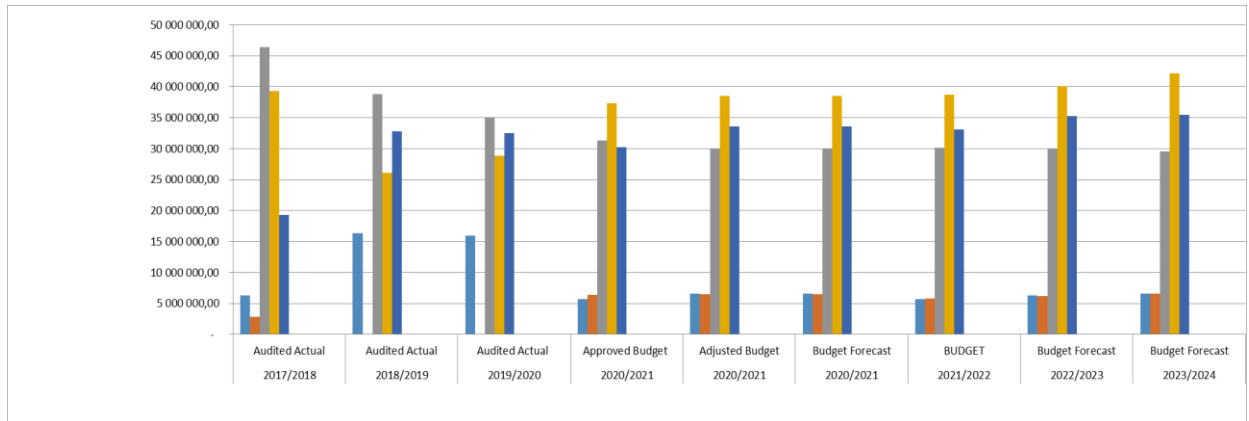
	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2021/2022	2022/2023	2023/2024
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Employee Related Costs	87 581 740,00	90 647 860,00	96 365 441,29	112 878 907,00	112 878 907,00	112 878 907,00	<b>119 015 734,00</b>	124 847 999,00	130 341 309,00
Other expenditure	72 053 932,00	55 624 234,00	23 893 748,75	48 960 283,00	47 277 283,00	47 277 283,00	<b>34 809 750,00</b>	33 959 745,00	32 742 589,00
Grants&Subsidies Paid Operating	5 379 990,00	5 178 050,00	6 918 906,82	7 691 000,00	8 691 000,00	8 691 000,00	<b>6 122 000,00</b>	3 925 600,00	3 758 126,00
Contracted services	43 519 476,00	33 201 471,00	24 246 020,14	28 987 300,00	31 416 300,00	31 416 300,00	<b>27 698 300,00</b>	26 994 580,00	27 345 810,00
Remuneration of councillors	9 620 366,00	9 850 183,00	10 257 195,55	13 190 316,00	13 074 855,00	13 074 855,00	<b>13 074 855,00</b>	13 624 000,00	14 223 454,00
<b>Total expenditure major type</b>	<b>218 155 504,00</b>	<b>194 501 798,00</b>	<b>161 681 312,55</b>	<b>211 707 806,00</b>	<b>213 338 345,00</b>	<b>213 338 345,00</b>	<b>200 720 639,00</b>	<b>203 351 924,00</b>	<b>208 411 288,00</b>

## OPERATING EXPENDITURE BY MINOR TYPE



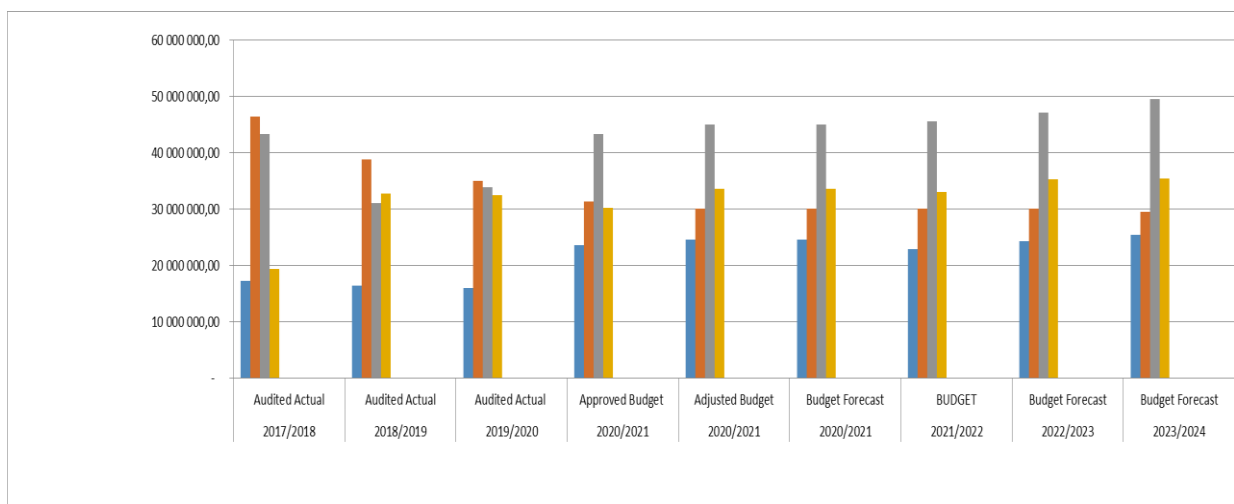
	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2021/2022	2022/2023	2023/2024
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Finance charges	848 701,00	-	-	-	-	-	-	-	-
Depreciation & asset impairment	8 907 712,00	7 760 118,00	6 931 029,05	5 493 933,00	5 493 933,00	5 493 933,00	<b>6 704 071,00</b>	6 985 641,00	7 249 454,00
Other materials	2 432 337,00	2 675 615,00	-	5 118 500,00	4 125 500,00	4 125 500,00	<b>4 178 000,00</b>	4 321 736,00	4 245 893,00
Loss on disposal of PPE	1 433 859,00	959 539,00	-	-	-	-	-	-	-
Debt impairment	121 331,00	-	-	-	-	-	-	-	-
<b>Total expenditure by minor type</b>	<b>13 743 940,00</b>	<b>11 395 272,00</b>	<b>6 931 029,05</b>	<b>10 612 433,00</b>	<b>9 619 433,00</b>	<b>9 619 433,00</b>	<b>10 882 071,00</b>	<b>11 307 377,00</b>	<b>11 495 347,00</b>

