



Dr. Beyers Naudé

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**DRAFT ANNUAL BUDGET
2021/2022 – 2023/24**

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PART 1 – ANNUAL BUDGET

1.1 MAYOR'S REPORT

To be included in final budget.

1.2 COUNCIL RESOLUTIONS

(a) The Mayor recommends that the Council resolves that:

1 The draft annual budget of the Dr Beyers Naude Municipality for the financial year 2021/22 and the Indicative allocations for the projected outer years 2022/23 and 2023/24; and the multi-year and single year capital appropriations be approved for the purpose of complying with section 24 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, as set-out in the following tables:

1.1 Consolidated Budget Summary – Schedule A1

1.2 Budgeted Financial Performance (revenue and expenditure by standard classification) – Schedule A2

1.3 Budgeted Financial Performance (revenue and expenditure by municipal vote) – Schedule A3

1.4 Budgeted Financial Performance (revenue by source and expenditure by type) – Schedule A4

1.5 and Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source – Schedule A5

2 The draft budgeted financial position, budgeted cash flows, cash-backed reserves/accumulated surplus, asset management and basic service delivery targets be noted as set-out in the following tables:

2.1 Budgeted Financial Position – Schedule A6

2.2 Budgeted Cash Flows – Schedule A7

2.3 Cash backed reserves and accumulated surplus reconciliation – Schedule A8

2.4 Asset management – Schedule A9

2.5 Basic service delivery measurement – Schedule A10

3 The service tariffs and property rates be increased as per the tariffs schedule with effect from 1 July 2021

4 The indicative tariffs for 2021/2022 to 2023/2024 be increased as follows:

| | 2021/2022 | 2022/2023 | 2023/2024 |
|----------------|-----------|-----------|-----------|
| Property rates | 3.9% | 4.2% | 4.4% |
| Water | 3.9% | 4.2% | 4.4% |
| Sanitation | 3.9% | 4.2% | 4.4% |
| Refuse | 3.9% | 4.2% | 4.4% |
| Electricity | 16% | 8.9% | 8.9% |

5 That the detailed capital budget as per Annexure C be approved

6 That the tariffs, fees and charges as reflected on the tariff list, in terms of Section 30 (2) and 93 4) of the Local Government: Municipal Structures Act, Act No: 117 of 1998 (as amended), read with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, be approved with effect 1 July 2020

7. That the following draft reviewed budget related policies be approved:

(a) Credit control and debt collection

(b) Tariff policy

- (c) Supply Chain Management Policy
- (d) Asset management policy
- (e) Cash management, banking & investment policy
- (f) Budget policy
- (g) Virement policy
- (h) Funding and reserve policy
- (i) Borrowing policy
- (j) Indigent support policy
- (k) Rates Policy
- (l) Contract Management Policy
- (m) Unauthorised, Fruitless & Wasteful and Irregular Expenditure policy
- (n) Rewards, gifts and favours policy
- (o) Inventory management policy
- (p) Transport and fleet management policy
- (q) Cost containment policy
- (r) Long term financial planning policy

8. That the following draft by-laws be approved and be published for public comments

- (a) Tariff by-law
- (b) Credit control and debt collection by-law
- (c) Rates by-law

1.3 EXECUTIVE SUMMARY

The key service delivery priorities, as outlined in the IDP, informed the development of the Budget, including the need to maintain and improve the Municipality's financial sustainability. Furthermore, cost containment measures are being implemented to curb costs and to improve operational efficiency.

National Treasury's MFMA Circulars No. 48, 51, 54, 55, 58, 59, 66, 67, 70, 72, 74, 75, 78, 79, 85, 86, 89, 91, 93, 94, 98, 99, 107 and 108 were used to guide the compilation of the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF).

The Municipality faced the following significant challenges during the compilation of the 2021/22 MTREF:

- Maintaining revenue collection rates at the targeted levels;
- Maintaining electricity and water losses at acceptable levels;
- Fully implementing cost containment measures;
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure; and
- Maintaining an acceptable cost coverage ratio;
- Drought conditions currently faced by the municipality and surrounding areas;
- The Impact of Covid-19 regulations, circulars and guidelines issued by government.

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

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The level of property rates and tariff increases to take into account the need to address maintenance and infrastructural backlogs.
- The level of property rates and tariff increases to ensure the delivery of municipal services on a financially sustainable basis.
- The need to enhance the municipality's revenue base.
- Implementation of the cost containment regulations.
- No loan funding is available to support the Capital Budget, in view of financial affordability considerations.

In view of the aforementioned, the following table represents an overview of the 2021/22 Medium-term Revenue and Expenditure Framework:

Table 1 (Overview of the 2021/22 MTREF)

| | Current Year | 2020/21 Medium Term Revenue and Expenditure | | |
|---------------------|----------------------------|---|---------------------------|---------------------------|
| | Adjusted Budget 2020/21 | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| | R | R | R | R |
| Total Revenue | 667 970 071 | 571 360 967 | 595 327 913 | 626 847 849 |
| Total Expenditure | 509 925 437 | 498 439 820 | 508 110 995 | 520 613 307 |
| Surplus/(Deficit) | 158 044 634 | 72 921 147 | 87 216 918 | 106 234 541 |
| Capital Expenditure | 49 903 250 | 71 848 300 | 80 598 500 | 103 168 653 |

Total operating revenue has decreased by 14.5% or R96.6 million for the 2021/22 financial year, compared to the 2020/21 Adjustments Budget.

The decrease is as a result of the decrease in anticipated proceeds from sale of land in comparison to the prior year. There is a general increase in revenue, with exception to the above-mentioned sale of land, as result of tariff increases and continued implementation of cost reflective tariffs.

The municipality completed investigations into cost of supply and a baseline tariff was established for each service in 2019. Thorough investigations were also concluded on electricity tariffs, the effect of the wheeling agreement with Eskom and management has completed physical verification of bulk consumer meters. The intention of the physical verification was to ensure that all possible tampering is identified for these users, correct meters are installed and are functional and to ensure that each user is linked to the correct tariff. This process is anticipated to be completed by end of 2021/2022.

For the two outer years, operational revenue increases by 4.2% and 5.3% respectively.

Total operating expenditure for the 2020/21 financial year amounts to R498.4 million, resulting in a budgeted surplus of R72.9 million. Compared to the 2020/21 Adjustments Budget, operational expenditure increased by 2.3% in the 2021/22 Budget. The municipality is currently struggling financially and cost containment measures are implemented. Cost containment measures include a monthly curb on overtime, acting allowances and travel expenses. It also includes the stopping of non-essential procurement.

For the two outer years, operational expenditure increases by 1.9% and 2.5% respectively. The 2022/23 and 2023/24 budgets reflect operating surpluses of R80 million and R103 million respectively.

The major operating expenditure items for 2021/22 are employee related costs (34%), bulk electricity purchases (26%), depreciation (9%), Repairs and Maintenance (7%) and other expenditure (24%).

Funding for the 2021/22 Operating Budget is funded from various sources, the major sources being service charges such as electricity, water, sanitation and refuse collection (47%), property rates (9%), grants and subsidies received from National and Provincial Governments (33%).

In order to fund the 2020/21 Operating Budget, the following increases in property rates and service charges will be effected with effect from 1 July 2021:

| | |
|-----------------|---|
| Property rates: | Increase with 3.9% |
| Water: | Increase with 3.9% |
| Refuse: | Increase with 3.9% |
| Sewerage: | Increase with 3.9% |
| Sanitation: | Increase with 3.9% |
| Electricity: | Electricity tariff will increase with 16%. Please note that the increase is subject to approval by NERSA and this percentage may vary towards the final adopted budget. |

The municipality has conducted a cost of supply study on all tariffs in 2019. The study revealed that almost all the services are currently being rendered at below cost which puts enormous strain on the cash flow of the municipality. It was therefore imperative that these tariffs be changed to include baseline tariffs. Due to the poor economic conditions and covid-19 revenue and tariffs could not be increased with more than the proposed 3.9% by National Treasury.

The original capital budget of R71.8 million for 2021/22 is R21.9 million or 44% higher than the 2020/21 Adjustments Budget, this is due to more capital allocations from national government for 2021/22. The Capital Budget over the MTREF will be mainly funded from government grants and subsidies, as limited internal funding is available. Capital expenditure for 2022/23 will amount to R80.5 million.

The budget provides for assistance to the poor and includes the following social package:

- Water – 6 kl free
- Electricity – 50 kwh free
- Refuse – 100% of monthly cost free
- Sanitation – 100% of monthly cost free
- Property Rates- 100% of assessed rates

All budget related policies have been reviewed and will be workshopped with Councilors and top management. The policies will also be subjected to public participation.

1.4 OPERATING REVENUE FRAMEWORK

The continued provision and expansion of municipal services, is largely dependent on the Municipality generating sufficient revenues. Efficient and effective revenue management is thus of vital importance in ensuring the ongoing financial sustainability of the Municipality. Furthermore, in accordance with the MFMA, expenditure has to be limited to the realistically anticipated revenues.

The Municipality's revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard;
- Tariff Policies;
- Property Rates Policy;
- Indigent Policy and provision of free basic services;
- The level of property rates and tariff increases must ensure financially sustainable service delivery.
- The level of property rates and tariff increases to take into account the maintenance and replacement of infrastructure, including the expansion of services;
- Determining fully cost reflective tariffs for trading services;
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Efficient revenue management, targeting a 95% annual collection rate for property rates and service charges.

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

Table 2 (Summary of main revenue sources)

EC101 Dr Beyers Naude - Table A4 Budgeted Financial Performance (revenue and expenditure)

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Revenue By Source | | | | | | | | | | | |
| Property rates | 2 | - | 35 225 | 36 229 | 51 803 | 48 403 | 48 403 | 48 403 | 50 291 | 52 403 | 54 709 |
| Service charges - electricity revenue | 2 | - | 102 866 | 105 282 | 140 811 | 133 611 | 133 611 | 133 611 | 154 947 | 168 720 | 183 719 |
| Service charges - water revenue | 2 | - | 19 832 | 27 777 | 44 596 | 35 596 | 35 596 | 35 596 | 46 335 | 48 281 | 50 405 |
| Service charges - sanitation revenue | 2 | - | 16 596 | 23 241 | 33 227 | 33 227 | 33 227 | 33 227 | 34 523 | 35 973 | 37 555 |
| Service charges - refuse revenue | 2 | - | 18 066 | 26 112 | 33 520 | 33 520 | 33 520 | 33 520 | 32 145 | 33 495 | 34 969 |
| Rental of facilities and equipment | | - | 855 | 702 | 1 014 | 1 014 | 1 014 | 1 014 | 1 049 | 1 093 | 1 142 |
| Interest earned - external investments | | - | 634 | 442 | 3 660 | 3 660 | 3 660 | 3 660 | 1 500 | 1 500 | 1 500 |
| Interest earned - outstanding debtors | | - | 3 388 | 5 705 | 4 803 | 4 803 | 4 803 | 4 803 | 4 991 | 5 200 | 5 429 |
| Dividends received | | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | - | 21 | 31 | 34 | 34 | 34 | 34 | 35 | 37 | 38 |
| Licences and permits | | - | 1 322 | 722 | 1 784 | 1 784 | 1 784 | 1 784 | 1 854 | 1 932 | 2 017 |
| Agency services | | - | 1 042 | 1 896 | 3 929 | 3 929 | 3 929 | 3 929 | 4 082 | 4 253 | 4 441 |
| Transfers and subsidies | | - | 89 245 | 108 431 | 118 413 | 118 279 | 118 279 | 118 279 | 124 741 | 130 837 | 135 368 |
| Other revenue | 2 | - | 11 305 | 1 315 | 16 377 | 203 613 | 203 613 | 203 613 | 55 304 | 30 793 | 18 681 |
| Gains | | - | 583 | 6 715 | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | - | 300 879 | 344 400 | 453 572 | 621 475 | 621 475 | 621 475 | 611 797 | 514 818 | 529 974 |

In the 2020/21 financial year, rates and service charges amounted to R292.9 million. This increases to R317.7 million in 2021/22 and increases to R338.3 million and R360.8 million in the 2022/23 and 2023/24 financial years, respectively.

The following continued efforts to increase the revenue base were introduced in 2019:

- Implementation of a new valuation roll with increased market values
- Implementation of cost reflective tariffs after a cost of supply study was conducted
- Implementation of drought tariff
- Introduction of environmental levy

The service charges as stated above are main source of funding for the municipality with a contribution of R317.7 million or 47% of the total budget. The individual service contribution to service charges is as follows:

- Electricity 58%
- Water 17%
- Refuse 12%
- Sanitation 13%

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

1.4.1 Property Rates

The following provisions in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rateable value (Section 17(h) of the MPRA).
- If the usage of a property changes during a financial year, the rebate applicable will be reduced *pro rata* for the balance of the financial year.
- Indigents receives 100% subsidy on the rates levied for the year.

The property rates tariff is standardised to ensure all owners in a category pays the same rate in all the towns in the municipality's jurisdiction. The prescribed ratio is applied.

