

DR. KENNETH
KAUNDA

DISTRICT MUNICIPALITY



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

ANNUAL BUDGET

2022/2023 TO 2024/2025

**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
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: ANNUAL BUDGET

Purpose of Tabling of the Annual Budget for the Financial Year 2022/2023

The purpose of this report is to submit the Annual Budget for 2022/2023 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

Honourable Speaker, Cllr. Xolile Nxozana, Single-Whip, Cllr J Lesie, Single whips of opposition parties, Members of Mayoral Committee, Fellow Councillors, the Acting Municipal Manager, Senior managers, officials of the Dr Kenneth Kaunda District Municipality, community members at the gallery and officials from other government stakeholders if any, Ladies and Gentleman, **DUMELANG:**

Honourable Councillors, as we are starting with our new term in office, it is critically important to reflect on the performance of the previous administration since its inception in office in the year 2016 after the Local Government General Elections. The intention is not meant to undermine the previous administration but to have a better understanding of the challenges they have encountered during their term of office, so that we are able to put systems in place to improve and overcome those challenges.

Lets quickly reflect on the few challenges amongst others:

- I. Ineffective inter-governmental relations structures;
- II. Misplaced Powers and Functions of the DR KKDM;
- III. Replacement of the district levy with grant. Thus had led to grant dependency
- IV. Unfunded mandate (fire services and municipal environment);
- V. High percentage on employee related cost, yet not all critical positions are filled;
- VI. Non-responsive to the manifesto of the ruling party;
- VII. Inability to contribute to capital projects meant for service delivery;
- VIII. Unable to deal with the historical UIF&W expenditure

IX. Failure of the DR KKDM Economic Agency to drive or revive the district economy.

Honourable Councillors the 2022/2023 MTREF followed numerous events that took place before the tabling the final budget for adoption. The Dr Kenneth Kaunda District Municipality went for 3 days strategic planning session last month in April. The primary focus of the strategic planning was amongst others:

1. Resuscitate the intergovernmental relations forums to strengthen and enhance good governance.
2. Repositioning the DR KKDM to be able to perform its powers in terms of the municipal systems act and also to start the processes of claiming back the powers and functions that are misplaced;
3. Development of long-term sustainable financial plan by reflecting all other potential revenue strategies for the 2022/2023 and two outer financial years.
4. Create a favourable environment to private sectors in an effort to put hands together with the government to render sustainable service delivery through Public Private Partnership;
5. Incorporate the pronouncements of the Manifesto as it is regulated, informing the priorities of the administration.
6. Enhance performance management by cascading it down to at least managers at middle management, level 2 and level 3 as a starting point;
7. Develop UIF & W Prevention and Reduction Strategy.

Over and above the DR KKDM will speed up the process to disestablish the DR KKDM Economic Agency and look at the possibility of establishing a well efficient and structured Economic Agency with clear terms of reference. The DR KKDM jurisdiction is not isolated from the country's most immediate crisis of inflation rate, increasing percentage of job losses and unemployment rate. The new Economic Agency will assist to respond to high employment rate. The DR KKDM will work in collaboration with the local municipalities and the Provincial Government to create suitable business conditions or opportunities for long-lasting stability and development. It is my responsibility together with other political principals to ensure that the above mentioned milestones are achieved.

Honourable Councillors despite all challenges that we faced, the DR KKDM managed to obtain the unqualified audit opinion during the 2019/20 and 2020/21 financial years. The management has developed the 2022/23 Clean Audit Strategy and we should support the Management to ensure successful implementation of the strategy. The successful implementation of the strategy will expose the municipality to be the first Municipality to obtain the clean audit in the province. The DR KKDM is the first Municipality to adopt the proto-type organisational structure in the province.

Honourable Councillors, I am presenting the first Medium-Term Revenue and Expenditure Frame-work for the 2022/2023 financial year as the new administration. The Final budget takes into consideration the inputs from community for their consideration and comments before a final budget can be presented and approved by Council. Key stakeholders like national and provincial departments were also given the opportunity to submit written comments on the Draft Budget. The Executive Mayor also hosted special sessions with communities through local community radio station. Honourable members, the tabling of the 2022/23 Draft Budget follows the vigorous discussions amongst members of MAYCO and the Budget Steering Committee.

Similarly, honourable Councillors, a budget is an important tool for development. With the grant dependant budget the district realizes, it becomes more urgent for the Executive Mayor through the approval of Council to begin a new path of repositioning the District. Popularly, the Executive Mayor always talks about the following areas which should be unlocked:

- Mobilizing business and private sector to identify Dr KK as the choice of district for investment and development.
- Repurposing what the district has for greater benefit, this relates to infrastructure, skills and capacities that ought to be harnessed in the district.
- Unlock the Economic Potential through partnership and support.

These we can achieve by actively strengthening governance forums, hosting business round table discussions, engaging with communities, a matter high on the agenda of the Executive.

Various strategic meetings are also in the pipeline to source funding for development, these include but not limited to: Meeting with Department of Finance

at the central government, the Presidency and many other departments/Institutions which can assist the district to access lots of funds declared at National level. Council will be kept abreast of development to seek approval and support from this August house.

The development and implementation phases of the IDP and Budget of the DR KKDM for the period 2022/2023 and the two outer years comply with all legal requirements and especially those prescribed by the Local Government: Municipal Systems Act (Act 32 of 2000).

Honorable Councillors, the Medium-term Revenue and Expenditure Framework (MTREF) for 2022/23 to 2024/25 has been compiled in line with the Municipal Budget and Reporting regulation, Government Gazette number 32141 promulgated on the 17th of April 2009 and Chapter 4 of the MFMA (Municipal Finance Management Act – (Act 56 of 2003) which regulates the process and existence of a municipal budget. Section 16 of the Municipal Finance Management Act, No 56 of 2003 (MFMA) requires:

- 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 – **31 May 2022**).
- 2 In order for the municipality to comply with subsection (1), the Mayor of the municipality must table the annual draft budget at a Council meeting at least 90 before the start of the budget year (**31 March 2022**).

The National Treasury has set out the requirements for funding the budget and producing a credible funded budget. Attention was given to Section 18(1) of the Municipal Finance Management Act, which states that an annual budget may only be funded from

- (i) Realistic anticipated revenue;
- (ii) Cash-backed accumulated funds from the previous financial year's surplus not committed;
- (iii) Borrowed funds, but only for Capital Budget referred to in Section 17(2) of the Municipal Finance Management Act.

Honourable Speaker, in compiling this draft budget, the management adhered to the guidelines stipulated by the National treasury and the following were considered:

- (i) Highlights of the 2022 Budget Speech by the Minister of Finance Mr Enoch Godongwana. We noted increasing brackets by inflation, Real GDP growth of 2.1 percent projection for 2022 and over the next three years, GDP of 1.8 percent average growth, huge Debt service costs, depleted contingency reserves, rising unemployment rate.
- (ii) The 2022 Division of Revenue Bill.
- (iii) The Municipal Budget Circular for 2022 / 2023 MTREF.
- (iv) The Cost Containment Regulations (42514 of 07 June 2019).
- (v) Manifesto of the Government.

Honourable Speaker, the 2022/2023 Final Budget of the Dr KKDM is estimated as follows:

| DISCRPTION | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|---------------------------------------|--------------------------|-----------------------|-----------------------|--------------------------|---|-------------|-----------------------|-----------------------|
| | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| TOTAL REVENUE | 211 606 000,00 | 211 689 263,00 | 211 790 954,00 | 207 531 058,15 | 219 065 000,00 | 3,43 | 222 795 960,00 | 229 319 793,00 |
| TOTAL EXPENDITURE | 211 602 710,00 | 211 687 710,00 | 211 785 710,00 | 157 864 893,61 | 217 833 045,00 | 2,86 | 218 126 780,00 | 225 308 266,00 |
| (SURPLUS)/DEFICIT FOR THE YEAR | 3 290,00 | 1 553,00 | 5 244,00 | | 1 231 955,00 | | 4 669 180,00 | 4 011 527,00 |
| TOTAL CAPITAL EXPENDITURE | 117 305 000,00 | 42 050 000,00 | 42 050 000,00 | 9 722 924,56 | 89 156 000,00 | 112,02 | 32 059 520,00 | 32 413 652,00 |
| TOTAL BUDGET | 328 907 710,00 | 253 737 710,00 | 253 835 710,00 | | 306 989 045,00 | | 250 186 300,00 | 257 721 918,00 |

1. The proposed operating revenue for the 2022/23 financial year has been appropriated at **R219 Million**. The operating revenue has increased by 3.43% or **R7.2 Million** for the 2022/23 financial year when compared to the 2021/22 Adjustment Budget. For the two outer years, operating revenue will increase by 1.7% or **R3.7 Million** and 2.9% or **R6.5 Million** respectively.

The source of revenue as follows:

- Equitable share;
- RSC Replacement Grant;
- EPWP Grant has increased by 12.11% or R257 Thousand as compared to the 2011/22 Adjustment budget;
- Rural Roads Assets Management (RRAMS);
- Interest on short term investment and call accounts;
- LGSETA Grant;
- Commission on insurance recognized as and when received;
- Health certificate licences.

2. The proposed operating expenditure for the 2022/23 financial year has been appropriated at **R217.8 Million** and translates into a budgeted surplus of **R1.2 Million**. The operating expenditure has increased by 2.9% or **R6 Million** in the 2022/23 financial year when compared to the 2021/22 Adjustment Budget. For the two outer years, operating expenditure will decrease by 0.14% or **R293 Thousand** in 2023/24 and increase by 3.29% or **R7 Million** in 2024/25.
3. The proposed operating expenditure for the 2022/23 financial year of **R217.8 Million** is allocated as follows:
 - The proposed employee related costs for the 2022/23 financial has been appropriated at **R122 Million**. The employee related costs have increased by 5.17%. The pronouncement was made by the SALGA Bargaining Council on the 4th of May 2022 that the Bargaining council Levy is 4.9%. The employee related cost budget constitute **56.01%** of the total operating expenditure budget.
 - The proposed remuneration of councillors for the 2022/23 financial has been appropriated at **R13.5 Million**. 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 **R82.2 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.
4. The remaining **R82.2 Million** is allocated to the following expenditure line items and or programmes:
 - Operating leases for rental of municipal buildings;
 - Insurance;
 - Security services;
 - Municipal Service charges for water and electricity etc;
 - Licence for financial systems and the support;
 - Transport costs;
 - Subsistence and travelling;

- Communications;
- Bursaries for employees;
- Inventory;
- covid-19 protective materials;
- non-cash item like depreciation;
- accommodation;

In addition to the above, the following programmes are supported from the office of the Executive Mayor, Community Services department and the District Economic Development Unit:

- Mayoral Imbizo;
- Repositioning of the Bursary Scheme for learners within the DR KKDM jurisdiction;
- Capacity building and support to SMMEs, emerging Agricultural businesses;
- Children, Youth, Elderly, Disabled, Woman, Moral Regeneration and Gender based violence programmes;
- Township Economy;
- Agricultural initiatives;
- Brick manufacturing;
- DR KKDM tourism Week to showcase and unlock products developed from the District including igniting local tourism;
- Coordinating and reviving the District mining industry for greater benefit;
- Burial services for the needy;
- Health and safety awareness programmes.

5. The proposed capital budget for the 2022/23 financial year has been appropriated at **R89.1 Million**. The capital expenditure has increased by 112.02% or **R47.1 Million** when compared to the 2021/22 Adjustment Budget.

The capital budget is allocated as follows:

- Securing the new municipal offices;
- Assist locals with paving especially in rural areas by introducing brick manufacturing plant;
- Boreholes, Water and Sanitation in rural areas within Maquassi Hills Local Municipality;
- Electricity Master Plan;
- Financial Systems

RECOMMENDATIONS

I therefore table the 2022/23-2024/25 Medium-Term Revenue and Expenditure Framework (MTREF) of Dr Kenneth Kaunda District Municipality in terms of Chapter 4 of the MFMA, with the following recommendations:

1. Cognisance be taken that of:
 - 1.1. Sections 16 , 17 &18 of the Municipal Finance Management Act, 2003 (Act No 56 of 2003) and the Municipal Budget Regulation, Government Gazette 32141 of 17 April 2009.
 - 1.2. The Budget related policies as workedshopped and amended be tabled to council for approval.
 - 1.3. The final Budget for 2022/2023 is funded with a surplus of **One-Million Two-Hundred and Thirty-One-Thousand Nine-Hundred and Fifty-Five (R1 231 955.0)** as per the A Schedule.
2. That the final 2022/2023-2024/2025 MTREF of the Dr Kenneth Kaunda District Municipality is tabled before council for approval.
3. That the final 2022/2023 Operating revenue budget of **Two-Hundred and Nineteen Million and Sixty-Five Thousand (R219 065 000.00)** in terms of the MBRR A Schedule is tabled before council for approval.
4. That the final 2022/2023 Operating Expenditure of **Two-Hundred and Seventeen Million Eight-Hundred and Thirty-Three Thousand and Forty-Five (R217 833 045.00)** in terms of the MBRR A Schedule is tabled before council for approval.
5. That the final 2022/2023 Capital Expenditure of **Eighty-Nine Million One-Hundred and Fifty-Six Thousand (R89 156 000.00)** in terms of the MBRR A Schedule is tabled before council for approval.
6. Approval of the budget policies as amended.
7. That the final 2022/2023-2024/2025 MTREF 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 2022/2023 and for each year of the medium-term framework be tabled before council for approval.
9. That the final Procurement plan be approved with the 2022/2023 Final Annual Budget.

I thank you..!

1.2. Council Resolutions and Items

The resolution for tabling of the Annual Budget will be inserted once the Council has resolved.

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, 112, 115 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 2022/23 MTREF.

The following table is a consolidated overview of the proposed 2022/23-2024/2025 Medium-term Revenue and Expenditure Framework:

Table1

| DISCRPTION | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|---------------------------------------|--------------------------|-----------------------|-----------------------|--------------------------|---|-------------|-----------------------|-----------------------|
| | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
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| TOTAL EXPENDITURE | 211 602 710,00 | 211 687 710,00 | 211 785 710,00 | 157 864 893,61 | 217 833 045,00 | 2,86 | 218 126 780,00 | 225 308 266,00 |
| (SURPLUS)/DEFICIT FOR THE YEAR | - 3 290,00 | - 1 553,00 | - 5 244,00 | | - 1 231 955,00 | | - 4 669 180,00 | - 4 011 527,00 |
| TOTAL CAPITAL EXPENDITURE | 117 305 000,00 | 42 050 000,00 | 42 050 000,00 | 9 722 924,56 | 89 156 000,00 | 112,02 | 32 059 520,00 | 32 413 652,00 |
| TOTAL BUDGET | 328 907 710,00 | 253 737 710,00 | 253 835 710,00 | | 306 989 045,00 | | 250 186 300,00 | 257 721 918,00 |

- The proposed operating revenue for the 2022/23 financial year has been appropriated at **R219 Million**. The operating revenue has increased by 3.43% or **R7.2 Million** for the 2022/23 financial year when compared to the 2021/22 Adjustment Budget. For the two outer years, operating revenue will increase by 1.7% or **R3.7 Million** and 2.9% or **R6.5 Million** respectively.
- The proposed operating expenditure for the 2022/23 financial year has been appropriated at **R217.8 Million** and translates into a budgeted surplus of **R1.2 Million**. The operating expenditure has increased by 2.86% or **R6 Million** in the 2022/23 financial year when compared to the 2021/22 Adjustment Budget.

For the two outer years, operating expenditure will decrease by 0.14% or **R293 Thousand** in 2023/24 and increase by 3.29% or **R7 Million** in 2024/25.

- The proposed capital budget for the 2022/23 financial year has been appropriated at **R89.1 Million**. The capital expenditure has increased by 112.02% or **R47.1 Million** when compared to the 2021/22 Adjustment Budget. The capital expenditure will decrease by 64.04% or **R57 Million** and increase by 1.10% or **R354 Thousand**. The capital budget will be funded internally.
- 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.
- Other income consists of proceeds from the sales of assets, tender deposit sales, and licenses fees of health certificates.
- Commission on Insurance and LGSETA refunds will be recognised when received.

The final annual budget for 2022/23 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.

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 2022/23 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.
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies

1.4. Annual Budget Tables (Parent Municipality)

(Table A1 Budget Summary)

DC40 Dr Kenneth Kaunda - Table A1 Budget Summary

| Description | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousands | | | | | | | | | | |
| Financial Performance | | | | | | | | | | |
| Property rates | - | - | - | - | - | - | - | - | - | - |
| Service charges | - | - | - | - | - | - | - | - | - | - |
| Investment revenue | 3 596 | 5 677 | 4 186 | 5 200 | 5 200 | 5 200 | 3 801 | 5 700 | 5 951 | 6 219 |
| Transfers recognised - operational | 24 357 | 30 529 | 36 288 | 33 688 | 33 862 | 33 862 | 31 704 | 36 491 | 36 079 | 38 324 |
| Other own revenue | 158 933 | 164 971 | 168 138 | 172 718 | 172 729 | 172 729 | 172 549 | 176 874 | 180 766 | 184 777 |
| Total Revenue (excluding capital transfers and contributions) | 186 886 | 201 177 | 208 613 | 211 606 | 211 791 | 211 791 | 208 055 | 219 065 | 222 796 | 229 320 |
| Employee costs | 89 696 | 96 365 | 111 253 | 119 016 | 116 016 | 116 016 | 102 447 | 122 016 | 126 862 | 132 571 |
| Remuneration of councillors | 9 850 | 10 257 | 10 367 | 13 075 | 10 825 | 10 825 | 9 065 | 13 575 | 14 172 | 14 810 |
| Depreciation & asset impairment | 7 760 | 6 931 | 5 911 | 6 704 | 6 704 | 6 704 | 3 026 | 7 017 | 7 325 | 7 655 |
| Finance charges | - | - | - | - | - | - | - | - | - | - |
| Inventory consumed and bulk purchases | - | - | - | 4 178 | 5 218 | 5 218 | - | 4 023 | 4 163 | 3 984 |
| Transfers and grants | 4 333 | 6 919 | 7 704 | 8 122 | 9 900 | 9 900 | 2 484 | 1 200 | 1 709 | 1 718 |
| Other expenditure | 56 469 | 44 572 | 56 097 | 60 508 | 63 123 | 63 123 | 51 118 | 70 003 | 63 896 | 64 570 |
| Total Expenditure | 168 108 | 165 045 | 191 331 | 211 603 | 211 786 | 211 786 | 168 140 | 217 833 | 218 127 | 225 308 |
| Surplus/(Deficit) | 18 778 | 36 132 | 17 282 | 3 | 5 | 5 | 39 915 | 1 232 | 4 669 | 4 012 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 2 348 | - | - | - | - | - | - | - | - | - |
| 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) | - | - | 20 | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 21 126 | 36 132 | - | 3 | 5 | 5 | 39 915 | 1 232 | 4 669 | 4 012 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | 21 126 | 36 132 | - | 3 | 5 | 5 | 39 915 | 1 232 | 4 669 | 4 012 |
| Capital expenditure & funds sources | | | | | | | | | | |
| Capital expenditure | 2 517 | 2 356 | 2 550 | 117 305 | 42 050 | 42 050 | 10 623 | 89 156 | 32 060 | 32 414 |
| Transfers recognised - capital | 16 | - | - | - | - | - | - | - | - | - |
| Borrowing | - | - | - | 90 000 | - | - | - | - | - | - |
| Internally generated funds | 2 500 | 2 356 | 2 550 | 27 305 | 42 050 | 42 050 | 10 623 | 89 156 | 32 060 | 32 414 |
| Total sources of capital funds | 2 517 | 2 356 | 2 550 | 117 305 | 42 050 | 42 050 | 10 623 | 89 156 | 32 060 | 32 414 |
| Financial position | | | | | | | | | | |
| Total current assets | 71 740 | 108 935 | (43 210) | 52 906 | 63 644 | 63 644 | 160 694 | 29 429 | 9 364 | - |
| Total non current assets | 25 521 | 20 743 | 17 692 | 142 778 | 59 742 | 59 742 | 25 275 | 106 848 | 49 751 | 50 105 |
| Total current liabilities | 55 497 | 55 854 | 63 303 | 26 949 | 25 053 | 25 053 | 58 462 | 21 840 | 21 322 | 21 632 |
| Total non current liabilities | 11 704 | 11 670 | 14 351 | 103 364 | 14 351 | 14 351 | 14 351 | 20 045 | 20 045 | 18 644 |
| Community wealth/Equity | 32 365 | 66 033 | 80 442 | 65 371 | 83 982 | 83 982 | 117 795 | 94 392 | 17 748 | 9 830 |
| Cash flows | | | | | | | | | | |
| Net cash from (used) operating | - | - | 100 002 | 124 012 | 6 709 | 6 709 | 481 933 | 8 248 | 11 994 | 11 686 |
| Net cash from (used) investing | 0 | - | 205 | (117 305) | (42 050) | (42 050) | (10 609) | (89 156) | (32 060) | (32 414) |
| Net cash from (used) financing | - | - | - | 90 000 | - | - | - | - | - | - |
| Cash/cash equivalents at the year end | 9 762 | 36 031 | 173 711 | 149 781 | 43 130 | 43 130 | 471 324 | 29 429 | 9 364 | (11 383) |
| Cash backing/surplus reconciliation | | | | | | | | | | |
| Cash and investments available | 36 031 | 73 504 | (81 015) | 52 906 | 63 644 | 63 644 | 124 956 | 29 429 | 9 364 | 0 |
| Application of cash and investments | 13 226 | 10 941 | (11 139) | 21 890 | 23 254 | 23 254 | (122 527) | 20 986 | 20 313 | 20 468 |
| Balance - surplus (shortfall) | 22 805 | 62 563 | (69 876) | 31 016 | 40 391 | 40 391 | 247 483 | 8 444 | (10 949) | (20 468) |
| Asset management | | | | | | | | | | |
| Asset register summary (WDV) | 25 521 | 20 743 | 16 639 | 142 778 | 58 689 | 58 689 | 58 689 | 105 794 | 48 698 | 49 052 |
| Depreciation | 7 760 | 6 931 | 5 911 | 6 704 | 6 704 | 6 704 | 7 017 | 7 325 | 7 655 | |
| Renewal and Upgrading of Existing Assets | 1 288 | 212 | - | 3 300 | 3 500 | 3 500 | 3 500 | 4 000 | 5 000 | 6 000 |
| Repairs and Maintenance | 1 198 | 1 535 | 2 501 | 4 152 | 2 052 | 2 052 | 2 052 | 2 402 | 2 455 | 2 364 |
| Free services | | | | | | | | | | |
| Cost of Free Basic Services provided | - | - | - | - | - | - | - | - | - | - |
| Revenue cost of free services provided | - | - | - | - | - | - | - | - | - | - |
| Households below minimum service level | | | | | | | | | | |
| 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.

