

CAPE AGULHAS MUNICIPALITY

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2020/2021 TO 2022/2023



KAAP AGULHAS MUNISIPALITEIT
CAPE AGULHAS MUNICIPALITY
U MASIPALA WASECAPE AGULHAS

ANNUAL BUDGET OF
CAPE AGULHAS
MUNICIPALITY

2020/21 TO 2022/23
MEDIUM TERM REVENUE AND
EXPENDITURE FORECASTS

Copies of this document can be viewed:

- **In the foyers of all municipal buildings**
- **All public libraries within the municipality**
 - **At www.capeagulhas.gov.za**

Table of Contents

PART 1 – ANNUAL BUDGET	4
1.1 VISION & MISSION.....	4
1.2 MAYOR’S REPORT	4
1.3 COUNCIL RESOLUTIONS	11
1.4 EXECUTIVE SUMMARY	12
1.5 OPERATING REVENUE FRAMEWORK.....	27
1.6 OPERATING EXPENDITURE FRAMEWORK.....	34
1.7 CAPITAL EXPENDITURE	38
1.8 ANNUAL BUDGET TABLES.....	40
PART 2 – SUPPORTING DOCUMENTATION	55
2.1 OVERVIEW OF THE ANNUAL BUDGET PROCESS	55
2.2 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP	56
2.3 OVERVIEW OF BUDGET RELATED-POLICIES	63
2.4 OVERVIEW OF BUDGET ASSUMPTIONS	63
2.5 OVERVIEW OF BUDGET FUNDING	65
2.6 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS	71
2.7 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY	74
2.8 COUNCILOR AND EMPLOYEE BENEFITS	75
2.9 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW.....	77
2.10 CONTRACTS HAVING FUTURE BUDGETARY IMPLICATIONS	84
2.11 CAPITAL EXPENDITURE DETAILS	84
2.12 LEGISLATION COMPLIANCE STATUS	102
2.13 OTHER SUPPORTING DOCUMENTS.....	103
2.14 MANAGER’S QUALITY CERTIFICATE.....	114
PART 3 – APPENDICES	115
3.1 APPENDIX A – TARIFF LISTING	115
3.2 APPENDIX B – SDBIP	115
3.3 APPENDIX C – SERVICE LEVEL STANDARDS.....	115
3.4 APPENDIX D – PROCUREMENT PLAN	115

Part 1 – Annual Budget

1.1 Vision & Mission

Our Vision

Together for excellence

Saam vir uitnemendheid

Sisonke siyagqwesa

Our Mission

To render excellent services through good governance, public ownership and partnership in order to create a safer environment that will promote socio-economic growth and ensure future financial sustainability in a prosperous southernmost community

This will be achieved through:

- Fairness
- Integrity
- Accountability and responsibility
- Transparency
- Innovativeness
- Responsiveness
- Empathy

1.2 Mayor's Report

In terms Section 152 of the Constitution of the Republic of South Africa, the objectives of local government are as follows:

- a) To provide democratic and accountable government for local communities;
- b) To ensure the provision of services to communities in a sustainable manner;
- c) To promote social and economic development;
- d) To promote a safe and healthy environment; and
- e) To encourage the involvement of communities and community organisations in the matters of Local Government.

A municipality must strive, within its financial and administrative capacity, to achieve these objective set out in Section 152.

As Mayor and Council we are committed to the following major focus areas:

- Youth Development
- Development and upgrading of Recreational Facilities

- Social Development and related projects
- Local Economic Development (LED)
- Beautification of Communities
- Sport Development
- Uplift and support elderlies
- Safety and Security of the Community
- Mitigating the negative impact of COVID 19 through increased social welfare support
- Job creation initiatives/programs

In order to achieve our goals in the focus areas identified, it is imperative that we:

- Spend at least 95% of our budget allocations;
- Tighten our oversight responsibility in each and every department (Financial monitoring and reporting);
- Be open minded, responsive and caring;
- Work closer as a collective and respect one another's job and responsibility; and
- Employ capable officials who can contribute to service delivery.
- Ensure sustained financial viability for maximum development support;
- Sound financial administration;
- Ensure internal control over municipality's financial activities;
- Maximise Revenue potential through effective debt collection and credit control practices;
- Effective and efficient management of the municipality's assets and motor vehicle fleet to optimise the economic benefit over the useful life of the asset;
- Develop and implement ICT Governance to realise the following benefits:
 - o Integrates and institutionalise good practices to ensure that the ICT component supports the business objectives
 - o The organisation will use ICT Governance Framework to drive the Stakeholders' values.
 - o The organisation will also understand and manage the associated IT risks.
- Provide an effective and efficient financial management service to external and internal stakeholders in respect of council's assets, liabilities, revenue and expenditure in a sustained manner;

The above-mentioned focus areas and goals should always take into account the economic challenges that South Africa is faced with. South Africa have experienced very slow economic growth in recent years. This slowdown will be further impacted by the recent global outbreak of the COVID 19 ("Corona Virus") pandemic. The pandemic forced the South African Government to implement a national "lock down" (which is currently in process of being eased), to contain the spread of the virus. This "lock down", which is deemed crucial for the well-being of the South African population, will however place significant strain on the economic activity in the country which could have a long-lasting effect for some time to come. As a municipality that is highly dependent on own revenue sources to fund spending programs, the municipality could potentially be faced with a lower demand for its services as well as a lower debtor recovery rate compared to historical trends. This could seriously impact the financial viability of the municipality

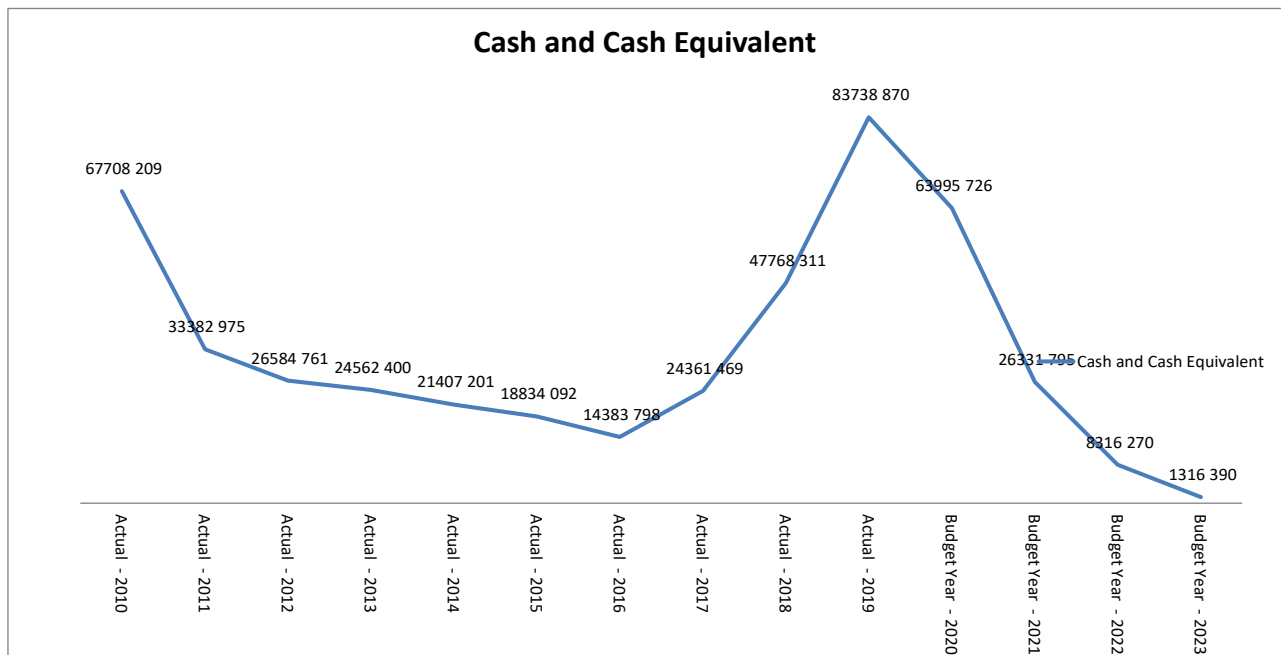
Valuable inputs were also obtained from the community and other stakeholders during the public consultation process conducted during April 2020 and May 2020. These inputs included, but are not limited to; the following:

- Salary and tariff increases should be aligned to current economic climate where above inflation increases are not considered to be sustainable;
- Salary increases not aligned to government strategy to reduce public wage bill;

- Concerns raised with regards to the negative impact the budget will have on key financial indicators linked to the financial well-being of the municipality;
- Concerns raised with regards to the water supply issues experienced in Struisbaai/Agulhas in recent times;
- Capital expenditure to be directed more towards essential basic services to avoid non-essential expenditure; and
- COVID 19 support to be provided that are focused on small businesses and job security of the residents in municipal area.