## OPERATING EXPENDITURE BY MUNICIPAL VOTE



	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2021/2022	2022/2023	2023/2024
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Office of the Executive Mayor	6 265 639,37	16 340 490,00	15 956 622,40	<b>5 682 272,00</b>	6 542 272,00	6 542 272,00	<b>5 726 272,00</b>	6 266 680,00	6 566 014,00
Office of the Speaker	2 809 164,51	-	-	<b>6 396 767,00</b>	6 461 767,00	6 461 767,00	<b>5 841 581,00</b>	6 189 407,00	6 568 261,00
Chief Whip	4 443 891,25	-	-	<b>6 118 366,00</b>	6 138 366,00	6 138 366,00	<b>5 938 366,00</b>	6 187 778,00	6 460 038,00
Councillors	3 782 141,41	-	-	<b>5 403 000,00</b>	5 403 000,00	5 403 000,00	<b>5 403 000,00</b>	5 629 926,00	5 877 644,00
Municipal Manager Admin.	39 347 130,63	26 066 807,00	28 809 390,39	<b>37 325 224,00</b>	38 497 844,00	38 497 844,00	<b>38 691 753,00</b>	40 087 567,00	42 156 014,00
Internal Audit	3 942 577,22	4 950 010,00	5 042 005,92	<b>6 048 687,00</b>	6 490 987,00	6 490 987,00	<b>6 879 484,00</b>	7 126 426,00	7 395 985,00
Corporate Services Admin.	19 301 080,61	32 815 516,00	32 517 538,01	<b>30 202 680,00</b>	33 549 679,00	33 549 679,00	<b>33 060 501,00</b>	35 273 793,00	35 463 445,00
Budget and Treasury	46 431 116,52	38 795 147,00	34 993 748,29	<b>31 322 434,00</b>	30 062 042,00	30 062 042,00	<b>30 105 733,00</b>	30 007 275,00	29 497 020,00
LEDT & Planning	25 189 989,55	12 454 237,00	36 516 282,75	<b>30 493 769,00</b>	28 943 081,00	28 943 081,00	<b>28 352 772,00</b>	25 292 276,00	25 031 723,00
Community Services	35 311 957,04	40 313 853,00	14 776 753,84	<b>52 714 607,00</b>	51 249 307,00	51 249 307,00	<b>51 603 248,00</b>	52 598 173,00	54 890 491,00
<b>Total Operating Expenditure</b>	<b>186 824 688,11</b>	<b>171 736 060,00</b>	<b>168 612 341,60</b>	<b>211 707 806,00</b>	<b>213 338 345,00</b>	<b>213 338 345,00</b>	<b>211 602 710,00</b>	<b>214 659 301,00</b>	<b>219 906 635,00</b>

## OPERATING EXPENDITURE BY STANDARD CLASSIFICATION



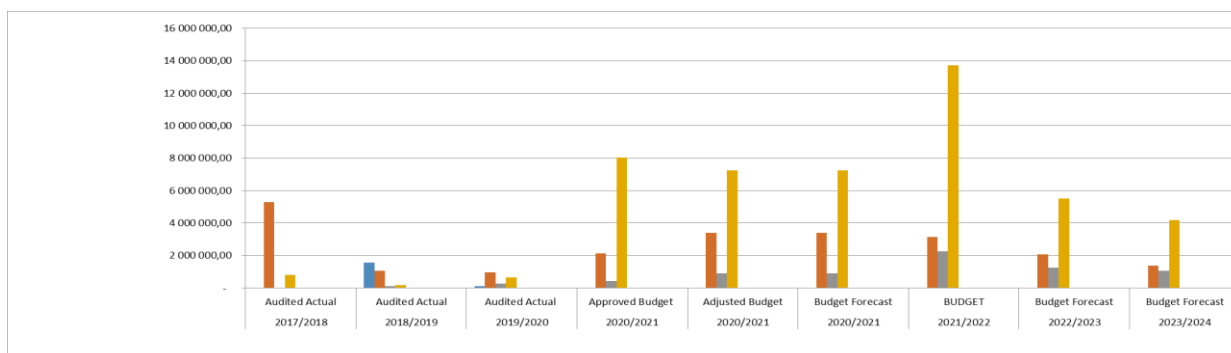


	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2021/2022	2022/2023	2023/2024
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Executive and Council	17 300 836,54	16 340 490,00	15 956 622,40	23 600 101,00	24 545 404,00	24 545 404,00	22 909 219,00	24 273 791,00	25 471 957,00
Municipal Manager Admin.	43 289 707,85	31 016 817,00	33 851 396,31	43 373 911,00	44 988 831,00	44 988 831,00	45 571 237,00	47 213 993,00	49 551 999,00
Corporate Services Admin.	19 301 080,61	32 815 516,00	32 517 538,01	30 202 680,00	33 549 679,00	33 549 679,00	33 060 501,00	35 273 793,00	35 463 445,00
Budget and Treasury	46 431 116,52	38 795 147,00	34 993 748,29	31 322 434,00	30 062 042,00	30 062 042,00	30 105 733,00	30 007 275,00	29 497 020,00
LEDT & Planning	25 189 989,55	12 454 237,00	36 516 282,75	30 493 769,00	28 943 081,00	28 943 081,00	28 352 772,00	25 292 276,00	25 031 723,00
Community Services	35 311 957,04	40 313 853,00	14 776 753,84	52 714 607,00	51 249 307,00	51 249 307,00	51 603 248,00	52 598 173,00	54 890 491,00
<b>TOTALS</b>	<b>186 824 688,11</b>	<b>171 736 060,00</b>	<b>168 612 341,60</b>	<b>211 707 502,00</b>	<b>213 338 344,00</b>	<b>213 338 344,00</b>	<b>211 602 710,00</b>	<b>214 659 301,00</b>	<b>219 906 635,00</b>

## CAPITAL EXPENDITURE BY VOTE AND FUNCTIONAL CLASSIFICATION

The capital needs of the municipality consist of Computer equipment, Software, office furniture and equipment for the new and existing staff members.

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



	2017/2018	2018/2019	2019/2020	2020/2021	2020/2021	2020/2021	2021/2022	2022/2023	2023/2024
	Audited Actual	Audited Actual	Audited Actual	Approved Budget	Adjusted Budget	Budget Forecast	BUDGET	Budget Forecast	Budget Forecast
Executive and Council	-	1 559 411,16	100 288,77	10 000,00	10 000,00	10 000,00	10 000,00	10 420,00	10 878,00
Municipal Manager Admin.	18 820,67	111 566,00	282 001,30	415 000,00	915 000,00	915 000,00	2 265 000,00	1 257 310,00	1 064 831,00
Corporate Services Admin.	797 700,00	181 031,00	644 902,83	8 040 000,00	7 254 500,00	7 254 500,00	13 710 000,00	5 515 420,00	4 170 878,00
Budget and Treasury	5 278 162,17	1 068 966,22	959 015,00	2 120 000,00	3 405 500,00	3 405 500,00	3 150 000,00	2 082 100,00	1 379 392,00
LEDT & Planning	-	157 136,00	-	12 950 000,00	12 950 000,00	12 950 000,00	117 450 000,00	13 198 300,00	15 251 025,00
Community Services	118 141,21	212 243,79	369 381,25	4 225 000,00	4 415 000,00	4 415 000,00	7 820 000,00	1 296 040,00	1 217 666,00
<b>TOTALS</b>	<b>6 212 824,05</b>	<b>3 290 354,17</b>	<b>2 355 589,15</b>	<b>27 760 000,00</b>	<b>28 950 000,00</b>	<b>28 950 000,00</b>	<b>144 405 000,00</b>	<b>23 359 590,00</b>	<b>23 094 670,00</b>

## 2.4. Overview of Budget Related Policies

Amongst other policies the below listed budget related policies will be work shopped to the elected councilors of Dr Kenneth Kaunda District Municipality before the approval of the final budget for 2021/22 MTREF.

### 1) Budget and Virement policy

#### Purpose and objective of the policy

The purpose of this policy is to comply with Circular 14, 15, 19, 28,51 of the MFMA as well as Chapter 4 of the MFMA by providing a concise, easy to use document that provides a brief overview of the budget process and budgeting principles by constructing guidelines against which to measure outcomes, to ensure that the municipal budget and budget process will enhance transparency, accountability and effective financial management. This policy's

objective serves to give guidance and compliance with applicable Act and Regulations, facilitation of internal operations with regard to municipal budget management.