As part of the budgeting and planning guidelines that informed the compilation of the 2022/23 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 | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Revenue - Functional | 1 | | | | | | | | | |
| Governance and administration | | 188 839 | 200 252 | 204 055 | 206 470 | 206 655 | 206 655 | 213 554 | 219 632 | 226 036 |
| Executive and council | | - | 5 | - | - | - | - | - | - | - |
| Finance and administration | | 188 839 | 200 248 | 204 055 | 206 470 | 206 655 | 206 655 | 213 554 | 219 632 | 226 036 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| Community and public safety | | - | 447 | 407 | 500 | 500 | 500 | 500 | 522 | 545 |
| Community and social services | | - | 447 | 407 | 500 | 500 | 500 | 500 | 522 | 545 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 396 | 478 | 4 171 | 4 636 | 4 636 | 4 636 | 5 011 | 2 642 | 2 738 |
| Planning and development | | - | - | 4 171 | 4 636 | 4 636 | 4 636 | 5 011 | 2 642 | 2 738 |
| Road transport | | - | - | - | - | - | - | - | - | - |
| Environmental protection | | 396 | 478 | - | - | - | - | - | - | - |
| Trading services | | - | - | - | - | - | - | - | - | - |
| Energy sources | | - | - | - | - | - | - | - | - | - |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | - | - | - | - | - | - | - | - | - |
| Other | 4 | - | - | - | - | - | - | - | - | - |
| Total Revenue - Functional | 2 | 189 234 | 201 177 | 208 633 | 211 606 | 211 791 | 211 791 | 219 065 | 222 796 | 229 320 |
| Expenditure - Functional | | | | | | | | | | |
| Governance and administration | | 121 976 | 117 666 | 123 827 | 131 647 | 126 385 | 126 385 | 130 012 | 135 600 | 141 248 |
| Executive and council | | 41 184 | 44 766 | 52 912 | 61 601 | 59 190 | 59 190 | 60 394 | 63 584 | 67 005 |
| Finance and administration | | 75 841 | 67 858 | 65 355 | 63 166 | 60 688 | 60 688 | 62 732 | 64 828 | 66 731 |
| Internal audit | | 4 951 | 5 042 | 5 561 | 6 879 | 6 506 | 6 506 | 6 885 | 7 188 | 7 512 |
| Community and public safety | | 11 101 | 14 430 | 49 589 | 51 603 | 52 593 | 52 593 | 57 115 | 56 641 | 58 363 |
| Community and social services | | 7 613 | 8 275 | 49 264 | 51 603 | 52 593 | 52 593 | 57 115 | 56 641 | 58 363 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | 3 489 | 6 155 | 324 | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 37 706 | 36 516 | 21 301 | 28 353 | 32 808 | 32 808 | 30 707 | 25 886 | 25 697 |
| Planning and development | | 10 212 | 8 503 | 21 084 | 28 353 | 32 808 | 32 808 | 30 707 | 25 886 | 25 697 |
| Road transport | | - | - | - | - | - | - | - | - | - |
| Environmental protection | | 27 494 | 28 013 | 217 | - | - | - | - | - | - |
| Trading services | | - | - | - | - | - | - | - | - | - |
| Energy sources | | - | - | - | - | - | - | - | - | - |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | - | - | - | - | - | - | - | - | - |
| Other | 4 | - | - | - | - | - | - | - | - | - |
| Total Expenditure - Functional | 3 | 170 784 | 168 612 | 194 717 | 211 603 | 211 786 | 211 786 | 217 833 | 218 127 | 225 308 |
| Surplus/(Deficit) for the year | | 18 450 | 32 565 | 13 916 | 3 | 5 | 5 | 1 232 | 4 669 | 4 012 |

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 | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Revenue by Vote | 1 | | | | | | | | | |
| Vote 01 - Executive Council | | – | 5 | – | – | – | – | – | – | – |
| Vote 02 - Municipal Manager | | – | – | – | – | – | – | – | – | – |
| Vote 03 - Corporate Services | | – | 205 | 328 | – | 174 | 174 | – | – | – |
| Vote 04 - Financial Services | | 185 339 | 195 091 | 203 726 | 206 470 | 206 481 | 206 481 | 213 554 | 219 632 | 226 036 |
| Vote 05 - Led & Planning | | 3 499 | 4 952 | 4 171 | 4 636 | 4 636 | 4 636 | 5 011 | 2 642 | 2 738 |
| Vote 06 - Community Services | | 396 | 925 | 407 | 500 | 500 | 500 | 500 | 522 | 545 |
| Vote 07 - - | | – | – | – | – | – | – | – | – | – |
| Vote 08 - - | | – | – | – | – | – | – | – | – | – |
| Vote 09 - | | – | – | – | – | – | – | – | – | – |
| Vote 10 - | | – | – | – | – | – | – | – | – | – |
| Vote 11 - | | – | – | – | – | – | – | – | – | – |
| Vote 12 - | | – | – | – | – | – | – | – | – | – |
| Vote 13 - | | – | – | – | – | – | – | – | – | – |
| Vote 14 - | | – | – | – | – | – | – | – | – | – |
| Vote 15 - Other | | – | – | – | – | – | – | – | – | – |
| Total Revenue by Vote | 2 | 189 234 | 201 177 | 208 633 | 211 606 | 211 791 | 211 791 | 219 065 | 222 796 | 229 320 |
| Expenditure by Vote to be appropriated | 1 | | | | | | | | | |
| Vote 01 - Executive Council | | 16 890 | 15 957 | 17 078 | 22 909 | 18 293 | 18 293 | 23 097 | 24 052 | 25 840 |
| Vote 02 - Municipal Manager | | 29 245 | 33 851 | 41 394 | 45 571 | 47 403 | 47 403 | 44 183 | 46 720 | 48 677 |
| Vote 03 - Corporate Services | | 25 443 | 22 316 | 29 839 | 33 061 | 28 594 | 28 594 | 32 539 | 33 590 | 34 932 |
| Vote 04 - Financial Services | | 41 560 | 35 340 | 35 490 | 30 106 | 32 094 | 32 094 | 30 193 | 31 238 | 31 799 |
| Vote 05 - Led & Planning | | 19 050 | 18 705 | 21 110 | 28 353 | 32 808 | 32 808 | 30 707 | 25 886 | 25 697 |
| Vote 06 - Community Services | | 38 595 | 42 443 | 49 806 | 51 603 | 52 593 | 52 593 | 57 115 | 56 641 | 58 363 |
| Vote 07 - - | | – | – | – | – | – | – | – | – | – |
| Vote 08 - - | | – | – | – | – | – | – | – | – | – |
| Vote 09 - | | – | – | – | – | – | – | – | – | – |
| Vote 10 - | | – | – | – | – | – | – | – | – | – |
| Vote 11 - | | – | – | – | – | – | – | – | – | – |
| Vote 12 - | | – | – | – | – | – | – | – | – | – |
| Vote 13 - | | – | – | – | – | – | – | – | – | – |
| Vote 14 - | | – | – | – | – | – | – | – | – | – |
| Vote 15 - Other | | – | – | – | – | – | – | – | – | – |
| Total Expenditure by Vote | 2 | 170 784 | 168 612 | 194 717 | 211 603 | 211 786 | 211 786 | 217 833 | 218 127 | 225 308 |
| Surplus/(Deficit) for the year | 2 | 18 450 | 32 565 | 13 916 | 3 | 5 | 5 | 1 232 | 4 669 | 4 012 |

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 | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|--|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Revenue By Source | | | | | | | | | | | |
| 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 | | 3 596 | 5 677 | 4 186 | 5 200 | 5 200 | 5 200 | 3 801 | 5 700 | 5 951 | 6 219 |
| Interest earned - outstanding debtors | | | | | | | | | | | |
| Dividends received | | - | - | 274 | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | - | - | - | - | - | - | - | - | - | - |
| Licences and permits | | 396 | 478 | 407 | 500 | 500 | 500 | 387 | 500 | 522 | 545 |
| Agency services | | | | | | | | | | | |
| Transfers and subsidies | | 24 357 | 30 529 | 36 288 | 33 688 | 33 862 | 33 862 | 31 704 | 36 491 | 36 079 | 38 324 |
| Other revenue | 2 | 158 530 | 164 493 | 167 448 | 172 218 | 172 229 | 172 229 | 172 162 | 176 374 | 180 244 | 184 232 |
| Gains | | 8 | - | 9 | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 186 886 | 201 177 | 208 613 | 211 606 | 211 791 | 211 791 | 208 055 | 219 065 | 222 796 | 229 320 |
| Expenditure By Type | | | | | | | | | | | |
| Employee related costs | 2 | 89 696 | 96 365 | 111 253 | 119 016 | 116 016 | 116 016 | 102 447 | 122 016 | 126 862 | 132 571 |
| Remuneration of councillors | | 9 850 | 10 257 | 10 367 | 13 075 | 10 825 | 10 825 | 9 065 | 13 575 | 14 172 | 14 810 |
| Debt impairment | 3 | - | - | - | - | - | - | - | - | - | - |
| Depreciation & asset impairment | 2 | 7 760 | 6 931 | 5 911 | 6 704 | 6 704 | 6 704 | 3 026 | 7 017 | 7 325 | 7 655 |
| Finance charges | | - | - | - | - | - | - | - | - | - | - |
| Bulk purchases - electricity | 2 | - | - | - | - | - | - | - | - | - | - |
| Inventory consumed | 8 | - | - | - | 4 178 | 5 218 | 5 218 | - | 4 023 | 4 163 | 3 984 |
| Contracted services | | 29 657 | 24 246 | 29 693 | 27 698 | 34 153 | 34 153 | 29 162 | 35 493 | 28 835 | 29 591 |
| Transfers and subsidies | | 4 333 | 6 919 | 7 704 | 8 122 | 9 900 | 9 900 | 2 484 | 1 200 | 1 709 | 1 718 |
| Other expenditure | 4, 5 | 25 852 | 20 326 | 25 868 | 32 810 | 28 970 | 28 970 | 21 947 | 34 510 | 35 060 | 34 979 |
| Losses | | 960 | - | 536 | - | - | - | 9 | - | - | - |
| Total Expenditure | | 168 108 | 165 045 | 191 331 | 211 603 | 211 786 | 211 786 | 168 140 | 217 833 | 218 127 | 225 308 |
| Surplus/(Deficit) | | 18 778 | 36 132 | 17 282 | 3 | 5 | 5 | 39 915 | 1 232 | 4 669 | 4 012 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | 2 348 | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | 6 | - | - | 20 | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (in-kind - all) | | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 21 126 | 36 132 | 17 302 | 3 | 5 | 5 | 39 915 | 1 232 | 4 669 | 4 012 |
| Taxation | | | | | | | | | | | |
| Surplus/(Deficit) after taxation | | 21 126 | 36 132 | 17 302 | 3 | 5 | 5 | 39 915 | 1 232 | 4 669 | 4 012 |
| Attributable to minorities | | | | | | | | | | | |
| Surplus/(Deficit) attributable to municipality | | 21 126 | 36 132 | 17 302 | 3 | 5 | 5 | 39 915 | 1 232 | 4 669 | 4 012 |
| Share of surplus/ (deficit) of associate | 7 | | | | | | | | | | |
| Surplus/(Deficit) for the year | | 21 126 | 36 132 | 17 302 | 3 | 5 | 5 | 39 915 | 1 232 | 4 669 | 4 012 |

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

- The proposed operating revenue for the 2022/23 financial year has been appropriated at **R219 Million**. The operating revenue has increased by 3.48% or **R7.2 Million** for the 2022/23 financial year when compared to the 2021/22 Adjustment Budget. For the two outer years, operating revenue will increase by 1.7% or **R3.7 Million** and 2.9% or **R6.5 Million** respectively.
- The proposed operating expenditure for the 2022/23 financial year has been appropriated at **R217.8 Million** and translates into a budgeted surplus of **R1.2 Million**. The operating expenditure has increased by 2.86% or **R6 Million** in the 2022/23 financial year when compared to the 2021/22 Adjustment Budget. For the two outer years, operating expenditure will decrease by 0.14% or **R293 Thousand** in 2023/24 and increase by 3.29% or **R7 Million** in 2024/25.

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 rapidly over the MTREF by 3.34% 2022/23, 1.62% in 2023/24 and 2.88% in 2024/25 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% of the total Revenue.

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

| Vote Description | Ref | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand | 1 | | | | | | | | | | |
| Capital expenditure - Vote | | | | | | | | | | | |
| Multi-year expenditure to be appropriated | 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 | | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 7 | - | - | - | - | - | - | - | - | - | - |
| Single-year expenditure to be appropriated | 2 | | | | | | | | | | |
| Vote 01 - Executive Council | | 1 534 | 100 | - | 10 | 10 | 10 | - | 100 | 110 | 102 |
| Vote 02 - Municipal Manager | | 60 | 282 | 60 | 265 | 350 | 350 | - | 706 | 221 | 221 |
| Vote 03 - Corporate Services | | 132 | 645 | 247 | 11 510 | 12 800 | 12 800 | 5 016 | 8 200 | 5 037 | 4 696 |
| Vote 04 - Financial Services | | 288 | 959 | 1 198 | 150 | 280 | 280 | 82 | 12 050 | 8 085 | 8 060 |
| Vote 05 - Led & Planning | | 29 | - | - | 96 350 | 18 820 | 18 820 | 3 752 | 55 550 | 17 610 | 18 727 |
| Vote 06 - Community Services | | 475 | 369 | 1 046 | 9 020 | 9 790 | 9 790 | 1 774 | 12 550 | 996 | 608 |
| Vote 07 - - | | - | - | - | - | - | - | - | - | - | - |
| Vote 08 - - | | - | - | - | - | - | - | - | - | - | - |
| Vote 09 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - | | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | | 2 517 | 2 356 | 2 550 | 117 305 | 42 050 | 42 050 | 10 623 | 89 156 | 32 060 | 32 414 |
| Total Capital Expenditure - Vote | | 2 517 | 2 356 | 2 550 | 117 305 | 42 050 | 42 050 | 10 623 | 89 156 | 32 060 | 32 414 |
| Capital Expenditure - Functional | | | | | | | | | | | |
| Governance and administration | | 2 029 | 1 986 | 1 505 | 11 935 | 13 440 | 13 440 | 5 097 | 21 056 | 13 454 | 13 078 |
| Executive and council | | 1 591 | 197 | 60 | 75 | 75 | 75 | - | 630 | 141 | 173 |
| Finance and administration | | 436 | 1 604 | 1 445 | 11 660 | 13 080 | 13 080 | 5 097 | 20 250 | 13 122 | 12 756 |
| Internal audit | | 3 | 185 | - | 200 | 285 | 285 | - | 176 | 190 | 150 |
| Community and public safety | | 265 | 329 | 1 046 | 9 020 | 9 790 | 9 790 | 1 774 | 12 550 | 996 | 608 |
| Community and social services | | 93 | 68 | 1 046 | 9 020 | 9 790 | 9 790 | 1 774 | 12 550 | 996 | 608 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - | - |
| Public safety | | 172 | 261 | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 222 | 40 | - | 96 350 | 18 820 | 18 820 | 3 752 | 55 550 | 17 610 | 18 727 |
| Planning and development | | 12 | - | - | 96 350 | 18 820 | 18 820 | 3 752 | 55 550 | 17 610 | 18 727 |
| Road transport | | - | - | - | - | - | - | - | - | - | - |
| Environmental protection | | 210 | 40 | - | - | - | - | - | - | - | - |
| Trading services | | - | - | - | - | - | - | - | - | - | - |
| Energy sources | | - | - | - | - | - | - | - | - | - | - |
| Water management | | - | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - | - |
| Waste management | | - | - | - | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Functional | 3 | 2 517 | 2 356 | 2 550 | 117 305 | 42 050 | 42 050 | 10 623 | 89 156 | 32 060 | 32 414 |
| Funded by: | | | | | | | | | | | |
| National Government | | 16 | - | - | - | - | - | - | - | - | - |
| 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) | | - | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | 4 | 16 | - | - | - | - | - | - | - | - | - |
| Borrowing | 6 | - | - | - | 90 000 | - | - | - | - | - | - |
| Internally generated funds | | 2 500 | 2 356 | 2 550 | 27 305 | 42 050 | 42 050 | 10 623 | 89 156 | 32 060 | 32 414 |
| Total Capital Funding | 7 | 2 517 | 2 356 | 2 550 | 117 305 | 42 050 | 42 050 | 10 623 | 89 156 | 32 060 | 32 414 |

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 2022/23 financial year has been appropriated at **R89.1 Million**. The capital expenditure has increased by 112.02% or **R47.1 Million** when compared to the 2021/22 Adjustment Budget. The capital expenditure will decrease by 64.04% or **R57 Million** and increase by 1.10% or **R354 Thousand**. The capital budget will be funded internally.
- The management is considering all viable funding options to ensure that the capital budget is funded internally.

Table A6 - Budgeted Financial Position

DC40 Dr Kenneth Kaunda - Table A6 Budgeted Financial Position

| Description | Ref | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand | | | | | | | | | | | |
| ASSETS | | | | | | | | | | | |
| Current assets | | | | | | | | | | | |
| Cash | | 18 031 | 43 503 | 63 985 | 52 906 | 63 644 | 63 644 | 284 955 | 29 429 | 9 364 | - |
| Call investment deposits | 1 | 18 000 | 30 000 | (145 000) | - | - | - | (160 000) | - | - | - |
| Consumer debtors | 1 | 410 | 416 | 416 | - | - | - | 416 | - | - | - |
| Other debtors | | 35 299 | 35 016 | 37 389 | - | - | - | 35 323 | - | - | - |
| Current portion of long-term receivables | | - | - | - | - | - | - | - | - | - | - |
| Inventory | 2 | - | - | - | - | - | - | - | - | - | - |
| Total current assets | | 71 740 | 108 935 | (43 210) | 52 906 | 63 644 | 63 644 | 160 694 | 29 429 | 9 364 | - |
| Non current assets | | | | | | | | | | | |
| Long-term receivables | | - | - | - | - | - | - | - | - | - | - |
| Investments | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Investment property | | - | - | - | - | - | - | - | - | - | - |
| Investment in Associate | | - | - | - | - | - | - | - | - | - | - |
| Property, plant and equipment | 3 | 24 872 | 20 204 | 17 237 | 134 739 | 53 112 | 53 112 | 22 775 | 89 917 | 38 183 | 38 446 |
| Biological | | - | - | - | - | - | - | - | - | - | - |
| Intangible | | 649 | 538 | 455 | 8 039 | 6 630 | 6 630 | 2 500 | 16 931 | 11 568 | 11 659 |
| Other non-current assets | | - | - | - | - | - | - | - | - | - | - |
| Total non current assets | | 25 521 | 20 743 | 17 692 | 142 778 | 59 742 | 59 742 | 25 275 | 106 848 | 49 751 | 50 105 |
| TOTAL ASSETS | | 97 261 | 129 678 | (25 518) | 195 684 | 123 386 | 123 386 | 185 969 | 136 277 | 59 115 | 50 105 |
| LIABILITIES | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | |
| Bank overdraft | 1 | - | - | - | - | - | - | - | - | - | - |
| Borrowing | 4 | 494 | 335 | 370 | 308 | - | - | 370 | - | - | - |
| Consumer deposits | | - | - | - | - | - | - | - | - | - | - |
| Trade and other payables | 4 | 40 798 | 38 512 | 42 600 | 22 746 | 24 109 | 24 109 | 37 759 | 20 986 | 20 313 | 20 468 |
| Provisions | | 14 205 | 17 007 | 20 333 | 3 895 | 944 | 944 | 20 333 | 854 | 1 009 | 1 164 |
| Total current liabilities | | 55 497 | 55 854 | 63 303 | 26 949 | 25 053 | 25 053 | 58 462 | 21 840 | 21 322 | 21 632 |
| Non current liabilities | | | | | | | | | | | |
| Borrowing | | 154 | - | - | 90 000 | - | - | - | - | - | - |
| Provisions | | 11 551 | 11 670 | 14 351 | 13 364 | 14 351 | 14 351 | 14 351 | 20 045 | 20 045 | 18 644 |
| Total non current liabilities | | 11 704 | 11 670 | 14 351 | 103 364 | 14 351 | 14 351 | 14 351 | 20 045 | 20 045 | 18 644 |
| TOTAL LIABILITIES | | 67 201 | 67 524 | 77 654 | 130 313 | 39 404 | 39 404 | 72 813 | 41 885 | 41 367 | 40 276 |
| NET ASSETS | 5 | 30 060 | 62 154 | (103 172) | 65 371 | 83 982 | 83 982 | 113 156 | 94 392 | 17 748 | 9 830 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | 30 777 | 64 445 | 78 854 | 65 371 | 83 982 | 83 982 | 116 207 | 94 392 | 17 748 | 9 830 |
| Reserves | 4 | 1 588 | 1 588 | 1 588 | - | - | - | 1 588 | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 5 | 32 365 | 66 033 | 80 442 | 65 371 | 83 982 | 83 982 | 117 795 | 94 392 | 17 748 | 9 830 |