Formal responses will be provided to all inputs received and where feasible, the relevant inputs were already included in the budget now presented to council for final approval.

Currently, the proposed program, combined with anticipated drop in the recovery rate of outstanding debt, will have a negative impact on the projected cash position of the municipality as indicated below:



The budget is still considered to be funded.

(It should be emphasised that the projections above is based on the fact that we recover revenue in line with historical actual trends and that we **fully utilise** all allocations made towards capital and operating programs.

It is expected that the cash resources of the municipality will decrease by R 37,664 million during 2020/2021 and by R 18,016 million and R 6,999 million during 2021/2022 and 2022/2023 respectively. This significant downward trend can mainly be attributed to the inability of the municipal budget to produce adequate cash resources to meet the proposed capital and operating program of the municipality, which includes approximately R 46 million capital expenditure from internal sources over the MTREF. The downward trend is best described by the following table, illustrating the inability of the municipality to fund its proposed capital program from loans raised as well as cash generated during the financial year:

Description	2016/17	2017/18	2018/19	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
NET CASH FROM/(USED) OPERATING ACTIVITIES	34 497	25 700	54 097	23 030	2 579	18 285	31 993
LOANS RAISED	220	17 400	17 000	-	28 440	6 462	3 655
FUNDING AVAILABLE	34 717	43 100	71 097	23 030	31 020	24 747	35 648
CAPITAL PROGRAM	(24 172)	(24 000)	(37 246)	(42 659)	(62 490)	(36 337)	(35 992)
SURPLUS/(SHORTFALL)	10 545	19 100	33 851	(19 629)	(31 470)	(11 590)	(343)

This will result in accumulated cash reserves being utilized to fund the capital program, resulting in the illustrated downward trend over the MTREF.

The budget also factors in a drop of 5 % in the recovery rate of debtors during 2020/21 from 'n historical level of 95%. It is anticipated that the recovery rate will recover by 2.5% in each of the 2 outer years to be back in line with historical long-term trends. A 1% change in recovery rate will impact the cash position of the municipality by approximately R 3 million per annum. Accordingly, the 5% anticipated drop in the recovery rate during 2020/21 will negatively impact the cash position of the municipality by approximately R 15 million.

The South African economy and inflation targets

Over the past year, economic growth has been weaker than forecasted and is only expected to reach 0.9 per cent in 2020. The 2020 budget highlights the difficult economic and fiscal choices confronting government over the next several years.

It is projected that revenue to be collected for the 2020/21 financial year will amount to R1.5 trillion which equates to 29.2 per cent of the Gross Domestic Product (GDP), whereas expenditure is projected to be at R1.95 trillion which is equivalent to 36 per cent of GDP. This means that there is a consolidated budget deficit of R370.5 billion or 6.8 per cent of GDP in 2020/21.

The gross national debts by the end of 2020/21 is projected to be R3.56 trillion which is 65.6 per cent of GDP. It is evident that determined action is required to reverse the deterioration of the public finances by narrowing the budget deficit, containing debt and growing the economy faster and in a sustainable manner.

Municipalities therefore need to exercise caution when they prepare their 2020/21 MTREF budgets to ensure synergy with national economic and fiscal prudence. The declining economic growth which will be impacted on further by the Corona virus pandemic and international companies closing down as a result, the deteriorating state of the finances for state-owned entities, continued high unemployment and water and electricity shortages will put pressure on the ability of municipalities to raise revenue. Municipalities are therefore advised to follow a conservative approach when projecting their revenue and to eliminate any waste and unnecessary expenditure. Importantly, municipalities should ensure that they adopt realistic and funded 2020/21 MTREF budgets, collect the debts owed to them and pay their creditors within 30 days of receipt of invoice.

To address these concerns, the following strategic goals and objectives (aligned to both the National KPA's and the departments within the municipality) are contained in the IDP of Cape Agulhas Municipality:

National KPA	Municipal KPA	Strategic goal	Strategic objective	Department				
KPA1: Good Governance and Public Participation	MKPA1: Good Governance and Public Participation	SG1: To ensure good governance and institutional sustainability	SO1: To create a culture of good governance	1.1 - Council Administration				
				1.2 - Internal Audit				
				1.3 - Municipal Manager				
				1.4 - Council Support				
				1.5 - Shared Services				
			1.6 - Strategic Services					
			1.9 - Administration					
			SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	1.1 - Council Administration				
				1.10 - Human Resources & Organisational Development				
				KPA2: Municipal Institutional Development and Transformation	MKPA2: Municipal Institutional Development and Transformation	SG2: To ensure institutional sustainability	SO3: To create an administration capable of delivering on service excellence.	1.10 - Human Resources & Organisational Development
1.9 - Administration								
2.7 - Information Systems								
4.2 - Beaches & Holiday Resorts								
4.3 - Buildings and Commonage								
4.8 - Parks and Sports Facilities								
KPA3: Local Economic Development	MKPA3: Local Economic Development and Tourism	SG3: To promote local economic development in the Cape Agulhas Municipal Area	SO4: To create an enabling environment for economic growth and development				1.10 - Human Resources & Organisational Development	
							1.6 - Strategic Services	
							4.11 - Social Development	
							4.8 - Parks and Sports Facilities	
				5.1 - Director: Engineering Services				
			SO5: To promote tourism in the Municipal Area	1.1 - Council Administration				
				1.11 - Tourism				
				KPA4: Municipal Financial Viability and Management	MKPA4: Municipal Financial Viability and Management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	SO6: To provide effective financial, asset and procurement management	2.1 - Budget & Treasury
								2.2 - Expenditure Management
								2.3 - Director: Financial Services & ICT
2.4 - Revenue Management								
2.5 - Supply Chain Management								
KPA5: Basic Service Delivery	MKPA5: Basic Service Delivery	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	SO10: Development of sustainable vibrant human settlements				1.7 - Town Planning	
							4.6 - Human Settlements	
							5.7 - Building Control	
							SO7: Provision of equitable quality basic services to all households	1.1 - Council Administration
								SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.
			5.1 - Director: Engineering Services					
			5.10 - Air Quality					
			5.2 - Sewerage Services					
			5.3 - Refuse Removal Services					
			5.4 - Streets & Stormwater					
5.5 - Water								
5.6 - Workshop								
5.8 - Electricity Services								
5.9 - PMU Unit								
SO9: To provide community facilities and services	4.10 - Public Services							
	4.4 - Cemetery							
	4.7 - Library Services							
KPA6: Social and youth development	MKPA6: Social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	SO10: Development of sustainable vibrant human settlements	4.6 - Human Settlements				
				SO11: To promote social and youth development	1.1 - Council Administration			
					1.8 - Socio & Economic Development			
					4.1 - Director: Management Services			
					SO12: To create and maintain a safe and healthy environment	4.12 - Traffic & Law Enforcement		
		4.13 - Traffic Licencing & Vehicle Testing Station						
		4.5 - Environmental Services						
		4.9 - Protective Services						
		5.3 - Refuse Removal Services						

The Integrated Development Plan (IDP) is a 5-year strategic developmental plan, setting strategic and budget priorities as required in terms of the Municipal Systems Act of 2000. It is a plan to help us set our budget priorities, so in essence it indicates how Cape Agulhas Municipality will spend its money for the next five years. The IDP should be aligned with the development plans of provincial and national government, and is agreed upon between Cape Agulhas Municipality and the residents during the public participation process. Therefore the IDP enables Cape Agulhas Municipality to make the best use of scarce resources and it also enables the councillors to make decisions based on the needs and priorities of their communities.