## **2) Subsistence and |Travelling Allowance Policy**

### **Purpose and objective of the policy**

The purpose of this policy is to comply with Circular 14, 15, 19, 28,51 of the MFMA as well as Chapter 4 of the MFMA by providing a concise, easy to use document that provides a brief overview of the budget process and budgeting principles by constructing guidelines against which to measure outcomes, to ensure that the municipal budget and budget process will enhance transparency, accountability and effective financial management. This policy`s objective serves to give guidance and compliance with applicable Act and Regulations, facilitation of internal operations with regard to municipal budget management.

## **3) Cash Management Policy**

### **Introduction**

Availability of cash is one of the key requirements for financial sustainability for any organisation. Accumulated surplus is not an indicator of available cash and should not be seen as having a direct correlation with surplus cash.

One of the first and most important issues that must be borne in mind is that financial statements of municipalities are compiled on the accrual basis (GRAP / GAAP accounting standards used as basis of compilation) and not on the cash basis as Provincial and National Government. In the past the accrual basis was used, but fund accounting was applied and not GRAP. This change in accounting basis led to the accumulation of larger than expected accounting surpluses with little or no relation to cash reserves.

Cash Management will include all amounts disclosed on the financial statements on the following line items:

#### **3.1.1 Investments (Long Term and Short Term)**

#### **3.1.2 Cash and Cash Equivalentents**

### **3.2. Determination of minimum cash levels to retain: Part 1: Encumbered Cash**

#### **3.2.1 Unspent Conditional Grants**

Any grants received from the National or Provincial Government that have not been spent by the reporting date should be set aside in cash and not utilised for purposes other than the intended purpose as per the conditions of the grant.

#### **3.2.2 Developers Contributions**

Any amounts received as development contributions that have not been spent by the reporting date should be set aside in cash and not utilised for purposes other than capital infrastructure improvements. There is no requirement to spend the contributions received on the development where the contributions originated from but must be utilised for the creation of additional infrastructure capacity.

### **3.2.3 Capital Replacement Reserve**

Funds set aside for the Capital Replacement Reserve must be held in cash and only utilised for the acquisition of capital assets in accordance with the approved capital budget of Council.

### **3.2.4 Unspent Loan Funding**

Any borrowed funds that have not been spent by the reporting date should be set aside in cash and not utilised for purposes other than the intended purpose as per the loan agreements.

### **3.2.5 Deposits held**

Consumer deposits are amount paid by customers, to be withheld by the municipality from the opening of an account till termination. The deposits will be refunded on termination provided the customer does not owe the municipality on municipal accounts. Consumer deposits must be cash-backed.

### **3.2.6 Retentions held**

Retention in contracts are amounts be held as a set off in the event the contractor does honouring the contract in regards to defects. Normally retention is held for the cost of rectification of defects during the construction period and for the cost of rectification of defects during the defects liability period, usually 12 months after the date of practical completion. The retentions held are thus not available for purposes other than releasing the funds to the contractor at the end of the defects period and should be held in cash and not utilised for other purposes. This is included in the creditors part of the Working Capital Cash Provision.

## **3. 3 Determination of minimum cash levels to retain: Part 2: Balance Sheet Provisions and Reserves**

The Accounting Policy of the Municipality contains the following sections relating to provisions: A provision is recognised when the economic entity has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The economic entity does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Provisions are reviewed annually and those estimated to be settled within the next twelve months are treated as current liabilities. All other provisions are treated as long term liabilities.

## 4) Supply Chain Management Policy

### OBJECTIVES OF THIS POLICY

- 4.1 The objectives of this policy are to implement the legislative provisions relating to the supply chain management of the Municipality, that:
- 4.1.1 gives effect to:
    - 4.1.2 section
    - 4.1.3 217 of the Constitution; and
    - 4.1.4 Part 1 of Chapter 11 and other applicable provisions of the MFMA;
  - 4.2. is fair, equitable, transparent, competitive and cost effective;
  - 4.3. complies with:
    - 4.3.1. the regulatory framework prescribed in Chapter 2 of the SCMR; and
    - 4.3.2. any minimum norms and standards that may be prescribed by means of regulations or guidelines as envisaged by the provisions of section 168 of the MFMA;
  - 4.4. is consistent with other applicable legislation;
  - 4.5. does not undermine the objective for uniformity in Supply Chain Management Systems between organs of state in all spheres; and
  - 4.6. is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
  - 4.7. The Municipality may not act otherwise than in accordance with this Supply Chain Management Policy when:
    - 4.7.1. procuring goods and/or services;
    - 4.7.2. disposing of goods no longer needed
    - 4.7.3. selecting contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the MSA applies; or
    - 4.7.4. In the case of the Municipality selecting external mechanisms referred to in section 80(1)(b) of the MSA for the provision of municipal services in circumstances contemplated in section 83 of that Act

To assure the creation of an environment where business can be conducted with integrity and in a fair, reasonable and accountable manner, this policy will ensure that the Municipal Manager and all officials of the Municipality involved in supply chain management activities must act with integrity, accountability, transparency and with the highest of ethical standards and free of favouritism, nepotism and corruption of any kind. The officials of the Municipality involved in supply chain management activities must adhere to the code of ethical standards contained in the policy.

## 2.5. Overview of Budget Assumptions

- The 2021/22 Final Annual budget has been prepared in accordance with Municipal Budget and Reporting Regulations of 2009 and the guidelines as set out in MFMA Municipal budget circular for the 2021/22 MTREF - Circular 108 of 08 March 2021.
- National Treasury has set out the requirements for funding the budget and producing a credible budget. Attention was given to Section 18(1) of the MFMA, which states that an annual budget may only be funded from:
  - Realistically anticipated revenues to be collected;
  - Cash-backed accumulated funds from previous years’ surpluses not committed for other purposes; and
  - Borrowed funds, but only for the capital budget referred to in section 17(2).
- Achievement of this requirement in totality effectively means that a Council has “balanced” its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.
- The Municipalities must adopt a conservative approach when projecting their expected revenue and cash receipts as well as pay particular attention to managing of revenue effectively and carefully, evaluate all spending.
- The 2021/222 to 2023/24 calculations were based on Consumer Price Index of 3.9% 2021/22, 4.2% 2022/23 and 4.4% 2023/24 published on the MFMA Circular no. 108.

<b>Fiscal Year</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Forecast</b>		
CPI Inflation	4.1%	3.3%	3.9%	4.2%	4.4%

- Operating Grants and Subsidies are as per Division of Revenue Act (Gazetted 2020).
- Interest on investment was calculated based on Current Interest rates taking Inflation into account.
- The Upper Limit Remuneration, Allowances and benefits of members of municipal council for 2021/2022 budget year is provided on inflation related rate and as per Remuneration of Public Office Bearers Act, as published by the Minister of Local Government from time to time for the determination of upper limits of salaries, allowances and benefits of different members of municipal councils, Councillors Salaries.

- Employee related costs takes in to consideration the South African Local Government Bargaining Council Salary and Wage Collective Agreement.
- Other operating expenditure has been provided at increase as per the current inflation estimated targets of 3.9%, previous financial year performance and needs analysis and capital expenditure has been provided for at zero based budgeting and as per the needs analysis. The budget provided for were based on the departmental inputs in line with their IDP objectives of each department.
- In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures.
- Repairs and maintenance do not have the same impact as in the case of local municipalities. The provision made on the budgeted is sufficient to cover Repairs and Maintenance
- The 2021/22 budget will pay particular attention to reducing line items that are not critical to service delivery to reinforce cost containment measures which were approved by Council. Municipality has started to implement the cost containment measures on consultancy fees, travel and related costs, advertising, catering, events costs and accommodation.