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 | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand | | | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Property rates | | | | | | | | | - | - | - |
| Service charges | | | | | | | | | - | - | - |
| Other revenue | | | | 115 983 | 172 718 | 172 729 | 172 729 | 640 539 | 176 874 | 180 766 | 184 777 |
| Transfers and Subsidies - Operational | 1 | - | - | 516 | 33 688 | 33 862 | 33 862 | 3 122 | 36 491 | 36 079 | 38 324 |
| Transfers and Subsidies - Capital | 1 | - | - | - | - | - | - | 2 514 | - | - | - |
| Interest | | | | 2 594 | 5 200 | 5 200 | 5 200 | 272 | 5 700 | 5 951 | 6 219 |
| Dividends | | | | 274 | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Suppliers and employees | | | | (19 365) | (79 472) | (195 182) | (195 182) | (164 514) | (209 617) | (209 093) | (215 935) |
| Finance charges | | | | - | - | - | - | - | - | - | - |
| Transfers and Grants | 1 | - | - | - | (8 122) | (9 900) | (9 900) | - | (1 200) | (1 709) | (1 718) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | | | 100 002 | 124 012 | 6 709 | 6 709 | 481 933 | 8 248 | 11 994 | 11 666 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | | | | | | | | | - | - | - |
| Decrease (increase) in non-current receivables | | | | | | | | | - | - | - |
| Decrease (increase) in non-current investments | | | | 0 | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Capital assets | | | | 205 | (117 305) | (42 050) | (42 050) | (10 609) | (89 156) | (32 060) | (32 414) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | | | 0 | (117 305) | (42 050) | (42 050) | (10 609) | (89 156) | (32 060) | (32 414) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | | | | | | | | | - | - | - |
| Borrowing long term/refinancing | | | | - | 90 000 | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | | | | | | | | | - | - | - |
| Payments | | | | | | | | | | | |
| Repayment of borrowing | | | | - | - | - | - | - | - | - | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | | | - | 90 000 | - | - | - | - | - | - |
| NET INCREASE/ (DECREASE) IN CASH HELD | | | | 0 | 96 707 | (35 341) | (35 341) | 471 324 | (80 908) | (20 065) | (20 747) |
| Cash/cash equivalents at the year begin: | 2 | 9 761 | 36 031 | 73 503 | 53 074 | 78 470 | 78 470 | - | 110 337 | 29 429 | 9 364 |
| Cash/cash equivalents at the year end: | 2 | 9 762 | 36 031 | 173 711 | 149 781 | 43 130 | 43 130 | 471 324 | 29 429 | 9 364 | (11 383) |

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 2022/23 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 2022/23 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

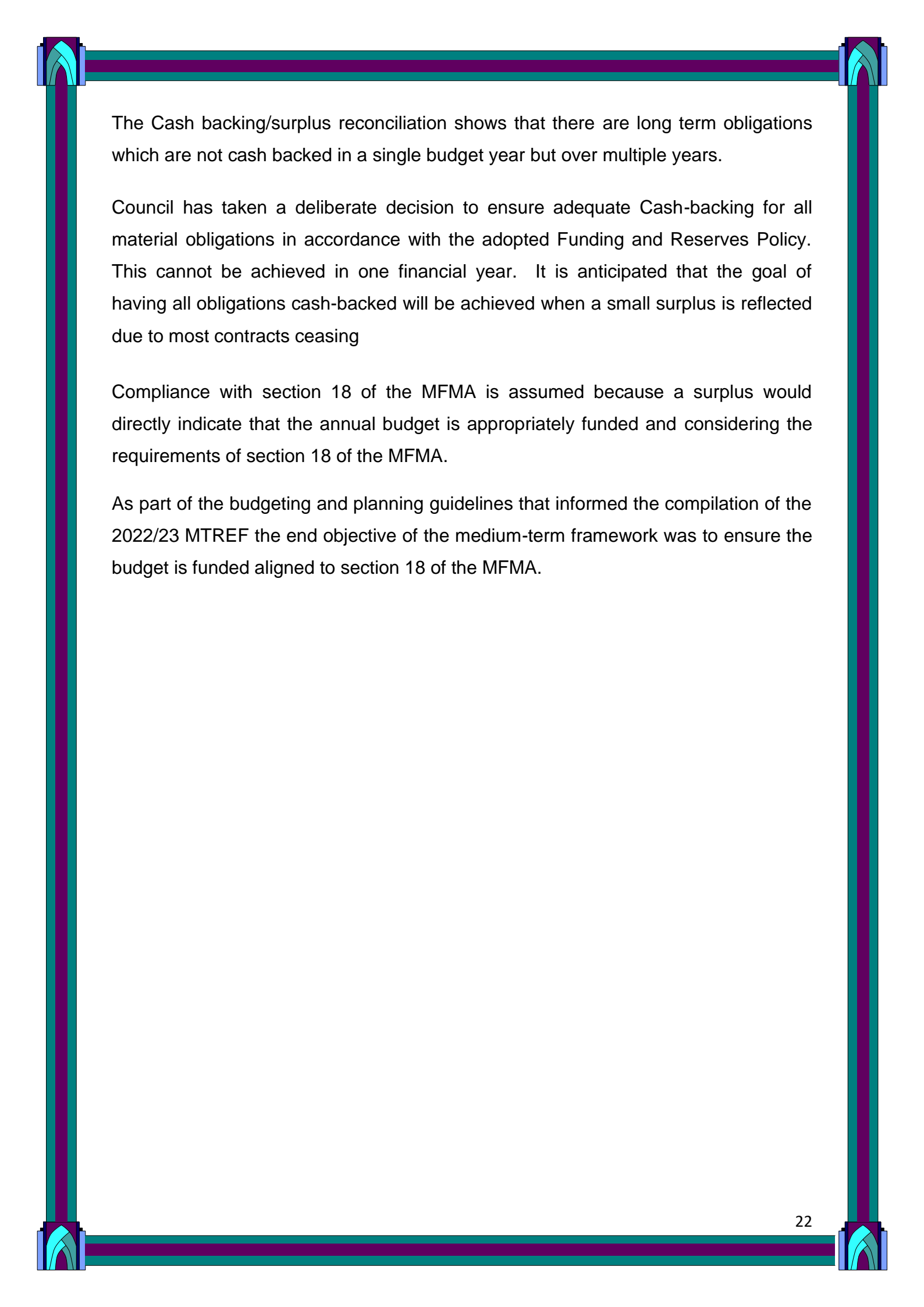
| Description | Ref | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand | | | | | | | | | | | |
| Cash and investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | 9 762 | 36 031 | 173 711 | 149 781 | 43 130 | 43 130 | 471 324 | 29 429 | 9 364 | (11 383) |
| Other current investments > 90 days | | 26 269 | 37 473 | (254 726) | (96 875) | 20 515 | 20 515 | (346 368) | - | - | 11 383 |
| Non current assets - Investments | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash and investments available: | | 36 031 | 73 504 | (81 015) | 52 906 | 63 644 | 63 644 | 124 956 | 29 429 | 9 364 | 0 |
| Application of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | | 1 164 | 1 052 | 65 | - | - | - | 2 657 | - | - | - |
| Unspent borrowing | | - | - | - | - | - | - | - | - | - | - |
| Statutory requirements | 2 | - | - | - | - | - | - | - | - | - | - |
| Other working capital requirements | 3 | 10 474 | 8 301 | (12 793) | 21 890 | 23 254 | 23 254 | (126 773) | 20 986 | 20 313 | 20 468 |
| Other provisions | | - | - | - | - | - | - | - | - | - | - |
| Long term investments committed | 4 | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 5 | 1 588 | 1 588 | 1 588 | - | - | - | 1 588 | - | - | - |
| Total Application of cash and investments: | | 13 226 | 10 941 | (11 139) | 21 890 | 23 254 | 23 254 | (122 527) | 20 986 | 20 313 | 20 468 |
| Surplus(shortfall) | | 22 805 | 62 563 | (69 876) | 31 016 | 40 391 | 40 391 | 247 483 | 8 444 | (10 949) | (20 468) |

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.

As part of the budgeting and planning guidelines that informed the compilation of the 2022/23 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 | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand | | | | | | | | | | |
| CAPITAL EXPENDITURE | | | | | | | | | | |
| Total New Assets | 1 | 1 229 | 2 143 | 2 550 | 114 005 | 38 550 | 38 550 | 85 156 | 27 060 | 26 414 |
| <i>Roads Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Storm water Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Electrical Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Water Supply Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Sanitation Infrastructure</i> | | - | - | - | 2 800 | 5 200 | 5 200 | 2 500 | 2 610 | 2 727 |
| <i>Solid Waste Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Rail Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Coastal Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Information and Communication Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | - | - | - | 2 800 | 5 200 | 5 200 | 2 500 | 2 610 | 2 727 |
| Community Facilities | | - | 91 | 100 | 90 800 | 10 800 | 10 800 | 50 800 | 10 170 | 10 150 |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | - | - |
| Community Assets | | - | 91 | 100 | 90 800 | 10 800 | 10 800 | 50 800 | 10 170 | 10 150 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | 40 | 641 | - | 3 100 | 3 600 | 3 600 | 6 700 | 579 | 268 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Other Assets | | 40 | 641 | - | 3 100 | 3 600 | 3 600 | 6 700 | 579 | 268 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | 56 | 251 | 268 | 7 390 | 6 175 | 6 175 | 16 476 | 11 113 | 11 205 |
| Intangible Assets | | 56 | 251 | 268 | 7 390 | 6 175 | 6 175 | 16 476 | 11 113 | 11 205 |
| Computer Equipment | | 504 | 776 | 1 162 | 3 200 | 5 700 | 5 700 | 2 800 | 2 044 | 1 591 |
| Furniture and Office Equipment | | 541 | 189 | 88 | 715 | 1 025 | 1 025 | 280 | 416 | 368 |
| Machinery and Equipment | | 88 | 195 | 384 | 2 900 | 2 950 | 2 950 | 1 900 | 127 | 105 |
| Transport Assets | | - | - | 547 | 3 100 | 3 100 | 3 100 | 3 700 | - | - |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure | 4 | 2 517 | 2 356 | 2 550 | 117 305 | 42 050 | 42 050 | 89 156 | 32 060 | 32 414 |
| <i>Roads Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Storm water Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Electrical Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Water Supply Infrastructure</i> | | - | - | - | 3 300 | 3 500 | 3 500 | 2 500 | 5 000 | 6 000 |
| <i>Sanitation Infrastructure</i> | | - | - | - | 2 800 | 5 200 | 5 200 | 2 500 | 2 610 | 2 727 |
| <i>Solid Waste Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Rail Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Coastal Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| <i>Information and Communication Infrastructure</i> | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | - | - | - | 6 100 | 8 700 | 8 700 | 5 000 | 7 610 | 8 727 |
| Community Facilities | | - | 91 | 100 | 90 800 | 10 800 | 10 800 | 51 800 | 10 170 | 10 150 |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | - | - |
| Community Assets | | - | 91 | 100 | 90 800 | 10 800 | 10 800 | 51 800 | 10 170 | 10 150 |
| Heritage Assets | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | - | - |
| Investment properties | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | 40 | 641 | - | 3 100 | 3 600 | 3 600 | 6 700 | 579 | 268 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Other Assets | | 40 | 641 | - | 3 100 | 3 600 | 3 600 | 6 700 | 579 | 268 |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | - | - |
| Servitudes | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | 56 | 463 | 268 | 7 390 | 6 175 | 6 175 | 16 476 | 11 113 | 11 205 |
| Intangible Assets | | 56 | 463 | 268 | 7 390 | 6 175 | 6 175 | 16 476 | 11 113 | 11 205 |
| Computer Equipment | | 504 | 776 | 1 162 | 3 200 | 5 700 | 5 700 | 2 800 | 2 044 | 1 591 |
| Furniture and Office Equipment | | 541 | 189 | 88 | 715 | 1 025 | 1 025 | 280 | 416 | 368 |
| Machinery and Equipment | | 88 | 195 | 384 | 2 900 | 2 950 | 2 950 | 1 900 | 127 | 105 |
| Transport Assets | | 1 288 | - | 547 | 3 100 | 3 100 | 3 100 | 4 200 | - | - |
| Land | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | - | - |
| TOTAL CAPITAL EXPENDITURE - Asset class | | 2 517 | 2 356 | 2 550 | 117 305 | 42 050 | 42 050 | 89 156 | 32 060 | 32 414 |

| ASSET REGISTER SUMMARY - PPE (WDV) | | 5 | 25 521 | 20 743 | 16 639 | 142 778 | 58 689 | 58 689 | 105 794 | 48 698 | 49 052 |
|---|--|----------|---------------|---------------|---------------|----------------|---------------|---------------|----------------|---------------|---------------|
| Roads Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Storm water Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Water Supply Infrastructure | | | - | - | - | 3 300 | 3 500 | 3 500 | 2 500 | 5 000 | 6 000 |
| Sanitation Infrastructure | | | - | - | - | 2 800 | 5 200 | 5 200 | 2 500 | 2 610 | 2 727 |
| Solid Waste Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Rail Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | | 10 230 | 6 320 | 2 497 | 10 230 | 2 497 | 2 497 | 2 497 | 2 497 | 2 497 |
| Infrastructure | | | 10 230 | 6 320 | 2 497 | 16 330 | 11 197 | 11 197 | 7 497 | 10 107 | 11 225 |
| Community Assets | | | 4 533 | 3 984 | 4 096 | 90 554 | 14 896 | 14 896 | 55 896 | 14 266 | 14 246 |
| Heritage Assets | | | - | - | - | - | - | - | - | - | - |
| Investment properties | | | - | - | - | - | - | - | - | - | - |
| Other Assets | | | 134 | 641 | 641 | 8 171 | 4 241 | 4 241 | 7 341 | 1 220 | 910 |
| Biological or Cultivated Assets | | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | | 649 | 538 | 455 | 8 039 | 6 630 | 6 630 | 16 931 | 11 568 | 11 659 |
| Computer Equipment | | | 1 208 | 1 374 | 1 843 | 4 408 | 7 543 | 7 543 | 4 643 | 3 887 | 3 434 |
| Furniture and Office Equipment | | | 2 097 | 1 781 | 924 | 2 660 | 1 949 | 1 949 | 1 204 | 1 341 | 1 292 |
| Machinery and Equipment | | | 1 192 | 1 429 | 1 409 | 4 087 | 4 359 | 4 359 | 3 309 | 1 537 | 1 514 |
| Transport Assets | | | 5 478 | 4 674 | 4 772 | 8 530 | 7 872 | 7 872 | 8 972 | 4 772 | 4 772 |
| Land | | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | | - | - | - | - | - | - | - | - | - |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | | 5 | 25 521 | 20 743 | 16 639 | 142 778 | 58 689 | 58 689 | 105 794 | 48 698 | 49 052 |

| EXPENDITURE OTHER ITEMS | | | 8 959 | 8 466 | 8 412 | 10 856 | 8 756 | 8 756 | 9 419 | 9 780 | 10 019 |
|---|--|---|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|---------------|
| Depreciation | | 7 | 7 760 | 6 931 | 5 911 | 6 704 | 6 704 | 6 704 | 7 017 | 7 325 | 7 655 |
| Repairs and Maintenance by Asset Class | | 3 | 1 198 | 1 535 | 2 501 | 4 152 | 2 052 | 2 052 | 2 402 | 2 455 | 2 364 |
| Roads Infrastructure | | | - | - | - | 1 000 | 300 | 300 | - | - | - |
| Storm water Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Electrical Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Water Supply Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Sanitation Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Solid Waste Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Rail Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Coastal Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Information and Communication Infrastructure | | | - | - | - | - | - | - | - | - | - |
| Infrastructure | | | - | - | - | 1 000 | 300 | 300 | - | - | - |
| Community Facilities | | | - | - | - | - | - | - | - | - | - |
| Sport and Recreation Facilities | | | - | - | - | - | - | - | - | - | - |
| Community Assets | | | - | - | - | - | - | - | - | - | - |
| Heritage Assets | | | - | - | - | - | - | - | - | - | - |
| Revenue Generating | | | - | - | - | - | - | - | - | - | - |
| Non-revenue Generating | | | - | - | - | - | - | - | - | - | - |
| Investment properties | | | - | - | - | - | - | - | - | - | - |
| Operational Buildings | | | 494 | 552 | 1 412 | 1 000 | 500 | 500 | 700 | 731 | 764 |
| Housing | | | - | - | - | - | - | - | - | - | - |
| Other Assets | | | 494 | 552 | 1 412 | 1 000 | 500 | 500 | 700 | 731 | 764 |
| Biological or Cultivated Assets | | | - | - | - | - | - | - | - | - | - |
| Servitudes | | | - | - | - | - | - | - | - | - | - |
| Licences and Rights | | | - | - | - | - | - | - | - | - | - |
| Intangible Assets | | | - | - | - | - | - | - | - | - | - |
| Computer Equipment | | | 580 | 801 | 783 | 1 300 | 970 | 970 | 1 200 | 1 200 | 1 200 |
| Furniture and Office Equipment | | | 1 | 6 | 12 | 102 | 32 | 32 | 202 | 211 | 73 |
| Machinery and Equipment | | | 41 | 1 | 8 | 200 | 50 | 50 | 200 | 209 | 218 |
| Transport Assets | | | 82 | 175 | 287 | 550 | 200 | 200 | 100 | 104 | 109 |
| Land | | | - | - | - | - | - | - | - | - | - |
| Zoo's, Marine and Non-biological Animals | | | - | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURE OTHER ITEMS | | | 8 959 | 8 466 | 8 412 | 10 856 | 8 756 | 8 756 | 9 419 | 9 780 | 10 019 |
| <i>Renewal and upgrading of Existing Assets as % of total capex</i> | | | 51,2% | 9,0% | 0,0% | 2,8% | 8,3% | 8,3% | 4,5% | 15,6% | 18,5% |
| <i>Renewal and upgrading of Existing Assets as % of deprecn</i> | | | 16,6% | 3,1% | 0,0% | 49,2% | 52,2% | 52,2% | 57,0% | 68,3% | 78,4% |
| <i>R&M as a % of PPE</i> | | | 4,8% | 7,6% | 14,5% | 3,1% | 3,9% | 3,9% | 2,7% | 6,4% | 6,1% |
| <i>Renewal and upgrading and R&M as a % of PPE</i> | | | 10,0% | 8,0% | 15,0% | 5,0% | 9,0% | 9,0% | 6,0% | 15,0% | 17,0% |

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 2021/22 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 R2.4 million for 2022/23.

Table A10 - Basic Service Delivery Measurement

DC40 Dr Kenneth Kaunda - Table A10 Basic service delivery measurement

| Description | Ref | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|---|-----|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Household service targets | 1 | | | | | | | | | |
| Water: | | | | | | | | | | |
| Piped water inside dwelling | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Piped water inside yard (but not in dwelling) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Using public tap (at least min.service level) | 2 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other water supply (at least min.service level) | 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> | | | | | | | | | | |
| Total number of households | 5 | | | | | | | | | |
| Sanitation/sewerage: | | | | | | | | | | |
| 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> | | | | | | | | | | |
| Total number of households | 5 | | | | | | | | | |
| Energy: | | | | | | | | | | |
| 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> | | | | | | | | | | |
| Total number of households | 5 | | | | | | | | | |
| Refuse: | | | | | | | | | | |
| 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> | | | | | | | | | | |
| Total number of households | 5 | | | | | | | | | |
| Households receiving Free Basic Service | 7 | | | | | | | | | |
| Water (6 kilolitres per household per month) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sanitation (free sanitation service to indigent households) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Electricity/other energy (50kwh per household per month) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Refuse (removed at least once a week) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Cost of Free Basic Services provided - Formal Settlements (R'000) | 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) | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | | | | | | | | | | |
| Total cost of FBS provided | | | | | | | | | | |
| Highest level of free service provided per household | | | | | | | | | | |
| 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) | | | | | | | | | | |
| Revenue cost of subsidised services provided (R'000) | 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 households) | | | | | | | | | | |
| Refuse (in excess of one removal a week for indigent households) | | | | | | | | | | |
| Municipal Housing - rental rebates | | | | | | | | | | |
| Housing - top structure subsidies | 6 | | | | | | | | | |
| Other | | | | | | | | | | |
| Total revenue cost of subsidised services provided | | | | | | | | | | |

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 on the 30th August 2021.
- The 2022/23 Draft Budget was tabled by Council on the 31st March 2022 (**Council Resolution: Item A.27/3/2022**) together with the review of the IDP in council.
- The Final Budget will be tabled and approved by council not later than 31st of May 2022.