With the IDP, Cape Agulhas Municipality can:

- Develop a clear vision
- Identify its key development priorities
- Formulate appropriate strategies
- Develop the appropriate organisational structure and systems
- Align resources with development priorities

In view of the aforementioned, the following allocations are allocated to the strategic objectives and goals in the MTREF under review:

Operating Expenditure per Strategic Objective

Strategic Objective	Goal	Goal Code	2019/20 Full Year Forecast	2020/21 Medium Term Revenue & Expenditure Framework		
				Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	18 194	18 781	19 091	20 086
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	533	533	533	533
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	40 821	42 210	43 885	46 600
SO4: To create an enabling environment for economic growth and development	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO4	1 570	-	-	-
SO5: To promote tourism in the Municipal Area	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO5	2 313	3 711	3 734	3 914
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	51 441	49 719	51 513	53 987
SO7: Provision of equitable quality basic services to all households	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO7	411	448	470	492
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	167 161	177 011	185 922	199 169
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	9 063	9 432	9 986	10 581
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	67 304	41 961	31 925	32 871
SO10: Development of sustainable vibrant human settlements	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA5/SG6/SO10	-	-	-	-
SO11: To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	6 607	7 483	6 699	6 975
SO12: To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	30 339	34 334	35 975	38 142
Total Expenditure			395 755	385 623	389 734	413 349

Capital Expenditure per Strategic Objective

Strategic Objective	Goal	Goal Code	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
			Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	1 712	2 000	500	-
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	4	-	-	-
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	6 452	5 347	4 360	4 434
SO4: To create an enabling environment for economic growth and development	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO4	-	-	-	-
SO5: To promote tourism in the Municipal Area	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO5	1 535	-	-	-
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	30	32	7	4
SO7: Provision of equitable quality basic services to all households	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO7	-	-	-	-
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	30 829	52 525	30 572	31 108
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	20	66	50	250
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	7	9	-	-
SO10: Development of sustainable vibrant human settlements	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA5/SG6/SO10	-	-	-	-
SO11: To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	-	6	-	-
SO12: To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	2 070	2 506	848	195
Total Capital Expenditure			42 659	62 490	36 337	35 992

1.3 Council Resolutions

It is recommended that the Council approves and adopts the following resolutions for the annual budget:

The Council of Cape Agulhas Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:

- 1.1. The annual budget of the municipality for the financial year 2020/21 and the multi-year and single-year capital appropriations as set out in the following tables in part 1.8 of this report
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table A2;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table A3;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table A4; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table A5.
- 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables in part 1.8 of this report:
 - 1.2.1. Budgeted Financial Position as contained in Table A6;
 - 1.2.2. Budgeted Cash Flows as contained in Table A7;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table A8;
 - 1.2.4. Asset management as contained in Table A9; and
 - 1.2.5. Basic service delivery measurement as contained in Table A10.
2. The Council of Cape Agulhas Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2020:
 - 2.1. the tariffs for property rates – as set out in Annexure A,
 - 2.2. the tariffs for electricity – as set out in Annexure A
 - 2.3. the tariffs for the supply of water – as set out in Annexure A
 - 2.4. the tariffs for sanitation services – as set out in Annexure A
 - 2.5. the tariffs for solid waste services – as set out in Annexure A
3. The Council of Cape Agulhas Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2020 the tariffs for other services, as set out in Annexure A.

1.4 Executive Summary

Local government continue to receive the least share of the division of nationally raised revenue because it has extensive powers to raise its own revenue. On aggregate; the local government sphere raises about 70 per cent of its own revenue. However, municipalities should make every effort to improve the collection rates through improved billing and collection practices. In the present current economic climate, municipalities cannot afford to provide municipal services without recovering the cost of providing these services. Spending outcomes for 2018/19 varied across the 257 municipalities. Many municipalities adopted unrealistic spending plans. As a result, 211 municipalities underspent their operating budgets and 214 municipalities underspent their capital budgets.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2020/21 Medium-term Revenue and Expenditure Framework:

Consolidated Overview of the 2020/21 MTREF (R'000)

R thousand	Current Year 20120/21	2020/21 Medium Term Revenue & Expenditure Framework		
	Forecast	Budget Year 2020/21	Budget Year +1 2022/22	Budget Year +2 2022/23
Total Operating Revenue	390 457	380 044	388 912	416 201
Total Operating Expenditure	(395 755)	(385 623)	(389 734)	(413 349)
<i>Surplus/(Deficit) before capital transfers</i>	(5 298)	(5 579)	(822)	2 852
Transferred Recognised Capital	19 267	14 389	13 421	14 665
<i>Surplus/(Deficit) for the year</i>	13 969	8 810	12 600	17 517

As can be seen from the above, the municipality will operate at an operating deficit throughout the MTREF, except for 2022/2023. An operating deficit is an indication that the municipality is not generating sufficient revenue to sustain its operating expenditure, let alone the fact that the operating budget is not contributing any revenue at all towards the capital program. It should also be noted that the operating budget also includes items such as depreciation and debt impairment which are not considered to be a "cash" expense. These item will not result in an immediate cash outflow. It should however be noted that non-cash items will eventually translate into cash outflow when for example the fully depreciated asset needs to be replaced.

The budget presented is aligned to the following vote structure:

Vote	Executive and Council	Financial Services & ICT	Management Services	Engineering Services
Department	Council Administration	Budget & Treasury	Beaches & Holiday Resorts	Director: Engineering Services
	Strategic Services	Expenditure Management	Buildings and Commonage	Sewerage Services
	Town Planning	Director: Financial Services & ICT	Cemetery	Refuse Removal Services
	Socio & Economic Development	Revenue Management	Human Settlements	Water
	Administration	Supply Chain Management	Library Services	Building Control
	Human Resources & Organisational Development	Workshop	Parks and Sports Facilities	Electricity Services
	Tourism	Information Systems	Traffic & Law Enforcement	Streets & Stormwater
	Internal Audit		Traffic Licencing & Vehicle Testing Station	PMU Unit
	Municipal Manager		Director: Management Services	Air Quality
	Council Support		Environmental Services	
	Shared Services		Protective Services	
			Public Services	

In line with the municipal structure, the following revenue and expenditure is appropriated to each vote:

Vote Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	R thousand	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote				
Vote 1 - Executive and Council	36 627	36 384	36 851	38 993
Vote 2 - Financial Services & ICT	84 548	81 968	86 950	92 933
Vote 4 - Management Services	84 750	61 415	52 242	54 698
Vote 5 - Engineering Services	203 799	214 666	226 291	244 242
Total Revenue by Vote	409 724	394 433	402 334	430 866
Expenditure by Vote to be appropriated				
Vote 1 - Executive and Council	48 740	47 891	48 251	50 773
Vote 2 - Financial Services & ICT	61 591	61 788	64 406	67 771
Vote 4 - Management Services	107 243	87 802	79 465	83 106
Vote 5 - Engineering Services	178 181	188 143	197 612	211 700
Total Expenditure by Vote	395 755	385 623	389 734	413 349
Surplus/(Deficit) for the year	13 969	8 810	12 600	17 517

Financial Viability

Financial viability is imperative to ensure that high quality services are delivered to the community on a sustainable manner. In order to achieve financial viability, the municipal budget is guided by the approved long-term financial plan of the municipality.

The municipality further assesses their viability on the model jointly developed by Swartland Municipality and the Western Cape Provincial Treasury. This model assesses 10 key ratios that is considered the most important indicators when assessing the long term viability of the municipality. A weighting is attached to each indicator that will eventually provide the municipality with a viability score out of 100. The municipality should always strive for the maximum score of 100. Any score below 100 will be indicative of “sustainability cracks” that could eventually negatively impact on service delivery in the municipal area.

The 10 indicators, along with the proposed benchmark and weight are included in the following table:

ITEM	Benchmark	Viability Weight	Standard 1	Score 1	Standard 2	Score 2	Standard 3	Score 3	Standard 4	Score 4	Standard 5	Score 5
Asset Test Ratio	200%	10	200%	10	150%	8	100%	5	50%	2	0%	0
Payment Level (Excluding write-off of bad debts)	> 95%	15	95%	15	90%	11	85%	6	80%	3	75%	0
Cash Generated from Operations as % of Revenue	> 20%	8	20%	8	15%	6	10%	4	5%	2	0%	0
Purchase of PPE as % of Cash Generated	< 100%	8	100%	8	110%	6	120%	4	135%	2	150%	0
Cost Coverage (Excluding Unspent Grants)	4	15	4	15	4	10	3	5	2	2	1	0
Debtors Turnover (days) (Before impairment)	< 45 days	2	75	2	90	1	110	0	130	0	150	0
Longterm debt as % of Revenue	< 40%	5	40%	5	50%	4	75%	3	95%	2	100%	0
Debt servicing cost to Revenue	< 5%	8	5%	8	7.50%	6	10%	4	12.50%	2	15%	0
Short-term debt as % of Cash	< 100%	4	50%	4	70%	3	80%	2	100%	1	125%	0
Cash Funded Budget over MTREF	> R0	25	Yes	25	No	0	0	0	0	0	0	0

The 10 indicators provide the municipality with an assessment of the following major areas:

- Revenue Management
- Expenditure Management
- Debtor and Creditor Management
- Cash Management
- Asset Management
- Funding and Reserve Strategy

All the indicators will be discussed below.