## 2.6. Overview of Budget Funding

### Operating Revenue Framework

The following table is a summary of the 2021/22 MTREF (classified by main revenue source):

	REVENUE BY SOURCE	CURRENT YEAR 2020 / 2021				MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK			
		APPROVED BUDGET	1ST ADJUSTMENT BUDGET	ADJUSTED BUDGET	ACTUALS AS AT APRIL 2021	2021 / 2022 BUDGET	GROWTH RATE	2022 / 2023 BUDGET	2023 / 2024 BUDGET
1	TS_O_M_NG_LOCAL GOV FIN MNG GRANT	- 1 000 000,00	- 1 000 000,00	- 1 000 000,00	- 1 000 000,00	- 1 000 000,00	-	- 1 000 000,00	- 1 000 000,00
2	TS_O_M_NRF_EQUITABLE SHARE	- 26 461 000,00	- 31 236 000,00	- 31 236 000,00	- 30 789 000,00	- 28 052 000,00	- 10,19	- 29 703 000,00	- 30 023 000,00
3	TS_O_M_NRF_FUEL LEVY	- 167 384 000,00	- 167 384 000,00	- 167 384 000,00	- 167 384 000,00	- 172 078 000,00	2,80	- 176 234 000,00	- 180 098 000,00
4	INTER: BANK ACCOUNTS	- 1 200 000,00	- 1 200 000,00	- 1 200 000,00	- 106 618,12	- 1 200 000,00	-	- 1 250 400,00	- 1 305 418,00
5	INTER: SHORT TERM INVEST & CALL ACCOUNTS	- 4 000 000,00	- 4 000 000,00	- 4 000 000,00	- 2 109 873,67	- 4 000 000,00	-	- 4 168 000,00	- 4 351 392,00
6	SALE OF: ASSET < CAP THRESH	- 200 000,00	- 200 000,00	- 200 000,00	-	- 50 000,00	- 75,00	- 52 100,00	- 54 392,00
7	SALE OF: PUBLICATION - TENDER DOCUMENTS	- 90 000,00	- 90 000,00	- 90 000,00	- 44 300,00	- 90 000,00	-	- 93 780,00	- 97 906,00
8	TS_O_M_DPAA_NDA_EDUC;TR&DEV SETA	- 3 250 000,00	- 3 250 000,00	- 3 250 000,00	- 328 307,47	-	- 100,00	-	-
9	TS_O_M_NG_EPWP GRANT	- 1 691 000,00	- 1 691 000,00	- 1 691 000,00	- 1 691 000,00	- 2 122 000,00	25,49	-	-
10	TS_O_M_NG_RURAL ROAD ASSET MNG SYS GRANT	- 2 480 000,00	- 2 480 000,00	- 2 480 000,00	- 2 480 000,00	- 2 514 000,00	1,37	- 2 573 000,00	- 2 641 000,00
11	MANAGEMENT FEES (SPATIAL DEV. FRAMEWORK)	- 697 000,00	- 697 000,00	- 697 000,00	-	-	- 100,00	-	-
12	HEALTH CERTIFICATES	- 500 000,00	- 500 000,00	- 500 000,00	- 385 972,29	- 500 000,00	-	- 521 000,00	- 543 924,00
	<b>TOTAL : INCOME</b>	<b>- 208 953 000,00</b>	<b>- 213 728 000,00</b>	<b>- 213 728 000,00</b>	<b>- 206 319 071,55</b>	<b>- 211 606 000,00</b>	<b>- 0,99</b>	<b>- 215 595 280,00</b>	<b>- 220 115 032,00</b>

### Summary of revenue classified by main revenue source

- The proposed operating revenue for the 2021/22 financial year has been appropriated at **R211.6 Million**. The operating revenue has decreased by 0.99% or R2.1 million for the 2021/22 financial year when compared to the 2020/21 Adjustment Budget.
- The following contributing factors has led to the reduction in the operating income:
  - Equitable share has decreased by 10.19% or R3.1 Million as compared to the 2020/21 Adjustment Budget.
  - Sale of Assets has decreased by 75% or R200 thousand as compared to the 2020/21 Adjustment Budget. The municipality will auction vehicles in the 2020/21 financial year.
  - LGSETA Grant has decreased by 100%.
  - Spatial Development Framework decrease by 100% or R697 thousand. The income has been received.

The following table is a summary of the 2021/22 MTREF (classified by main revenue source):

### Summary of revenue classified by main revenue source

DC40 Dr Kenneth Kaunda - 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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment																	
Interest earned - external investments		2 772	3 596	5 677	5 200	5 200	5 200	1 592	5 200	5 418	5 657						
Interest earned - outstanding debtors																	
Dividends received		2	-	-	-	-	-	-	-	-	-						
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-						
Licences and permits		313	396	478	500	500	500	332	500	521	544						
Agency services																	
Transfers and subsidies		179 967	185 029	193 506	202 266	207 041	207 041	149 919	205 766	209 510	213 762						
Other revenue	2	40	207	1 516	987	987	987	44	140	146	152						
Gains		510	8	-	-	-	-	-	-	-	-						
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>183 605</b>	<b>189 234</b>	<b>201 177</b>	<b>208 953</b>	<b>213 728</b>	<b>213 728</b>	<b>151 888</b>	<b>211 606</b>	<b>215 595</b>	<b>220 115</b>						

## Operating Expenditure Framework

The following table is a high-level summary of the 2020/21 budget and MTREF (classified per main type of operating 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>Expenditure By Type</b>											
Employee related costs	2	86 772	89 696	96 365	112 879	112 879	112 879	69 808	119 016	124 848	130 341
Remuneration of councillors		9 661	9 850	10 257	13 190	13 075	13 075	6 663	13 075	13 624	14 223
Debt impairment	3	121	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	2	8 908	7 760	6 931	5 494	5 494	5 494	-	6 704	6 986	7 249
Finance charges		849	-	-	-	-	-	-	-	-	-
Bulk purchases - electricity	2	-	-	-	-	-	-	-	-	-	-
Inventory consumed	8	-	-	-	-	-	-	-	-	-	-
Contracted services		42 669	29 657	24 246	28 987	31 416	31 416	17 002	27 698	26 995	27 346
Transfers and subsidies		6 609	4 333	6 919	7 691	8 691	8 691	2 494	6 122	3 926	3 758
Other expenditure	4, 5	29 034	28 528	23 894	43 466	41 783	41 783	12 229	38 988	38 281	36 988
Losses		1 434	960	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>186 055</b>	<b>170 784</b>	<b>168 612</b>	<b>211 708</b>	<b>213 338</b>	<b>213 338</b>	<b>108 196</b>	<b>211 603</b>	<b>214 659</b>	<b>219 907</b>

- The proposed operating expenditure for the 2021/22 financial year has been appropriated at **R211.6 Million** and translates into a budgeted surplus of R3 thousands. The operating expenditure has decreased by 0.8% or R1.7 Million in the 2021/22 financial year when compared to the 2020/21 Adjustment Budget.