The property rates increase is mainly influenced by the following:

- Employee related costs increased by 6.25%;
- Providing for debt impairment.
- Increasing the revenue to ensure non-profit divisions are properly subsidised,

The new valuation roll has been implemented from 1 July 2019.

1.4.2 Sale of Water and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 89, 91, 93, 94, 98, 99, 107 and 108:

Municipalities are encouraged to review the level and structure of their water tariffs to ensure:

- Fully cost reflective water tariffs – tariffs should include the costs associated with bulk water purchases, the maintenance and renewal of purification plants, water networks and water reticulation expansion;
- Water tariffs are structured to protect basic levels of service; and
- Water tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that water tariffs are fully cost reflective by 2014/15. In this regard a cost of supply study was conducted and the new baseline tariff will be introduced as the first step tariff. Dr Beyers Naude is a municipality which was formed through the amalgamation of 3 former municipalities. As a result of the amalgamation the municipality is also faced with trying to standardise tariffs within the different towns.

The prevailing drought makes it difficult to improve revenue generation from this service. It is now more important to improve demand management, infrastructure maintenance, loss management, meter reading and tariff setting in respect of water services.

Ongoing accurate monitoring and reporting of municipal Non-Revenue Water (NRW) and water loss performance against set targets and baselines has become more critical. The municipality is currently monitoring water losses on a monthly basis, but are faced with a huge number of metres that are faulty. This contributes to the inaccurate billing and collection of water tariffs. Grant funding has been received to conduct a study on all faulty metres and areas of water losses. The project started during the 2017/18 financial year and was completed in the 2019/20 financial year.

The tariff will be increased with 3.9% from 1 July 2021. The proposed tariff increase is mainly influenced by the following:

- Employee related costs
- Repairs and maintenance of water infrastructure
- Providing for debt impairment.
- Implementation of cost reflective tariffs
- The prevailing drought

The water tariff structure is designed in such a manner that higher levels of water consumption are progressively charged at a higher rate. The drought tariff will also be implemented during the time of drought as currently experienced.

1.4.3 Sale of Electricity and Impact of Tariff Increases

On 12 March 2021, the National Energy Regulator of South Africa (Nersa) approved Eskom's 17.8% (15.06% from 1 April to 30 June 2021) increase for municipalities which will be implemented on 1 July 2021. Nersa has calculated the guideline increase percentage of 14.59% for municipalities. Considering the Eskom tariff increase, the Municipality's consumer tariffs will be increased by 16% on average to offset the additional electricity bulk purchase costs as from 1 July 2021.

The difference between Eskom's increase of 15.06% and that of the municipalities of 17.8% is due to the MFMA time lag (the municipalities' implementation date is 1 July, whereas Eskom's financial year starts on 1 April). Due to the requirements of the MFMA, Eskom can only increase its prices to municipalities from 1 July 2021 and not 1 April 2021. This time lag leads to an under-recovery by Eskom from sales to municipalities, which requires a higher price increase to municipalities. The higher price increase results from the fact that the outstanding revenue has to be recovered within a nine-month period instead of twelve months.

The tariff increases are mainly influenced by the following:

- Employee related costs
- The cost of bulk electricity purchases
- Repairs and maintenance of electricity infrastructure
- Providing for debt impairment
- Implementing cost reflective tariffs

The population of the municipality is relatively stagnant and minimal growth is expected over the MTREF. It is thus estimated that the revenue will only grow with percentage of price increases.

The proposed electricity tariff increases, still require approval by NERSA.

1.4.4 Sanitation and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 89, 91, 93, 94, 98, 99, 107 and 108: municipalities are encouraged to review the level and structure of their sanitation tariffs to ensure:

- Fully cost reflective sanitation tariffs – tariffs should include the costs associated with maintenance and renewal of treatment plants, sanitation networks and sanitation infrastructure expansion;
- Sanitation tariffs are structured to protect basic levels of service; and
- Sanitation tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that sanitation tariffs are fully cost reflective by 2014/15. In this regard the municipality conducted a cost of supply study to determine a new baseline tariff that was introduced in 2019/20. Dr Beyers Naude is a municipality which was formed through the amalgamation of 3 former municipalities. As a result of the amalgamation the municipality is also faced with trying to standardise tariffs within the different towns. The tariff policy of the municipality makes provision to phase in the standardised tariffs over a period of 3 years

As a result, the tariff will increase of 3.9% as from 1 July 2021. The tariff increase is mainly influenced by the following:

- Employee related costs
- Repairs and maintenance of sanitation infrastructure
- Providing for debt impairment
- Implementing cost reflective tariffs

1.4.5 Refuse Collection and Impact of Tariff Increases

National Treasury has urged municipalities to ensure that refuse tariffs are fully cost reflective by 2014/15. The tariffs should take into account the need to maintain a cash-backed reserve to cover the future costs of the rehabilitation of landfill sites.

The revenue generated from refuse collection is not sufficient to ensure proper service delivery. The municipality is facing challenges with regards to infrastructure, fleet and tools.

A tariff increase of 3.9% for refuse collection will thus be implemented as described above.

The proposed tariff increase is mainly influenced by the following:

- Employee related costs
- Implementation of environmental levy
- Providing for debt impairment
- Provision for landfill sites
- Tariff not cost reflective

1.5 OPERATING EXPENDITURE FRAMEWORK

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

- The funding of the budget over the medium-term is informed by the requirements of Section 18 and 19 of the MFMA;
- A balanced budget approach by limiting operating expenditure to the operating revenue;

The following table is a high-level summary of the 2020/21 budget and MTREF (classified per main type of operating expenditure):

Table 4 (Summary of operating expenditure by standard classification Item)

EC101 Dr Beyers Naude - Table A4 Budgeted Financial Performance (revenue and expenditure)

| Description | Ref | 2017/18 | 2018/18 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---------------------------------|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Expenditure By Type | | | | | | | | | | | |
| Employee related costs | 2 | - | 174 008 | 157 030 | 168 482 | 170 287 | 170 287 | 170 287 | 170 287 | 170 287 | 170 287 |
| Remuneration of councillors | | - | 9 370 | 9 454 | 9 987 | 9 987 | 9 987 | 9 987 | 9 987 | 9 987 | 9 987 |
| Debt impairment | 3 | - | 8 036 | 47 307 | 10 146 | 10 146 | 10 146 | 10 146 | 10 146 | 10 146 | 10 146 |
| Depreciation & asset impairment | 2 | - | 55 734 | 53 289 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 |
| Finance charges | | - | 3 | 8 505 | 4 214 | 4 214 | 4 214 | 4 214 | 4 214 | 4 214 | 4 214 |
| Bulk purchases - electricity | 2 | - | 89 424 | 91 685 | 109 125 | 109 125 | 109 125 | 109 125 | 128 546 | 139 990 | 152 449 |
| Inventory consumed | 8 | - | 6 551 | 3 255 | 670 | 3 239 | 3 239 | 3 239 | 3 239 | 3 239 | 3 239 |
| Contracted services | | - | 20 416 | 16 921 | 10 089 | 20 838 | 20 838 | 20 838 | 10 976 | 10 976 | 10 976 |
| Transfers and subsidies | | - | 18 | 363 | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| Other expenditure | 4, 5 | - | 52 883 | 75 653 | 77 673 | 126 966 | 126 966 | 126 966 | 114 917 | 113 147 | 113 191 |
| Losses | | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | - | 416 453 | 463 441 | 436 710 | 500 925 | 500 925 | 500 925 | 496 440 | 508 111 | 520 613 |

The total operating expenditure decreased by R11.5 million (2.3%) from R509.9 million in 2020/21 to R498.4 million in 2021/22. Below is a discussion of the main expenditure components.

Employee related costs

The 2021/22 budget has general increase of 0%. A 3-year salary and wage negotiation has not been concluded for 2021/22. The total budget provision of R169.2 million has been allocated for the 2021/22 financial year.

Employee related costs in the 2021/22 Budget, represent 34% of the total operating expenditure

Remuneration of Councillors

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

Debt Impairment

The provision for debt impairment was determined based on a targeted annual collection rate of 95%.

While this expenditure represents a non-cash flow item, it is taken into account in determining the total costs associated with the rendering of municipal services and the realistically anticipated revenues.

Depreciation and Asset Impairment

It is anticipated that depreciation will remain the same as in 2020/21 at a total cost from R46 million.

Finance Charges

Finance charges consist primarily of the repayment of interest on outstanding trade creditors. The municipality is currently facing severe cash flow problems and is unable to pay creditors within the 30 days as required by legislation.

Bulk Electricity Purchases

The bulk purchases of electricity increased by R19.4 million (17.8%), from R109.1 million in 2020/21 to R128.5 million in 2021/22.

NERSA has approved a 17.8% increase in the Eskom bulk tariff for the 2021/22 financial year. The municipality is currently in negotiations with Eskom to review the tariffs used for bulk charges as it was discovered that the municipality could move to a more economical tariff.

Repairs and Maintenance

Repairs and maintenance for 2021/22 amounts to R33.3 million and equates to 6.5% of the total operating expenditure. The municipality anticipates increasing this amount over the MTREF as an improvement in revenue is noted.

Per National Treasury circular number 71 of 2014 on uniform Financial Ratios and Norms, Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value) for the 2021/22 budget is 3%.

The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of services. The norm is 8%.

A ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets. An increasing expenditure trend may be indicative of high asset-usage levels, which can prematurely require advanced levels of Repairs and Maintenance or a need for Asset Renewal / Replacements. Also, should an increasing expenditure trend suddenly drop to lower levels without an increase in the fixed asset value, this may be indicative of challenges in spending patterns. This may also indicate that the Municipality is experiencing cash flow problems and therefore unable to spend at appropriate levels on its repairs to existing assets or purchase of new assets thus impacting negatively on service delivery.

Contracted Services

In the 2021/22 financial year, the budget provision amounts to R6.4 million and equates to 1% of the total operating expenditure.

Transfers and Subsidies

In the 2021/22 financial year, the budget provision amounts to R30 thousand and includes transfers to the local SPCA.

Other Expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. The expenditure increased by R9.6 million or 11% for 2020/21 and equates to 18% of the total operating expenditure.

Other expenditure includes the following:

| Expenditure Type | Annual BUDGET 21/22 | 2022/2023 | 2023/2024 |
|-------------------------------|----------------------------|------------------|------------------|
| 28 - GENERAL EXPENSES - OTHER | 84 787 676.50 | 83 061 176.50 | 83 017 976.50 |
| 40 - VEHICLE EXPENSES | 5 560 143.00 | 5 560 143.00 | 5 560 143.00 |

1.5.1 Priority relating to repairs and maintenance

The repairs and maintenance expenditure in the 2020/21 financial year is R27.4 million, compared to 2019/20 (R6 million) an increase of R21.4 million as a result of the development of Repairs and maintenance plans.

In relation to the total operating expenditure, repairs and maintenance constitutes 6% for the 2020/21 financial year and 6% for the 2020/21 and 6% for the 2021/22 financial years, respectively.

1.5.2 Free Basic Services: Indigent Support

The indigent support assists indigent households that have limited financial ability to pay for municipal services. In order to qualify for free services, the households are required to register in terms of the Municipality's Indigent Policy, whilst the monthly household income may not exceed two state pensions. Detail relating to free services, cost of free basic services, as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement).

The cost of the indigent support of the registered Indigent households is largely financed by national government through the local government equitable share allocation, received in terms of the annual Division of Revenue Act.

1.6 CAPITAL EXPENDITURE

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

Table 6 (2021/22 Medium-term capital budget per vote)

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | Revenue & Expenditure | | | |
|---|-----|---------|---------|---------|----------------------|-----------------|-----------------|-----------------|-----------------------|--------------------|-------------------|---------------------|
| | | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 |
| Capital expenditure - Vote | | | | | | | | | | | | |
| Multi-year expenditure to be appropriated | 2 | | | | | | | | | | | |
| Vote 9 - COUNCL (30: CS) | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - MUNICIPAL MANAGER (31: CS) | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - CORPORATE SERVICES: ADMINISTRATION (32: CS) | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - CORPORATE SERVICES: COMM SERVICES (33: CS) | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 13 - CORPORATE SERVICES: PROTECTION (34: CS) | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 14 - FINANCIAL SERVICES (35: CS) | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 15 - TECHNICAL SERVICES: ENGINEERING (36: CS) | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 16 - TECHNICAL SERVICES: ELECTRICAL (37: CS) | | - | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 7 | - | - | - | - | - | - | - | - | - | - | - |
| Single-year expenditure to be appropriated | 2 | | | | | | | | | | | |
| Vote 9 - COUNCL (30: CS) | | - | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - MUNICIPAL MANAGER (31: CS) | | - | - | - | - | 12 | 12 | - | 43 | - | - | - |
| Vote 11 - CORPORATE SERVICES: ADMINISTRATION (32: CS) | | - | - | - | - | - | - | - | 410 | - | - | - |
| Vote 12 - CORPORATE SERVICES: COMM SERVICES (33: CS) | | - | - | - | 4 080 | 1 161 | 1 161 | - | 12 960 | 4 000 | 5 717 | - |
| Vote 13 - CORPORATE SERVICES: PROTECTION (34: CS) | | - | - | - | 410 | 880 | 880 | - | - | - | - | - |
| Vote 14 - FINANCIAL SERVICES (35: CS) | | - | - | - | 710 | 710 | 710 | - | 1 200 | - | - | - |
| Vote 15 - TECHNICAL SERVICES: ENGINEERING (36: CS) | | - | - | - | 53 111 | 45 611 | 45 611 | - | 57 216 | 70 799 | 42 451 | - |
| Vote 16 - TECHNICAL SERVICES: ELECTRICAL (37: CS) | | - | - | - | 1 529 | 1 529 | 1 529 | - | - | 5 800 | 55 000 | - |
| Capital single-year expenditure sub-total | | - | - | - | 59 820 | 48 903 | 48 903 | - | 71 848 | 80 599 | 103 169 | - |
| Total Capital Expenditure - Vote | | - | - | - | 59 820 | 48 903 | 48 903 | - | 71 848 | 80 599 | 103 169 | - |

Of the total amount of R71.8 million for 2021/22, an amount of R61.1 million has been budgeted for the development of infrastructure, which represents 85% of the total capital budget.