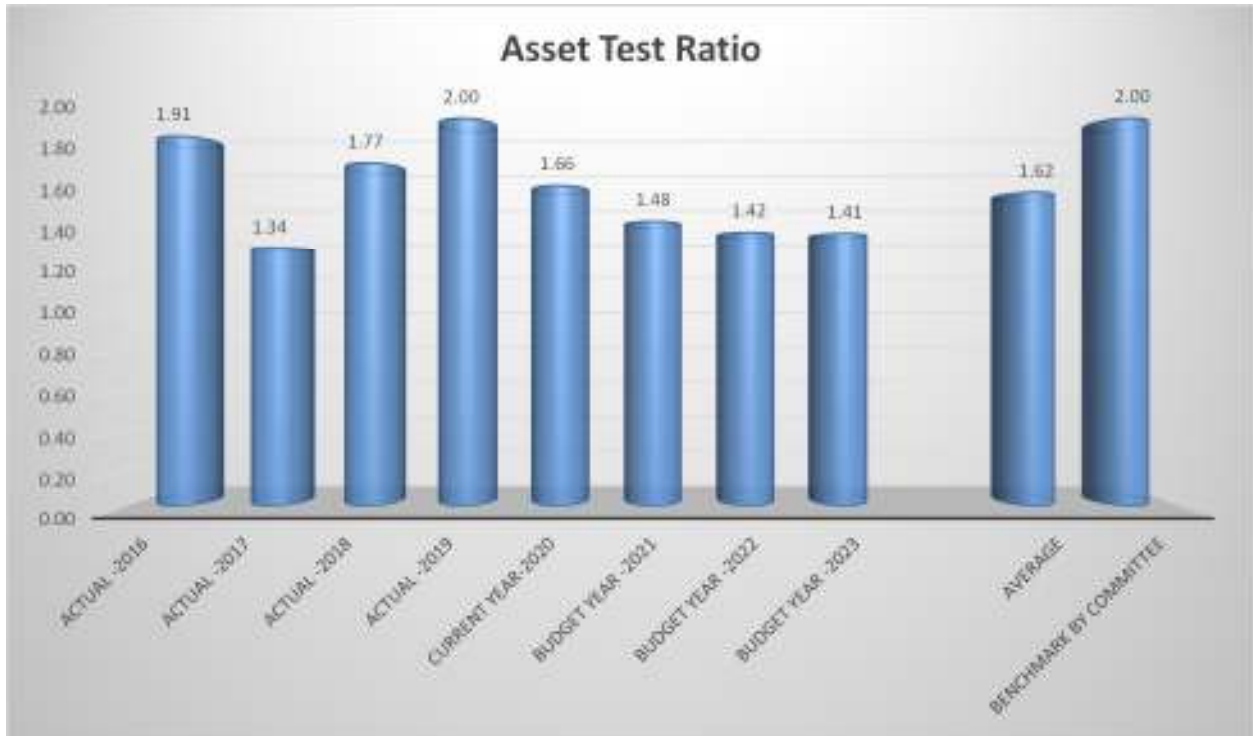
It should be noted that these ratios are based on the full implementation of the proposed capital and operating program and that revenue realise in line with the most recent actual audited results.

1.4.1.1 Asset Test Ratio

The asset test ratio provides with an indication of the municipality's ability to settle commitments if and when they become due. It is calculated as follows ratio between current assets (excluding inventory) and current liabilities.

A ratio of 2:1 is considered to be appropriate.

The municipality managed to improve this ratio throughout the years up to 30 June 2019. This upward momentum will however not be supported by the budget to be implemented over the MTREF as indicated below:



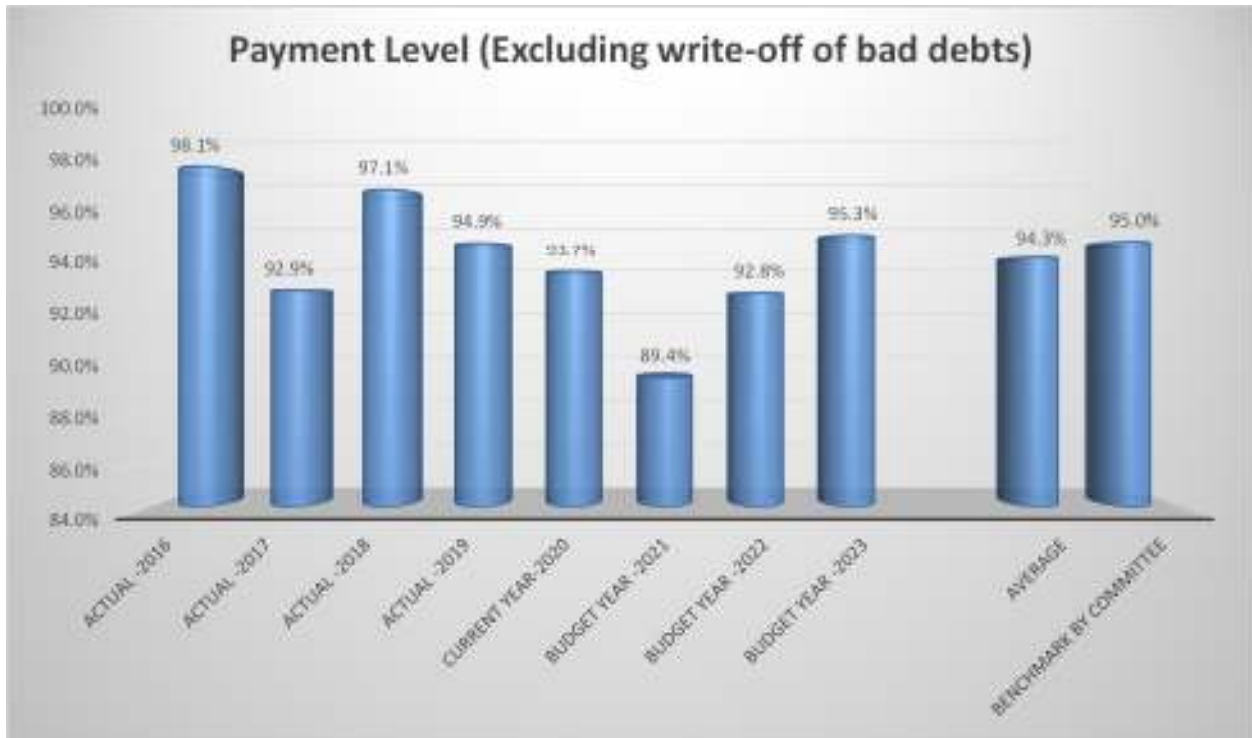
From a viability scoring out of 10 for this indicator, the following is allocated for this indicator:



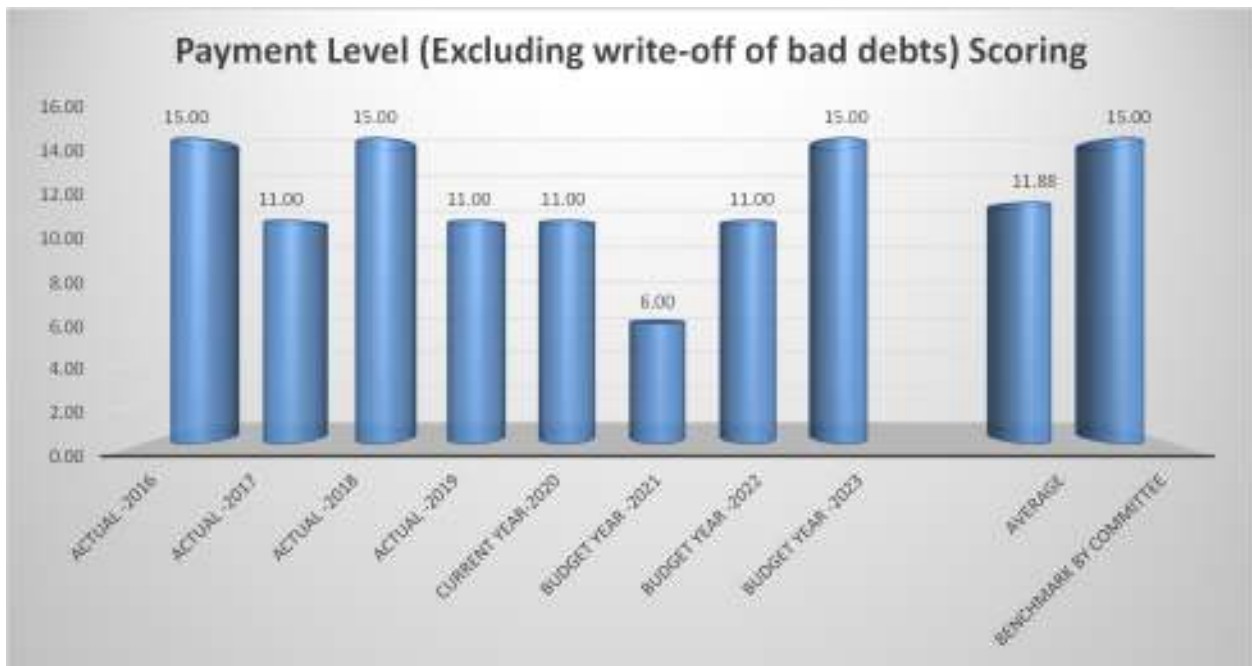
1.4.1.2 Payment Level

Historically, the municipality has always been able to apply strict measures when it comes to revenue collection and this trend is set to continue. A revenue collection rate in excess of 95% is considered to be exceptional, however, it is anticipated that the recovery rate will drop to

approximately 90% during 2020/2021 before gradually recovering to historical levels over the outer years.



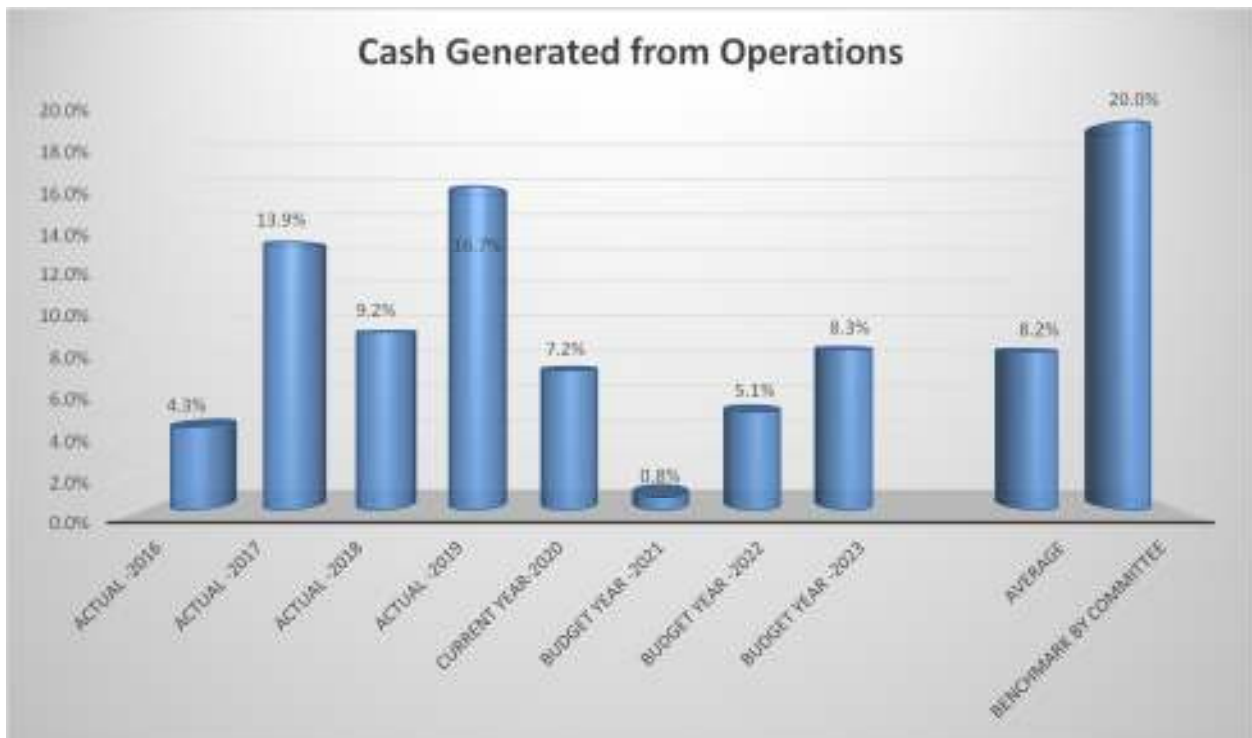
The following score is allocated to this indicator:



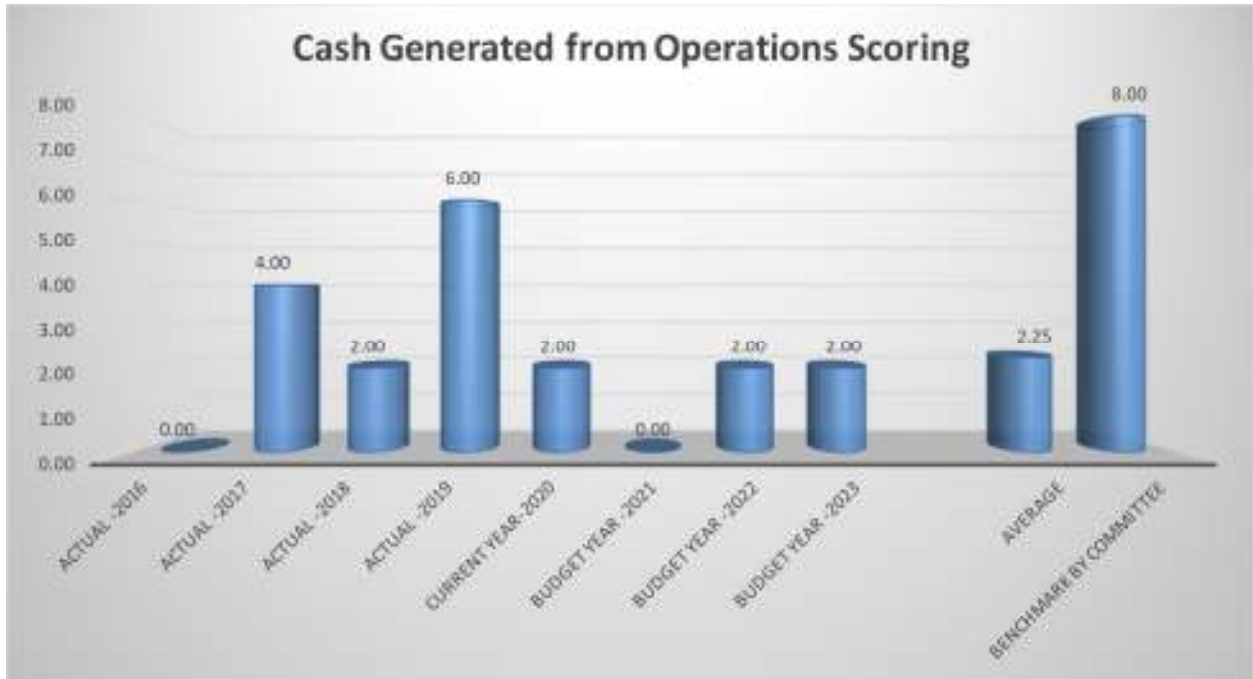
1.4.1.3 Cash Generated from Operations as % of Revenue

This indicator provides the municipality with a measure of the municipality's ability to translate the operating budget into cash. The municipality should explore relevant areas where non-essential expenditure can be reduced in order to improve this indicator. Any improvement in this indicator will significantly contribute to the availability of cash resources for capital purposes. A ratio of 20% (Cash generated by operations vs Revenue) is deemed to be appropriate.