### The allocation towards operating expenditure budget is as follows:

- The proposed employee related costs for the 2021/22 financial has been appropriated at **R119 Million**. The employee related costs have increased by 5.44% or R6.1 Million. The 5.44% estimate is made while waiting for the final pronouncement by the SALGA Bargaining Council multi-year salary agreement.
- The proposed remuneration of councillors for the 2021/22 financial has been appropriated at **R13 Million**. The remuneration of councillors remains unchanged as the 2020/21 Adjustment budget. The estimate is made while waiting for the final pronouncement on the increase by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).
- After consideration of employee related cost and the remuneration of Councillors the municipality is left with **R79.5 Million** from the total operating expenditure budget. The operational budget is then allocated to Outsource Services, Consultants and Professional Services, and Contractors, Operational Costs, Inventory, Operating leases, Transfers and Subsidies as well as Depreciation.
- Other materials comprise of amongst others the purchase of fuel, diesel, materials for Maintenance, cleaning materials and chemicals.



- 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 can be achieved.

## 2.7. Expenditure on Allocations and Grants Programme

DC40 Dr Kenneth Kaunda - Supporting Table SA19 Expenditure on transfers and grant programme

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
R thousand										
<b>EXPENDITURE:</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		178 673	184 532	193 301	199 016	203 791	172 876	205 766	209 510	213 762
Local Government Equitable Share		20 039	21 710	24 622	26 461	31 236	2 101	28 052	29 703	30 023
Expanded Public Works Programme Integrated Grant		1 292	1 151	1 649	1 691	1 691	-	2 122	-	-
Local Government Financial Management Grant		1 250	1 000	1 000	1 000	1 000	911	1 000	1 000	1 000
Municipal Disaster Relief Grant		-	-	447	-	-	-	-	-	-
RSC Levy Replacement		153 637	158 323	162 977	167 384	167 384	167 384	172 078	176 234	180 098
Rural Road Asset Management Systems Grant		2 455	2 348	2 606	2 480	2 480	2 480	2 514	2 573	2 641
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		1 294	496	-	3 250	3 250	3 250	972	1 072	872
Education Training and Development Practices SETA		-	-	-	3 250	3 250	3 250	972	1 072	872
Local Government Water and Related Service SETA		98	-	-	-	-	-	-	-	-
Parent Municipality		1 196	496	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		179 967	185 029	193 301	202 266	207 041	176 126	206 738	210 582	214 634
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		179 967	185 029	193 301	202 266	207 041	176 126	206 738	210 582	214 634

## 2.8. Allocations or Grants made by the Municipality

DC40 Dr Kenneth Kaunda - Supporting Table SA21 Transfers and grants made by the municipality

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 Transfers to other municipalities</b>											
<i>Insert description</i>	1										
<b>Total Cash Transfers To Municipalities:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Entities/Other External Mechanisms</b>											
<i>Ts_O_M_Munic Ent</i>	2	-	-	3 000	3 000	3 000	3 000	1 000	-	-	-
<b>Total Cash Transfers To Entities/Ems'</b>		-	-	3 000	3 000	3 000	3 000	1 000	-	-	-
<b>Cash Transfers to other Organs of State</b>											
	3										
<b>Total Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Cash Transfers to Organisations</b>											
<i>Non Prof: Tourism</i>		135	-	-	100	100	100	-	100	104	109
<i>Non Prof: Tourism</i>		-	-	-	-	-	-	-	-	-	-
<i>Priv Ent: Subs N-Fin Entpr - Product</i>		105	300	7	100	100	100	-	100	104	109
<b>Total Cash Transfers To Organisations</b>		240	300	7	200	200	200	-	200	208	218
<b>Cash Transfers to Groups of Individuals</b>											
<i>Hh Oth Trans: Bursaries Non Employee</i>		-	-	-	-	-	-	-	-	-	-
<i>Hh Oth Trans: Bursaries Non Employee</i>		2 286	2 052	1 813	1 000	2 000	2 000	654	1 500	1 563	1 632
<i>Hh Oth Trans: Epwp - Skill Dev &amp; Train</i>		2 833	1 239	1 838	1 691	1 691	1 691	788	2 122	-	-
<i>Hh Oth Trans: Rural Dev - Food Prod &amp;Sec/ LED SUPPORT GRANTS</i>		914	367	-	1 500	1 500	1 500	-	4 000	3 300	2 500
<i>Hh Oth Trans: Unspecified</i>		-	-	-	-	-	-	-	-	-	-
<i>Hh Ssp Soc Ass: Poverty Relief</i>		124	250	200	200	200	200	-	200	250	300
<i>Ts_O_M_Hh_Cash_Unspecified</i>		-	-	-	-	-	-	-	-	-	-
<b>Total Cash Transfers To Groups Of Individuals:</b>		6 156	3 907	3 852	4 391	5 391	5 391	1 442	7 822	5 113	4 432
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	6	6 397	4 207	6 859	7 591	8 591	8 591	2 442	8 022	5 321	4 649
<b>Non-Cash Transfers to other municipalities</b>											
<i>Dm Nw: Dr Kk - Environ Protection</i>	1	117	-	-	-	-	-	-	-	-	-
<i>Dm Nw: Dr Kk - Finance &amp; Admin</i>		(39)	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Transfers To Municipalities:</b>		79	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to Entities/Other External Mechanisms</b>											
	2										
<b>Total Non-Cash Transfers To Entities/Ems'</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Transfers to other Organs of State</b>											
	3										
<b>Total Non-Cash Transfers To Other Organs Of State:</b>		-	-	-	-	-	-	-	-	-	-
<b>Non-Cash Grants to Organisations</b>											
	4										
<b>Total Non-Cash Grants To Organisations</b>		-	-	-	-	-	-	-	-	-	-
<b>Groups of Individuals</b>											
<i>Hh: Bursaries Non-Employee Cash</i>	5	133	126	60	100	100	100	52	100	104	109
<i>Ts_O_Ik_Hh_Soc Assis_Poverty Relief</i>		-	-	-	-	-	-	-	-	-	-
<b>Total Non-Cash Grants To Groups Of Individuals:</b>		133	126	60	100	100	100	52	100	104	109
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>		212	126	60	100	100	100	52	100	104	109
<b>TOTAL TRANSFERS AND GRANTS</b>	6	6 609	4 333	6 919	7 691	8 691	8 691	2 494	8 122	5 426	4 758

## 2.9. Disclosure on Salaries, Allowance and Benefits (SA22)

Supporting table is in respect of the disclosure of salaries, allowances and benefits is attached below