OUTCOMES OF CONSULTATIVE PROCESS

- After the tabling of the draft budget on 31st March 2022, 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 2022/23 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.
 - Budget Strategic Session
 - Budget Committee working sessions – HOD's / Unit Managers
 - Submission of the Draft IDP and Budget to Council (to be submitted to council meeting scheduled for May 2022)
 - Advertisement on a local newspaper once approved in 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

ITEM A.182/08/2021

SCHEDULE OF BUDGET KEY DEADLINES - 2021/2022

5/1/1

THEREFORE RESOLVED

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

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 | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | 2022/23 Medium Term Revenue & Expenditure Framework | | | |
|---|------|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|---------|
| | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 | |
| R thousand | | | | | | | | | | | | | |
| SPATIAL RATIONALE | | | | - | 447 | - | - | - | - | - | - | - | |
| GOOD GOVERNANCE AND PUBLIC PARTICIPATION | | | | - | 5 | - | - | - | - | - | - | - | |
| MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT | | | | 185 339 | 195 091 | 203 706 | 206 470 | 206 481 | 206 481 | 213 554 | 219 632 | 226 036 | |
| DISTRICT ECONOMIC DEVELOPMENT | | | | - | - | 4 171 | 4 636 | 4 636 | 4 636 | 5 011 | 2 642 | 2 738 | |
| MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT | | | | - | 205 | 328 | - | 174 | 174 | - | - | - | |
| BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT | | | | 1 547 | 5 430 | 407 | 500 | 500 | 500 | 500 | 522 | 545 | |
| Allocations to other priorities | | | | | | | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | | | 1 | 186 886 | 201 177 | 208 613 | 211 606 | 211 791 | 211 791 | 219 065 | 222 796 | 229 320 |

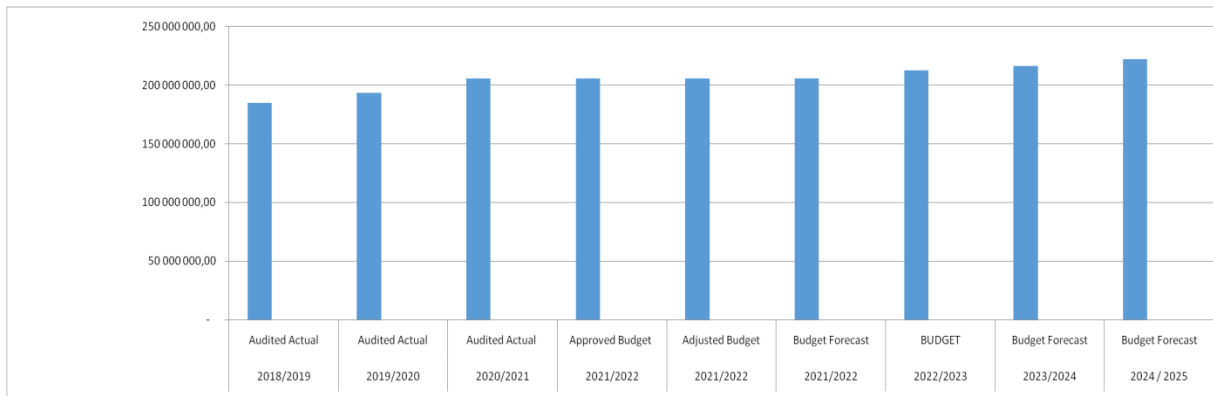
2.3. Measurable performance objectives and indicators

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 | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | 2022/23 Medium Term Revenue & Expenditure Framework | | | |
|--|------|-----------|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|---------|
| | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 | |
| R thousand | | | | | | | | | | | | | |
| SPATIAL RATIONALE | | | | 7 613 | 8 275 | 329 | - | - | - | - | - | - | |
| GOOD GOVERNANCE AND PUBLIC PARTICIPATION | | | | 46 135 | 49 808 | 58 472 | 68 480 | 65 696 | 65 696 | 67 280 | 70 772 | 74 517 | |
| MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT | | | | 41 560 | 35 340 | 35 490 | 30 106 | 32 094 | 32 094 | 30 193 | 31 238 | 31 799 | |
| DISTRICT ECONOMIC DEVELOPMENT | | | | 10 212 | 8 503 | 21 084 | 28 353 | 32 808 | 32 808 | 30 707 | 25 886 | 25 697 | |
| MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT | | | | 25 443 | 22 316 | 29 839 | 33 061 | 28 594 | 28 594 | 32 539 | 33 590 | 34 932 | |
| BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT | | | | 39 821 | 44 369 | 49 503 | 51 603 | 52 593 | 52 593 | 57 115 | 56 641 | 58 363 | |
| Allocations to other priorities | | | | | | | | | | | | | |
| Total Expenditure | | | | 1 | 170 784 | 168 612 | 194 717 | 211 603 | 211 786 | 211 786 | 217 833 | 218 127 | 225 308 |

REVENUE BY MAJOR SOURCE

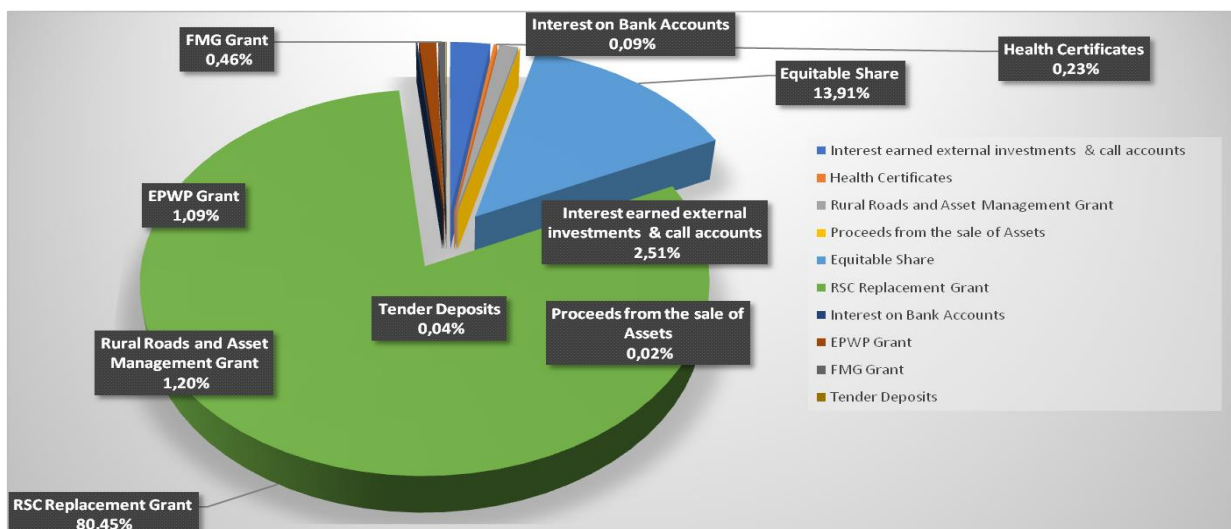


| | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2021/2022 | 2021/2022 | 2022/2023 | 2023/2024 | 2024 / 2025 |
|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Transfers Recog. Operating | 185 178 514,00 | 193 505 872,85 | 205 800 159,00 | 205 766 000,00 | 205 940 365,00 | 205 940 365,00 | 212 725 000,00 | 216 177 000,00 | 222 402 980,00 |
| Transfers Recog. Capital | - | - | - | - | - | - | - | - | - |
| Total revenue by major source | 185 178 514,00 | 193 505 872,85 | 205 800 159,00 | 205 766 000,00 | 205 940 365,00 | 205 940 365,00 | 212 725 000,00 | 216 177 000,00 | 222 402 980,00 |

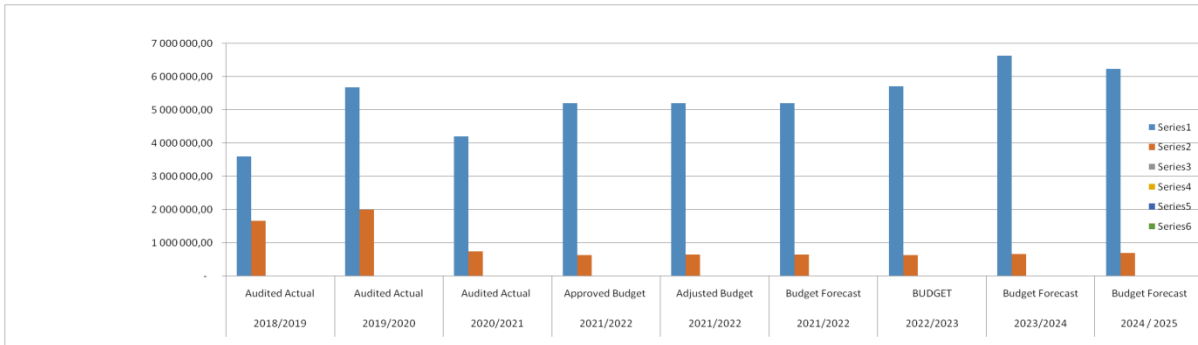
SOURCE OF FUNDING AS A PERCENTAGE (%)

The following sources of funding forms part of funding as a percentage of total funding :

| BUDGET FUNDING | | As % of Total funding |
|--|--------------------|-----------------------|
| Interest earned external investments & call accounts | 5 500 000 | 2,51 |
| Health Certificates | 500 000 | 0,23 |
| Rural Roads and Asset Management Grant | 2 632 000 | 1,20 |
| Proceeds from the sale of Assets | 50 000 | 0,02 |
| Equitable Share | 30 480 000 | 13,91 |
| RSC Replacement Grant | 176 234 000 | 80,45 |
| Interest on Bank Accounts | 200 000 | 0,09 |
| EPWP Grant | 2 379 000 | 1,09 |
| FMG Grant | 1 000 000 | 0,46 |
| Tender Deposits | 90 000 | 0,04 |
| TOTAL FUNDING | 219 065 000 | 100,00 |

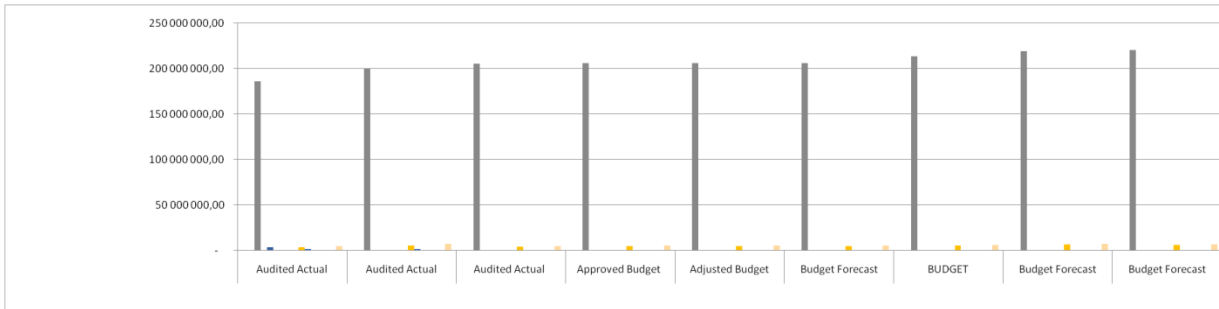


REVENUE BY MINOR SOURCE



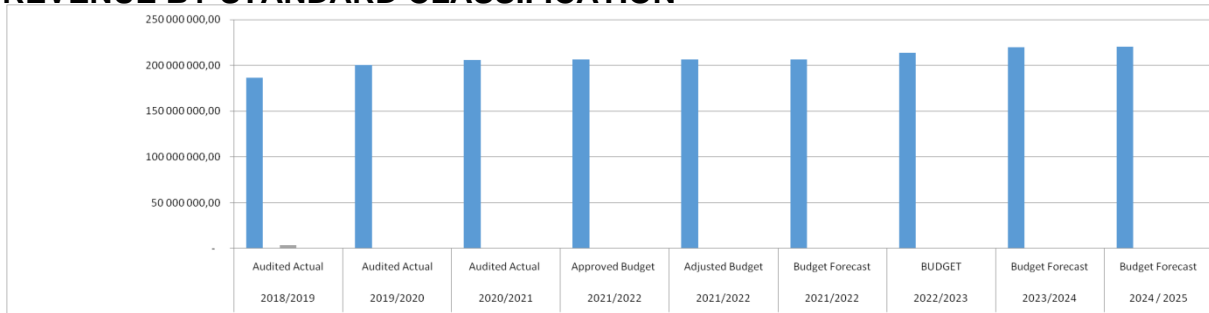
| | 2018/2019 Audited Actual | 2019/2020 Audited Actual | 2020/2021 Audited Actual | 2021/2022 Approved Budget | 2021/2022 Adjusted Budget | 2021/2022 Budget Forecast | 2022/2023 BUDGET | 2023/2024 Budget Forecast | 2024 / 2025 Budget Forecast |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|---------------------|------------------------------|--------------------------------|
| Interest External Investmen | 3 595 948,19 | 5 677 254,00 | 4 201 606,00 | 5 200 000,00 | 5 200 000,00 | 5 200 000,00 | 5 700 000,00 | 6 618 960,00 | 6 218 586,00 |
| Other Revenue | 1 655 803,00 | 1 989 231,00 | 744 869,00 | 640 000,00 | 650 589,00 | 650 589,00 | 640 000,00 | 668 160,00 | 698 227,00 |
| Rental of Facilities | - | - | - | - | - | - | - | - | - |
| Interest Outstanding Debtor | - | - | - | - | - | - | - | - | - |
| Dividends Received | - | - | - | - | - | - | - | - | - |
| Gain on Disposal of PPE | - | - | - | - | - | - | - | - | - |
| Total revenue by minor source | 5 251 751,19 | 7 666 485,00 | 4 946 475,00 | 5 840 000,00 | 5 850 589,00 | 5 850 589,00 | 6 340 000,00 | 7 287 120,00 | 6 916 813,00 |

REVENUE BY MUNICIPAL VOTE



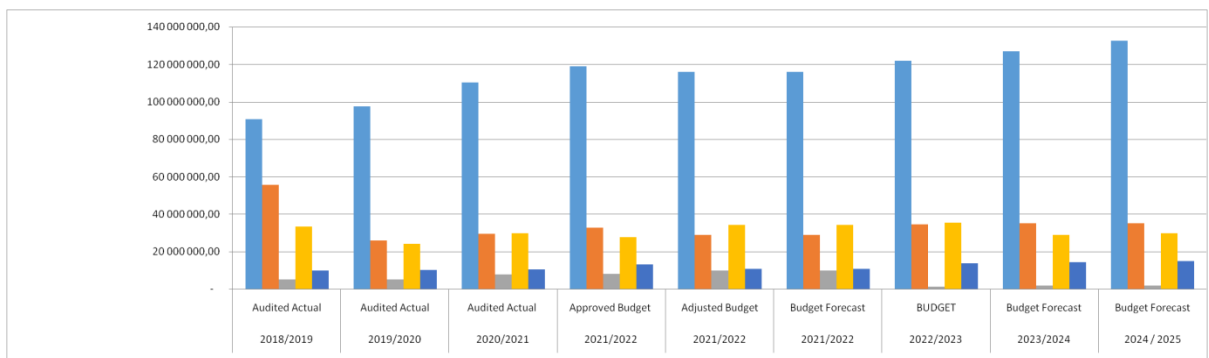
| | 2018/2019 Audited Actual | 2019/2020 Audited Actual | 2020/2021 Audited Actual | 2021/2022 Approved Budget | 2021/2022 Adjusted Budget | 2021/2022 Budget Forecast | 2022/2023 BUDGET | 2023/2024 Budget Forecast | 2024 / 2025 Budget Forecast |
|--|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|-----------------------|------------------------------|--------------------------------|
| Office of the Executive Mayor | - | 4 633,64 | - | - | - | - | - | - | - |
| Office of the Speaker | - | - | - | - | - | - | - | - | - |
| Municipal Manager Admin. | - | - | - | - | - | - | - | - | - |
| Budget and Treasury | 186 385 433,19 | 200 247 526,27 | 205 839 850,50 | 206 470 000,00 | 206 480 589,00 | 206 480 589,00 | 213 554 000,00 | 219 631 960,00 | 220 636 303,00 |
| Corporate Services | 3 649 314,00 | - | 328 307,47 | - | 174 365,00 | 174 365,00 | - | - | - |
| LEDT & Planning | - | 477 832,40 | 4 171 000,00 | 4 636 000,00 | 4 636 000,00 | 4 636 000,00 | 5 011 000,00 | 2 642 000,00 | 2 738 000,00 |
| Community Services | 395 518,00 | 447 000,00 | 407 476,06 | 500 000,00 | 500 000,00 | 500 000,00 | 500 000,00 | 522 000,00 | 545 490,00 |
| Total revenue by municipal vote | 190 430 265,19 | 201 176 992,31 | 210 746 634,03 | 211 606 000,00 | 211 790 954,00 | 211 790 954,00 | 219 065 000,00 | 222 795 960,00 | 223 919 793,00 |

REVENUE BY STANDARD CLASSIFICATION



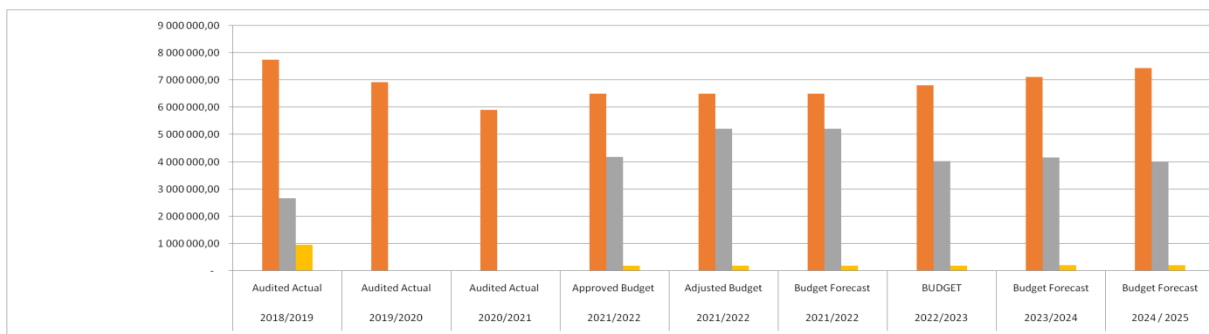
| | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2021/2022 | 2021/2022 | 2022/2023 | 2023/2024 | 2024 / 2025 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Audited Actual | Audited Actual | Audited Actual | Approved Budget | Adjusted Budget | Budget Forecast | BUDGET | Budget Forecast | Budget Forecast |
| Executive Mayor | - | 4 633,64 | - | - | - | - | - | - | - |
| Municipal Manager | - | - | - | - | - | - | - | - | - |
| Budget and Treasury | 186 385 433,19 | 200 247 526,27 | 205 839 850,50 | 206 470 000,00 | 206 480 589,00 | 206 480 589,00 | 213 554 000,00 | 219 631 960,00 | 220 636 303,00 |
| Corporate Services | 3 649 314,00 | - | 328 307,47 | - | 174 365,00 | 174 365,00 | - | - | - |
| LEDT & Planning | - | 477 832,40 | 4 171 000,00 | 4 636 000,00 | 4 636 000,00 | 4 636 000,00 | 5 011 000,00 | 2 642 000,00 | 2 738 000,00 |
| Community Services | 395 518,00 | 447 000,00 | 407 476,06 | 500 000,00 | 500 000,00 | 500 000,00 | 500 000,00 | 522 000,00 | 545 490,00 |
| Total revenue by standard class | 190 430 265,19 | 201 176 992,31 | 210 746 634,03 | 211 606 000,00 | 211 790 954,00 | 211 790 954,00 | 219 065 000,00 | 222 795 960,00 | 223 919 793,00 |

OPERATING EXPENDITURE BY MAJOR TYPE



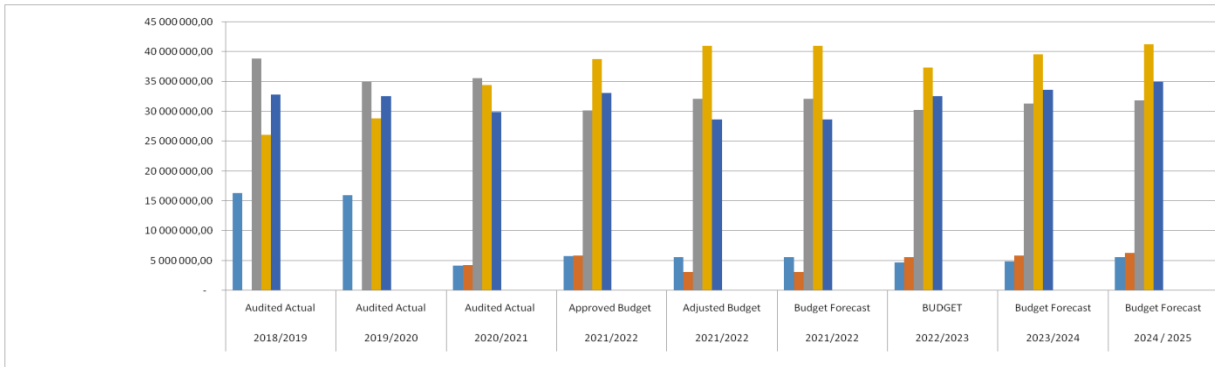
| | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2021/2022 | 2021/2022 | 2022/2023 | 2023/2024 | 2024 / 2025 |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Audited Actual | Audited Actual | Audited Actual | Approved Budget | Adjusted Budget | Budget Forecast | BUDGET | Budget Forecast | Budget Forecast |
| Employee Related Costs | 90 647 860,00 | 97 442 027,00 | 110 330 545,00 | 119 015 734,00 | 116 015 734,00 | 116 015 734,00 | 122 015 734,00 | 126 862 433,00 | 132 571 236,00 |
| Other expenditure | 55 624 234,00 | 25 938 184,00 | 29 285 114,00 | 32 809 750,00 | 28 969 750,00 | 28 969 750,00 | 34 509 950,00 | 35 060 348,00 | 34 978 933,00 |
| Grants&Subsidies Paid Operating | 5 178 050,00 | 5 073 489,00 | 7 703 797,00 | 8 122 000,00 | 9 900 000,00 | 9 900 000,00 | 1 200 000,00 | 1 708 800,00 | 1 718 196,00 |
| Contracted services | 33 201 471,00 | 24 197 842,00 | 29 661 792,00 | 27 698 300,00 | 34 153 300,00 | 34 153 300,00 | 35 493 000,00 | 28 835 208,00 | 29 590 836,00 |
| Remuneration of councillors | 9 850 183,00 | 10 253 749,00 | 10 366 968,00 | 13 074 855,00 | 10 824 855,00 | 10 824 855,00 | 13 574 855,00 | 14 172 148,00 | 14 809 891,00 |
| Total expenditure major type | 194 501 798,00 | 162 905 291,00 | 187 348 216,00 | 200 720 639,00 | 199 863 639,00 | 199 863 639,00 | 206 793 539,00 | 206 638 937,00 | 213 669 092,00 |