It is quite evident that the municipality is not generating appropriate levels of cash that will enable the municipality to contribute to the capital program of the municipality.



From a possible score of 8, the municipality will score limited points over the MTREF.



1.4.1.4 Purchase of PPE as % of Cash Generated

This indicator measures the ability of the municipality to finance the capital program from cash generated in the same financial period. Any indicator above 100% is indicative of a shortfall in cash which increases the need to utilise accumulated cash resources from prior years. Alternatively in order to preserve cash resources, the municipality will need to raise external loans. An external loan is an excellent instrument to promote the principle of “user pays” (Interest and redemption charges are factored into the cost of providing the service. Thus, the user of the specific asset will pay for the asset over the period when benefits are derived from the asset). It is also very useful to fast track much needed infrastructure projects where the municipality is not in a position to finance a specific project from own resources. The municipality should however be mindful of the affordability factor specifically relating to loans that will be discussed in more detail in section 1.4.1.7 and 1.4.1.8.

It is expected that the municipality will not generate sufficient resources to finance its capital program, thus increasing the need to raise further external funding.

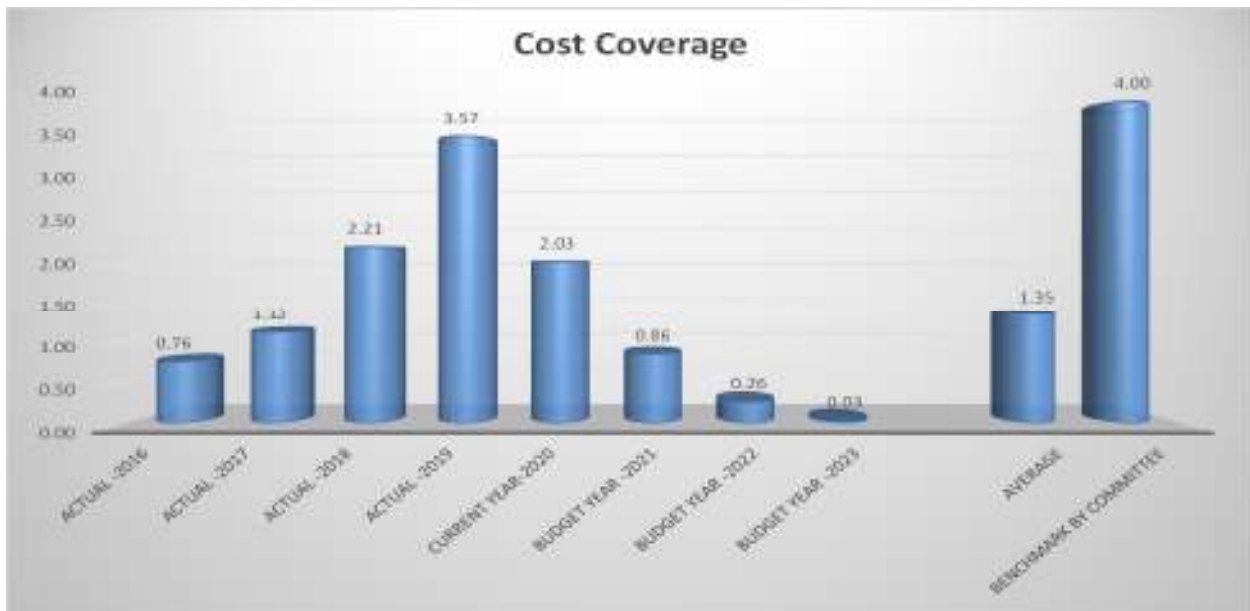


The following score is allocated to this indicator:

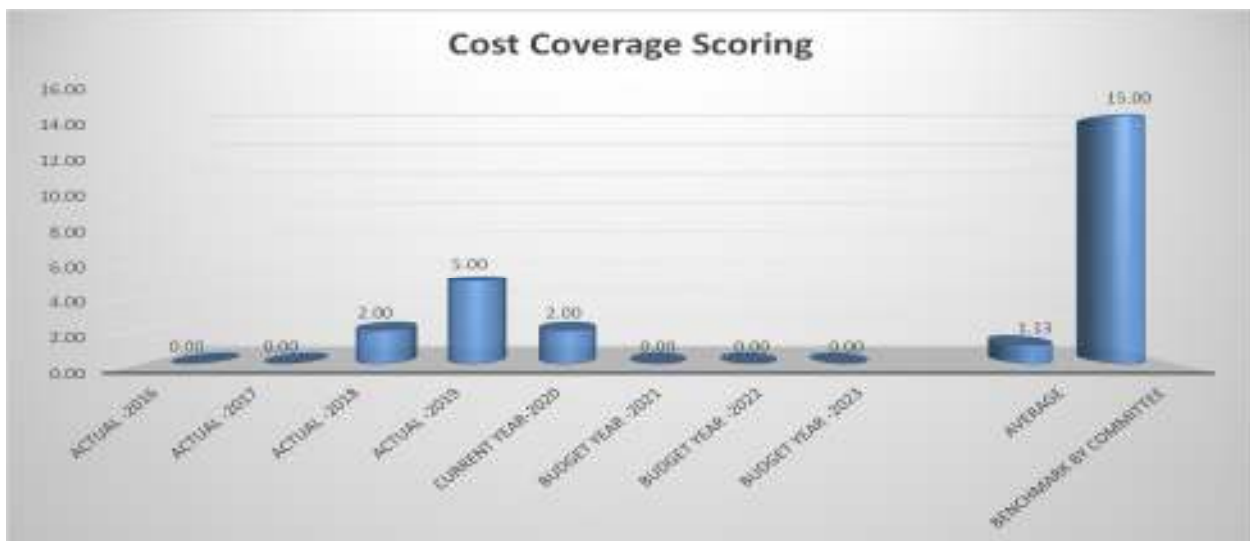


1.4.1.5 Cost Coverage

This ratio measures the amount of months' operating expenditure for which cash is available. This indicator will also provide a good indication of how the municipality will be able to react to financial "shock/setbacks" that is beyond the control of the municipality (for example - National Treasury delays the payments of grants or a sudden drop in payment levels from consumers/rate payers). The guidelines provided by National Treasury indicate that a level of 1 to 3 months is considered to be acceptable. A level of 4 months, which is in line with other municipalities that are considered to be financially sound, is considered to be an acceptable level.



The downward trend is in line with the projected decline in cash resources and accordingly no contribution is made to the viability scoring over the MTREF.



1.4.1.6 Debtor Turnover Days

In short, the indicator provides an indication of how many days it takes to convert billed revenue into cash. Thus, it is a good indicator of how credit control and debt collection measures are being implemented at the municipality. It also provides an indication of the municipality's write off policy. High standards are maintained when it comes to debt collection. The upward trend evident below can only be attributed to the municipality not writing off old irrecoverable debt. Not only does this result in a sharp increase in consumer debt, but it also contribute to significant interest charges to be levied in the statement of financial performance. Although considered to be revenue, very little interest revenue will translate into cash.



A total score of only 2 is available for this indicator.