DC40 Dr Kenneth Kaunda - Supporting Table SA22 Summary councillor and staff benefits										
Summary of Employee and Councillor remuneration 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
		A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		6 503	6 470	6 740	8 915	8 785	8 785	8 785	9 154	9 557
Pension and UIF Contributions		647	589	662	750	750	750	750	782	816
Medical Aid Contributions		203	263	230	434	384	384	384	400	418
Motor Vehicle Allowance		1 159	1 232	1 236	1 569	1 569	1 569	1 569	1 635	1 707
Cellphone Allowance		536	725	758	886	886	886	886	924	964
Housing Allowances										
Other benefits and allowances		614	571	631	635	700	700	700	729	761
<b>Sub Total - Councillors</b>	4	<b>9 661</b>	<b>9 850</b>	<b>10 257</b>	<b>13 190</b>	<b>13 075</b>	<b>13 075</b>	<b>13 075</b>	<b>13 624</b>	<b>14 223</b>
<b>% increase</b>	2		<b>2,0%</b>	<b>4,1%</b>	<b>28,6%</b>	<b>(0,9%)</b>			<b>4,2%</b>	<b>4,4%</b>
<b>Senior Managers of the Municipality</b>	2									
Basic Salaries and Wages		4 743	1 573	2 654	7 007	4 733	4 733	5 742	5 983	6 246
Pension and UIF Contributions										
Medical Aid Contributions						35	35	72	75	78
Overtime										
Performance Bonus			77	56		228	228	242	252	263
Motor Vehicle Allowance	3	182	48	172		696	696	889	926	967
Cellphone Allowance	3	46	22	40	91	119	119	150	156	163
Housing Allowances	3									
Other benefits and allowances	3			1						
Payments in lieu of leave	3		448							
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Senior Managers of Municipality</b>	4	<b>4 971</b>	<b>2 168</b>	<b>2 923</b>	<b>7 099</b>	<b>5 811</b>	<b>5 811</b>	<b>7 095</b>	<b>7 393</b>	<b>7 718</b>
<b>% increase</b>	4		<b>(56,4%)</b>	<b>34,8%</b>	<b>142,9%</b>	<b>(18,1%)</b>		<b>22,1%</b>	<b>4,2%</b>	<b>4,4%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		52 386	57 746	57 616	66 620	69 490	69 490	72 818	76 710	80 085
Pension and UIF Contributions		7 741	7 853	9 002	11 286	11 034	11 034	11 466	11 947	12 473
Medical Aid Contributions		2 991	3 147	4 022	4 189	4 195	4 195	4 405	4 590	4 792
Overtime		160	130	188	607	657	657	683	712	743
Performance Bonus		3 952	3 880	4 087	5 065	4 705	4 705	4 987	5 196	5 425
Motor Vehicle Allowance	3	7 978	8 331	8 607	10 518	8 821	8 821	9 086	9 467	9 884
Cellphone Allowance	3	874	848	927	1 201	1 236	1 236	1 261	1 314	1 372
Housing Allowances	3	395	456	519	832	604	604	616	642	670
Other benefits and allowances	3	516	559	1 610	1 635	2 194	2 194	2 271	2 366	2 470
Payments in lieu of leave	3	3 362	3 558	5 598	3 432	3 837	3 837	4 016	4 185	4 369
Long service awards		530	193	561						
Post-retirement benefit obligations	6	916	828	706	396	296	296	314	327	341
<b>Sub Total - Other Municipal Staff</b>	4	<b>81 801</b>	<b>87 528</b>	<b>93 442</b>	<b>105 780</b>	<b>107 067</b>	<b>107 067</b>	<b>111 921</b>	<b>117 455</b>	<b>122 623</b>
<b>% increase</b>	4		<b>7,0%</b>	<b>6,8%</b>	<b>13,2%</b>	<b>1,2%</b>		<b>4,5%</b>	<b>4,9%</b>	<b>4,4%</b>
<b>Total Parent Municipality</b>		<b>96 433</b>	<b>99 546</b>	<b>106 623</b>	<b>126 069</b>	<b>125 954</b>	<b>125 954</b>	<b>132 091</b>	<b>138 472</b>	<b>144 565</b>
<b>% increase</b>			<b>3,2%</b>	<b>7,1%</b>	<b>18,2%</b>	<b>(0,1%)</b>		<b>4,9%</b>	<b>4,8%</b>	<b>4,4%</b>
<b>Board Members of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees	3									
Payments in lieu of leave	3									
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Board Members of Entities</b>	4	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>% increase</b>	4									
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave	3									
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Senior Managers of Entities</b>	4	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>% increase</b>	4									
<b>Other Staff of Entities</b>										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave	3									
Long service awards										
Post-retirement benefit obligations	6									
<b>Sub Total - Other Staff of Entities</b>	4	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>% increase</b>	4									
<b>Total Municipal Entities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>96 433</b>	<b>99 546</b>	<b>106 623</b>	<b>126 069</b>	<b>125 954</b>	<b>125 954</b>	<b>132 091</b>	<b>138 472</b>	<b>144 565</b>
<b>% increase</b>	4		<b>3,2%</b>	<b>7,1%</b>	<b>18,2%</b>	<b>(0,1%)</b>		<b>4,9%</b>	<b>4,8%</b>	<b>4,4%</b>
<b>TOTAL MANAGERS AND STAFF</b>	5,7	<b>86 772</b>	<b>89 696</b>	<b>96 365</b>	<b>112 879</b>	<b>112 879</b>	<b>112 879</b>	<b>119 016</b>	<b>124 848</b>	<b>130 341</b>

## Councillors

- On a yearly basis the Minister of Local Provincial Government set the upper limit on determination of councillor's allowances. The proposed remuneration of councillors for the 2021/22 financial has been appropriated at **R13 Million**. The remuneration of councillors remains unchanged as the 2020/21 Adjustment budget. The estimate is made while waiting for the final pronouncement on the increase by the Minister of Cooperative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998).

## Senior Officials and Municipal Staff

- The proposed employee related costs for the 2021/22 financial has been appropriated at **R119 Million**.

## 2.10. Monthly Targets for Revenue, Expenditure and Cash Flow (SA25-30)

Tables are attached that present the monthly projection on cash inflow and outflow. No bridging overdraft will be required

### DC40 Dr Kenneth Kaunda - Supporting Table SA25 Budgeted monthly revenue and expenditure

DC40 Dr Kenneth Kaunda - 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																
Service charges - electricity revenue																
Service charges - water revenue																
Service charges - sanitation revenue																
Service charges - refuse revenue																
Rental of facilities and equipment																
Interest earned - external investments		433	433	433	433	433	433	433	433	433	433	433	433	5 200	5 418	5 657
Interest earned - outstanding debtors																
Dividends received																
Fines, penalties and forfeits																
Licences and permits		42	42	42	42	42	42	42	42	42	42	42	42	500	521	544
Agency services																
Transfers and subsidies		17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	205 766	209 510	213 762
Other revenue		12	12	12	12	12	12	12	12	12	12	12	12	140	146	152
Gains																
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>211 606</b>	<b>215 595</b>	<b>220 115</b>
<b>Expenditure By Type</b>																
Employee related costs		9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	119 016	124 848	130 341
Remuneration of councillors		1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	13 075	13 624	14 223
Debt impairment																
Depreciation & asset impairment		559	559	559	559	559	559	559	559	559	559	559	559	6 704	6 986	7 249
Finance charges																
Bulk purchases - electricity																
Inventory consumed																
Contracted services		2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	27 698	26 995	27 346
Transfers and subsidies		510	510	510	510	510	510	510	510	510	510	510	510	8 122	5 426	4 758
Other expenditure		3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	36 988	36 781	35 988
Losses																
<b>Total Expenditure</b>		<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>211 603</b>	<b>214 659</b>	<b>219 907</b>
<b>Surplus/(Deficit)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>936</b>	<b>208</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)																
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>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>936</b>	<b>208</b>
Taxation																
Attributable to minorities																
Share of surplus/ (deficit) of associate																
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>936</b>	<b>208</b>