CAPITAL PROJECTS

| IDP REF | PROJECT NAME | PROJECT DES | QUANTITY | LEDGER ACCOUNT | ALLOCATION | AREA DESCRIPTION | BRANCH DESCRPTI | SOURCE C | WARD/INST | 2021/22 |
|---------|--|---|----------|---------------------------|------------|--------------------------------------|----------------------|----------|---------------|---------------|
| 312 | Vehicle | Bakkie | 3 | | | FINANCIAL SERVICES | DIRECTOR : FINANCIAL | FMG | Institutional | 800 000.00 |
| 345 | Upgrade of Jansenville cashier office | Cash register | 1 | | | FINANCIAL SERVICES | DIRECTOR : FINANCIAL | FMG | Institutional | 5 000.00 |
| 330 | Upgrade of Jansenville cashier office | Counter | 1 | | | FINANCIAL SERVICES | DIRECTOR : FINANCIAL | FMG | Institutional | 10 000.00 |
| 331 | Upgrade of Jansenville cashier office | Office equipment | 7 | | | FINANCIAL SERVICES | DIRECTOR : FINANCIAL | FMG | Institutional | 45 000.00 |
| 352 | Computers | Desk top compu | 5 | | | FINANCIAL SERVICES | DIRECTOR : FINANCIAL | FMG | Institutional | 50 000.00 |
| 352 | Computers | Laptop compute | 10 | | | FINANCIAL SERVICES | DIRECTOR : FINANCIAL | FMG | Institutional | 200 000.00 |
| 345 | Office equipment | Shredder | 1 | | | FINANCIAL SERVICES | DIRECTOR : FINANCIAL | FMG | Institutional | 20 000.00 |
| 330 | Office furniture | Filing cabinets | 2 | | | FINANCIAL SERVICES | DIRECTOR : FINANCIAL | FMG | Institutional | 20 000.00 |
| 330 | Office furniture | Office chairs | 10 | | | FINANCIAL SERVICES | DIRECTOR : FINANCIAL | FMG | Institutional | 50 000.00 |
| 201 | Upgrading of Collie Koeberg Sport C | Upgrading of security fence, li | | 337712090117: 9/140-14-14 | | CORPORATE SERVICES: PARKS RECREATION | MIG | | 2- 7 & 14 | 8 979 939.08 |
| 122 | Upgrading of Graaff Reinet Sewer Pi | New pump stations and electri | | 388671114901: 9/115-16-16 | | TECHNICAL SERVICES: SEWERAGE SERVICE | MIG | | 2- 6 & 14 | 9 655 860.92 |
| 116 | New Bulk Water Reticulation Steel | (New Bulk Reticulation Line | | 388691089171: 9/117-29-29 | | TECHNICAL SERVICES: WATER SERVICE | MIG | | 8, 9 & 13 | 4 500 000.00 |
| 131 | Steytierville Solid Waste Site | Neww Cells, weight bridge and | | 337751149113: 9/106-1-1 | | CORPORATE SERVICES: REFUSE REM WASTE | MIG | | 12,13 | 4 000 000.00 |
| 114 | Ikwezi BWS & Graaff Reinet Emerg | New borehole development, s | | 388691089121: 9/117-19-19 | | TECHNICAL SERVICES: WATER SERVICE | RBIG | | 10 & 11 | 15 000 000.00 |
| 117 | Graaf-Reinet Emergency Water Supply Scheme (WSS) | | | 388691090122: 9/119-20-20 | | TECHNICAL SERVICES: WATER SERVICE | RBIG | | 2- 7 & 14 | 16 000 000.00 |
| 116 | Graaff Reinet Emergency BWS Phas | New borehole development, electridty, telemety and reticulation p | | | | TECHNICAL SERVICES: WATER SERVICE | WSIG | | 2- 7 & 14 | 12 000 000.00 |
| 352 | Computers | Laptops | 4 | | | TECHNICAL SERVICES: WATER SERVICE | PMJ | | Institutional | 60 000.00 |
| 330 | Office equipment | Office Furniture | | | | MUNICIPAL MANAGER: INTERNAL AUDITING | FMG | | Institutional | 42 500.00 |
| 352 | IT Hardware | Laptops 10 operations | | | | CORPORATE SERVICES: ADMINISTRATION | FMG | | Institutional | 200 000.00 |
| 352 | IT Hardware | Computers 10 operations | | | | CORPORATE SERVICES: ADMINISTRATION | FMG | | Institutional | 200 000.00 |
| 353 | IT Infrastructure | Wireless Internet Kpht | | | | CORPORATE SERVICES: ADMINISTRATION | FMG | | Institutional | 10 000.00 |
| | | | | | | | | | | 71 848 300.00 |

1.7 ANNUAL BUDGET TABLES

The ten main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section. These tables set out the Municipality's 2021/22 Budget and MTREF to be considered for approval by Council.

EC101 Dr Beyers Naude - Table A1 Budget Summary

| Description | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|------------------|------------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Financial Performance | | | | | | | | | | |
| Property rates | - | 35 225 | 36 229 | 51 603 | 48 403 | 48 403 | 48 403 | 50 291 | 52 403 | 54 706 |
| Service charges | - | 157 360 | 182 412 | 251 954 | 235 954 | 235 954 | 235 954 | 267 950 | 286 469 | 306 649 |
| Investment revenue | - | 634 | 442 | 3 660 | 3 660 | 3 660 | 3 660 | 1 500 | 1 500 | 1 500 |
| Transfers recognised - operational | - | 89 245 | 108 431 | 118 413 | 118 279 | 118 279 | 118 279 | 124 741 | 130 637 | 135 368 |
| Other own revenue | - | 16 515 | 16 866 | 27 942 | 215 178 | 215 178 | 215 178 | 87 315 | 43 306 | 31 747 |
| Total Revenue (excluding capital transfers and contributions) | - | 300 979 | 344 400 | 453 572 | 621 475 | 621 475 | 621 475 | 511 797 | 514 518 | 529 674 |
| Employee costs | - | 174 008 | 157 030 | 166 482 | 170 287 | 170 287 | 170 287 | 170 287 | 170 287 | 170 287 |
| Remuneration of councillors | - | 9 370 | 9 454 | 9 987 | 9 987 | 9 987 | 9 987 | 9 987 | 9 987 | 9 987 |
| Depreciation & asset impairment | - | 55 734 | 53 289 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 |
| Finance charges | - | 3 | 6 505 | 4 214 | 4 214 | 4 214 | 4 214 | 4 214 | 4 214 | 4 214 |
| Inventory consumed and bulk purchases | - | 95 975 | 94 920 | 109 995 | 112 364 | 112 364 | 112 364 | 131 788 | 143 229 | 155 688 |
| Transfers and grants | - | 18 | 363 | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| Other expenditure | - | 81 347 | 139 861 | 97 907 | 157 950 | 157 950 | 157 950 | 136 040 | 134 270 | 134 313 |
| Total Expenditure | - | 416 453 | 483 441 | 436 710 | 600 925 | 600 925 | 600 925 | 496 441 | 508 111 | 520 613 |
| Surplus/(Deficit) | - | (115 474) | (119 041) | 16 863 | 120 550 | 120 550 | 120 550 | 13 357 | 6 407 | 8 361 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | - | 25 800 | 58 841 | 47 495 | 37 495 | 37 495 | 37 495 | 58 584 | 80 810 | 96 674 |
| 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) | - | 6 820 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | - | (82 853) | - | 64 358 | 158 045 | 158 045 | 158 045 | 72 921 | 87 217 | 106 235 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | - | (82 853) | - | 64 358 | 158 045 | 158 045 | 158 045 | 72 921 | 87 217 | 106 235 |
| Capital expenditure & funds sources | | | | | | | | | | |
| Capital expenditure | - | 18 639 | 52 | 59 820 | 49 433 | 49 433 | 49 433 | 71 846 | 80 599 | 103 189 |
| Transfers recognised - capital | - | (123) | 52 | 53 470 | 43 470 | 43 470 | 43 470 | 70 196 | 80 599 | 103 189 |
| Borrowing | - | - | - | - | - | - | - | - | - | - |
| Internally generated funds | - | - | - | 6 350 | 5 901 | 5 901 | 5 901 | 1 653 | - | - |
| Total sources of capital funds | - | (123) | 52 | 59 820 | 49 371 | 49 371 | 49 371 | 71 846 | 80 599 | 103 189 |
| Financial position | | | | | | | | | | |
| Total current assets | - | 90 918 | 61 701 | 538 032 | 738 752 | 677 507 | 677 507 | 739 280 | 739 280 | 739 280 |
| Total non current assets | - | 1 162 542 | 1 159 300 | 1 195 982 | 1 178 094 | - | - | 1 198 039 | 1 206 790 | 1 229 360 |
| Total current liabilities | - | 273 826 | 266 495 | 146 450 | 146 450 | 10 348 | 10 348 | 143 133 | 143 133 | 143 133 |
| Total non current liabilities | - | 52 534 | 82 443 | 45 003 | 45 003 | - | - | 45 003 | 45 003 | 45 003 |
| Community wealth/Equity | - | 927 233 | 866 291 | 1 542 582 | 1 723 393 | 158 045 | 158 045 | 1 749 183 | 1 757 933 | 1 780 504 |
| Cash flows | | | | | | | | | | |
| Net cash from (used) operating | - | (70 336) | (67 020) | 822 576 | 1 023 295 | - | - | 1 023 235 | 1 023 235 | 1 023 235 |
| Net cash from (used) investing | - | - | - | (59 820) | (59 820) | - | - | - | - | - |
| Net cash from (used) financing | - | - | - | - | 4 214 | - | - | (4 214) | (4 214) | (4 214) |
| Cash/cash equivalents at the year end | - | (70 336) | (67 021) | 762 756 | 967 689 | - | - | 1 019 022 | 2 038 043 | 3 057 065 |
| Cash backing/surplus reconciliation | | | | | | | | | | |
| Cash and investments available | - | 22 637 | 2 264 | 463 288 | 664 007 | 664 007 | 664 007 | 664 007 | 664 007 | 664 007 |
| Application of cash and investments | - | 218 212 | 296 941 | 66 484 | 59 847 | - | - | 39 485 | 38 684 | 41 164 |
| Balance - surplus (shortfall) | - | (195 574) | (294 677) | 396 804 | 604 360 | 664 007 | 664 007 | 624 542 | 625 323 | 622 843 |
| Asset management | | | | | | | | | | |
| Asset register summary (NDV) | - | 1 000 828 | 955 356 | 1 195 982 | 1 176 094 | 1 176 094 | 1 176 094 | 1 198 039 | 1 206 790 | 1 229 360 |
| Depreciation | - | 55 734 | 53 289 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 |
| Renewal and Upgrading of Existing Assets | - | 15 280 | - | 13 840 | 13 059 | 13 059 | 13 059 | 22 636 | 23 682 | 60 717 |
| Repairs and Maintenance | - | 2 201 | 21 789 | 26 254 | 46 130 | 46 130 | 46 130 | 33 246 | 33 246 | 33 246 |
| Free services | | | | | | | | | | |
| Cost of Free Basic Services provided | - | 15 634 | 21 190 | - | - | - | - | - | - | - |
| Revenue cost of free services provided | - | 426 | 765 | - | - | - | - | - | - | - |
| Households below minimum service level | - | - | - | - | - | - | - | - | - | - |
| Water: | - | - | - | 517 271 039 | 517 271 039 | 517 271 039 | 498 153 268 | 498 153 268 | 498 153 268 | 498 153 268 |
| Sanitation/sewage: | - | - | - | - | - | - | - | - | - | - |
| Energy: | - | - | - | - | - | - | - | - | - | - |
| Refuse: | - | - | - | - | - | - | - | - | - | - |