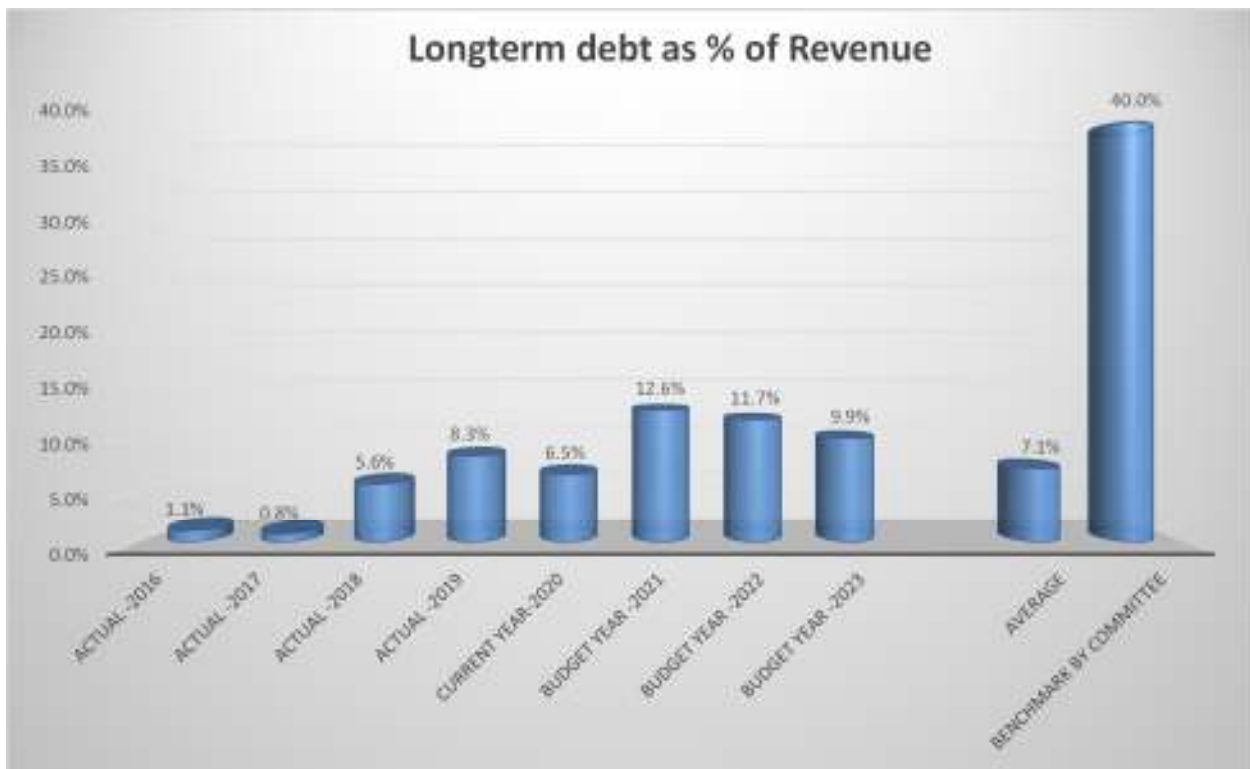


1.4.1.7 Long Term Debt as % of Revenue

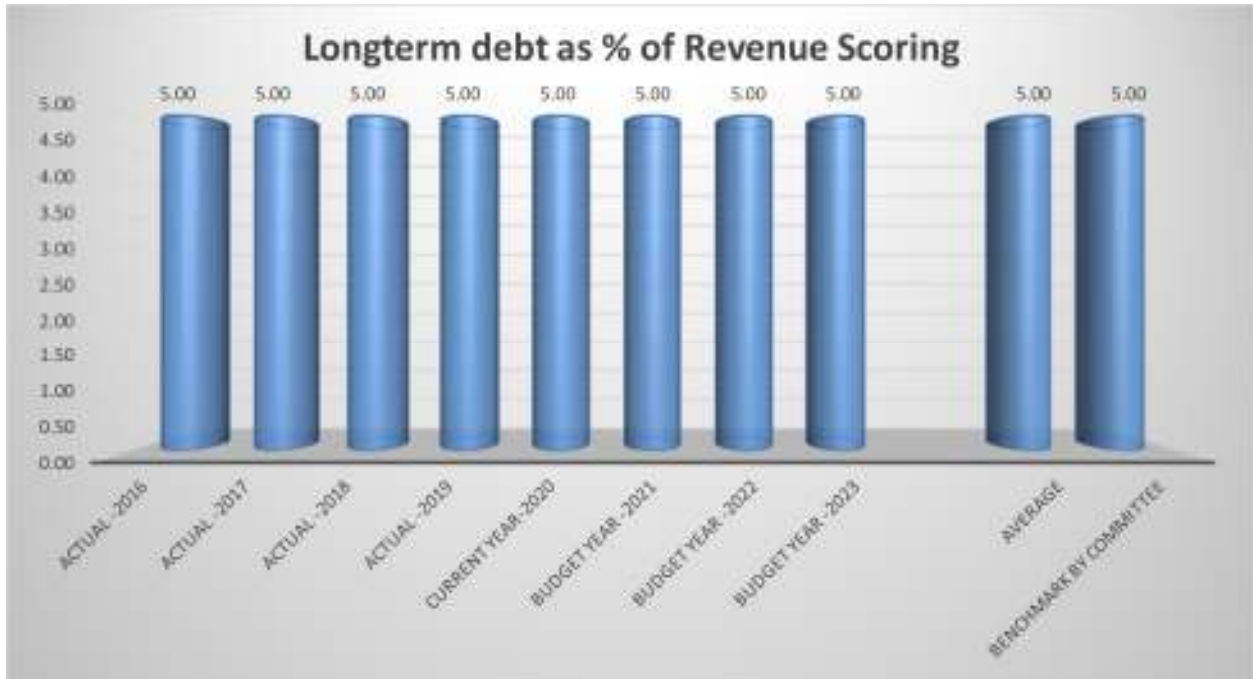
External borrowing is an important part of the funding model of the municipality. Not only does it instantly provide the municipality with relatively inexpensive capital to fast-track service delivery and infrastructure backlogs, but it also ensures that the user of the infrastructure pay for the use over the lifetime of the asset. The current capital program provides for a significant portion of the program to be financed through external financing.

This indicator provides the municipality with a debt ceiling – the maximum level of external borrowing that the municipality will be able to accommodate in the in the statement of financial position before the “affordability” factor becomes a concern.

Currently the municipality is operating well below the debt ceiling of 40%.



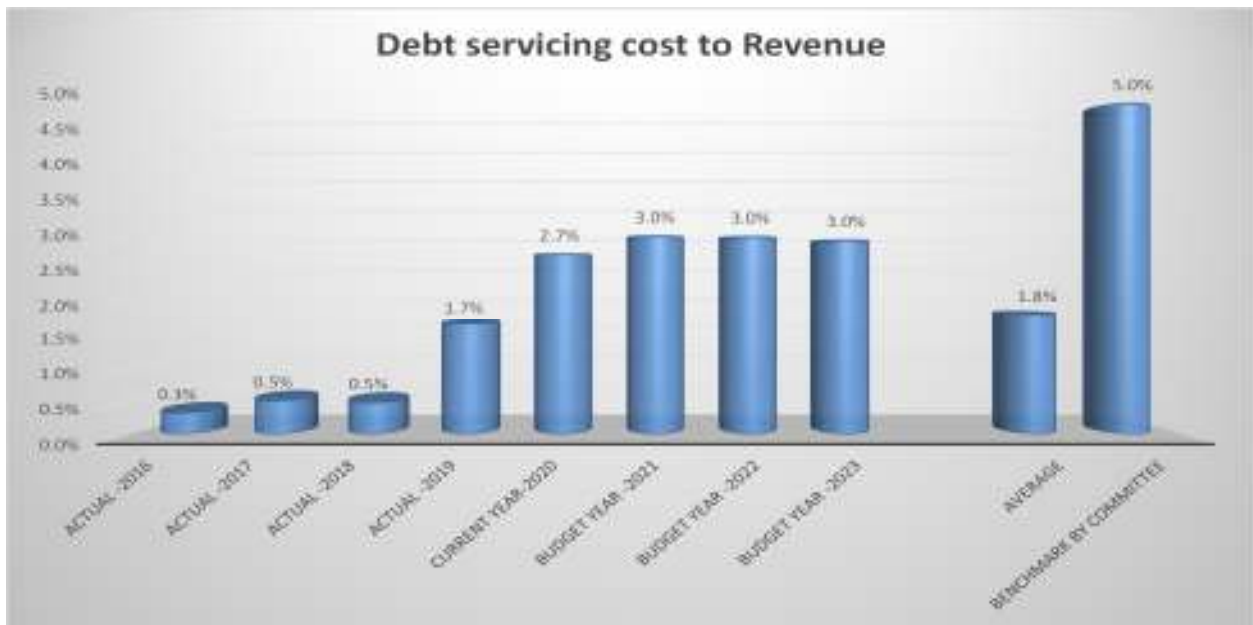
A full score is allocated to this indicator for all periods under review, although it should be noted that the municipality is not making full use of the benefits available in this area. The municipality should however be mindful of the fact that use of external funding should not compensate for operational inefficiencies. External funding should be utilised to support and improve the cash levels of the municipality which is currently not being achieved.