OPERATING EXPENDITURE BY MINOR TYPE



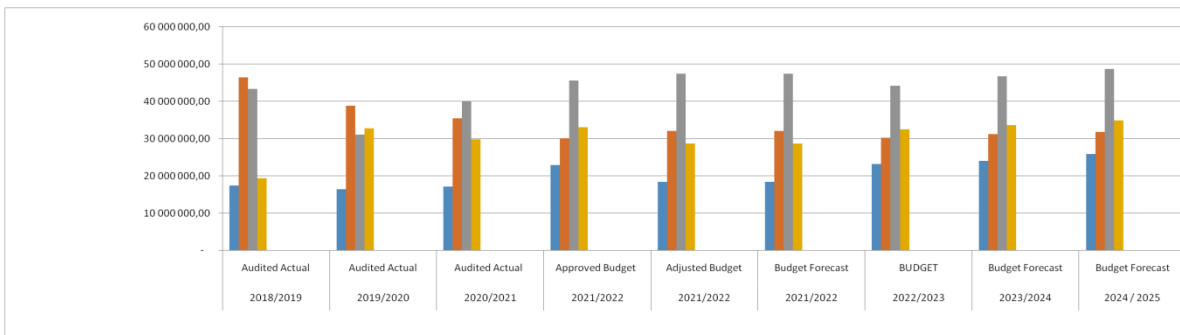
| | 2018/2019 Audited Actual | 2019/2020 Audited Actual | 2020/2021 Audited Actual | 2021/2022 Approved Budget | 2021/2022 Adjusted Budget | 2021/2022 Budget Forecast | 2022/2023 BUDGET | 2023/2024 Budget Forecast | 2024 / 2025 Budget Forecast |
|--|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|----------------------|------------------------------|--------------------------------|
| Finance charges | - | - | - | - | - | - | - | - | - |
| Depreciation & asset impairment | 7 760 118,00 | 6 930 570,00 | 5 911 003,00 | 6 509 071,00 | 6 509 071,00 | 6 509 071,00 | 6 821 506,00 | 7 121 651,00 | 7 442 125,00 |
| Other materials | 2 675 615,00 | - | - | 4 178 000,00 | 5 218 000,00 | 5 218 000,00 | 4 023 000,00 | 4 162 612,00 | 3 984 309,00 |
| Loss on disposal of PPE | 959 539,00 | - | - | 195 000,00 | 195 000,00 | 195 000,00 | 195 000,00 | 203 580,00 | 212 740,00 |
| Debt impairment | - | - | - | - | - | - | - | - | - |
| Total expenditure by minor type | 11 395 272,00 | 6 930 570,00 | 5 911 003,00 | 10 882 071,00 | 11 922 071,00 | 11 922 071,00 | 11 039 506,00 | 11 487 843,00 | 11 639 174,00 |

OPERATING EXPENDITURE BY MUNICIPAL VOTE



| | 2018/2019 Audited Actual | 2019/2020 Audited Actual | 2020/2021 Audited Actual | 2021/2022 Approved Budget | 2021/2022 Adjusted Budget | 2021/2022 Budget Forecast | 2022/2023 BUDGET | 2023/2024 Budget Forecast | 2024 / 2025 Budget Forecast |
|------------------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|-----------------------|------------------------------|--------------------------------|
| Office of the Executive Mayor | 16 340 490,00 | 15 956 622,40 | 4 245 612,08 | 5 726 272,00 | 5 609 652,00 | 5 609 652,00 | 4 679 632,00 | 4 876 736,00 | 5 545 400,00 |
| Office of the Speaker | - | - | 4 245 612,08 | 5 841 581,00 | 5 065 581,00 | 5 065 581,00 | 5 595 900,00 | 5 842 119,00 | 6 252 296,00 |
| Chief Whip | - | - | 4 698 438,72 | 5 938 366,00 | 5 509 123,00 | 5 509 123,00 | 2 108 480,00 | 2 149 053,00 | 2 354 858,00 |
| Councillors | - | - | 3 970 799,63 | 5 403 000,00 | 4 108 863,00 | 4 108 863,00 | 10 712 886,00 | 11 184 253,00 | 11 687 542,00 |
| Municipal Manager Admin. | 26 066 807,00 | 28 809 390,39 | 34 375 681,68 | 38 691 753,00 | 40 897 092,00 | 40 897 092,00 | 37 297 393,00 | 39 531 839,00 | 41 165 190,00 |
| Internal Audit | 4 950 010,00 | 5 042 005,92 | 5 560 553,76 | 6 879 484,00 | 6 506 102,00 | 6 506 102,00 | 6 885 460,00 | 7 188 423,00 | 7 511 900,00 |
| Corporate Services Admin. | 32 815 516,00 | 32 517 538,01 | 29 839 348,35 | 33 060 501,00 | 28 594 162,00 | 28 594 162,00 | 32 538 941,00 | 33 589 855,00 | 34 931 947,00 |
| Budget and Treasury | 38 795 147,00 | 34 993 748,29 | 35 489 796,41 | 30 105 733,00 | 32 094 008,00 | 32 094 008,00 | 30 193 177,00 | 31 238 078,00 | 31 798 702,00 |
| LEDT & Planning | 12 454 237,00 | 36 516 282,75 | 21 110 174,25 | 28 352 772,00 | 32 808 148,00 | 32 808 148,00 | 30 706 572,00 | 25 885 775,00 | 25 697 210,00 |
| Community Services | 40 313 853,00 | 14 776 753,84 | 49 805 713,83 | 51 603 248,00 | 52 592 979,00 | 52 592 979,00 | 57 114 604,00 | 56 640 649,00 | 58 363 221,00 |
| Total Operating Expenditure | 171 736 060,00 | 168 612 341,60 | 193 259 219,02 | 211 602 710,00 | 211 785 710,00 | 211 785 710,00 | 217 833 045,00 | 218 126 780,00 | 225 308 266,00 |

OPERATING EXPENDITURE BY STANDARD CLASSIFICATION

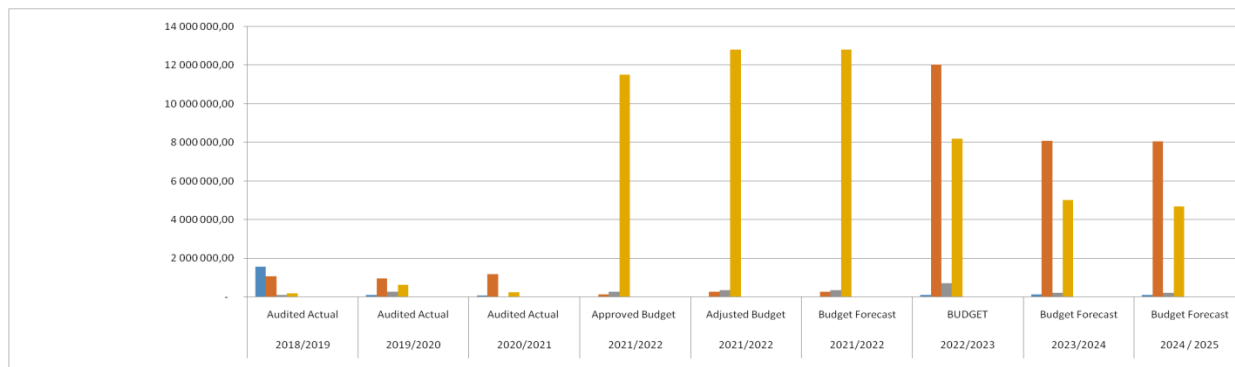


| | 2018/2019 Audited Actual | 2019/2020 Audited Actual | 2020/2021 Audited Actual | 2021/2022 Approved Budget | 2021/2022 Adjusted Budget | 2021/2022 Budget Forecast | 2022/2023 BUDGET | 2023/2024 Budget Forecast | 2024 / 2025 Budget Forecast |
|---------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|-----------------------|------------------------------|--------------------------------|
| Executive and Council | 17 300 836,54 | 16 340 490,00 | 17 077 950,74 | 22 909 219,00 | 18 293 219,00 | 18 293 219,00 | 23 096 898,00 | 24 052 161,00 | 25 840 096,00 |
| Municipal Manager Admin. | 43 289 707,85 | 31 016 817,00 | 39 936 235,44 | 45 571 237,00 | 47 403 194,00 | 47 403 194,00 | 44 182 853,00 | 46 720 262,00 | 48 677 090,00 |
| Corporate Services Admin. | 19 301 080,61 | 32 815 516,00 | 29 839 348,35 | 33 060 501,00 | 28 594 162,00 | 28 594 162,00 | 32 538 941,00 | 33 589 855,00 | 34 931 947,00 |
| Budget and Treasury | 46 431 116,52 | 38 795 147,00 | 35 489 796,41 | 30 105 733,00 | 32 094 008,00 | 32 094 008,00 | 30 193 177,00 | 31 238 078,00 | 31 798 702,00 |
| LEDT & Planning | 25 189 989,55 | 12 454 237,00 | 21 110 174,25 | 28 352 772,00 | 32 808 148,00 | 32 808 148,00 | 30 706 572,00 | 25 885 775,00 | 25 697 210,00 |
| Community Services | 35 311 957,04 | 40 313 853,00 | 49 805 713,83 | 51 603 248,00 | 52 592 979,00 | 52 592 979,00 | 57 114 604,00 | 56 640 649,00 | 58 363 221,00 |
| TOTALS | 186 824 688,11 | 171 736 060,00 | 193 259 219,02 | 211 602 710,00 | 211 785 710,00 | 211 785 710,00 | 217 833 045,00 | 218 126 780,00 | 225 308 266,00 |

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:



| | 2018/2019 Audited Actual | 2019/2020 Audited Actual | 2020/2021 Audited Actual | 2021/2022 Approved Budget | 2021/2022 Adjusted Budget | 2021/2022 Budget Forecast | 2022/2023 BUDGET | 2023/2024 Budget Forecast | 2024 / 2025 Budget Forecast |
|---------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|----------------------|------------------------------|--------------------------------|
| Executive and Council | 1 559 411,16 | 100 288,77 | 59 505,40 | 10 000,00 | 10 000,00 | 10 000,00 | 100 000,00 | 110 000,00 | 101 820,00 |
| Municipal Manager Admin. | 111 566,00 | 282 001,30 | | 265 000,00 | 350 000,00 | 350 000,00 | 706 000,00 | 221 320,00 | 220 913,00 |
| Corporate Services Admin. | 181 031,00 | 644 902,83 | 246 869,30 | 11 510 000,00 | 12 800 000,00 | 12 800 000,00 | 8 200 000,00 | 5 037 200,00 | 4 695 724,00 |
| Budget and Treasury | 1 068 966,22 | 959 015,00 | 1 198 193,39 | 150 000,00 | 280 000,00 | 280 000,00 | 12 050 000,00 | 8 085 000,00 | 8 060 000,00 |
| LEDT & Planning | 157 136,00 | - | | 96 350 000,00 | 18 820 000,00 | 18 820 000,00 | 55 550 000,00 | 17 610 000,00 | 18 727 450,00 |
| Community Services | 212 243,79 | 369 381,25 | 1 045 763,44 | 9 020 000,00 | 9 790 000,00 | 9 790 000,00 | 12 550 000,00 | 996 000,00 | 607 745,00 |
| TOTALS | 3 290 354,17 | 2 355 589,15 | 2 550 331,53 | 117 305 000,00 | 42 050 000,00 | 42 050 000,00 | 89 156 000,00 | 32 059 520,00 | 32 413 652,00 |

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 2022/23 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 Equivalents

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

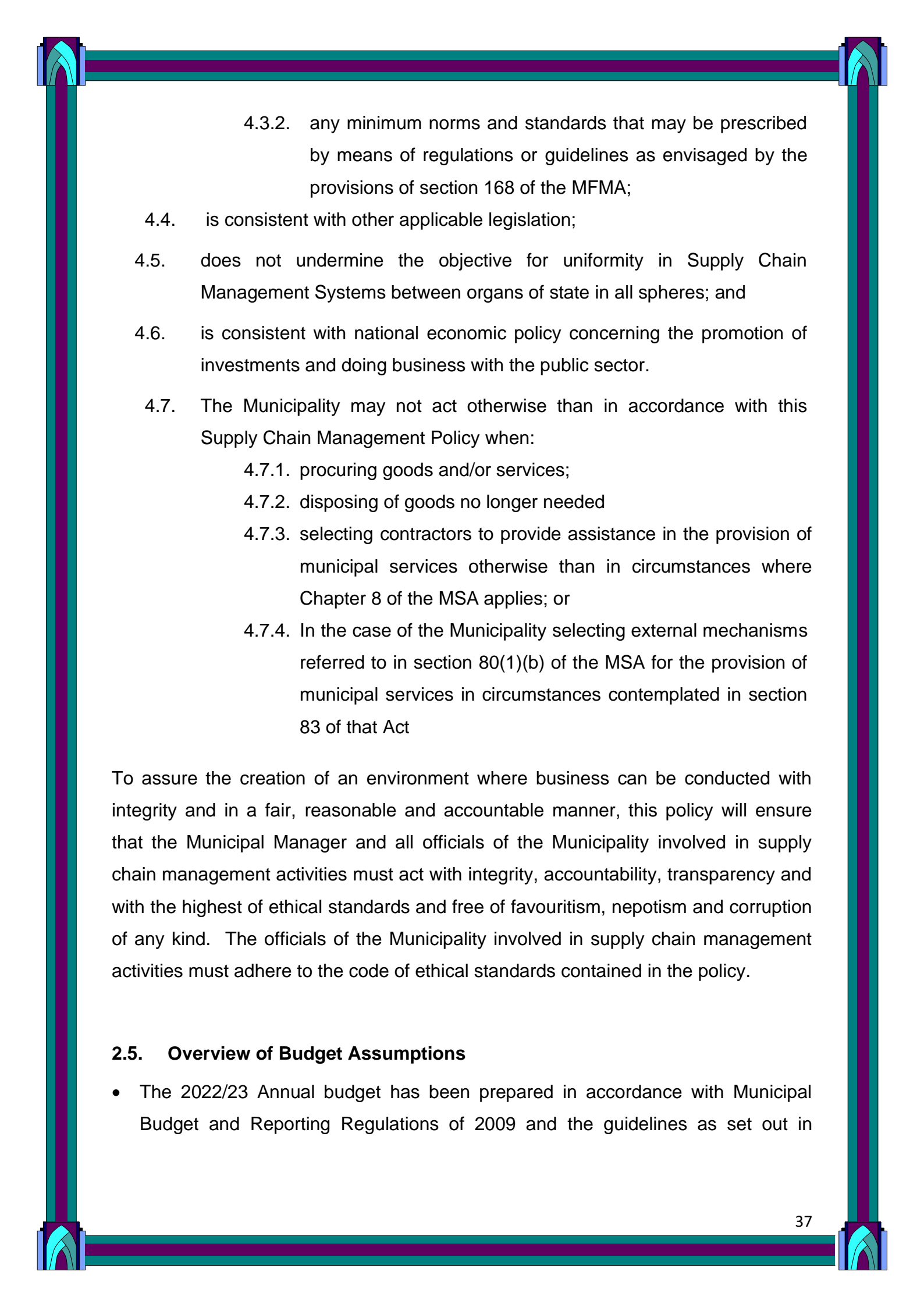
4.1.3 217 of the Constitution; and

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 2022/23 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 2022/23 MTREF - Circular 115 of 04 March 2022.

- 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 2022/23 to 2024/25 calculations were based on Consumer Price Index of 4.8% 2022/23, 4.4% 2023/24 and 4.5% 2024/25 published on the MFMA Circular no. 108.

| Fiscal Year | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--------------------|----------------|-----------------|-----------------|----------------|----------------|
| | Actual | Estimate | Forecast | | |
| CPI Inflation | 2.9% | 4.5% | 4.8% | 4.4% | 4.5% |

- The Upper Limit Remuneration, Allowances and benefits of members of municipal council for 2022/23 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 4.4%, 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 2022/23 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 2022/23 MTREF (classified by main revenue source):

Table 2

| | REVENUE BY SOURCE | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|----|--|--------------------------|-------------------------|-------------------------|--------------------------|---|-------------|-------------------------|-------------------------|
| | | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| 1 | TS_O_M_NG_LOCAL GOV FIN MNG GRANT | - 1 000 000,00 | - 1 000 000,00 | - 1 000 000,00 | - 404 389,04 | - 1 000 000,00 | - | - 1 044 000,00 | - 1 090 980,00 |
| 2 | TS_O_M_NRF_EQUITABLE SHARE | - 28 052 000,00 | - 28 052 000,00 | - 28 052 000,00 | - 28 052 000,00 | - 30 480 000,00 | 8,66 | - 32 393 000,00 | - 34 495 000,00 |
| 3 | TS_O_M_NRF_FUEL LEVY | - 172 078 000,00 | - 172 078 000,00 | - 172 078 000,00 | - 172 078 000,00 | - 176 234 000,00 | 2,42 | - 180 098 000,00 | - 184 079 000,00 |
| 4 | INTER: BANK ACCOUNTS | - 1 200 000,00 | - 1 200 000,00 | - 1 200 000,00 | - 202 667,70 | - 200 000,00 | 83,33 | - 208 800,00 | - 218 196,00 |
| 5 | INTER: SHORT TERM INVEST & CALL ACCOUNTS | - 4 000 000,00 | - 4 000 000,00 | - 4 000 000,00 | - 3 528 383,16 | - 5 500 000,00 | 37,50 | - 5 742 000,00 | - 6 000 390,00 |
| 6 | COMMISSION: INSURANCE | - | - 8 385,00 | - 10 589,00 | - 10 589,49 | - | 100,00 | - | - |
| 7 | SALE OF: ASSET < CAP THRESH | - 50 000,00 | - 50 000,00 | - 50 000,00 | - 18 599,00 | - 50 000,00 | - | - 52 200,00 | - 54 549,00 |
| 8 | SALE OF: PUBLICATION - TENDER DOCUMENTS | - 90 000,00 | - 90 000,00 | - 90 000,00 | - 67 100,00 | - 90 000,00 | - | - 93 960,00 | - 98 188,00 |
| 9 | TS_O_M_DPAA_NDA_EDUC/TR&DEV SETA | - | - 74 878,00 | - 174 365,00 | - 174 365,12 | - | 100,00 | - | - |
| 10 | TS_O_M_NG_EPWP GRANT | - 2 122 000,00 | - 2 122 000,00 | - 2 122 000,00 | - 1 206 625,82 | - 2 379 000,00 | 12,11 | - | - |
| 11 | TS_O_M_NG_RURAL ROAD ASSET MNG SYS GRANT | - 2 514 000,00 | - 2 514 000,00 | - 2 514 000,00 | - 1 432 962,50 | - 2 632 000,00 | 4,69 | - 2 642 000,00 | - 2 738 000,00 |
| 12 | HEALTH CERTIFICATES | - 500 000,00 | - 500 000,00 | - 500 000,00 | - 355 376,32 | - 500 000,00 | - | - 522 000,00 | - 545 490,00 |
| | TOTAL : INCOME | - 211 606 000,00 | - 211 689 263,00 | - 211 790 954,00 | - 207 531 058,15 | - 219 065 000,00 | 3,43 | - 222 795 960,00 | - 229 319 793,00 |

Summary of revenue classified by main revenue source

- The following sources of revenue demonstrate an increase of 3.43% or **R7.2 Million** for the 2022/23 financial year when compared to the 2021/22 Adjustment Budget.