EC101 Dr Beyers Naude - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

| Functional Classification Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Revenue - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | - | 128 673 | 81 471 | 86 293 | 261 324 | 261 324 | 213 895 | 196 334 | 185 164 |
| Executive and council | | - | (5 898) | 6 987 | 7 471 | 7 471 | 7 471 | 53 | 56 | 58 |
| Finance and administration | | - | 134 533 | 54 484 | 78 822 | 253 853 | 253 853 | 213 842 | 196 278 | 185 108 |
| Internal audit | | - | 38 | - | - | - | - | - | - | - |
| <i>Community and public safety</i> | | - | 8 973 | 17 167 | 20 426 | 20 297 | 20 287 | 6 784 | 6 809 | 6 836 |
| Community and social services | | - | 3 779 | 15 166 | 16 035 | 16 035 | 16 035 | 2 512 | 2 521 | 2 530 |
| Sport and recreation | | - | 31 | 15 | 92 | 92 | 92 | 95 | 99 | 104 |
| Public safety | | - | 2 649 | 551 | 2 286 | 2 137 | 2 137 | 2 148 | 2 160 | 2 173 |
| Housing | | - | 4 | 4 | 13 | 13 | 13 | 9 | 10 | 10 |
| Health | | - | 2 510 | 1 430 | 2 020 | 2 020 | 2 020 | 2 020 | 2 020 | 2 020 |
| <i>Economic and environmental services</i> | | - | 12 308 | 16 372 | 27 824 | 27 824 | 27 824 | 36 499 | 29 661 | 30 818 |
| Planning and development | | - | 4 650 | 1 566 | 1 578 | 1 578 | 1 578 | 1 959 | 424 | 443 |
| Road transport | | - | 7 658 | 14 808 | 26 247 | 26 247 | 26 247 | 34 540 | 29 237 | 30 375 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | - | 220 236 | 317 159 | 366 126 | 349 126 | 349 126 | 313 768 | 362 092 | 403 579 |
| Energy sources | | - | 109 532 | 120 757 | 156 223 | 151 223 | 151 223 | 157 701 | 176 338 | 242 579 |
| Water management | | - | 77 069 | 111 427 | 106 466 | 96 466 | 96 466 | 89 371 | 116 258 | 88 445 |
| Waste water management | | - | 16 750 | 41 046 | 52 213 | 52 213 | 52 213 | 34 550 | 36 002 | 37 586 |
| Waste management | | - | 16 865 | 43 930 | 49 224 | 49 224 | 49 224 | 32 145 | 33 495 | 34 969 |
| Other | 4 | - | 2 584 | (2 012) | 399 | 399 | 399 | 414 | 432 | 451 |
| Total Revenue - Functional | 2 | - | 372 784 | 410 157 | 501 067 | 658 970 | 658 970 | 571 361 | 595 328 | 626 648 |
| Expenditure - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | - | 218 590 | 168 419 | 109 694 | 144 183 | 144 183 | 143 211 | 143 211 | 143 211 |
| Executive and council | | - | 21 454 | 35 120 | 30 048 | 34 851 | 34 851 | 31 245 | 31 245 | 31 245 |
| Finance and administration | | - | 196 460 | 132 418 | 78 682 | 108 368 | 108 368 | 111 015 | 111 015 | 111 015 |
| Internal audit | | - | 878 | 881 | 964 | 964 | 964 | 951 | 951 | 951 |
| <i>Community and public safety</i> | | - | 25 170 | 32 480 | 35 290 | 39 916 | 39 916 | 37 845 | 37 845 | 37 845 |
| Community and social services | | - | 7 873 | 4 987 | 6 102 | 6 402 | 6 402 | 6 102 | 6 102 | 6 102 |
| Sport and recreation | | - | 7 703 | 16 643 | 17 601 | 19 764 | 19 764 | 18 046 | 18 046 | 18 046 |
| Public safety | | - | 6 777 | 7 322 | 7 159 | 7 417 | 7 417 | 7 413 | 7 413 | 7 413 |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | 2 817 | 3 527 | 4 427 | 6 333 | 6 333 | 6 284 | 6 284 | 6 284 |
| <i>Economic and environmental services</i> | | - | 24 122 | 32 644 | 53 210 | 54 695 | 54 695 | 49 432 | 47 662 | 47 705 |
| Planning and development | | - | 10 650 | 15 504 | 17 820 | 18 120 | 18 120 | 18 231 | 16 461 | 16 504 |
| Road transport | | - | 13 472 | 17 140 | 35 290 | 36 575 | 36 575 | 31 201 | 31 201 | 31 201 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | - | 139 647 | 227 983 | 236 308 | 258 687 | 258 687 | 265 460 | 276 901 | 289 360 |
| Energy sources | | - | 110 442 | 115 904 | 134 415 | 134 933 | 134 933 | 153 211 | 164 652 | 177 111 |
| Water management | | - | 15 873 | 72 788 | 52 981 | 62 402 | 62 402 | 56 304 | 56 304 | 56 304 |
| Waste water management | | - | 5 996 | 17 472 | 30 596 | 41 139 | 41 139 | 36 264 | 36 264 | 36 264 |
| Waste management | | - | 7 337 | 21 819 | 18 315 | 20 213 | 20 213 | 19 682 | 19 682 | 19 682 |
| Other | 4 | - | 2 513 | 1 917 | 2 208 | 3 444 | 3 444 | 2 491 | 2 491 | 2 491 |
| Total Expenditure - Functional | 3 | - | 410 042 | 463 441 | 436 710 | 500 925 | 500 925 | 498 440 | 508 111 | 520 613 |
| Surplus/(Deficit) for the year | | - | (37 259) | (53 284) | 64 358 | 158 045 | 158 045 | 72 921 | 87 217 | 106 235 |

EC101 Dr Beyers Naude - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | Revenue & Expenditure | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-----------------------|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Framework | | |
| | | | | | | | | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Revenue by Vote | | | | | | | | | | |
| Vote 1 - COUNCIL (10: IE) | | - | (617) | 21 | 51 | 51 | 51 | 53 | 58 | 58 |
| Vote 2 - MUNICIPAL MANAGER (11: IE) | | - | (1 214) | - | 20 | 20 | 20 | 21 | 22 | 23 |
| Vote 3 - CORPORATE SERVICES: ADMINISTRATIVE (12) | | - | (583) | 22 878 | 24 302 | 24 302 | 24 302 | 3 379 | 3 410 | 3 444 |
| Vote 4 - CORPORATE SERVICES: COMM SERVICES (13) | | - | 21 585 | 45 801 | 52 077 | 52 077 | 52 077 | 35 028 | 36 413 | 37 926 |
| Vote 5 - CORPORATE SERVICES: PROTECTION (14) | | - | 5 123 | 2 976 | 7 751 | 7 623 | 7 623 | 7 847 | 8 099 | 8 373 |
| Vote 6 - FINANCIAL SERVICES (16: IE) | | - | 107 093 | 44 568 | 77 891 | 252 922 | 252 922 | 212 888 | 195 298 | 184 088 |
| Vote 7 - TECHNICAL SERVICES: ENGINEERING (18) | | - | 108 603 | 173 167 | 180 752 | 170 752 | 170 752 | 154 445 | 175 693 | 150 347 |
| Vote 8 - TECHNICAL SERVICES: ELECTRICAL (19) | | - | 108 776 | 120 757 | 158 223 | 151 223 | 151 223 | 157 701 | 176 338 | 242 579 |
| Total Revenue by Vote | 2 | - | 348 755 | 410 168 | 501 067 | 658 970 | 658 970 | 571 361 | 595 328 | 626 848 |
| Expenditure by Vote to be appropriated | | | | | | | | | | |
| Vote 1 - COUNCIL (10: IE) | 1 | - | 10 793 | 17 672 | 14 122 | 14 575 | 14 575 | 14 495 | 14 495 | 14 495 |
| Vote 2 - MUNICIPAL MANAGER (11: IE) | | - | 16 094 | 18 922 | 21 004 | 22 097 | 22 097 | 21 340 | 21 340 | 21 340 |
| Vote 3 - CORPORATE SERVICES: ADMINISTRATIVE (12) | | - | 81 049 | 46 351 | 31 614 | 36 604 | 36 604 | 33 374 | 33 374 | 33 374 |
| Vote 4 - CORPORATE SERVICES: COMM SERVICES (13) | | - | 38 021 | 44 165 | 42 792 | 50 582 | 50 582 | 47 011 | 47 011 | 47 011 |
| Vote 5 - CORPORATE SERVICES: PROTECTION (14) | | - | 12 341 | 12 724 | 12 976 | 13 894 | 13 894 | 13 494 | 13 494 | 13 494 |
| Vote 6 - FINANCIAL SERVICES (16: IE) | | - | 108 650 | 91 890 | 51 245 | 76 811 | 76 811 | 79 688 | 79 688 | 79 688 |
| Vote 7 - TECHNICAL SERVICES: ENGINEERING (18) | | - | 69 633 | 115 813 | 128 540 | 151 649 | 151 649 | 135 826 | 134 056 | 134 099 |
| Vote 8 - TECHNICAL SERVICES: ELECTRICAL (19) | | - | 110 333 | 115 904 | 134 415 | 134 933 | 134 933 | 153 211 | 164 652 | 177 111 |
| Total Expenditure by Vote | 2 | - | 447 915 | 463 240 | 436 710 | 500 925 | 500 925 | 488 440 | 508 111 | 520 613 |
| Surplus/(Deficit) for the year | 2 | - | (99 150) | (53 072) | 64 358 | 158 045 | 158 045 | 72 921 | 87 217 | 106 235 |

EC101 Dr Beyers Naude - Table A4 Budgeted Financial Performance (revenue and expenditure)

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|--|------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| Revenue By Source | | | | | | | | | | | |
| Property rates | 2 | - | 35 225 | 36 229 | 51 603 | 48 403 | 48 403 | 48 403 | 50 291 | 52 403 | 54 709 |
| Service charges - electricity revenue | 2 | - | 102 886 | 105 282 | 140 611 | 133 611 | 133 611 | 133 611 | 154 947 | 169 720 | 183 719 |
| Service charges - water revenue | 2 | - | 19 832 | 27 777 | 44 596 | 35 596 | 35 596 | 35 596 | 46 335 | 48 281 | 50 405 |
| Service charges - sanitation revenue | 2 | - | 16 596 | 23 241 | 33 227 | 33 227 | 33 227 | 33 227 | 34 523 | 35 973 | 37 555 |
| Service charges - refuse revenue | 2 | - | 18 066 | 26 112 | 33 520 | 33 520 | 33 520 | 33 520 | 32 145 | 33 495 | 34 969 |
| Rental of facilities and equipment | - | - | 865 | 702 | 1 014 | 1 014 | 1 014 | 1 014 | 1 049 | 1 083 | 1 142 |
| Interest earned - external investments | - | - | 634 | 442 | 3 660 | 3 660 | 3 660 | 3 660 | 1 500 | 1 500 | 1 500 |
| Interest earned - outstanding debtors | - | - | 3 388 | 5 705 | 4 803 | 4 803 | 4 803 | 4 803 | 4 991 | 5 200 | 5 429 |
| Dividends received | - | - | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | - | - | 21 | 31 | 34 | 34 | 34 | 34 | 35 | 37 | 38 |
| Licences and permits | - | - | 1 322 | 722 | 1 784 | 1 784 | 1 784 | 1 784 | 1 854 | 1 932 | 2 017 |
| Agency services | - | - | 1 042 | 1 696 | 3 929 | 3 929 | 3 929 | 3 929 | 4 082 | 4 253 | 4 441 |
| Transfers and subsidies | - | - | 89 245 | 108 431 | 118 413 | 118 279 | 118 279 | 118 279 | 124 741 | 130 637 | 135 368 |
| Other revenue | 2 | - | 11 305 | 1 315 | 16 377 | 203 613 | 203 613 | 203 613 | 55 304 | 30 793 | 16 681 |
| Gains | - | - | 583 | 6 715 | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | - | 300 979 | 344 400 | 453 572 | 621 475 | 621 475 | 621 475 | 511 797 | 514 916 | 529 974 |
| Expenditure By Type | | | | | | | | | | | |
| Employee related costs | 2 | - | 174 008 | 167 030 | 168 482 | 170 287 | 170 287 | 170 287 | 170 287 | 170 287 | 170 287 |
| Remuneration of councillors | - | - | 9 370 | 9 454 | 9 967 | 9 967 | 9 967 | 9 967 | 9 967 | 9 967 | 9 967 |
| Debt impairment | 3 | - | 8 038 | 47 307 | 10 146 | 10 146 | 10 146 | 10 146 | 10 146 | 10 146 | 10 146 |
| Depreciation & asset impairment | 2 | - | 55 734 | 53 289 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 |
| Finance charges | - | - | 3 | 8 506 | 4 214 | 4 214 | 4 214 | 4 214 | 4 214 | 4 214 | 4 214 |
| Bulk purchases - electricity | 2 | - | 89 424 | 91 665 | 109 125 | 109 125 | 109 125 | 109 125 | 128 549 | 139 980 | 152 449 |
| Inventory consumed | 8 | - | 6 551 | 3 255 | 870 | 3 239 | 3 239 | 3 239 | 3 239 | 3 239 | 3 239 |
| Contracted services | - | - | 20 418 | 16 921 | 10 089 | 20 838 | 20 838 | 20 838 | 10 976 | 10 976 | 10 976 |
| Transfers and subsidies | - | - | 18 | 363 | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| Other expenditure | 4, 5 | - | 62 883 | 75 653 | 77 673 | 126 966 | 126 966 | 126 966 | 114 917 | 113 147 | 113 191 |
| Losses | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | - | 416 453 | 463 441 | 436 710 | 500 925 | 500 925 | 500 925 | 498 440 | 508 111 | 520 613 |
| Surplus/(Deficit) | | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | - | - | (115 474) | (119 041) | 18 863 | 120 590 | 120 590 | 120 550 | 13 357 | 6 407 | 9 361 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | 6 | - | 671 | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (in-kind - all) | - | - | 6 148 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | - | (82 853) | (60 200) | 64 358 | 158 045 | 158 045 | 158 045 | 72 921 | 87 217 | 106 235 |
| Taxation | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after taxation | | - | (82 853) | (60 200) | 64 358 | 158 045 | 158 045 | 158 045 | 72 921 | 87 217 | 106 235 |
| Attributable to minorities | - | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | - | (82 853) | (60 200) | 64 358 | 158 045 | 158 045 | 158 045 | 72 921 | 87 217 | 106 235 |
| Share of surplus/ (deficit) of associate | 7 | - | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) for the year | | - | (82 853) | (60 200) | 64 358 | 158 045 | 158 045 | 158 045 | 72 921 | 87 217 | 106 235 |