References

## DC40 Dr Kenneth Kaunda - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

DC40 Dr Kenneth Kaunda - 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>Revenue by Vote</b>																	
Vote 01 - Executive Council		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 02 - Municipal Manager		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 03 - Corporate Services		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 04 - Financial Services		17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	206 470	212 501	216 930	
Vote 05 - Led & Planning		386	386	386	386	386	386	386	386	386	386	386	386	4 636	2 573	2 641	
Vote 06 - Community Services		42	42	42	42	42	42	42	42	42	42	42	42	500	521	544	
Vote 07 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 08 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 09 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 10 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 11 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 12 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 13 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 14 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 15 - Other		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
<b>Total Revenue by Vote</b>		<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>211 606</b>	<b>215 595</b>	<b>220 115</b>	
<b>Expenditure by Vote to be appropriated</b>																	
Vote 01 - Executive Council		1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	22 909	24 274	25 472	
Vote 02 - Municipal Manager		3 798	3 798	3 798	3 798	3 798	3 798	3 798	3 798	3 798	3 798	3 798	3 798	45 571	47 214	49 562	
Vote 03 - Corporate Services		2 755	2 755	2 755	2 755	2 755	2 755	2 755	2 755	2 755	2 755	2 755	2 755	33 061	35 274	35 463	
Vote 04 - Financial Services		2 509	2 509	2 509	2 509	2 509	2 509	2 509	2 509	2 509	2 509	2 509	2 509	30 106	30 007	29 497	
Vote 05 - Led & Planning		2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	28 353	25 292	25 032	
Vote 06 - Community Services		4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	51 603	52 598	54 890	
Vote 07 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 08 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 09 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 10 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 11 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 12 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 13 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 14 -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Vote 15 - Other		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
<b>Total Expenditure by Vote</b>		<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>211 603</b>	<b>214 659</b>	<b>219 907</b>	
<b>Surplus/(Deficit) before assoc.</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>936</b>	<b>208</b>	
Taxation		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Attributable to minorities		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
Share of surplus/ (deficit) of associate		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>936</b>	<b>208</b>	

## DC40 Dr Kenneth Kaunda - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

DC40 Dr Kenneth Kaunda - 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>		17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	206 470	212 501	216 930
Executive and council		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Finance and administration		17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	17 206	206 470	212 501	216 930
Internal audit		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Community and public safety</b>		42	42	42	42	42	42	42	42	42	42	42	42	500	521	544
Community and social services		42	42	42	42	42	42	42	42	42	42	42	42	500	521	544
Sport and recreation		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Public safety		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Housing		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Health		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Economic and environmental services</b>		386	386	386	386	386	386	386	386	386	386	386	386	4 636	2 573	2 641
Planning and development		386	386	386	386	386	386	386	386	386	386	386	386	4 636	2 573	2 641
Road transport		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Environmental protection		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Trading services</b>		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Energy sources		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Water management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Waste water management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Waste management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Other</b>		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total Revenue - Functional</b>		<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>211 606</b>	<b>215 595</b>	<b>220 115</b>
<b>Expenditure - Functional</b>																
<b>Governance and administration</b>		10 971	10 971	10 971	10 971	10 971	10 971	10 971	10 971	10 971	10 971	10 971	10 970	131 647	136 769	139 984
Executive and council		5 133	5 133	5 133	5 133	5 133	5 133	5 133	5 133	5 133	5 133	5 133	5 133	61 601	64 361	67 628
Finance and administration		5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	5 264	63 166	65 281	64 960
Internal audit		573	573	573	573	573	573	573	573	573	573	573	573	6 879	7 126	7 396
<b>Community and public safety</b>		4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	51 603	52 598	54 890
Community and social services		4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	4 300	51 603	52 598	54 890
Sport and recreation		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Public safety		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Housing		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Health		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Economic and environmental services</b>		2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	28 353	25 292	25 032
Planning and development		2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	2 363	28 353	25 292	25 032
Road transport		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Environmental protection		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Trading services</b>		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Energy sources		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Water management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Waste water management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Waste management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Other</b>		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total Expenditure - Functional</b>		<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 633</b>	<b>211 603</b>	<b>214 659</b>	<b>219 907</b>	
<b>Surplus/(Deficit) before assoc.</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>936</b>	<b>208</b>	
Taxation		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Attributable to minorities		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Share of surplus/ (deficit) of associate		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Surplus/(Deficit)</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>936</b>	<b>208</b>	

## DC40 Dr Kenneth Kaunda - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

DC40 Dr Kenneth Kaunda - 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 - Executive Council		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 02 - Municipal Manager		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 03 - Corporate Services		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 04 - Financial Services		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 05 - Led & Planning		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 06 - Community Services		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 07 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 08 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 09 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 10 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 11 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 12 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 13 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 14 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 15 - Other		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Capital multi-year expenditure sub-total</b>	2	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Single-year expenditure to be appropriated</b>																	
Vote 01 - Executive Council		1	1	1	1	1	1	1	1	1	1	1	1	1	10	10	11
Vote 02 - Municipal Manager		22	22	22	22	22	22	22	22	22	22	22	22	22	265	257	265
Vote 03 - Corporate Services		959	959	959	959	959	959	959	959	959	959	959	959	11 510	5 015	3 671	
Vote 04 - Financial Services		13	13	13	13	13	13	13	13	13	13	13	13	150	82	79	
Vote 05 - Led & Planning		8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	96 350	12 052	14 054	
Vote 06 - Community Services		652	652	652	652	652	652	652	652	652	652	652	1 852	9 020	1 296	1 218	
Vote 07 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 08 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 09 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 10 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 11 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 12 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 13 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 14 - -		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Vote 15 - Other		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Capital single-year expenditure sub-total</b>	2	9 675	9 675	9 675	9 675	9 675	9 675	9 675	9 675	9 675	9 675	9 675	10 875	117 305	18 713	19 298	
<b>Total Capital Expenditure</b>	2	9 675	9 675	9 675	9 675	9 675	9 675	9 675	9 675	9 675	9 675	9 675	10 875	117 305	18 713	19 298	

## DC40 Dr Kenneth Kaunda - Supporting Table SA29 Budgeted monthly capital expenditure (functional classification)

DC40 Dr Kenneth Kaunda - 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>		995	995	995	995	995	995	995	995	995	995	995	995	11 935	5 365	4 026	
Executive and council		6	6	6	6	6	6	6	6	6	6	6	6	75	57	60	
Finance and administration		972	972	972	972	972	972	972	972	972	972	972	972	11 660	5 098	3 750	
Internal audit		17	17	17	17	17	17	17	17	17	17	17	17	200	210	216	
<b>Community and public safety</b>		752	752	752	752	752	752	752	752	752	752	752	752	9 020	1 296	1 218	
Community and social services		752	752	752	752	752	752	752	752	752	752	752	752	9 020	1 296	1 218	
Sport and recreation		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Public safety		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Housing		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Health		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Economic and environmental services</b>		8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	96 350	12 052	14 054	
Planning and development		8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	8 029	96 350	12 052	14 054	
Road transport		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Environmental protection		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Trading services</b>		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Energy sources		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Water management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Waste water management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Waste management		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Other		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total Capital Expenditure - Functional</b>	2	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	117 305	18 713	19 298	
<b>Funded by:</b>																	
National Government		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Provincial Government		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
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>		--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Borrowing		35 000	--	--	25 000	--	--	--	--	--	30 000	--	--	90 000	--	--	--
Internally generated funds		2 275	2 275	2 275	2 275	2 275	2 275	2 275	2 275	2 275	2 275	2 275	2 275	27 305	18 713	19 298	
<b>Total Capital Funding</b>		37 275	2 275	2 275	27 275	2 275	2 275	2 275	2 275	2 275	32 275	2 275	2 275	117 305	18 713	19 298	