- Equitable share has increased by 8.66% or **R2.4 Million** as compared to the 2021/22 Adjustment Budget.
- RSC Replacement Grant has increased by 2.42% or **R4.1 Million** as compared to the 2021/22 Adjustment Budget.
- EPWP Grant has increased by 12.11% or **R257 Thousand** as compared to the 2021/22 Adjustment Budget.
- Rural Roads Asset Management (RRAMS) has increased by 4.69% or **R118 Thousand** as compared to the 2021/22 Adjustment Budget.
- Interest on short term investment and call accounts has increased by 37.50% or **R1.5 Million** as compared to the 2021/22 Adjustment Budget.
- LGSETA Grant and commission on insurance are recognised as and when received

The following table is a summary of the 2022/23 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 | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Revenue By Source | 1 | | | | | | | | | | |
| 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 | | 3 596 | 5 677 | 4 186 | 5 200 | 5 200 | 5 200 | 3 801 | 5 700 | 5 951 | 6 219 |
| Interest earned - outstanding debtors | | | | | | | | | | | |
| Dividends received | | - | - | 274 | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | - | - | - | - | - | - | - | - | - | - |
| Licences and permits | | 396 | 478 | 407 | 500 | 500 | 500 | 387 | 500 | 522 | 545 |
| Agency services | | | | | | | | | | | |
| Transfers and subsidies | | 24 357 | 30 529 | 36 288 | 33 688 | 33 862 | 33 862 | 31 704 | 36 491 | 36 079 | 38 324 |
| Other revenue | 2 | 158 530 | 164 493 | 167 448 | 172 218 | 172 229 | 172 229 | 172 162 | 176 374 | 180 244 | 184 232 |
| Gains | | 8 | - | 9 | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 186 886 | 201 177 | 208 613 | 211 606 | 211 791 | 211 791 | 208 055 | 219 065 | 222 796 | 229 320 |

Operating Expenditure Framework

The following table is a high-level summary of the 2022/23 budget and MTREF (classified per main type of operating expenditure).

DC40 Dr Kenneth Kaunda - Table A4 Budgeted Financial Performance (revenue and expenditure)

| Description | Ref | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|---------------------------------|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Expenditure By Type | | | | | | | | | | | |
| Employee related costs | 2 | 89 696 | 96 365 | 111 253 | 119 016 | 116 016 | 116 016 | 102 447 | 122 016 | 126 862 | 132 571 |
| Remuneration of councillors | | 9 850 | 10 257 | 10 367 | 13 075 | 10 825 | 10 825 | 9 065 | 13 575 | 14 172 | 14 810 |
| Debt impairment | 3 | - | - | - | - | - | - | - | - | - | - |
| Depreciation & asset impairment | 2 | 7 760 | 6 931 | 5 911 | 6 704 | 6 704 | 6 704 | 3 026 | 7 017 | 7 325 | 7 655 |
| Finance charges | | - | - | - | - | - | - | - | - | - | - |
| Bulk purchases - electricity | 2 | - | - | - | - | - | - | - | - | - | - |
| Inventory consumed | 8 | - | - | - | 4 178 | 5 218 | 5 218 | - | 4 023 | 4 163 | 3 984 |
| Contracted services | | 29 657 | 24 246 | 29 693 | 27 698 | 34 153 | 34 153 | 29 162 | 35 493 | 28 835 | 29 591 |
| Transfers and subsidies | | 4 333 | 6 919 | 7 704 | 8 122 | 9 900 | 9 900 | 2 484 | 1 200 | 1 709 | 1 718 |
| Other expenditure | 4, 5 | 25 852 | 20 326 | 25 868 | 32 810 | 28 970 | 28 970 | 21 947 | 34 510 | 35 060 | 34 979 |
| Losses | | 960 | - | 536 | - | - | - | 9 | - | - | - |
| Total Expenditure | | 168 108 | 165 045 | 191 331 | 211 603 | 211 786 | 211 786 | 168 140 | 217 833 | 218 127 | 225 308 |

- The proposed operating expenditure for the 2022/23 financial year has been appropriated at **R217.8 Million** and translates into a budgeted surplus of **R1.2 Million**. The operating expenditure has increased by 2.9% or **R6 Million** in the 2022/23 financial year when compared to the 2021/22 Adjustment Budget. For the two outer years, operating expenditure will decrease by 0.14% or **R293 Thousand** in 2023/24 and increase by 3.29% or **R7 Million** in 2024/25.

The allocation towards operating expenditure budget is as follows:

- The proposed employee related costs for the 2022/23 financial has been appropriated at **R122 Million**. The employee related costs have increased by 5.17%. The pronouncement was made by the SALGA Bargaining Council on the 4th of May 2022 that the Bargaining Council Levy is 4.9%. The employee related cost budget constitute **56.01%** of the total operating expenditure budget.
- The proposed remuneration of councillors for the 2022/23 financial has been appropriated at **R13.5 Million**. 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 **R82.2 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

| OUTSOURCE SERVICES | | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|--------------------|--|--------------------------|-----------------------|-----------------------|--------------------------|---|--------------|----------------------|----------------------|
| NO | DISCRPTION | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| 1 | OS: BURIAL SERVICES | 250 000,00 | 300 000,00 | 500 000,00 | 408 200,00 | 200 000,00 | 60,00 | 208 800,00 | 218 196,00 |
| 2 | OS: CATERING SERVICES | 1 310 000,00 | 1 980 000,00 | 8 340 000,00 | 1 341 783,55 | 1 985 000,00 | -76,20 | 2 020 140,00 | 2 351 062,00 |
| 3 | OS: CLEANING SERVICES | 100 000,00 | 100 000,00 | 100 000,00 | 88 735,20 | 100 000,00 | - | 104 400,00 | 109 098,00 |
| 4 | OS: CLEARING & GRASS CUTTING SERVICES | 300 000,00 | 400 000,00 | 310 000,00 | 270 500,00 | 500 000,00 | 61,29 | 522 000,00 | 545 490,00 |
| 5 | OS: DRIVERS LICENSE CARDS | 50 000,00 | 50 000,00 | 50 000,00 | - | - | -100,00 | - | - |
| 6 | OS: HYGIENE SERVICES | 130 000,00 | 110 000,00 | 40 000,00 | - | 50 000,00 | 25,00 | 52 200,00 | 54 549,00 |
| 7 | OS: MEDICAL SERVICES [HEALTH SERV & SUP] | 35 000,00 | 65 000,00 | 65 000,00 | 31 649,74 | 50 000,00 | -23,08 | 52 200,00 | 54 549,00 |
| 8 | OS: PERSONNEL & LABOUR | 5 800 000,00 | 8 222 000,00 | 2 342 000,00 | 6 989 731,70 | 8 779 000,00 | 274,85 | 6 681 600,00 | 6 982 272,00 |
| 9 | OS: TRANSPORT SERVICES | 400 000,00 | 320 000,00 | 500 000,00 | 170 110,00 | 430 000,00 | -14,00 | 448 920,00 | 469 121,00 |
| | SUB TOTAL : OUTSOURCE SERVICES | 8 375 000,00 | 11 547 000,00 | 12 247 000,00 | 9 300 710,19 | 12 094 000,00 | -1,25 | 10 090 260,00 | 10 784 337,00 |

- The proposed outsource services budget for the 2022/23 financial year has been appropriated at **R12 Million**. The outsource services has decreased by 1.24% or **R153 Thousand** when compared to the 2021/22 Adjustment Budget. For the two outer years, outsource services will decrease by 16.57% or **R2 Million** in 2023/24 and increase by 6.87% or **R694 Thousand** respectively.

Table 5: Consultants and Professional Services

| CONSULTANTS AND PROFESSIONAL SERVICES | | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|---------------------------------------|---|--------------------------|-----------------------|-----------------------|--------------------------|---|-------------|----------------------|----------------------|
| NO | DISCRPTION | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| 1 | C&PS: B&A ACCOUNTANTS & AUDITORS | 100 000,00 | 50 000,00 | 20 000,00 | - | - | -100,00 | - | - |
| 2 | C&PS: B&A AIR POLLUTION | 42 000,00 | 42 000,00 | 42 000,00 | - | 50 000,00 | 19,05 | 52 200,00 | 43 639,00 |
| 3 | C&PS: B&A AUDIT COMMITTEE | 1 000 000,00 | 1 250 000,00 | 1 150 000,00 | 756 013,11 | 1 000 000,00 | -13,04 | 1 044 000,00 | 1 090 980,00 |
| 4 | C&PS: B&A BUSINESS & FIN MANAGEMENT | 2 130 000,00 | 2 130 000,00 | 2 330 000,00 | 1 889 920,51 | 2 800 000,00 | 20,17 | 2 901 200,00 | 2 718 274,00 |
| 5 | C&PS: B&A HUMAN RESOURCES | 15 000,00 | 15 000,00 | 15 000,00 | 3 531,00 | 215 000,00 | 1 333,33 | 365 660,00 | 216 365,00 |
| 6 | C&PS: B&A MEDICAL EXAMINATIONS | 50 000,00 | 30 000,00 | 30 000,00 | 24 900,00 | - | -100,00 | - | - |
| 7 | C&PS: B&A OCCUPATIONAL HEALTH & SAFE | 100 000,00 | 60 000,00 | 60 000,00 | 3 931,94 | - | -100,00 | - | - |
| 8 | C&PS: B&A ORGANISATIONAL | 20 000,00 | 20 000,00 | 20 000,00 | - | 20 000,00 | - | 20 880,00 | 21 820,00 |
| 9 | C&PS: B&A RESEARCH & ADVISORY | 230 000,00 | 30 000,00 | 30 000,00 | - | 1 050 000,00 | 3 400,00 | 150 000,00 | 100 000,00 |
| 10 | C&PS: B&A ACTUARIES | 20 000,00 | 20 000,00 | 50 000,00 | 18 300,00 | 30 000,00 | -40,00 | 31 320,00 | 21 820,00 |
| 11 | C&PS: I&P ENGINEERING CIVIL | 20 000,00 | - | - | - | - | - | - | - |
| 12 | C&PS: I&P LAND & QUANTITY SURVEYORS | 2 814 000,00 | 2 714 000,00 | 2 714 000,00 | 2 351 927,75 | 2 732 000,00 | 0,66 | 2 746 400,00 | 2 847 098,00 |
| 13 | C&PS: I&P ENGINEERING CIVIL-ROADS & STORMWATER | - | - | - | - | 1 000 000,00 | - | - | - |
| 14 | C&PS: I&P ENGINEERING ELECTRICAL-DISTRICT ELECTRICITY MASTER PLAN | - | - | - | - | 500 000,00 | - | - | - |
| 15 | C&PS: LAB SERV WATER | 500 000,00 | 650 000,00 | 760 000,00 | 1 859,83 | 800 000,00 | 5,26 | 835 200,00 | 872 784,00 |
| 16 | C&PS: LEGAL COST ADVICE & LITIGATION | 3 800 000,00 | 5 900 000,00 | 5 900 000,00 | 4 982 137,33 | 3 000 000,00 | -49,15 | 3 132 000,00 | 3 272 940,00 |
| | SUB TOTAL : CONSULTANT AND PROF SERVICES | 10 841 000,00 | 12 911 000,00 | 13 121 000,00 | 10 032 521,47 | 13 197 000,00 | 0,58 | 11 278 860,00 | 11 205 720,00 |

- The proposed budget on Consultants and Professional Services for the 2022/23 financial year has been appropriated at **R13 Million**. The Consultants and Professional Services have reduced by 0.58% or **R76 Thousand** when compared to the 2021/22 Adjustment Budget. For the two outer years, consultants and professional services will decrease by 14.53% or **R1.9 Million** and 0.65% or **R73 Thousand** respectively.

Table 6: Contractors

| CONTRACTORS | | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|-------------|--|--------------------------|-----------------------|-----------------------|--------------------------|---|--------------|---------------------|---------------------|
| NO | DISCRPTION | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| 1 | CONTR: ARTISTS & PERFORMERS | 450 000,00 | 420 000,00 | 455 300,00 | 335 040,00 | 500 000,00 | 9,82 | 522 000,00 | 545 490,00 |
| 2 | CONTR: EMPLOYEE WELLNESS | 100 000,00 | 10 000,00 | 60 000,00 | - | 200 000,00 | 233,33 | 208 800,00 | 218 196,00 |
| 3 | CONTR: FIRE PROTECTION | 80 000,00 | 20 000,00 | 20 000,00 | - | 100 000,00 | 400,00 | 104 400,00 | 109 098,00 |
| 4 | CONTR: MAINTENANCE OF EQUIPMENT | 3 152 300,00 | 2 122 300,00 | 1 747 000,00 | 1 313 812,45 | 2 402 000,00 | 37,49 | 2 454 888,00 | 2 364 075,00 |
| 5 | CONTR: MAINTENANCE OF UNSPECIFIED ASSETS | 1 300 000,00 | 930 000,00 | 50 000,00 | 27 500,00 | - | -100,00 | - | - |
| 6 | CONTR: SAFEGUARD & SECURITY | 3 400 000,00 | 6 203 000,00 | 6 153 000,00 | 5 077 492,00 | 4 000 000,00 | -34,99 | 4 176 000,00 | 4 363 920,00 |
| 7 | BRICKS MANUFACTURING | - | - | 300 000,00 | - | 3 000 000,00 | 900,00 | - | - |
| | SUB TOTAL : CONTRACTORS | 8 482 300,00 | 9 705 300,00 | 8 785 300,00 | 6 753 844,45 | 10 202 000,00 | 16,13 | 7 466 088,00 | 7 600 779,00 |

- The proposed contractors budget for the 2022/23 financial year has been appropriated at **R10.2 Million**. The contractors have increased by 16.13% or **R1.4 Million** when compared to the 2021/22 Adjustment Budget. For the two

outer years, contractors will decrease by 26.82% or **R2.7 Million** in 2023/2024 and increase by 1.80% or **R134 Thousand** in 2024/25.

Table 7: Operational Costs

| NO | OPERATIONAL COSTS DISCRPTION | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|----|--|--------------------------|-----------------------|-----------------------|--------------------------|---|--------------|----------------------|----------------------|
| | | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| 1 | OC: ADV/PUB/MARK - CORP & MUN ACTIVITIES | 3 615 000,00 | 3 495 000,00 | 2 305 000,00 | 1 685 654,78 | 4 200 000,00 | 82,21 | 3 657 200,00 | 2 868 274,00 |
| 2 | OC: ADV/PUB/MARK - GIFTS & PROMO ITEMS | 2 520 000,00 | 2 530 000,00 | 2 285 000,00 | 1 161 218,80 | 2 585 000,00 | 13,13 | 2 687 740,00 | 2 819 257,00 |
| 3 | OC: ADV/PUB/MARK - MUNICIPAL NEWSLETTERS | 300 000,00 | 97 000,00 | 77 000,00 | - | 50 000,00 | -35,06 | 52 200,00 | 54 549,00 |
| 4 | OC: ADV/PUB/MARK - STAFF RECRUITMENT | 150 000,00 | 70 000,00 | 70 000,00 | 17 919,13 | 50 000,00 | -28,57 | 52 200,00 | 54 549,00 |
| 5 | OC: ADV/PUB/MARK - TENDERS | 150 000,00 | 150 000,00 | 130 000,00 | 75 721,62 | 100 000,00 | -23,08 | 104 400,00 | 109 098,00 |
| 6 | OC: AUDIT COST: EXTERNAL | 3 500 000,00 | 3 480 000,00 | 3 780 000,00 | 3 596 125,44 | 3 700 000,00 | -2,12 | 3 862 800,00 | 3 900 000,00 |
| 7 | OC: BC/FAC/C FEES - BANK ACCOUNTS | 200 000,00 | 200 000,00 | 170 000,00 | 89 497,51 | 200 000,00 | 17,65 | 208 800,00 | 218 196,00 |
| 8 | OC: BURSARIES (EMPLOYEES) | 600 000,00 | 600 000,00 | 600 000,00 | 594 648,11 | 800 000,00 | 33,33 | 835 200,00 | 872 784,00 |
| 9 | OC: CLEAN SERV - LAUNDRY SERVICES | 1 000,00 | 1 000,00 | - | - | 1 000,00 | - | 1 044,00 | 1 091,00 |
| 10 | OC: CLEAN SERV - CAR VALET/WASHING SERV | 24 000,00 | 24 000,00 | 24 000,00 | 12 300,00 | 20 000,00 | -16,67 | 20 880,00 | 21 820,00 |
| 11 | OC: COMM - LICENCES (RADIO & TELEVISION) | 230 000,00 | 110 000,00 | 80 000,00 | 28 875,01 | 110 700,00 | 38,38 | 115 571,00 | 120 771,00 |
| 12 | OC: COMM - RADIO & TV TRANSMISSIONS | 521 000,00 | 421 000,00 | 406 000,00 | 286 770,00 | 221 000,00 | -45,57 | 621 924,00 | 522 911,00 |
| 13 | OC: COMM - SMS BULK MESSAGE SERVICE | 20 000,00 | 20 000,00 | - | - | 20 000,00 | - | 20 880,00 | 21 820,00 |
| 14 | OC: COMM - PHONE FAX TELEGRAPH & TELE | 1 056 500,00 | 1 046 500,00 | 996 500,00 | 730 271,78 | 946 500,00 | -5,02 | 988 146,00 | 1 043 523,00 |
| 15 | OC: ENTERTAINMENT - EXEC MAYOR | 40 000,00 | 40 000,00 | 40 000,00 | 39 927,30 | 50 000,00 | 25,00 | 52 200,00 | 43 639,00 |
| 16 | OC: ENTERTAINMENT - COUNCILLORS | 90 000,00 | 90 000,00 | 90 000,00 | 32 100,50 | 120 000,00 | 33,33 | 125 280,00 | 130 917,00 |
| 17 | OC: ENTERTAINMENT - SENIOR MANAGEMENT | 60 000,00 | 60 000,00 | 60 000,00 | 29 502,76 | 60 000,00 | - | 62 640,00 | 65 459,00 |
| 18 | OC: EXT COM SERV PROV - GPS LICENCE FEES | 150 000,00 | 150 000,00 | 150 000,00 | 144 146,00 | 150 000,00 | - | 130 000,00 | 120 000,00 |
| 19 | OC: EXT COM SERV PROV - INTERNET CHARGE | 847 500,00 | 747 500,00 | 687 500,00 | 426 842,14 | 520 000,00 | -24,36 | 542 880,00 | 730 957,00 |
| 20 | OC: EXT COM SERV PROV - NETWORK EXTENS | 200 000,00 | 100 000,00 | 50 000,00 | - | 100 000,00 | 100,00 | 104 400,00 | 109 098,00 |
| 21 | OC: EXT COM SERV PROV - S/WARE LICENCES | 76 000,00 | 76 000,00 | 6 000,00 | - | 70 000,00 | 1 066,67 | 73 080,00 | 76 369,00 |
| 22 | OC: EXT COM SERV PROV - SPEC COMPUT SERV | 1 185 000,00 | 1 435 000,00 | 285 000,00 | 87 690,00 | 100 000,00 | -64,91 | 104 400,00 | 109 098,00 |
| 23 | OC: HONORARIA (VOLUNTARILY WORKERS) | 100 000,00 | 50 000,00 | - | - | 50 000,00 | - | 52 200,00 | 54 549,00 |
| 24 | OC: HIRE CHARGES | 1 473 000,00 | 1 063 000,00 | 1 093 000,00 | 515 853,00 | 1 890 000,00 | 72,92 | 1 973 160,00 | 1 896 454,00 |
| 25 | OC: INSUR UNDER - EXCESS PAYMENTS | 25 000,00 | 25 000,00 | 25 000,00 | 18 235,17 | 25 000,00 | - | 26 100,00 | 27 275,00 |
| 26 | OC: INSUR UNDER - PREMIUMS | 1 200 000,00 | 1 370 000,00 | 1 470 000,00 | 1 401 761,00 | 1 500 000,00 | 2,04 | 1 566 000,00 | 1 636 470,00 |
| 27 | OC: LEARNERSHIPS & INTERNSHIPS | 1 546 400,00 | 1 546 400,00 | 1 546 400,00 | 1 012 132,07 | 1 674 400,00 | 8,28 | 1 748 074,00 | 1 648 479,00 |
| 28 | OC: LIC - VEHICLE LIC & REGISTRATIONS | 200 000,00 | 190 000,00 | 140 000,00 | 91 415,40 | 150 000,00 | 7,14 | 156 600,00 | 163 647,00 |
| 29 | OC: MUNICIPAL SERVICES | 1 770 000,00 | 1 485 000,00 | 1 465 000,00 | 1 118 893,85 | 1 570 000,00 | 7,17 | 1 639 080,00 | 1 658 290,00 |
| 30 | OC: PRINTING & PUBLICATIONS | 370 000,00 | 570 000,00 | 260 000,00 | 21 200,00 | 550 000,00 | 111,54 | 522 000,00 | 545 490,00 |
| 31 | OC: PROFESSIONAL BODIES M/SHIP & SUBS | 1 685 000,00 | 1 685 000,00 | 1 435 000,00 | 1 237 178,13 | 1 755 000,00 | 22,30 | 1 832 220,00 | 1 892 851,00 |
| 32 | OC: REG FEES NATIONAL | 1 460 000,00 | 1 310 000,00 | 1 320 000,00 | 733 476,93 | 1 060 000,00 | -19,70 | 1 106 640,00 | 1 320 085,00 |
| 33 | OC: SYSTEM ACCESS & INFORMATION FEES | 38 000,00 | 38 000,00 | - | - | - | - | - | 87 278,00 |
| 34 | OC: SKILLS DEVELOPMENT FUND LEVY | 762 300,00 | 760 300,00 | 885 300,00 | 743 930,45 | 864 300,00 | -2,37 | 902 329,00 | 942 934,00 |
| 35 | OC: SIGNAGE | 505 000,00 | 370 000,00 | 260 000,00 | 27 900,00 | 500 000,00 | 92,31 | 522 000,00 | 469 121,00 |
| 36 | OC: STORAGE OF FILES (ARCHIVING) | 30 000,00 | 25 000,00 | 5 000,00 | - | 30 000,00 | 500,00 | 31 320,00 | 32 729,00 |
| 37 | OC: TOLL GATE FEES | 30 000,00 | 10 000,00 | 2 000,00 | - | 30 000,00 | 1 400,00 | 31 320,00 | 32 729,00 |
| 38 | OC: TRANSPORT - EVENTS | 335 000,00 | 465 000,00 | 405 000,00 | 137 320,00 | 845 000,00 | 108,64 | 882 180,00 | 856 422,00 |
| 39 | OC: T&S DOM - ACCOMMODATION | 430 000,00 | 1 010 000,00 | 1 093 000,00 | 926 546,10 | 855 000,00 | -21,56 | 892 620,00 | 1 205 533,00 |
| 40 | OC: T&S DOM - DAILY ALLOWANCE | 119 450,00 | 173 450,00 | 193 450,00 | 19 014,19 | 152 450,00 | -21,19 | 159 158,00 | 117 226,00 |
| 41 | OC: T&S DOM - FOOD & BEVERAGE (SERVED) | 31 000,00 | 79 000,00 | 29 000,00 | 58 384,30 | 38 000,00 | 31,03 | 39 672,00 | 41 458,00 |
| 42 | OC: T&S DOM TRP - WITHOUT OPR CAR RENTAL | 21 600,00 | 21 600,00 | 21 600,00 | - | 21 600,00 | - | 22 550,00 | 23 566,00 |
| 43 | OC: T&S DOM TRP - W/OUT OPR OWN TRANSPRT | 92 000,00 | 132 000,00 | 132 000,00 | 93 202,97 | 115 000,00 | -12,88 | 157 420,00 | 160 004,00 |
| 44 | OC: T&S DOM PUB TRP - AIR TRANSPORT | 80 000,00 | 180 000,00 | 230 000,00 | 176 320,00 | 200 000,00 | -13,04 | 200 000,00 | 200 000,00 |
| 45 | OC: TRANSPORT - MUNICIPAL ACTIVITIES | 130 000,00 | 80 000,00 | 60 000,00 | - | 30 000,00 | -50,00 | 31 320,00 | 32 729,00 |
| 46 | OC: UNIFORM & PROTECTIVE CLOTHING | 410 000,00 | 420 000,00 | 440 000,00 | 347 892,15 | 1 410 000,00 | 220,45 | 914 840,00 | 620 008,00 |
| 47 | OC: VEHICLE TRACKING | 200 000,00 | 180 000,00 | - | - | - | - | - | - |
| 48 | OC: WET FUEL | 50 000,00 | 50 000,00 | - | - | 50 000,00 | - | 52 200,00 | 54 549,00 |
| 49 | OC: WORKMEN'S COMPENSATION FUND | 500 000,00 | 500 000,00 | 500 000,00 | - | 500 000,00 | - | 522 000,00 | 545 490,00 |
| 50 | OC: INDIGENT RELIEF | 300 000,00 | 300 000,00 | 80 000,00 | - | - | 100,00 | - | - |
| 51 | OC: CAPACITY BUILDING SMME'S & COOPERATIVES | - | - | - | - | 300 000,00 | - | 313 200,00 | 327 294,00 |
| 52 | OC: MARKETING MATERIAL - TOURISM EXHIBITIONS | - | - | - | - | 1 000 000,00 | - | 1 044 000,00 | 1 090 980,00 |
| 53 | FARMER SUPPORT CAPACITY BUILDING | - | - | - | - | 300 000,00 | - | 300 000,00 | 150 000,00 |
| | SUB TOTAL - OPERATIONAL COST | 29 429 750,00 | 29 031 750,00 | 25 379 750,00 | 17 683 396,25 | 31 639 950,00 | 24,67 | 32 064 068,00 | 31 847 820,00 |