EC101 DR BEYERS NAUDE TABLE A5 – CAPITAL EXPENDITURE

| Vote Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | Revenue & Expenditure Framework | | | | | |
|--|-----|---------|---------|---------|----------------------|-----------------|-----------------|-----------------|---------------------------------|--------------------|-------------------|-------------|----------------|----------------|
| | | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year | Budget Year +1 | Budget Year +2 |
| | | | | | | | | | | | | 2021/22 | 2022/23 | 2023/24 |
| Capital expenditure - Vote | | | | | | | | | | | | | | |
| Multi-year expenditure to be appropriated | 2 | | | | | | | | | | | | | |
| Vote 9 - COUNCIL (30: CS) | | - | - | - | - | - | - | - | - | - | - | - | | |
| Vote 10 - MUNICIPAL MANAGER (31: CS) | | - | - | - | - | - | - | - | - | - | - | - | | |
| Vote 11 - CORPORATE SERVICES: ADMINISTRATION | | - | - | - | - | - | - | - | - | - | - | - | | |
| Vote 12 - CORPORATE SERVICES: COMM SERVICES | | - | - | - | - | - | - | - | - | - | - | - | | |
| Vote 13 - CORPORATE SERVICES: PROTECTION | | - | - | - | - | - | - | - | - | - | - | - | | |
| Vote 14 - FINANCIAL SERVICES (38: CS) | | - | - | - | - | - | - | - | - | - | - | - | | |
| Vote 15 - TECHNICAL SERVICES: ENGINEERING | | - | - | - | - | - | - | - | - | - | - | - | | |
| Vote 16 - TECHNICAL SERVICES: ELECTRICAL (39) | | - | - | - | - | - | - | - | - | - | - | - | | |
| Capital multi-year expenditure sub-total | 7 | - | - | - | - | - | - | - | - | - | - | - | | |
| Single-year expenditure to be appropriated | 2 | | | | | | | | | | | | | |
| Vote 9 - COUNCIL (30: CS) | | - | - | - | - | - | - | - | - | - | - | - | | |
| Vote 10 - MUNICIPAL MANAGER (31: CS) | | - | - | - | - | 12 | 12 | - | 43 | - | - | - | | |
| Vote 11 - CORPORATE SERVICES: ADMINISTRATION | | - | - | - | - | - | - | - | 410 | - | - | - | | |
| Vote 12 - CORPORATE SERVICES: COMM SERVICES | | - | - | - | 4 080 | 1 161 | 1 161 | - | 12 960 | 4 000 | 6 717 | - | | |
| Vote 13 - CORPORATE SERVICES: PROTECTION | | - | - | - | 410 | 880 | 880 | - | - | - | - | - | | |
| Vote 14 - FINANCIAL SERVICES (38: CS) | | - | - | - | 710 | 710 | 710 | - | 1 200 | - | - | - | | |
| Vote 15 - TECHNICAL SERVICES: ENGINEERING | | - | - | - | 53 111 | 45 611 | 45 611 | - | 57 216 | 70 788 | 42 461 | - | | |
| Vote 16 - TECHNICAL SERVICES: ELECTRICAL (39) | | - | - | - | 1 529 | 1 529 | 1 529 | - | - | 6 800 | 65 000 | - | | |
| Capital single-year expenditure sub-total | | - | - | - | 59 820 | 48 903 | 48 903 | - | 71 848 | 80 599 | 103 169 | - | | |
| Total Capital Expenditure - Vote | | - | - | - | 59 820 | 48 903 | 48 903 | - | 71 848 | 80 599 | 103 169 | - | | |
| Capital Expenditure - Functional | | | | | | | | | | | | | | |
| Governance and administration | | | 18 762 | - | 710 | 722 | 722 | 722 | 1 653 | - | - | - | | |
| Executive and council | | - | - | - | - | 12 | 12 | 12 | - | - | - | - | | |
| Finance and administration | | - | 18 762 | - | 710 | 710 | 710 | 710 | 1 610 | - | - | - | | |
| Internal audit | | - | - | - | - | - | - | - | 43 | - | - | - | | |
| Community and public safety | | | - | - | 3 000 | 170 | 170 | 170 | 8 980 | - | - | - | | |
| Community and social services | | - | - | - | - | - | - | - | - | - | - | - | | |
| Sport and recreation | | - | - | - | 3 000 | 170 | 170 | 170 | 8 980 | - | - | - | | |
| Public safety | | - | - | - | - | - | - | - | - | - | - | - | | |
| Housing | | - | - | - | - | - | - | - | - | - | - | - | | |
| Health | | - | - | - | - | - | - | - | - | - | - | - | | |
| Economic and environmental services | | | - | - | 4 374 | 4 101 | 4 101 | 4 101 | - | - | - | - | | |
| Planning and development | | - | - | - | - | - | - | - | - | - | - | - | | |
| Road transport | | - | - | - | 4 374 | 4 101 | 4 101 | 4 101 | - | - | - | - | | |
| Environmental protection | | - | - | - | - | - | - | - | - | - | - | - | | |
| Trading services | | | (123) | 52 | 51 736 | 44 440 | 44 440 | 44 440 | 81 216 | 80 599 | 103 169 | - | | |
| Energy sources | | - | - | - | 1 529 | 1 529 | 1 529 | 1 529 | - | 5 800 | 65 000 | - | | |
| Water management | | - | - | 52 | 39 350 | 30 350 | 30 350 | 30 350 | 47 660 | 56 917 | 42 461 | - | | |
| Waste water management | | - | (123) | - | 9 797 | 11 570 | 11 570 | 11 570 | 9 656 | 13 882 | - | - | | |
| Waste management | | - | (0) | - | 1 060 | 991 | 991 | 991 | 4 000 | 4 000 | 5 717 | - | | |
| Other | | - | - | - | - | - | - | - | - | - | - | - | | |
| Total Capital Expenditure - Functional | 3 | - | 18 639 | 52 | 59 820 | 48 433 | 48 433 | 48 433 | 71 848 | 80 599 | 103 169 | - | | |
| Funded by: | | | | | | | | | | | | | | |
| National Government | | - | (123) | 62 | 53 470 | 43 470 | 43 470 | 43 470 | 70 196 | 80 599 | 103 169 | - | | |
| 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 | - | (123) | 52 | 53 470 | 43 470 | 43 470 | 43 470 | 70 196 | 80 599 | 103 169 | - | | |
| Borrowing | 8 | - | - | - | - | - | - | - | - | - | - | - | | |
| Internally generated funds | | - | - | - | 6 350 | 5 901 | 5 901 | 5 901 | 1 653 | - | - | - | | |
| Total Capital Funding | 7 | - | (123) | 52 | 59 820 | 48 371 | 48 371 | 48 371 | 71 848 | 80 599 | 103 169 | - | | |

EC101 Dr Beyers Naude - Table A6 Budgeted Financial Position

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| ASSETS | | | | | | | | | | | |
| Current assets | | | | | | | | | | | |
| Cash | | - | (276) | 1 235 | 462 288 | 663 007 | 663 007 | 663 007 | 663 007 | 663 007 | 663 007 |
| Call investment deposits | 1 | - | 23 113 | 1 025 | 1 000 | 1 000 | 1 000 | 1 000 | 1 000 | 1 000 | 1 000 |
| Consumer debtors | 1 | - | 71 581 | 146 969 | 61 244 | 61 244 | - | - | 61 244 | 61 244 | 61 244 |
| Other debtors | | - | 7 703 | (97 302) | 7 200 | 7 200 | 7 200 | 7 200 | 7 200 | 7 200 | 7 200 |
| Current portion of long-term receivables | | - | (12 924) | - | - | - | - | - | - | - | - |
| Inventory | 2 | - | 1 721 | 9 774 | 6 300 | 6 300 | 6 300 | 6 300 | 6 828 | 6 828 | 6 828 |
| Total current assets | | - | 90 918 | 61 701 | 538 032 | 736 752 | 677 507 | 677 507 | 739 280 | 739 280 | 739 280 |
| Non current assets | | | | | | | | | | | |
| Long-term receivables | | - | 67 783 | 67 959 210.00 | - | - | - | - | - | - | - |
| Investments | | - | - | 4 | - | - | - | - | - | - | - |
| Investment property | | - | 143 | (182) | - | - | - | - | - | - | - |
| Investment in Associate | | - | - | - | - | - | - | - | - | - | - |
| Property, plant and equipment | 3 | - | 1 063 261 | 1 080 174 | 1 195 982 | 1 176 094 | - | - | 1 198 039 | 1 206 790 | 1 229 360 |
| Biological | | - | - | - | - | - | - | - | - | - | - |
| Intangible | | - | 88 | 88 | - | - | - | - | - | - | - |
| Other non-current assets | | - | 11 266 | 11 266 | - | - | - | - | - | - | - |
| Total non current assets | | - | 1 162 542 | 1 159 300 | 1 195 982 | 1 176 094 | - | - | 1 198 039 | 1 206 790 | 1 229 360 |
| TOTAL ASSETS | | - | 1 253 460 | 1 221 000 | 1 734 015 | 1 914 846 | 677 507 | 677 507 | 1 937 319 | 1 946 069 | 1 968 640 |
| LIABILITIES | | | | | | | | | | | |
| Current liabilities | | | | | | | | | | | |
| Bank overdraft | 1 | - | - | - | - | - | - | - | - | - | - |
| Borrowing | 4 | - | 20 000 | (21 412) | (4 214) | (4 214) | - | - | (4 214) | (4 214) | (4 214) |
| Consumer deposits | | - | 3 315 | 4 633 | 3 317 | 3 317 | 3 317 | 3 317 | - | - | - |
| Trade and other payables | 4 | - | 212 438 | 287 385 | 140 316 | 140 316 | - | - | 140 316 | 140 316 | 140 316 |
| Provisions | | - | 38 073 | 15 879 | 7 031 | 7 031 | 7 031 | 7 031 | 7 031 | 7 031 | 7 031 |
| Total current liabilities | | - | 273 626 | 286 495 | 146 450 | 146 450 | 10 348 | 10 348 | 143 136 | 143 136 | 143 136 |
| Non current liabilities | | | | | | | | | | | |
| Borrowing | | - | - | (6 579) | 10 000 | 10 000 | - | - | 10 000 | 10 000 | 10 000 |
| Provisions | | - | 52 534 | 69 022 | 35 003 | 35 003 | - | - | 35 003 | 35 003 | 35 003 |
| Total non current liabilities | | - | 52 534 | 62 443 | 45 003 | 45 003 | - | - | 45 003 | 45 003 | 45 003 |
| TOTAL LIABILITIES | | - | 326 160 | 348 938 | 191 453 | 191 453 | 10 348 | 10 348 | 188 139 | 188 139 | 188 139 |
| NET ASSETS | 5 | - | 927 100 | 872 062 | 1 542 562 | 1 723 393 | 667 159 | 667 159 | 1 749 183 | 1 757 933 | 1 780 504 |
| COMMUNITY WEALTH/EQUITY | | | | | | | | | | | |
| Accumulated Surplus/(Deficit) | | - | 914 191 | 863 249 | 1 542 562 | 1 723 393 | 158 045 | 158 045 | 1 749 183 | 1 757 933 | 1 780 504 |
| Reserves | 4 | - | 13 042 | 13 042 | - | - | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 5 | - | 927 233 | 866 291 | 1 542 562 | 1 723 393 | 158 045 | 158 045 | 1 749 183 | 1 757 933 | 1 780 504 |