## DC40 Dr Kenneth Kaunda - Supporting Table SA30 Budgeted monthly cash flow

DC40 Dr Kenneth Kaunda - 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>R thousand</b>													1		
<b>Cash Receipts By Source</b>															
Property rates															
Service charges - electricity revenue															
Service charges - water revenue															
Service charges - sanitation revenue															
Service charges - refuse revenue															
Rental of facilities and equipment															
Interest earned - external investments	433	433	433	433	433	433	433	433	433	433	433	433	5 200	5 418	5 657
Interest earned - outstanding debtors															
Dividends received															
Fines, penalties and forfeits															
Licences and permits	42	42	42	42	42	42	42	42	42	42	42	42	500	521	544
Agency services															
Transfers and Subsidies - Operational	17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	17 147	205 766	209 510	213 762
Other revenue	12	12	12	12	12	12	12	12	12	12	12	12	140	146	152
<b>Cash Receipts by Source</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>211 606</b>	<b>215 595</b>	<b>220 115</b>
<b>Other Cash Flows by Source</b>															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)															
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	35 000			25 000					30 000				90 000		
Increase (decrease) in consumer deposits															
Decrease (increase) in non-current receivables															
Decrease (increase) in non-current investments															
<b>Total Cash Receipts by Source</b>	<b>52 634</b>	<b>17 634</b>	<b>17 634</b>	<b>42 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>47 634</b>	<b>17 634</b>	<b>17 634</b>	<b>17 634</b>	<b>301 606</b>	<b>215 595</b>	<b>220 115</b>
<b>Cash Payments by Type</b>															
Employee related costs	9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	9 918	119 016	124 848	130 341
Remuneration of councillors	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	1 090	13 075	13 624	14 223
Finance charges															
Bulk purchases - electricity															
Acquisitions - water & other inventory															
Contracted services	2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	2 308	27 698	26 995	27 346
Transfers and grants - other municipalities															
Transfers and grants - other	510	510	510	510	510	510	510	510	510	510	510	510	8 122	5 426	4 758
Other expenditure	3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	3 249	36 988	36 781	35 988
<b>Cash Payments by Type</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>17 075</b>	<b>204 899</b>	<b>207 674</b>	<b>212 657</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	9 775	117 305	18 713	19 298
Repayment of borrowing														9 814	9 814
Other Cash Flows/Payments															
<b>Total Cash Payments by Type</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>26 850</b>	<b>322 204</b>	<b>236 201</b>	<b>241 769</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>25 784</b>	<b>(9 216)</b>	<b>(9 216)</b>	<b>15 784</b>	<b>(9 216)</b>	<b>(9 216)</b>	<b>(9 216)</b>	<b>(9 216)</b>	<b>20 784</b>	<b>(9 216)</b>	<b>(9 216)</b>	<b>(9 216)</b>	<b>(20 598)</b>	<b>(20 606)</b>	<b>(21 654)</b>
Cash/cash equivalents at the month/year begin:	73 603	99 287	90 071	80 854	96 638	87 421	78 205	68 988	59 772	80 555	71 339	62 122	73 503	52 906	32 300
Cash/cash equivalents at the month/year end:	99 287	90 071	80 854	96 638	87 421	78 205	68 988	59 772	80 555	71 339	62 122	52 906	52 906	32 300	10 646

## 2.11. Annual budgets and SDBIP's – internal departments

### Introduction

The purpose of this document is to present the Service Delivery and Delivery and Budget Implementation Plan (SDBIP) of the Dr Kenneth Kaunda District Municipality for 2021/22 Financial Year. The development, implementation, and monitoring of a Service Delivery and Delivery and Budget Implementation Plan is a requirement for of the Municipal Finance Management Act (MFMA) No 56 of 2003.

The SDBIP is a detailed one year plan of the municipality that gives effect to the IDP and budget of the municipality. The SDBIP is a management plan for implementing the IDP through the approval budget. It is an expression of the objective of the municipality, in quantifiable outcomes that will be implemented for the financial year. It includes the service delivery targets for each quarter and facilitates oversight over financial and non-financial performance of the municipality.

The 2020/21 SDBIP will not only ensure appropriate monitoring in the Execution of the municipality budget and processes involved in the allocation of budget to achieve key strategic objectives as set in the municipality's Integrated Development Plan (IDP), but will also serve as the kernel of annual performance contract for senior management and provide a foundation for the overall annual and quarterly organisational performance for the 2020/21 Financial Year.

The SDBIP also assist the Executive, Council and the community in their respective oversight responsibilities since it serves as an implementation and monitoring tool.

### Legislative framework

Section 1 of the MFMA defines the SDBIP as a detailed plan approved by the mayor of a municipality in terms of section 53(1) (c)(ii) for implementing the municipality's delivery of service and its annual budget and which must indicate:

- a) Projections for each month of:-
  - I. Revenue to be collected, by source and
  - II. Operational and capital expenditure by vote
- b) Service delivery targets and performance indicators for each quarter and
- c) Any other matter that may prescribed and includes any revision of such plan by the mayor in terms of section 54(1) (c)

The MFMA requires that municipalities develop a Service Delivery and Budget Implementation Plan as a strategic financial management tool to ensure that budgetary decision that are adopted by municipalities for the financial year are aligned with their Integrated Development Plan Strategy. In terms of section 53(1) (c)(ii) of the MFMA, the SDBIP must be approved by the mayor of a municipality within 28 days of the approval of the budget

### Components of the SDBIP

- Monthly Projections of Expenditure and Revenue for each vote
- Quarterly projections of Service Delivery targets and Performance Indicators



## **Monthly Projections of Expenditure and Revenue for each Vote**

The monthly projection of revenue and expenditure per vote relate to the cash paid and reconciles with the cash statement adopted with the budget. The focus under this component is a monthly projections per vote in addition to projection by source. When reviewing budget projections against actuals, it is useful to consider revenue and expenditure per vote in order to gain more complete picture of budget projections against actuals.

## **Quarterly Projections of Service Delivery Targets and Performance Indicators for each vote**

This component of the SDBIP requires non- financial measurable performance objectives in the form of service delivery targets and other indicators of performance. The focus is on outputs rather than inputs. Service delivery targets relates to the level and standard of service being provided to the community and include the addressing of backlogs in basic services. The approach encouraged by NT's MFMA circular No. 13 is the utilisation of scorecards to monitor service delivery.

## **Detailed Capital Budget over Three Years**

Information detailing infrastructural projects containing project description and anticipated capital costs over three year period. A summary of capital project per the IDP will be made available on Council website.

## **SDBIP Cycle**

The SDBIP Process comprises the following stages, which forms part of a cycle.

### **Planning:**

During this phase the SDBIP Process plan is developed to be tabled with the IDP Process plan. SDBIP related processes e.g. Management meetings, strategic Planning working session.

### **Strategizing:**

During this phase the IDP is reviewed and subsequent SDBIP programmes and projects for the next 5 years based on local, provincial and national issues, previous year's performance and current economic and demographic trends etc.

### **Tabling:**

The SDBIP is tabled with the draft IDP and budget before Council. Consultation with the community and stakeholders of the IDP on the SDBIP is done through budget hearings and formal local, provincial and national inputs or responses are also considered in developing the final document.

### **Adoption:**

The Mayor approves the SDBIP no later than 28 days after the adoption of the Municipality's budget.

**Publishing:**

The adopted SDBIP is made public and is published on Council's website.

**Implementation, Monitoring and Reporting:**

SDBIP projects are implemented and quarterly reporting takes place. Mid-year reporting is done to assess performance on the SDBIP, the document is amended, where applicable and adopted by Council.

**2.12. Municipal Manager's quality certificate**