- The proposed operational costs budget for the 2022/23 financial year has been appropriated at **R31.6 Million**. The operational costs have increased by 24.67% or **R6.2 Million** when compared to the 2021/22 Adjustment Budget. For the two outer years, operational costs will increase by 1.34% or **R424 Thousand** in 2023/24 and decrease by 0.67% or **R216 Thousand** in 2024/25.

Table 8: Inventory

| NO | INVENTORY DISCRPTION | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|----|--|--------------------------|-----------------------|-----------------------|--------------------------|---|---------------|---------------------|---------------------|
| | | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| 1 | INV - CONSUMABLE STORES - STANDARD RATED | 1 303 000,00 | 1 503 000,00 | 1 933 000,00 | 1 501 265,46 | 1 373 000,00 | -28,97 | 1 433 412,00 | 1 511 524,00 |
| 2 | INV - CONSUMABLE STORES - ZERO RATED | 1 150 000,00 | 1 400 000,00 | 1 550 000,00 | 1 467 434,40 | 1 020 000,00 | -34,19 | 1 064 880,00 | 771 820,00 |
| 3 | INVENTORY - MATERIALS & SUPPLIES | 1 725 000,00 | 1 505 000,00 | 1 735 000,00 | 1 381 424,09 | 1 630 000,00 | -6,05 | 1 664 320,00 | 1 700 965,00 |
| | SUB TOTAL - INVENTORY | 4 178 000,00 | 4 408 000,00 | 5 218 000,00 | 4 350 123,95 | 4 023 000,00 | -22,90 | 4 162 612,00 | 3 984 309,00 |

- The proposed inventory budget for the 2022/23 financial year has been appropriated at **R4. Million**. There has been decreased on inventory by 22.90% or **R1.1 Million** when compared to the 2021/22 Adjustment Budget. For the two outer years, inventory will increase by 3.47% or **R139 Thousand** in 2023/24 and decrease by 4.28% or **R178 Thousand** in 2024/25.

Table 9: Operating leases

| NO | OPERATING LEASES DISCRIPTION | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|----|-------------------------------------|--------------------------|-----------------------|-----------------------|--------------------------|---|----------------|---------------------|---------------------|
| | | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| 1 | OPR LEASES: COMPUTER EQUIPMENT | 1 140 000,00 | 1 150 000,00 | 1 150 000,00 | 785 440,40 | 920 000,00 | - 20,00 | 960 480,00 | 1 003 702,00 |
| 2 | OPR LEASES: MACHINERY & EQUIPMENT | 10 000,00 | 10 000,00 | 10 000,00 | - | 10 000,00 | - | 10 440,00 | 10 910,00 |
| 3 | OPR LEASES: OTHER ASSETS | 2 230 000,00 | 2 430 000,00 | 2 430 000,00 | 1 933 444,98 | 1 940 000,00 | - 20,16 | 2 025 360,00 | 2 116 501,00 |
| | SUB TOTAL : OPERATING LEASES | 3 380 000,00 | 3 590 000,00 | 3 590 000,00 | 2 718 885,38 | 2 870 000,00 | - 20,06 | 2 996 280,00 | 3 131 113,00 |

- The proposed budget on operating leases for the 2022/22 financial year has been appropriated at **R2.8 Million**. The operating leases have decreased by 20.06% or R720 thousand when compared to the 2021/22 Adjustment Budget. For the two outer years, operating leases will increase by 4.4% or **R126 Thousand** and 4.5% or **R134 Thousand** respectively.

Table 10: Transfers and Subsidies

| NO | TRANSFERS AND SUBSIDIES DISCRIPTION | CURRENT YEAR 2021 / 2022 | | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|----|--|--------------------------|-----------------------|-----------------------|--------------------------|---|----------------|---------------------|---------------------|
| | | APPROVED BUDGET | 1ST ADJUSTMENT BUDGET | 2ND ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| 1 | HH: BURSARIES NON-EMPLOYEE CASH | 100 000,00 | 250 000,00 | 200 000,00 | 63 137,00 | 100 000,00 | - 50,00 | 104 400,00 | 109 098,00 |
| 2 | HH OTH TRANS: BURSARIES NON EMPLOYEE | 1 500 000,00 | 2 400 000,00 | 2 000 000,00 | - | - | - 100,00 | - | - |
| 3 | HH OTH TRANS: EPWP - SKILL DEV & TRAIN | 2 122 000,00 | - | - | - | - | - | - | - |
| 4 | TS O M HH CASH UNSPECIFIED | - | 100 000,00 | 50 000,00 | - | - | - 100,00 | - | - |
| 5 | NON PROF: TOURISM | 100 000,00 | 100 000,00 | 150 000,00 | 43 811,56 | - | - 100,00 | - | - |
| 6 | PRIV ENT: SUBS N-FIN ENTPR - PRODUCT | 100 000,00 | 100 000,00 | - | - | 100 000,00 | - | 104 400,00 | 109 098,00 |
| 7 | HH SSP SOC ASS: POVERTY RELIEF | 200 000,00 | - | - | - | - | - | - | - |
| 8 | LED SUPPORT GRANTS | 4 000 000,00 | 4 000 000,00 | 4 000 000,00 | 1 844 072,00 | 1 000 000,00 | - 75,00 | 1 500 000,00 | 1 500 000,00 |
| 9 | FARMERS SUPPORT GRANTS | - | - | - | - | - | - | - | - |
| | SUB TOTAL : TRANSFERS & SUBSIDIES | 8 122 000,00 | 6 950 000,00 | 6 400 000,00 | 1 951 020,56 | 1 200 000,00 | - 81,25 | 1 708 800,00 | 1 718 196,00 |

- The proposed budget on transfers and subsidies for the 2022/23 financial year has been appropriated at **R1.2 Million**. The transfers and subsidies have decreased by 81.25% or **R5.2 Million** when compared to the 2021/22 Adjustment Budget. For the two outer years, transfers and subsidies will increase by 42.4% or **R508 Thousand** 2023/24 and increase by 54.99% or **R9 Thousand** in 2024/25.

The following contributing factors have led to the 81.25% reduction:

- Classification error on the EPWP Conditional Grant and Poverty Relief
- Merit Bursaries
- SMMEs Support Grants

Table11: Depreciation and Amortisation

| NO | DEPRECIATION DISCRPTION | CURRENT YEAR 2021 / 2022 | | | MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK | | | |
|----|--|--------------------------|---------------------|--------------------------|---|-------------|---------------------|---------------------|
| | | APPROVED BUDGET | ADJUSTMENT BUDGET | ACTUALS AS AT APRIL 2022 | 2022 / 2023 BUDGET | GROWTH RATE | 2023 / 2024 BUDGET | 2024 / 2025 BUDGET |
| 1 | AMORTISATION INTANG COMPUTER SOFTWARE | 1 005 000,00 | 1 005 000,00 | 275 829,72 | 1 053 240,00 | 4,80 | 1 099 583,00 | 1 149 063,00 |
| 2 | DEPRECIATION COMPUTER EQUIPMENT | 604 871,00 | 604 871,00 | 795 858,96 | 633 905,00 | 4,80 | 661 796,00 | 691 576,00 |
| 3 | DEPRECIATION FURNITURE & OFFICE EQUIPM | 947 170,00 | 947 170,00 | 240 246,62 | 992 634,00 | 4,80 | 1 036 310,00 | 1 082 943,00 |
| 4 | DEPRECIATION LANDFILL SITES | 45 000,00 | 45 000,00 | - | 47 160,00 | 4,80 | 49 235,00 | 51 451,00 |
| 5 | DEPRECIATION MACHINERY & EQUIPMENT | 3 234,00 | 3 234,00 | 408 279,48 | 3 389,00 | 4,79 | 3 538,00 | 3 697,00 |
| 6 | DEPRECIATION TRANSPORT ASSETS | 1 567 273,00 | 1 567 273,00 | 203 972,01 | 1 642 502,00 | 4,80 | 1 714 772,00 | 1 791 938,00 |
| 7 | DEPRECIATION NETWORK & COMM DATA CENTRES | 1 580 765,00 | 1 580 765,00 | 797 476,23 | 1 656 641,00 | 4,80 | 1 729 533,00 | 1 807 363,00 |
| 8 | DEPRECIATION COMMUNITY HALLS | 100 000,00 | 100 000,00 | 303 959,85 | 104 800,00 | 4,80 | 109 411,00 | 114 335,00 |
| 9 | DEPRECIATION OP BUILDING MUNIC OFFICES | 655 758,00 | 655 758,00 | - | 687 235,00 | 4,80 | 717 473,00 | 749 759,00 |
| | SUB TOTAL : DEPRECIATION & AMORTISATION | 6 509 071,00 | 6 509 071,00 | 3 025 622,87 | 6 821 506,00 | 4,80 | 7 121 651,00 | 7 442 125,00 |

- The proposed budget on depreciation and amortisation for the 2022/23 financial year has been appropriated at **R6.8Million**. The depreciation and amortisation have increased by 4.8% or **R312 Thousand** when compared to the 2021/22 Adjustment Budget. For the two outer years, depreciation and amortisation will increase by 2.6% or **R179 Thousand** and 4.5% or **R315 Thousand** respectively.

2.7. Expenditure on Allocations and Grants Programme

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

| Description | Ref | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| EXPENDITURE: | 1 | | | | | | | | | |
| Operating expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | 1 782 | 3 875 | 4 837 | 6 040 | 33 688 | 33 688 | 36 522 | 36 089 | 38 312 |
| Local Government Equitable Share | | 847 | 79 | 1 842 | 2 562 | 28 052 | 28 052 | 30 480 | 32 393 | 34 495 |
| Expanded Public Works Programme Integrated Grant | | - | - | - | - | 2 122 | 2 122 | 2 379 | - | - |
| Local Government Financial Management Grant | | 934 | 795 | 515 | 963 | 1 000 | 1 000 | 1 031 | 1 054 | 1 079 |
| Municipal Disaster Relief Grant | | - | 395 | - | - | - | - | - | - | - |
| Rural Road Asset Management Systems Grant | | - | 2 606 | 2 480 | 2 514 | 2 514 | 2 514 | 2 632 | 2 642 | 2 738 |
| Provincial Government: | | - | - | - | - | - | - | - | - | - |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| Other grant providers: | | - | - | - | 972 | 1 452 | 1 452 | 1 380 | 1 441 | 1 327 |
| Education Training and Development Practices SETA | | - | - | - | 972 | 1 452 | 1 452 | 1 380 | 1 441 | 1 327 |
| Local Government Water and Related Service SETA | | - | - | - | - | - | - | - | - | - |
| Total operating expenditure of Transfers and Grants: | | 1 782 | 3 875 | 4 837 | 7 012 | 35 140 | 35 140 | 37 902 | 37 530 | 39 639 |
| Capital expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | 16 | - | - | - | - | - | - | - | - |
| Rural Road Asset Management Systems Grant | | 16 | - | - | - | - | - | - | - | - |
| Provincial Government: | | - | - | - | - | - | - | - | - | - |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| Other grant providers: | | - | - | - | - | - | - | - | - | - |
| Total capital expenditure of Transfers and Grants | | 16 | - | - | - | - | - | - | - | - |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | | 1 798 | 3 875 | 4 837 | 7 012 | 35 140 | 35 140 | 37 902 | 37 530 | 39 639 |

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 | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|---|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Cash Transfers to other municipalities | | | | | | | | | | | |
| <i>Insert description</i> | 1 | | | | | | | | | | |
| Total Cash Transfers To Municipalities: | | - | - | - | - | - | - | - | - | - | - |
| Cash Transfers to Entities/Other External Mechanisms | | | | | | | | | | | |
| <i>Ts_O_M_Munic Ent</i> | 2 | - | 3 000 | 2 284 | - | 3 500 | 3 500 | - | - | - | - |
| Total Cash Transfers To Entities/Ems' | | - | 3 000 | 2 284 | - | 3 500 | 3 500 | - | - | - | - |
| Cash Transfers to other Organs of State | | | | | | | | | | | |
| <i>3</i> | 3 | | | | | | | | | | |
| Total Cash Transfers To Other Organs Of State: | | - | - | - | - | - | - | - | - | - | - |
| Cash Transfers to Organisations | | | | | | | | | | | |
| <i>Non Prof: Tourism</i> | | - | - | - | 100 | 100 | 100 | - | - | - | - |
| <i>Non Prof: Unspecified</i> | | - | - | - | - | - | - | - | - | - | - |
| <i>Priv Ent: Subs N-Fin Enlpr - Product</i> | | 300 | 7 | - | 100 | - | - | 100 | 104 | 109 | |
| Total Cash Transfers To Organisations | | 300 | 7 | - | 200 | 100 | 100 | - | 100 | 104 | 109 |
| Cash Transfers to Groups of Individuals | | | | | | | | | | | |
| <i>Hh Oth Trans: Bursaries Non Employee</i> | | - | - | - | - | - | - | - | - | - | - |
| <i>Hh Oth Trans: Bursaries Non Employee</i> | | 2 052 | 1 813 | 1 995 | 1 500 | 2 000 | 2 000 | 527 | - | - | - |
| <i>Hh Oth Trans: Epwp - Skill Dev & Train</i> | | 1 239 | 1 838 | 1 691 | 2 122 | - | - | 6 | - | - | - |
| <i>Hh Oth Trans: Rural Dev - Food Prod & Sec</i> | | 367 | - | 1 476 | 4 000 | 4 000 | 4 000 | 1 844 | 1 000 | 1 500 | 1 500 |
| <i>Hh Oth Trans: Unspecified</i> | | - | - | - | - | - | - | - | - | - | - |
| <i>Hh Ssp Soc Ass: Poverty Relief</i> | | 250 | 200 | 44 | 200 | - | - | - | - | - | - |
| <i>Ts_O_M_Hh_Cash_Unspecified</i> | | - | - | 120 | - | 100 | 100 | 44 | - | - | - |
| <i>Ts_O_M_Hh_Cash_Farmer Supp HH (Cash)</i> | | - | - | - | - | - | - | - | - | - | - |
| Total Cash Transfers To Groups Of Individuals: | | 3 907 | 3 852 | 5 326 | 7 822 | 6 100 | 6 100 | 2 421 | 1 000 | 1 500 | 1 500 |
| TOTAL CASH TRANSFERS AND GRANTS | 6 | 4 207 | 6 859 | 7 610 | 8 022 | 9 700 | 9 700 | 2 421 | 1 100 | 1 604 | 1 609 |
| Non-Cash Transfers to other municipalities | | | | | | | | | | | |
| <i>Dm Nw: Dr Kk - Environ Protection</i> | 1 | - | - | - | - | - | - | - | - | - | - |
| <i>Dm Nw: Dr Kk - Finance & Admin</i> | | - | - | - | - | - | - | - | - | - | - |
| Total Non-Cash Transfers To Municipalities: | | - | - | - | - | - | - | - | - | - | - |
| Non-Cash Transfers to Entities/Other External Mechanisms | | | | | | | | | | | |
| <i>2</i> | 2 | | | | | | | | | | |
| Total Non-Cash Transfers To Entities/Ems' | | - | - | - | - | - | - | - | - | - | - |
| Non-Cash Transfers to other Organs of State | | | | | | | | | | | |
| <i>3</i> | 3 | | | | | | | | | | |
| Total Non-Cash Transfers To Other Organs Of State: | | - | - | - | - | - | - | - | - | - | - |
| Non-Cash Grants to Organisations | | | | | | | | | | | |
| <i>4</i> | 4 | | | | | | | | | | |
| Total Non-Cash Grants To Organisations | | - | - | - | - | - | - | - | - | - | - |
| Groups of Individuals | | | | | | | | | | | |
| <i>Hh: Bursaries Non-Employee Cash</i> | 5 | 126 | 60 | 94 | 100 | 200 | 200 | 63 | 100 | 104 | 109 |
| <i>Ts_O_Ik_Hh_Soc Assis_Poverty Relief</i> | | - | - | - | - | - | - | - | - | - | - |
| Total Non-Cash Grants To Groups Of Individuals: | | 126 | 60 | 94 | 100 | 200 | 200 | 63 | 100 | 104 | 109 |
| TOTAL NON-CASH TRANSFERS AND GRANTS | | 126 | 60 | 94 | 100 | 200 | 200 | 63 | 100 | 104 | 109 |
| TOTAL TRANSFERS AND GRANTS | 6 | 4 333 | 6 919 | 7 704 | 8 122 | 9 900 | 9 900 | 2 484 | 1 200 | 1 709 | 1 718 |

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

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 2022/23 financial has been appropriated at **R13.5 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 2022/23 financial has been appropriated at **R122 Million**. The employee related costs have increased by 5.17%.