EC101 Dr Beyers Naude - Table A7 Budgeted Cash Flows

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|--|-----|---------|-----------------|-----------------|----------------------|------------------|-----------------|-----------------|---|--------------------|-------------------|
| | | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Property rates | | - | (272) | (0) | 49 819 | 49 819 | - | - | ### | ### | ### |
| Service charges | | - | (5 759) | (7 888) | 241 294 | 241 294 | - | - | ### | ### | ### |
| Other revenue | | - | 156 | (57) | 8 423 | 207 142 | - | - | ### | ### | ### |
| Transfers and Subsidies - Operational | 1 | - | (1 278) | (34) | 108 034 | 108 034 | - | - | ### | ### | ### |
| Transfers and Subsidies - Capital | 1 | - | - | (651) | 47 495 | 47 495 | - | - | ### | ### | ### |
| Interest | | - | - | - | - | - | - | - | - | - | - |
| Dividends | | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Suppliers and employees | | - | (63 182) | (58 435) | 365 267 | 385 267 | - | - | ### | ### | ### |
| Finance charges | | - | - | - | 4 214 | 4 214 | - | - | 4 214 | 4 214 | 4 214 |
| Transfers and Grants | 1 | - | - | (56) | 30 | 30 | - | - | 30 | 30 | 30 |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | - | (70 336) | (67 020) | 822 576 | 1 023 295 | - | - | ### | ### | ### |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Capital assets | | - | - | - | (59 820) | (59 820) | - | - | - | - | - |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | - | - | - | (59 820) | (59 820) | - | - | - | - | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | | - | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Repayment of borrowing | | - | - | - | - | 4 214 | - | - | ### | ### | ### |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | - | - | - | - | 4 214 | - | - | ### | ### | ### |
| NET INCREASE/ (DECREASE) IN CASH HELD | | - | (70 336) | (67 020) | 762 756 | 967 689 | - | - | ### | ### | ### |
| Cash/cash equivalents at the year begin: | 2 | - | (0) | (1) | - | - | - | - | - | ### | ### |
| Cash/cash equivalents at the year end: | 2 | - | (70 336) | (67 021) | 762 756 | 967 689 | - | - | ### | ### | ### |

EC101 Dr Beyers Naude - Table A8 Cash backed reserves/accumulated surplus reconciliation

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|---|-----|---------|------------------|------------------|----------------------|-----------------|-----------------|-----------------|---|--------------------|-------------------|
| | | | | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome |
| Cash and Investments available | | | | | | | | | | | |
| Cash/cash equivalents at the year end | 1 | - | (70 336) | (67 021) | 762 756 | 967 689 | - | - | 1 019 022 | 2 039 043 | 3 057 065 |
| Other current investments > 90 days | | - | 93 173 | 89 281 | (299 468) | (303 682) | 664 007 | 664 007 | (355 014) | (1 374 036) | (2 393 057) |
| Non current assets - investments | 1 | - | - | 4 | - | - | - | - | - | - | - |
| Cash and investments available: | | - | 22 837 | 2 264 | 463 288 | 664 007 | 664 007 | 664 007 | 664 007 | 664 007 | 664 007 |
| Application of cash and investments | | | | | | | | | | | |
| Unspent conditional transfers | | - | 47 334 | 1 981 | - | - | - | - | - | - | - |
| Unspent borrowing | | - | - | - | - | - | - | - | - | - | - |
| Statutory requirements | 2 | - | - | - | - | - | - | - | - | - | - |
| Other working capital requirements | 3 | - | 170 878 | 294 980 | 66 484 | 59 647 | - | - | 39 465 | 38 684 | 41 164 |
| Other provisions | | - | - | - | - | - | - | - | - | - | - |
| Long term investments committed | 4 | - | - | - | - | - | - | - | - | - | - |
| Reserves to be backed by cash/investments | 5 | - | - | - | - | - | - | - | - | - | - |
| Total Application of cash and investments: | | - | 218 212 | 296 941 | 66 484 | 59 647 | - | - | 39 465 | 38 684 | 41 164 |
| Surplus/(shortfall) | | - | (195 374) | (294 677) | 396 804 | 604 360 | 664 007 | 664 007 | 624 542 | 625 323 | 622 843 |

EC101 Dr Beyer's Naude - Table A9 Asset Management

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| CAPITAL EXPENDITURE | | | | | | | | | | |
| Total New Assets | 1 | -- | 3 473 | 52 | 45 900 | 36 844 | 36 844 | 49 213 | 56 917 | 42 481 |
| Roads Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Storm water Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Electrical Infrastructure | | -- | -- | -- | 800 | 800 | 800 | -- | -- | -- |
| Water Supply Infrastructure | | -- | -- | 52 | 30 350 | 30 350 | 30 350 | 47 500 | 56 917 | 42 481 |
| Sanitation Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Solid Waste Infrastructure | | -- | -- | -- | 280 | 211 | 211 | -- | -- | -- |
| Rail Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Coastal Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Information and Communication Infrastructure | | -- | -- | -- | 110 | 110 | 110 | 10 | -- | -- |
| Infrastructure | | -- | -- | 22 | 40 340 | 31 271 | 31 271 | 47 510 | 56 917 | 42 481 |
| Community Facilities | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sport and Recreation Facilities | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Community Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Heritage Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Revenue Generating | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Non-revenue Generating | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Investment properties | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Operational Buildings | | -- | 3 473 | -- | -- | -- | -- | -- | -- | -- |
| Housing | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other Assets | | -- | 3 473 | -- | -- | -- | -- | -- | -- | -- |
| Biological or Cultivated Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Services | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Licences and Rights | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Intangible Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Computer Equipment | | -- | -- | -- | 400 | 412 | 412 | 710 | -- | -- |
| Furniture and Office Equipment | | -- | -- | -- | -- | -- | -- | 183 | -- | -- |
| Machinery and Equipment | | -- | -- | -- | 900 | 1 365 | 1 365 | -- | -- | -- |
| Transport Assets | | -- | -- | -- | 4 571 | 3 778 | 3 778 | 800 | -- | -- |
| Land | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Zoo's, Marine and Non-biological Animals | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Renewal of Existing Assets | 2 | -- | 18 290 | -- | -- | -- | -- | 4 000 | 4 000 | 5 717 |
| Roads Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Storm water Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Electrical Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Water Supply Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sanitation Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Solid Waste Infrastructure | | -- | 18 290 | -- | -- | -- | -- | 4 000 | 4 000 | 5 717 |
| Rail Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Coastal Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Information and Communication Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Infrastructure | | -- | 18 290 | -- | -- | -- | -- | 4 000 | 4 000 | 5 717 |
| Community Facilities | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sport and Recreation Facilities | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Community Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Heritage Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Revenue Generating | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Non-revenue Generating | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Investment properties | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Operational Buildings | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Housing | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Biological or Cultivated Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Services | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Licences and Rights | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Intangible Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Computer Equipment | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Furniture and Office Equipment | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Machinery and Equipment | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Transport Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Land | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Zoo's, Marine and Non-biological Animals | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Upgrading of Existing Assets | 6 | -- | -- | -- | 13 840 | 13 059 | 13 059 | 18 638 | 19 662 | 55 000 |
| Roads Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Storm water Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Electrical Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Water Supply Infrastructure | | -- | -- | -- | 2 700 | 2 876 | 2 876 | -- | 5 800 | 55 000 |
| Sanitation Infrastructure | | -- | -- | -- | 5 140 | 9 913 | 9 913 | 9 659 | 13 882 | -- |
| Solid Waste Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Rail Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Coastal Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Information and Communication Infrastructure | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Infrastructure | | -- | -- | -- | 10 840 | 12 798 | 12 798 | 8 618 | 18 682 | 55 000 |
| Community Facilities | | -- | -- | -- | -- | 150 | 150 | -- | -- | -- |
| Sport and Recreation Facilities | | -- | -- | -- | 3 000 | 120 | 120 | 8 980 | -- | -- |
| Community Assets | | -- | -- | -- | 2 000 | 279 | 279 | 8 550 | -- | -- |
| Heritage Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Revenue Generating | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Non-revenue Generating | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Investment properties | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Operational Buildings | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Housing | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Biological or Cultivated Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Services | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Licences and Rights | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Intangible Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Computer Equipment | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Furniture and Office Equipment | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Machinery and Equipment | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Transport Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Land | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Zoo's, Marine and Non-biological Animals | | -- | -- | -- | -- | -- | -- | -- | -- | -- |

| | | | | | | | | | | |
|---|---|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Total Capital Expenditure | 4 | -- | 18 782 | 82 | 59 820 | 49 903 | 49 903 | 71 848 | 80 899 | 103 169 |
| <i>Roads Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Storm water Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Electrical Infrastructure</i> | | -- | -- | 600 | 600 | 600 | 600 | 6 800 | 55 000 | |
| <i>Water Supply Infrastructure</i> | | -- | -- | 62 | 42 060 | 33 226 | 33 226 | 47 500 | 58 917 | 42 451 |
| <i>Sanitation Infrastructure</i> | | -- | -- | -- | 8 140 | 9 913 | 9 913 | 9 656 | 13 882 | |
| <i>Solid Waste Infrastructure</i> | | -- | 15 290 | -- | 280 | 211 | 211 | 4 000 | 4 000 | 5 717 |
| <i>Rail Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Coastal Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Information and Communication Infrastructure</i> | | -- | -- | -- | 110 | 110 | 110 | 10 | -- | -- |
| Infrastructure | | -- | 15 290 | 52 | 51 190 | 44 560 | 44 560 | 61 108 | 80 590 | 103 169 |
| <i>Community Facilities</i> | | -- | -- | -- | -- | 160 | 160 | -- | -- | -- |
| <i>Sport and Recreation Facilities</i> | | -- | -- | -- | 3 000 | 120 | 120 | 8 980 | -- | -- |
| Community Assets | | -- | -- | -- | 3 000 | 270 | 270 | 8 980 | -- | -- |
| Heritage Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Revenue Generating</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Non-revenue Generating</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Investment properties | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Operational Buildings</i> | | -- | 3 473 | -- | -- | -- | -- | -- | -- | -- |
| <i>Housing</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other Assets | | -- | 3 473 | -- | -- | -- | -- | -- | -- | -- |
| Biological or Cultivated Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Services</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Licences and Rights</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Intangible Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Computer Equipment</i> | | -- | -- | -- | 400 | 412 | 412 | 710 | -- | -- |
| <i>Furniture and Office Equipment</i> | | -- | -- | -- | -- | -- | -- | 183 | -- | -- |
| <i>Machinery and Equipment</i> | | -- | -- | -- | 689 | 1 385 | 1 385 | -- | -- | -- |
| Transport Assets | | -- | -- | -- | 4 571 | 3 776 | 3 776 | 800 | -- | -- |
| <i>Land</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Zoo's, Marine and Non-biological Animals</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| TOTAL CAPITAL EXPENDITURE - Asset class | | -- | 18 782 | 82 | 59 820 | 49 903 | 49 903 | 71 848 | 80 899 | 103 169 |
| ASSET REGISTER SUMMARY - PPE (WDV) | 5 | -- | 1 000 828 | 955 366 | 1 195 982 | 1 176 094 | 1 176 094 | 1 199 039 | 1 205 790 | 1 229 360 |
| <i>Roads Infrastructure</i> | | -- | (77 797) | (123 182) | -- | -- | -- | -- | -- | -- |
| <i>Storm water Infrastructure</i> | | -- | (123) | (12 273) | -- | -- | -- | -- | -- | -- |
| <i>Electrical Infrastructure</i> | | -- | (48 887) | -- | 600 | 600 | 600 | 6 800 | 55 000 | |
| <i>Water Supply Infrastructure</i> | | -- | 948 074 | 955 192 | 1 176 212 | 1 159 417 | 1 169 417 | 1 173 681 | 1 183 108 | 1 168 642 |
| <i>Sanitation Infrastructure</i> | | -- | -- | -- | 8 140 | 9 913 | 9 913 | 9 656 | 13 882 | |
| <i>Solid Waste Infrastructure</i> | | -- | 7 481 | 10 602 | 280 | 211 | 211 | 4 000 | 4 000 | 5 717 |
| <i>Rail Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Coastal Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Information and Communication Infrastructure</i> | | -- | -- | -- | 110 | 110 | 110 | 10 | -- | -- |
| Infrastructure | | -- | 829 777 | 839 339 | 1 187 342 | 1 176 251 | 1 176 251 | 1 187 387 | 1 205 790 | 1 229 360 |
| Community Assets | | -- | (1 429) | (1 842) | 3 000 | 270 | 270 | 8 980 | -- | -- |
| Heritage Assets | | -- | 11 288 | 11 288 | -- | -- | -- | -- | -- | -- |
| Investment properties | | -- | 143 | (192) | -- | -- | -- | -- | -- | -- |
| Other Assets | | -- | 122 570 | 79 397 | -- | -- | -- | -- | -- | -- |
| Biological or Cultivated Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Intangible Assets | | -- | 88 | 88 | -- | -- | -- | -- | -- | -- |
| <i>Computer Equipment</i> | | -- | -- | -- | 380 | 382 | 382 | 710 | -- | -- |
| <i>Furniture and Office Equipment</i> | | -- | -- | -- | -- | -- | -- | 183 | -- | -- |
| <i>Machinery and Equipment</i> | | -- | (10 680) | (19 871) | 719 | 1 435 | 1 435 | -- | -- | -- |
| Transport Assets | | -- | -- | -- | 4 571 | 3 776 | 3 776 | 800 | -- | -- |
| <i>Land</i> | | -- | 80 089 | 80 089 | -- | -- | -- | -- | -- | -- |
| <i>Zoo's, Marine and Non-biological Animals</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| TOTAL ASSET REGISTER SUMMARY - PPE (WDV) | 5 | -- | 1 000 828 | 955 366 | 1 195 982 | 1 176 094 | 1 176 094 | 1 199 039 | 1 205 790 | 1 229 360 |
| EXPENDITURE OTHER ITEMS | | -- | 57 634 | 75 078 | 74 348 | 84 224 | 84 224 | 79 340 | 79 340 | 79 340 |
| Depreciation | 7 | -- | 55 734 | 53 289 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 | 46 094 |
| Repairs and Maintenance by Asset Class | 3 | -- | 2 201 | 21 788 | 28 284 | 48 130 | 48 130 | 33 246 | 33 246 | 33 246 |
| <i>Roads Infrastructure</i> | | -- | 73 | 305 | 10 710 | 9 770 | 9 770 | 5 025 | 5 025 | 6 025 |
| <i>Storm water Infrastructure</i> | | -- | (43) | 3 | 345 | 345 | 345 | 345 | 345 | 345 |
| <i>Electrical Infrastructure</i> | | -- | 2 805 | 2 364 | 2 252 | 2 252 | 2 252 | 2 252 | 2 252 | 2 252 |
| <i>Water Supply Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Sanitation Infrastructure</i> | | -- | 767 | 2 959 | 6 004 | 20 504 | 20 504 | 10 865 | 10 865 | 10 865 |
| <i>Solid Waste Infrastructure</i> | | -- | (1 498) | -- | -- | -- | -- | -- | -- | -- |
| <i>Rail Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Coastal Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Information and Communication Infrastructure</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Infrastructure | | -- | 2 108 | 3 860 | 19 311 | 32 871 | 32 871 | 18 397 | 18 397 | 18 397 |
| Community Facilities | | -- | -- | -- | -- | 300 | 300 | -- | -- | -- |
| Sport and Recreation Facilities | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Community Assets | | -- | -- | -- | -- | 300 | 300 | -- | -- | -- |
| Heritage Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Revenue Generating</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Non-revenue Generating</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Investment properties | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Operational Buildings</i> | | -- | 132 | 283 | 222 | 422 | 422 | 422 | 422 | 422 |
| <i>Housing</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other Assets | | -- | 132 | 283 | 222 | 422 | 422 | 422 | 422 | 422 |
| Biological or Cultivated Assets | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Services</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Licences and Rights</i> | | -- | 89 | 111 | -- | -- | -- | -- | -- | -- |
| Intangible Assets | | -- | 89 | 111 | -- | -- | -- | -- | -- | -- |
| <i>Computer Equipment</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Furniture and Office Equipment</i> | | -- | 13 | 24 | -- | -- | -- | -- | -- | -- |
| <i>Machinery and Equipment</i> | | -- | (108) | 15 711 | 8 721 | 14 537 | 14 537 | 14 537 | 14 537 | 14 537 |
| Transport Assets | | -- | 48 | -- | -- | -- | -- | -- | -- | -- |
| <i>Land</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| <i>Zoo's, Marine and Non-biological Animals</i> | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| TOTAL EXPENDITURE OTHER ITEMS | | -- | 57 634 | 75 078 | 74 348 | 84 224 | 84 224 | 79 340 | 79 340 | 79 340 |
| <i>Renewal and upgrading of Existing Assets as % of total capex</i> | | 0.0% | 81.6% | 0.0% | 23.1% | 26.2% | 26.2% | 31.5% | 29.4% | 58.9% |
| <i>Renewal and upgrading of Existing Assets as % of deprecn</i> | | 0.0% | 27.4% | 0.0% | 30.9% | 28.3% | 28.3% | 49.1% | 51.4% | 131.7% |
| <i>R&M as % of PPE</i> | | 0.0% | 0.2% | 2.0% | 2.4% | 4.1% | 0.0% | 2.6% | 2.8% | 2.7% |
| <i>Renewal and upgrading and R&M as % of PPE</i> | | 0.0% | 2.0% | 2.0% | 4.0% | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |

EC101 Dr Beyers Naude - Table A10 Basic service delivery measurement

| Description | Ref | 2017/18 | 2018/19 | 2019/20 | Current Year 2020/21 | | | 2021/22 Medium Term Revenue & Expenditure Framework | | |
|--|-----|---------|---------|---------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Outcome | Outcome | Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2021/22 | Budget Year +1 2022/23 | Budget Year +2 2023/24 |
| | | | | | | | | | | |
| Household service targets | | | | | | | | | | |
| Water: | | | | | | | | | | |
| Piped water inside dwelling | | - | - | - | 627 947 950 | 627 947 950 | 627 947 950 | 701 636 211 | 701 636 211 | 701 636 211 |
| 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 | - | - | - | ##### | ##### | ##### | 38 726 671 | 38 726 671 | 38 726 671 |
| <i>Minimum Service Level and Above sub-total</i> | | | | | | | | 740 362 882 | 740 362 882 | 740 362 882 |
| 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/sewage: | | | | | | | | | | |
| Flush toilet (connected to sewerage) | | - | - | - | - | - | - | - | - | - |
| Flush toilet (with septic tank) | | - | - | - | - | - | - | - | - | - |
| Chemical toilet | | - | - | - | - | - | - | - | - | - |
| PII 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 | | | | | | | | | | |
| Water (6 kilolitre per household per month) | | - | - | - | - | - | - | - | - | - |
| Sanitation (free minimum level service) | | - | - | - | - | - | - | - | - | - |
| 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) | | | | | | | | | | |
| Water (6 kilolitre per indigent household per month) | | - | 10 638 | 15 982 | - | - | - | - | - | - |
| Sanitation (free sanitation service to indigent households) | | - | - | - | - | - | - | - | - | - |
| Electricity/other energy (50kwh per indigent household per month) | | - | 5 198 | 5 198 | - | - | - | - | - | - |
| Refuse (removed once a week for indigent households) | | - | - | - | - | - | - | - | - | - |
| Cost of Free Basic Services provided - Informal Formal Settlements (R'000) | | | | | | | | | | |
| Total cost of FBS provided | | - | 15 836 | 21 180 | - | - | - | - | - | - |
| Highest level of free service provided per household | | | | | | | | | | |
| Property rates (R value threshold) | | - | - | - | - | - | - | - | - | - |
| Water (kilolitre per household per month) | | - | - | - | - | - | - | - | - | - |
| Sanitation (kilolitre 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) | | | | | | | | | | |
| 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 | | - | 428 | 785 | - | - | - | - | - | - |
| Water (in excess of 6 kilolitre per indigent household per month) | | - | - | - | - | - | - | - | - | - |
| Sanitation (in excess of free sanitation service to indigent households) | | - | - | - | - | - | - | - | - | - |
| Electricity/other energy (in excess of 50 kwh per indigent household per month) | | - | - | - | - | - | - | - | - | - |
| Refuse (in excess of one removal a week for indigent households) | | - | - | - | - | - | - | - | - | - |
| Municipal Housing - rental rebates | | - | - | - | - | - | - | - | - | - |
| Housing - top structure subsidies | | - | - | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - |
| Total revenue cost of subsidised services provided | | - | 428 | 785 | - | - | - | - | - | - |

PART 2 – SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF ANNUAL BUDGET PROCESS

The Budget process started in September 2020 after the approval of a timetable to guide the preparation of the 2021/22 to 2023/24 Operating and Capital Budgets.

The timetable provides broad timeframes for the IDP and Budget preparation process. It allows for consultation with stakeholders, such as the elected public representatives, employees of the Municipality, Civil Society, State departments, business and labour, during April/May 2021. The main aim of the timetable was to ensure that an IDP and a balanced Budget are tabled in May 2021.

The Service Delivery and Budget Implementation Plan is the mechanism that ensures that the IDP and the Budget is aligned.

The draft budget was considered by the Budget Steering Committee under the direction of the Mayor. The Budget Steering Committee consist of the Mayor, the Chairperson of the Budget and Treasury Standing Committee, the Municipal Manager and senior officials. The primary aims of the Committee are to ensure that:

- The budget compilation process complies with legislation;
- There is proper alignment between the service delivery priorities as set out in the Municipality's IDP and the Budget, taking into account the need to maintain the financial sustainability of the Municipality;
- The Municipality's revenue and tariff determination strategies generate sufficient cash resources to deliver services; and
- The various spending priorities of the different municipal directorates are properly evaluated and prioritised in the allocation of resources.

2.1.1 IDP & Budget Timetable 2021/22

The preparation of the 2021/22 IDP and Budget were guided by the following schedule of key deadlines as approved by Council on 22 August 2020.

| Activity | Date |
|---|-------------------|
| IDP/Budget Schedule approved by Council | 25 August 2020 |
| Tabling of draft IDP and Budget in Council | 29 March 2021 |
| Public Participation | April to May 2021 |
| Final adoption of IDP and Budget by Council | May 2021 |

2.2 ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

The Integrated Development Plan (IDP) determines and prioritises the needs of the community.

The review of the IDP, in accordance with the Municipal Systems Act, was guided and informed by the following principles:

- Achievement of the five strategic priorities of the municipality.
- Focusing on service delivery backlogs and the maintenance of infrastructure.
- Addressing community priorities (needs) as identified in the IDP.

The review of the IDP focused on establishing measurable performance indicators and targets. These targets informed the preparation of the multi-year budget, as well as the Service Delivery and Budget Implementation Plan (SDBIP).

The 2021/22 Operating and Capital Budgets were prepared in accordance with the IDP. The key strategic focus areas of the IDP are as follows:

- Municipal transformation and development
- Service delivery and infrastructure development
- Local economic development
- Financial sustainability and viability
- Good governance and public participation

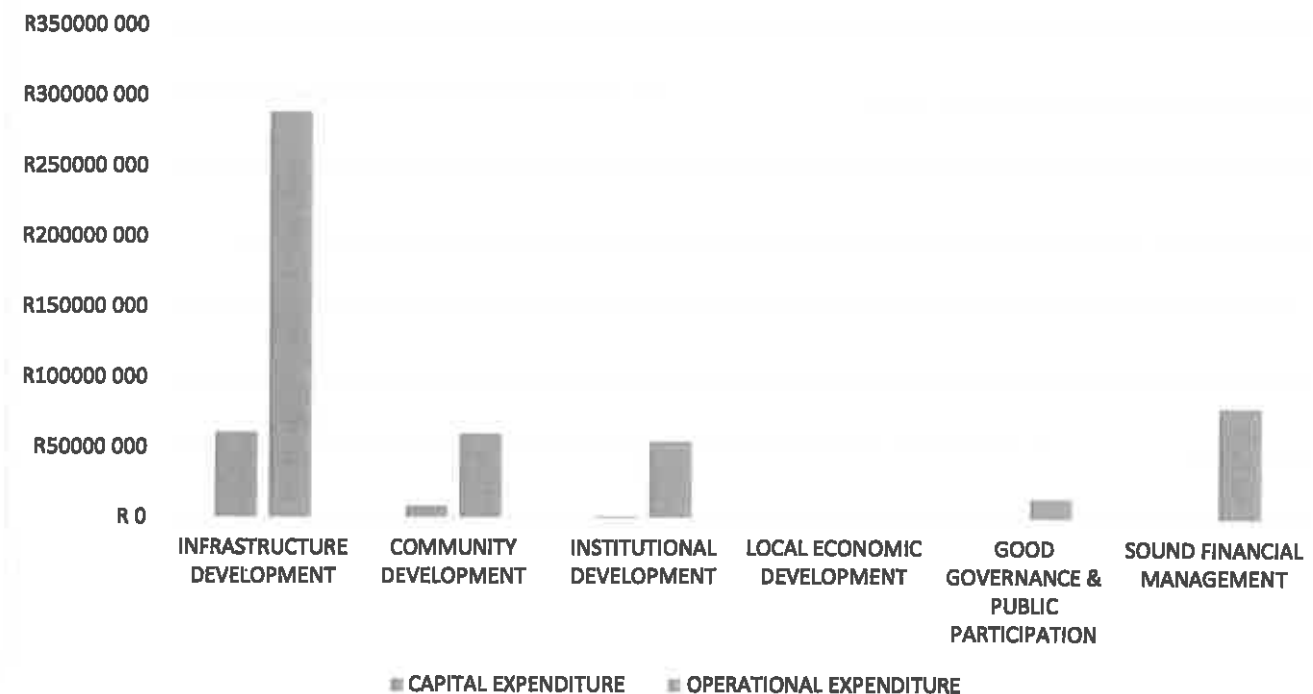
The budget consultation process will take the form of a series of meetings to be held throughout the municipal area with the elected public representatives, employees of the Municipality, Civil Society, business, labour, National and Provincial Governments on how the budget addresses the IDP priorities and objectives. The feedback flowing from these meetings will be referred to the relevant Directorates for their attention.

Below is a table, which illustrates the link between the Budget and the IDP.