DC40 Dr Kenneth Kaunda - Supporting Table SA22 Summary councillor and staff benefits

| Summary of Employee and Councillor remuneration | Ref | 2018/19 | 2019/20 | 2020/21 | Current Year 2021/22 | | | 2022/23 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| R thousand | | A | B | C | D | E | F | G | H | I |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | 1 | 6 470 | 6 740 | 6 618 | 8 785 | 7 241 | 7 241 | 9 285 | 9 693 | 10 130 |
| Pension and UIF Contributions | | 589 | 662 | 686 | 750 | 467 | 467 | 750 | 783 | 819 |
| Medical Aid Contributions | | 263 | 230 | 278 | 384 | 192 | 192 | 384 | 401 | 419 |
| Motor Vehicle Allowance | | 1 232 | 1 236 | 1 281 | 1 569 | 1 489 | 1 489 | 1 569 | 1 638 | 1 712 |
| Cellphone Allowance | | 725 | 758 | 756 | 886 | 836 | 836 | 886 | 925 | 967 |
| Housing Allowances | | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | | 571 | 631 | 748 | 700 | 600 | 600 | 700 | 731 | 764 |
| Sub Total - Councillors | | 9 850 | 10 257 | 10 367 | 13 075 | 10 825 | 10 825 | 13 575 | 14 172 | 14 810 |
| % increase | 4 | | 4,1% | 1,1% | 26,1% | (12,2%) | - | 25,4% | 4,4% | 4,5% |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | 2 | 1 573 | 2 654 | 4 106 | 5 742 | 5 394 | 5 394 | 5 742 | 5 994 | 6 264 |
| Pension and UIF Contributions | | - | - | - | - | - | - | - | - | - |
| Medical Aid Contributions | | - | - | - | 72 | - | - | 72 | 75 | 79 |
| Overtime | | - | - | - | - | - | - | - | - | - |
| Performance Bonus | | 77 | 56 | 228 | 242 | 276 | 276 | 242 | 253 | 264 |
| Motor Vehicle Allowance | 3 | 48 | 172 | 753 | 889 | 1 144 | 1 144 | 889 | 928 | 970 |
| Cellphone Allowance | 3 | 22 | 40 | 113 | 150 | 161 | 161 | 150 | 157 | 164 |
| Housing Allowances | 3 | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | 3 | - | 1 | 0 | - | - | - | - | - | - |
| Payments in lieu of leave | | 448 | - | - | - | - | - | - | - | - |
| Long service awards | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | 6 | - | - | - | - | 1 000 | 1 000 | - | - | - |
| Sub Total - Senior Managers of Municipality | | 2 168 | 2 923 | 5 201 | 7 095 | 7 974 | 7 974 | 7 095 | 7 407 | 7 740 |
| % increase | 4 | | 34,8% | 77,9% | 36,4% | 12,4% | - | (11,0%) | 4,4% | 4,5% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 57 746 | 57 269 | 62 668 | 72 818 | 64 080 | 64 080 | 74 153 | 76 894 | 80 354 |
| Pension and UIF Contributions | | 7 853 | 9 002 | 10 405 | 11 466 | 11 134 | 11 134 | 11 466 | 11 970 | 12 509 |
| Medical Aid Contributions | | 3 147 | 4 022 | 4 754 | 4 405 | 5 285 | 5 285 | 4 405 | 4 599 | 4 806 |
| Overtime | | 130 | 188 | 623 | 683 | 664 | 664 | 650 | 678 | 709 |
| Performance Bonus | | 3 880 | 4 087 | 4 987 | 4 987 | 4 381 | 4 381 | 4 987 | 5 206 | 5 441 |
| Motor Vehicle Allowance | 3 | 8 331 | 8 607 | 8 404 | 9 086 | 8 786 | 8 786 | 9 086 | 9 485 | 9 912 |
| Cellphone Allowance | 3 | 848 | 927 | 1 210 | 1 261 | 1 378 | 1 378 | 1 261 | 1 316 | 1 375 |
| Housing Allowances | 3 | 456 | 519 | 535 | 616 | 564 | 564 | 616 | 643 | 672 |
| Other benefits and allowances | 3 | 559 | 1 610 | 2 311 | 2 271 | 2 646 | 2 646 | 3 339 | 3 485 | 3 642 |
| Payments in lieu of leave | 3 | 3 558 | 5 598 | 6 741 | 4 016 | 5 971 | 5 971 | 4 016 | 4 193 | 4 381 |
| Long service awards | | 193 | 605 | 227 | - | 771 | 771 | 630 | 658 | 687 |
| Post-retirement benefit obligations | 6 | 828 | 1 008 | 3 186 | 314 | 2 383 | 2 383 | 314 | 327 | 342 |
| Sub Total - Other Municipal Staff | | 87 528 | 93 442 | 106 052 | 111 921 | 108 042 | 108 042 | 114 921 | 119 456 | 124 831 |
| % increase | 4 | | 6,8% | 13,5% | 5,5% | (3,5%) | - | 6,4% | 3,9% | 4,5% |
| Total Parent Municipality | | 99 546 | 106 623 | 121 620 | 132 091 | 126 841 | 126 841 | 135 591 | 141 035 | 147 381 |
| % increase | | | 7,1% | 14,1% | 8,6% | (4,0%) | - | 6,9% | 4,0% | 4,5% |
| Board Members of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | - | - | - | - | - | - | - | - | - |
| Long service awards | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | - | - | - | - | - | - | - | - | - |
| Sub Total - Board Members of Entities | | - | - | - | - | - | - | - | - | - |
| % increase | 4 | | - | - | - | - | - | - | - | - |
| Senior Managers of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | - | - | - | - | - | - | - | - | - |
| Pension and UIF Contributions | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | - | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Entities | | - | - | - | - | - | - | - | - | - |
| % increase | 4 | | - | - | - | - | - | - | - | - |
| Other Staff of Entities | | | | | | | | | | |
| Basic Salaries and Wages | | - | - | - | - | - | - | - | - | - |
| Pension and UIF Contributions | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | - | - | - | - | - | - | - | - | - |
| Sub Total - Other Staff of Entities | | - | - | - | - | - | - | - | - | - |
| % increase | 4 | | - | - | - | - | - | - | - | - |
| Total Municipal Entities | | - | - | - | - | - | - | - | - | - |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | 99 546 | 106 623 | 121 620 | 132 091 | 126 841 | 126 841 | 135 591 | 141 035 | 147 381 |
| % increase | 4 | | 7,1% | 14,1% | 8,6% | (4,0%) | - | 6,9% | 4,0% | 4,5% |
| TOTAL MANAGERS AND STAFF | 5,7 | 89 696 | 96 365 | 111 253 | 119 016 | 116 016 | 116 016 | 122 016 | 126 862 | 132 571 |

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 2022/23 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|--|----------|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|------------------------|------------------------|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Revenue By Source | | | | | | | | | | | | | | | | |
| 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 | | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 5 700 | 5 951 | 6 219 |
| 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 | 522 | 545 |
| Agency services | | | | | | | | | | | | | | | | |
| Transfers and subsidies | | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 36 491 | 36 079 | 38 324 |
| Other revenue | | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 176 374 | 180 244 | 184 232 |
| Gains | | | | | | | | | | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 219 065 | 222 796 | 229 320 |
| Expenditure By Type | | | | | | | | | | | | | | | | |
| Employee related costs | | 10 168 | 10 168 | 10 168 | 10 168 | 10 168 | 10 168 | 10 168 | 10 168 | 10 168 | 10 168 | 10 168 | 10 168 | 122 016 | 126 862 | 132 571 |
| Remuneration of councillors | | 1 131 | 1 131 | 1 131 | 1 131 | 1 131 | 1 131 | 1 131 | 1 131 | 1 131 | 1 131 | 1 131 | 1 131 | 13 575 | 14 172 | 14 810 |
| Debt impairment | | | | | | | | | | | | | | | | |
| Depreciation & asset impairment | | 585 | 585 | 585 | 585 | 585 | 585 | 585 | 585 | 585 | 585 | 585 | 585 | 7 017 | 7 325 | 7 655 |
| Finance charges | | | | | | | | | | | | | | | | |
| Bulk purchases - electricity | | | | | | | | | | | | | | | | |
| Inventory consumed | | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 4 023 | 4 163 | 3 984 |
| Contracted services | | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 957 | 35 493 | 28 835 | 29 591 |
| Transfers and subsidies | | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 1 200 | 1 709 | 1 718 |
| Other expenditure | | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 875 | 34 510 | 35 060 | 34 979 |
| Losses | | | | | | | | | | | | | | | | |
| Total Expenditure | | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 151 | 18 151 | 217 833 | 218 127 | 225 308 |
| Surplus/(Deficit) | | | | | | | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 1 232 | 4 669 | 4 012 |
| 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) | | | | | | | | | | | | | | | | |
| Surplus/(Deficit) after capital transfers & contributions | | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 105 | 1 232 | 4 669 | 4 012 |
| Surplus/(Deficit) before associate | | | | | | | | | | | | | | | | |
| Taxation | | | | | | | | | | | | | | | | |
| Attributable to minorities | | | | | | | | | | | | | | | | |
| Share of surplus/ (deficit) of associate | | | | | | | | | | | | | | | | |
| Surplus/(Deficit) | 1 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 105 | 1 232 | 4 669 | 4 012 |

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 2022/23 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|---|----------|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|------------------------|------------------------|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Revenue by Vote | | | | | | | | | | | | | | | | |
| Vote 01 - Executive Council | | | | | | | | | | | | | | | | |
| Vote 02 - Municipal Manager | | | | | | | | | | | | | | | | |
| Vote 03 - Corporate Services | | | | | | | | | | | | | | | | |
| Vote 04 - Financial Services | | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 213 554 | 219 632 | 226 036 |
| Vote 05 - Led & Planning | | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 5 011 | 2 642 | 2 738 |
| Vote 06 - Community Services | | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 500 | 522 | 545 |
| Vote 07 - - | | | | | | | | | | | | | | | | |
| Vote 08 - - | | | | | | | | | | | | | | | | |
| Vote 09 - - | | | | | | | | | | | | | | | | |
| Vote 10 - - | | | | | | | | | | | | | | | | |
| Vote 11 - - | | | | | | | | | | | | | | | | |
| Vote 12 - - | | | | | | | | | | | | | | | | |
| Vote 13 - - | | | | | | | | | | | | | | | | |
| Vote 14 - - | | | | | | | | | | | | | | | | |
| Vote 15 - Other | | | | | | | | | | | | | | | | |
| Total Revenue by Vote | | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 219 065 | 222 796 | 229 320 |
| Expenditure by Vote to be appropriated | | | | | | | | | | | | | | | | |
| Vote 01 - Executive Council | | 1 925 | 1 925 | 1 925 | 1 925 | 1 925 | 1 925 | 1 925 | 1 925 | 1 925 | 1 925 | 1 924 | 1 924 | 23 097 | 24 052 | 25 840 |
| Vote 02 - Municipal Manager | | 3 682 | 3 682 | 3 682 | 3 682 | 3 682 | 3 682 | 3 682 | 3 682 | 3 682 | 3 682 | 3 682 | 3 682 | 44 183 | 46 720 | 48 677 |
| Vote 03 - Corporate Services | | 2 712 | 2 712 | 2 712 | 2 712 | 2 712 | 2 712 | 2 712 | 2 712 | 2 712 | 2 712 | 2 711 | 2 711 | 32 539 | 33 590 | 34 932 |
| Vote 04 - Financial Services | | 2 516 | 2 516 | 2 516 | 2 516 | 2 516 | 2 516 | 2 516 | 2 516 | 2 516 | 2 516 | 2 516 | 2 516 | 30 193 | 31 238 | 31 799 |
| Vote 05 - Led & Planning | | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 30 707 | 25 886 | 25 697 |
| Vote 06 - Community Services | | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 759 | 4 759 | 57 115 | 56 641 | 58 363 |
| Vote 07 - - | | | | | | | | | | | | | | | | |
| Vote 08 - - | | | | | | | | | | | | | | | | |
| Vote 09 - - | | | | | | | | | | | | | | | | |
| Vote 10 - - | | | | | | | | | | | | | | | | |
| Vote 11 - - | | | | | | | | | | | | | | | | |
| Vote 12 - - | | | | | | | | | | | | | | | | |
| Vote 13 - - | | | | | | | | | | | | | | | | |
| Vote 14 - - | | | | | | | | | | | | | | | | |
| Vote 15 - Other | | | | | | | | | | | | | | | | |
| Total Expenditure by Vote | | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 151 | 18 151 | 217 833 | 218 127 | 225 308 |
| Surplus/(Deficit) before assoc. | | | | | | | | | | | | | | | | |
| Taxation | | | | | | | | | | | | | | | | |
| Attributable to minorities | | | | | | | | | | | | | | | | |
| Share of surplus/ (deficit) of associate | | | | | | | | | | | | | | | | |
| Surplus/(Deficit) | 1 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 105 | 1 232 | 4 669 | 4 012 |

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 2022/23 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|--|----------|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|------------------------|------------------------|---------|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 | |
| R thousand | | | | | | | | | | | | | | | | | |
| Revenue - Functional | | | | | | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 213 554 | 219 632 | 226 036 |
| Executive and council | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Finance and administration | | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 17 796 | 213 554 | 219 632 | 226 036 |
| Internal audit | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Community and public safety</i> | | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 900 | 522 | 545 | |
| Community and social services | | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 42 | 500 | 522 | 545 | |
| Sport and recreation | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Public safety | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Housing | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Health | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Economic and environmental services</i> | | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 5 011 | 2 642 | 2 738 | |
| Planning and development | | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 418 | 5 011 | 2 642 | 2 738 | |
| Road transport | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Environmental protection | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Trading services</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Energy sources | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Water management | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Waste water management | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Waste management | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Revenue - Functional | | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 219 065 | 222 796 | 229 320 | |
| Expenditure - Functional | | | | | | | | | | | | | | | | | |
| <i>Governance and administration</i> | | 10 834 | 10 834 | 10 834 | 10 834 | 10 834 | 10 834 | 10 834 | 10 834 | 10 834 | 10 834 | 10 834 | 10 834 | 130 012 | 135 600 | 141 248 | |
| Executive and council | | 5 033 | 5 033 | 5 033 | 5 033 | 5 033 | 5 033 | 5 033 | 5 033 | 5 033 | 5 033 | 5 033 | 5 033 | 5 032 | 60 394 | 63 584 | 67 005 |
| Finance and administration | | 5 228 | 5 228 | 5 228 | 5 228 | 5 228 | 5 228 | 5 228 | 5 228 | 5 228 | 5 228 | 5 228 | 5 228 | 5 227 | 62 732 | 64 828 | 66 731 |
| Internal audit | | 574 | 574 | 574 | 574 | 574 | 574 | 574 | 574 | 574 | 574 | 574 | 574 | 6 885 | 7 188 | 7 512 | |
| <i>Community and public safety</i> | | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 759 | 57 115 | 58 363 | 58 363 |
| Community and social services | | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 760 | 4 759 | 57 115 | 58 361 | 58 363 | |
| Sport and recreation | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Public safety | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Housing | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Health | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Economic and environmental services</i> | | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 30 707 | 25 886 | 25 697 | |
| Planning and development | | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 2 559 | 30 707 | 25 886 | 25 697 | |
| Road transport | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Environmental protection | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Trading services</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Energy sources | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Water management | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Waste water management | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Waste management | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Expenditure - Functional | | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 153 | 18 151 | 217 833 | 218 127 | 225 308 | |
| Surplus/(Deficit) before assoc. | | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 105 | 1 232 | 4 669 | 4 012 | |
| Share of surplus/ (deficit) of associate | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Surplus/(Deficit) | 1 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 105 | 1 232 | 4 669 | 4 012 | |

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 2022/23 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|---|----------|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---|------------------------|------------------------|-----------|
| | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 | |
| Multi-year expenditure to be appropriated | | | | | | | | | | | | | | | | | |
| Vote 01 - Executive Council | 1 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 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 | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Capital multi-year expenditure sub-total | 2 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Single-year expenditure to be appropriated | | | | | | | | | | | | | | | | | |
| Vote 01 - Executive Council | | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 100 | 110 | 102 | |
| Vote 02 - Municipal Manager | | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 706 | 221 | 221 | |
| Vote 03 - Corporate Services | | 683 | 683 | 683 | 683 | 683 | 683 | 683 | 683 | 683 | 683 | 683 | 683 | 8 200 | 5 037 | 4 696 | |
| Vote 04 - Financial Services | | 1 004 | 1 004 | 1 004 | 1 004 | 1 004 | 1 004 | 1 004 | 1 004 | 1 004 | 1 004 | 1 004 | 1 004 | 12 050 | 8 085 | 8 060 | |
| Vote 05 - Led & Planning | | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 55 550 | 17 610 | 18 727 | |
| Vote 06 - Community Services | | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 12 550 | 996 | 608 | |
| Vote 07 -- | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 08 -- | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 09 -- | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 10 -- | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 11 -- | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 12 -- | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 13 -- | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 14 -- | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 15 - Other | | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Capital single-year expenditure sub-total | 2 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 89 156 | 32 060 | 32 414 | |
| Total Capital Expenditure | 2 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 89 156 | 32 060 | 32 414 | |

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 2022/23 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | | |
|--|-----|---------------------|--------|-------|---------|-------|-------|---------|-------|-------|-------|-------|-------|---|------------------------|------------------------|--|
| | | July | August | Sept. | October | Nov. | Dec. | January | Feb. | March | April | May | June | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 | |
| Capital Expenditure - Functional | 1 | | | | | | | | | | | | | | | | |
| Governance and administration | | 1 755 | 1 755 | 1 755 | 1 755 | 1 755 | 1 755 | 1 755 | 1 755 | 1 755 | 1 755 | 1 755 | 1 755 | 21 056 | 13 454 | 13 078 | |
| Executive and council | | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 53 | 52 | 630 | 141 | |
| Finance and administration | | 1 688 | 1 688 | 1 688 | 1 688 | 1 688 | 1 688 | 1 688 | 1 688 | 1 688 | 1 688 | 1 688 | 1 688 | 1 687 | 20 250 | 13 122 | |
| Internal audit | | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 176 | 150 | |
| Community and public safety | | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 12 550 | 996 | 608 | |
| Community and social services | | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 1 046 | 12 550 | 996 | 608 | |
| Sport and recreation | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Public safety | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Housing | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Health | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Economic and environmental services | | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 55 550 | 17 610 | 18 727 | |
| Planning and development | | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 4 629 | 55 550 | 17 610 | 18 727 | |
| Road transport | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Trading services | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Energy sources | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Water management | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Waste water management | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Waste management | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total Capital Expenditure - Functional | 2 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 89 156 | 32 060 | 32 414 | |
| Funded by: | | | | | | | | | | | | | | | | | |
| 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) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Transfers recognised - capital | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Borrowing | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Internally generated funds | | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 89 156 | 32 060 | 32 414 | |
| Total Capital Funding | | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 89 156 | 32 060 | 32 414 | |

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 | R thousand | Budget Year 2022/23 | | | | | | | | | | | | Medium Term Revenue and Expenditure Framework | | |
|--|------------|---------------------|---------|---------|---------|----------|----------|---------|----------|---------|---------|---------|---------|---|------------------------|------------------------|
| | | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2022/23 | Budget Year +1 2023/24 | Budget Year +2 2024/25 |
| Cash Receipts By Source | | | | | | | | | | | | | | | | |
| Property rates | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - electricity revenue | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - water revenue | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - sanitation revenue | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - refuse revenue | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Rental of facilities and equipment | | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 475 | 5 700 | 5 951 | 6 219 |
| Interest earned - external investments | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 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 | 522 | 545 |
| Agency services | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and Subsidies - Operational | | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 3 041 | 36 491 | 36 079 | 38 324 |
| Other revenue | | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 14 698 | 176 374 | 180 244 | 184 232 |
| Cash Receipts by Source | | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 219 065 | 222 796 | 229 320 |
| Other Cash Flows by Source | | | | | | | | | | | | | | | | |
| 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 | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Cash Receipts by Source | | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 18 255 | 219 065 | 222 796 | 229 320 |
| Cash Payments by Type | | | | | | | | | | | | | | | | |
| Employee related costs | | 11 299 | 11 299 | 11 299 | 11 299 | 11 299 | 11 299 | 11 299 | 11 299 | 11 299 | 11 299 | 11 299 | 11 299 | 135 591 | 141 035 | 147 381 |
| Remuneration of councillors | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Finance charges | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Bulk purchases - electricity | | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 335 | 4 023 | 4 163 | 3 984 |
| Acquisitions - water & other inventory | | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 958 | 2 957 | 35 483 | 28 835 | 29 591 |
| Contracted services | | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 1 200 | 1 709 | 1 718 |
| Transfers and grants - other municipalities | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and grants - other | | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 876 | 2 875 | 34 510 | 35 060 | 34 979 |
| Other expenditure | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cash Payments by Type | | 17 568 | 17 568 | 17 568 | 17 568 | 17 568 | 17 568 | 17 568 | 17 568 | 17 568 | 17 568 | 17 568 | 17 567 | 210 817 | 210 802 | 217 653 |
| Other Cash Flows/Payments by Type | | | | | | | | | | | | | | | | |
| Capital assets | | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 7 430 | 89 156 | 32 060 | 32 414 |
| Repayment of borrowing | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Cash Flows/Payments | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Cash Payments by Type | | 24 998 | 24 998 | 24 998 | 24 998 | 24 998 | 24 998 | 24 998 | 24 998 | 24 998 | 24 998 | 24 998 | 24 996 | 299 973 | 242 861 | 250 067 |
| NET INCREASE/(DECREASE) IN CASH HELD | | (6 742) | (6 742) | (6 742) | (6 742) | (6 742) | (6 742) | (6 742) | (6 742) | (6 742) | (6 742) | (6 742) | (6 741) | (80 908) | (20 065) | (20 747) |
| Cash/cash equivalents at the month/year begin: | | 110 337 | 103 594 | 96 852 | 90 109 | 83 367 | 76 625 | 69 882 | 63 140 | 56 397 | 49 655 | 42 912 | 36 170 | 110 337 | 29 429 | 9 364 |
| Cash/cash equivalents at the month/year end: | | 103 594 | 96 852 | 90 109 | 83 367 | 76 625 | 69 882 | 63 140 | 56 397 | 49 655 | 42 912 | 36 170 | 29 429 | 29 429 | 9 364 | (11 383) |

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 2022/23 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 2022/23 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 2022/23 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