BUDGET ALLOCATION ACCORDING TO IDP PRIORITIES

| | INFRASTRUCTURE DEVELOPMENT | COMMUNITY DEVELOPMENT | INSTITUTIONAL DEVELOPMENT | LOCAL ECONOMIC DEVELOPMENT | BACK TO BASICS | TOTAL | |
|--------------------------------|----------------------------|-----------------------|---------------------------|----------------------------|--|----------------------------|--------------|
| | | | | | GOOD GOVERNANCE & PUBLIC PARTICIPATION | SOUND FINANCIAL MANAGEMENT | |
| CAPITAL EXPENDITURE | R61 155 861 | R8 979 939 | R1 652 500 | R0 | R0 | R60 000 | R71 848 300 |
| OPERATIONAL EXPENDITURE | R289 036 976 | R60 505 578 | R54 714 530 | R0 | R14 495 092 | R79 687 644 | R498 439 821 |

IDP PRIORITIES



2.3 OVERVIEW OF BUDGET RELATED POLICIES

The MFMA and the Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, be updated on an annual basis.

All budget related policies have been reviewed and/or developed. Policies will be workshopped extensively with Council and Top Management and will further be workshopped with all relevant stakeholders.

The following policies are now in place:

| | | |
|--|---|-----------|
| • Credit control and debt collection | - | reviewed |
| • Tariff policy | - | reviewed |
| • Supply Chain policy | - | reviewed |
| • SCM Infrastructure Procurement | - | reviewed |
| • Asset management policy | - | reviewed |
| • Subsistence and Travel policy | - | reviewed |
| • Cash management, banking & investment policy | - | reviewed |
| • Budget policy | - | reviewed |
| • Virement policy | - | reviewed |
| • Funding and reserve policy | - | reviewed |
| • Borrowing policy | - | reviewed |
| • Rate's policy | - | reviewed |
| • Indigent support policy | - | reviewed |
| • Cost containment policy | - | developed |
| • Long term financial planning policy | - | developed |

The following by-laws were developed and will be promulgated once all legislative processes have been concluded:

- Tariff by-law
- Credit control and debt collection by-law
- Rate's by-law

2.4 OVERVIEW OF BUDGET ASSUMPTIONS

The municipal fiscal environment is influenced by a variety of macro-economic control measures. National Treasury provides guidelines on the ceiling of year-on-year increases in the total Operating Budget, whilst the National Electricity Regulator of South Africa (NERSA) regulates bulk electricity tariff increases. The Municipality's employee related costs are also influenced by collective agreements concluded in the South African Local Government Bargaining Council. Various government departments also affect municipal service delivery through the level of grants and subsidies.

The following principles and guidelines directly informed the compilation of the Budget:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The need to enhance the municipality's revenue base.
- The level of property rates and tariff increases to take into account the need to address maintenance and infrastructural backlogs, including the expansion of services.
- The level of property rates and tariff increases to ensure the delivery of services on a financially sustainable basis.
- Raising of loan funding should be considered to address critical needs.

- No growth in revenue sources has been provided for in view of current consumption trends in municipal services.
- Restructuring of major trade creditors over long term periods to ensure financial sustainability and a funded budget
- Restructuring of tariffs to uniform tariffs and ensuring baseline tariff as per cost of supply study

The Municipality faced the following significant challenges in preparing the 2021/22 – 2023/24 Budget:

- Fully implementing cost containment measures;
- Maintaining revenue collection rates at the targeted levels;
- Maintaining electricity and water losses at acceptable levels;
- Dealing with an unfunded budget of the past and measures to address this in the future
- Different tariff structures in the different towns and converting this to uniform tariffs
- Creditors inherited from former municipalities which is still placing financial strain on the cash flow and hence the restructuring of creditors over long term period
- Introducing cost reflective tariffs
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure;
- Maintaining an acceptable cost coverage ratio;
- Covid-19

The multi-year budget is therefore underpinned by the following assumptions:

| | 2020/21 | 2020/21 | 2021/22 |
|--|---------------|---------------|---------------|
| Income | % | % | % |
| Tariff Increases for water | 3.9 | 4.2 | 4.4 |
| Tariff Increases for sanitation | 3.9 | 4.2 | 4.4 |
| Tariff Increases for refuse | 3.9 | 4.2 | 4.4 |
| Property rates increase | 3.9 | 4.2 | 4.4 |
| Electricity tariff increase (on average) | 16 | 8.9 | 8.9 |
| Revenue collection rates | 95 | 95 | 95 |
| Expenditure Increases allowed | | | |
| Salary increase | Not available | Not available | Not available |
| Increase in bulk purchase of electricity costs | 17.8 | 8.9 | 8.9 |

2.5 OVERVIEW OF BUDGET FUNDING

2.5.1 Medium-term outlook: operating revenue

The following table provides a breakdown of operating revenue over the medium-term:

Table 7 (Breakdown of the operating revenue over the medium-term)

| Description | 2016/17 | 2017/18 | 2018/19 | Current Year 2019/20 | | | | 2020/21 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| Financial Performance | | | | | | | | | | |
| Property rates | - | - | - | 40 993 | 41 862 | - | - | 52 441 | 57 685 | 63 454 |
| Service charges | - | (2) | (15 634) | 197 281 | 222 072 | - | - | 253 994 | 279 393 | 307 332 |
| Investment revenue | - | 1 924 | 634 | 3 268 | 3 268 | - | - | 3 660 | 4 026 | 4 429 |
| Transfers recognised - operational | - | 86 577 | 89 963 | 102 332 | 108 594 | - | - | 118 034 | 126 539 | 132 952 |
| Other own revenue | - | 11 643 | 7 211 | 15 520 | 26 070 | - | - | 27 942 | 30 736 | 33 810 |
| Total Revenue (excluding capital transfers and contributions) | - | 100 142 | 81 973 | 359 394 | 401 866 | - | - | 456 071 | 498 379 | 541 977 |

2.5.2 Medium-term outlook: capital revenue

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

Table 8 (Sources of capital revenue over the MTREF)

Choose name from list - Table A1 Bu

| Description | 2016/17 | 2017/18 | 2018/19 | Current Year 2019/20 | | | | 2020/21 Medium Term Revenue & Expenditure Framework | | |
|--|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2020/21 | Budget Year +1 2021/22 | Budget Year +2 2022/23 |
| Capital expenditure & funds sources | | | | | | | | | | |
| Capital expenditure | - | 1 454 | 78 639 | 32 447 | 78 037 | - | - | 54 839 | 63 416 | 99 713 |
| Transfers received | - | 1 452 | (123) | 32 447 | 78 037 | - | - | 53 470 | 78 601 | 99 413 |
| Borrowing | - | - | - | - | - | - | - | - | - | - |
| Internally generated | - | - | - | - | - | - | - | 1 369 | - | - |
| Total sources | - | 1 452 | (123) | 32 447 | 78 037 | - | - | 54 839 | 78 601 | 99 413 |

2.5.3 Medium-term outlook: Borrowing

The municipality should consider raising loans for capital items required from own funds as well as buying vehicles instead of leasing.

2.5.4 Medium-term outlook: Working towards a funded budget

The municipality managed to table a funded budget. The funded budget is based on the following:

- Restructuring of debt owed to major creditors over long term period
- Implementing cost reflective tariffs – phase 2&3 – Introduction and implementation of secondary tariffs

The municipality has addressed the following issues to ensure a positive move towards becoming financially sustainable:

- Replacing the faulty meters within all areas thus limiting losses and increasing revenue
- Standardising tariffs in all areas
- Calculating cost reflective tariffs and implementation thereof over 3 years
- Implementing a new valuation roll for Dr Beyers Naude with effect 1 July 2019
- Continuing to implement cost containment measures

2.6 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

The municipality will be making the following allocations:

- SPCA - R20 000
- Pauper burials - R10 000

2.7 COUNCILLORS AND EMPLOYEE BENEFITS

DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS

The following tables set out the allowances and employee benefits budgeted for the 2020/2120 budget year:

The municipality has twenty ++seven (27) councillors, consisting of one fulltime Mayor, four EXCO Members also chairpersons of sec. 79 committees and one MPAC chairperson of which the allowances are set out in table below.

| Grade | Councillor(s) | Number | Salary p/p | Salary | Allowance | Total remuneration |
|-------|---------------------------------------|-----------|------------|------------------|------------------|--------------------|
| 3 | Mayor (full-time) | 1 | 860 859 | 860 859 | 44 400 | 905 259 |
| | Speaker (Full-time) | 1 | 688 688 | 688 688 | 44 400 | 733 088 |
| | Exco Members (part time) | 4 | 360 193 | 1 440 772 | 177 600 | 1 618 372 |
| | S79 Committee Chairperson (part-time) | 1 | 349 618 | 349 618 | 44 400 | 394 018 |
| | Part-time Councillors | 20 | 272 430 | 5 448 600 | 888 000 | 6 336 600 |
| | TOTAL | 27 | | 8 788 537 | 1 198 800 | 9 987 337 |

| Disclosure of Salaries, Allowances & Benefits | Salary | Allowances | Performance Bonuses | Total Package (Rand per annum) |
|---|-----------|------------|---------------------|--------------------------------|
| Senior Managers of the Municipality | | | | |
| Municipal Manager (MM) | 1 436 545 | 40 800 | | 1 477 345 |
| Chief Finance Officer | 1 174 258 | 40 800 | | 1 215 058 |
| Director Corporate Services | 1 174 258 | 40 800 | | 1 215 058 |
| Director Community Services | 1 174 258 | 40 800 | | 1 215 058 |
| Director Infrastructure | 1 269 889 | 40 800 | | 1 310 689 |

2.8 ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS –DIRECTORATES

In terms of section 53 (1)(c)(ii) of the MFMA, the Service Delivery and Budget Implementation Plan (SDBIP) constitutes a detailed plan for implementing the Municipality's delivery of services and its annual budget, which must include the following:

- (a) Monthly projections of
 - Revenue to be collected, by source; and
 - Operational and capital expenditure, by vote.
- (b) Service delivery targets and performance indicators for each quarter.

In accordance with Section 53 of the MFMA, the Mayor is required to approve the SDBIP within 28 days after the approval of the budget. Furthermore, the Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators, as set out in the SDBIP, are made public within 14 days after the approval of the SDBIP.

The SDBIP gives effect to the IDP and Budget of the Municipality. It includes the service delivery targets and performance indicators for each quarter, which forms the basis for the performance agreements of the Directors. It therefore facilitates oversight over the financial and non-financial performance of the Municipality and allows the Municipal Manager to monitor the performance of the Directors, the Executive Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality.

The SDBIP relating to the 2021/22 financial year will be approved by the Mayor during June 2021, following the approval of the Budget.

2.9 LEGISLATION COMPLIANCE STATUS

The following reflects the status of implementation of some of the key MFMA areas:

IDP

A draft revised 2021/22 IDP has been developed, which will be considered at a Council meeting to be held in May 2021. The IDP includes specific deliverables that forms the basis for the Budget and SDBIP.

Budget

The draft annual budget document has been developed taking the MFMA and National Treasury (NT) requirements into account. Budgets are being tabled and approved within the required legislated timeframes.

Annual Report

The Annual Report could not be developed taking into account the MFMA and NT extension of submission of annual financial statements. The annual report will be completed as soon as the audit is completed.

Oversight Report

The Municipal Public Accounts Committee has not considered the Annual report due the reasons mentioned above.

In-Year Reporting

The municipality submits the various reports required to the Mayor, Council, and NT on an ongoing basis, in accordance with the MFMA.

Supply Chain Management Policy (SCM)

A Supply Chain Management Policy has been adopted and implemented in accordance with the MFMA and NT requirements.

All the required committee structures are in place. Whilst the municipality is working at making these new processes operate more efficiently and effectively, it is considered that the municipality is currently complying with the MFMA and NT guidelines.

Budget and Treasury

A Budget and Treasury Office has been established in accordance with the MFMA and NT requirements, consisting of a CFO and municipal officials reporting to the CFO.

Audit Committee

An Audit Committee has been established and meets on a quarterly basis.

Internal Audit Function

The Municipality's Internal Audit Function is performed in-house and reports to the Municipal Manager and is operating in accordance with an audit plan.

In relation to the 2021/22 financial year and beyond, the municipality plans to focus on the following high priority areas:

- Working towards an unqualified audit status.

Internship Programme

The internship contracts of the previous seven interns have come to an end. The municipality has appointed five new interns in June 2019. One subsequently resigned in December 2019. The municipality is in the process of advertising and appointment of a replacement.

Municipal Standard Chart of Accounts (mSCOA)

The municipality has made significant progress on compliance. Data strings are uploaded monthly and a "green" status has been maintained for several months now. All legislative required information has been submitted. The municipality is continuously working on reaching full compliance. The budget schedules are generated from the financial system.

2.10 MUNICIPAL MANAGER'S QUALITY CERTIFICATION

Quality Certificate

I, EDWARD MARTIN RANKWANA, Municipal Manager of Dr Beyers Naude Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Print Name : EDWARD MARTIN RANKWANA

MUNICIPAL MANAGER OF DR BEYERS NAUDE MUNICIPALITY (EC101)

Signature : 

Date : 29/03/2021