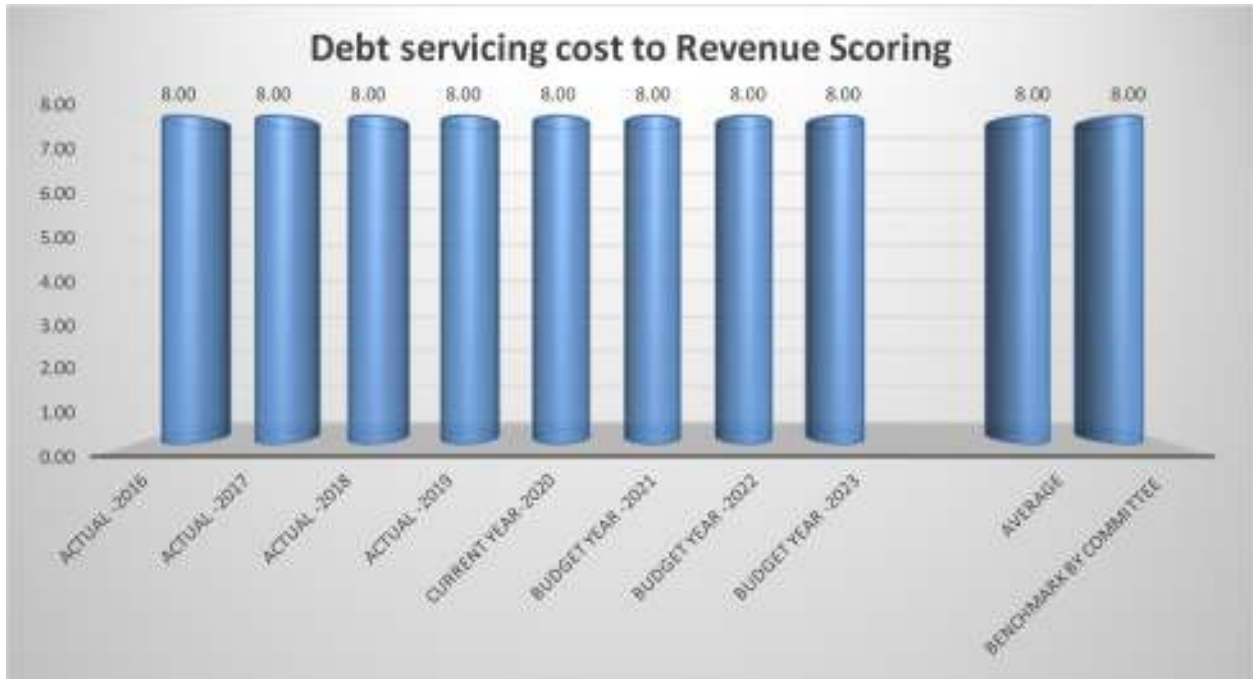
1.4.1.8 Debt Servicing Cost to Revenue

This indicator should be reviewed in conjunction with the debt ceiling as discussed in section 1.4.1.8 and is a measure of the ability of the operating budget to finance loan installments when they become due. A level of 5% is considered to be affordable.

Based on the fact that the municipality is operating well below the debt ceiling, the municipality is performing well on this indicator.

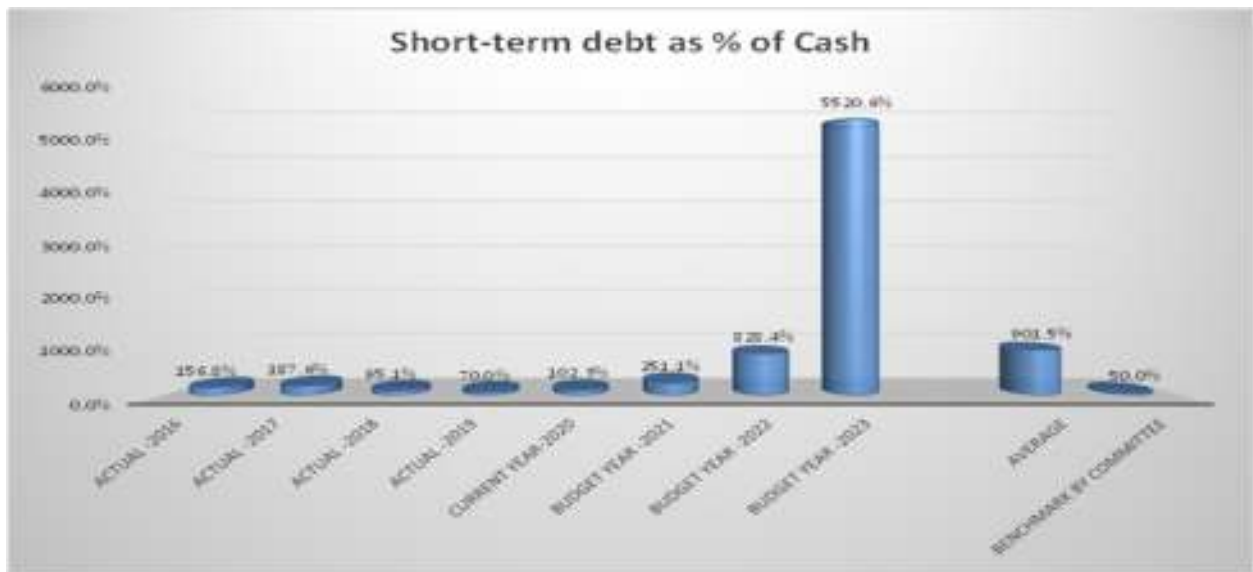


From a possible score of 8, the municipality will be allocated a full score in all periods under review.

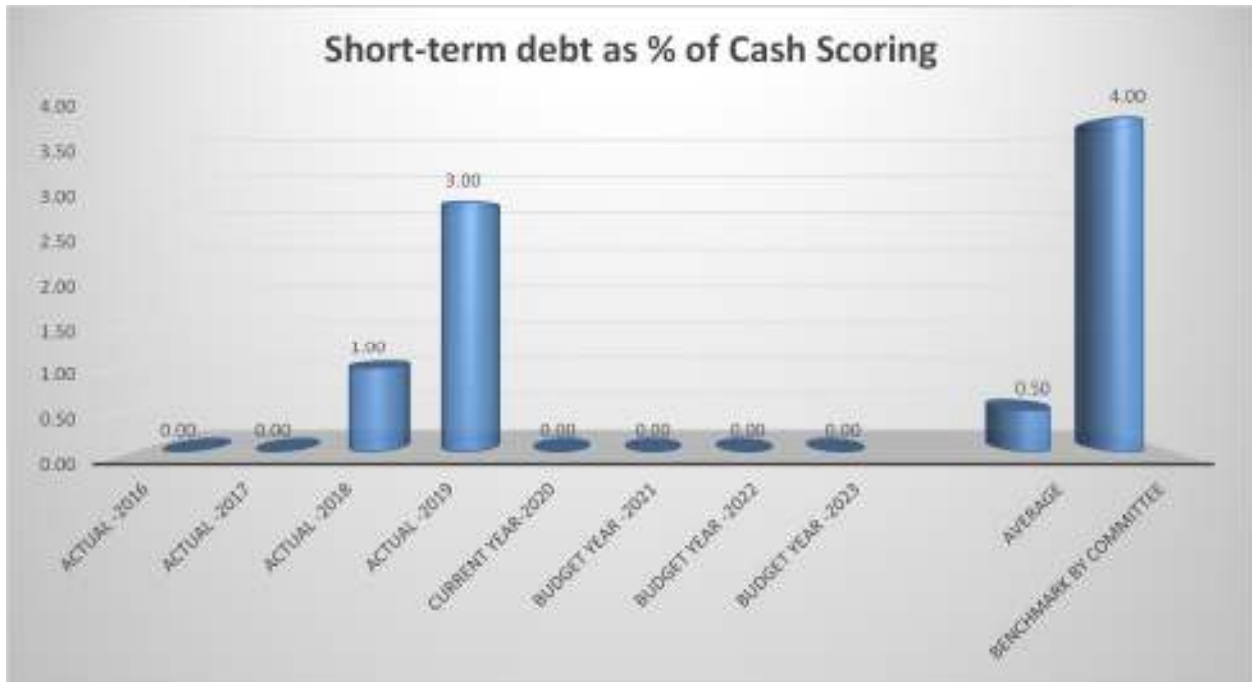


1.4.1.9 Short Term Debt as % of Cash

This indicator provides a measure of the municipality's ability to settle short term liabilities when they become due and payable. The trend below is an indication that the municipality will not be able to pay liabilities when they become due over the MTREF. A level below 50% is considered to be acceptable.

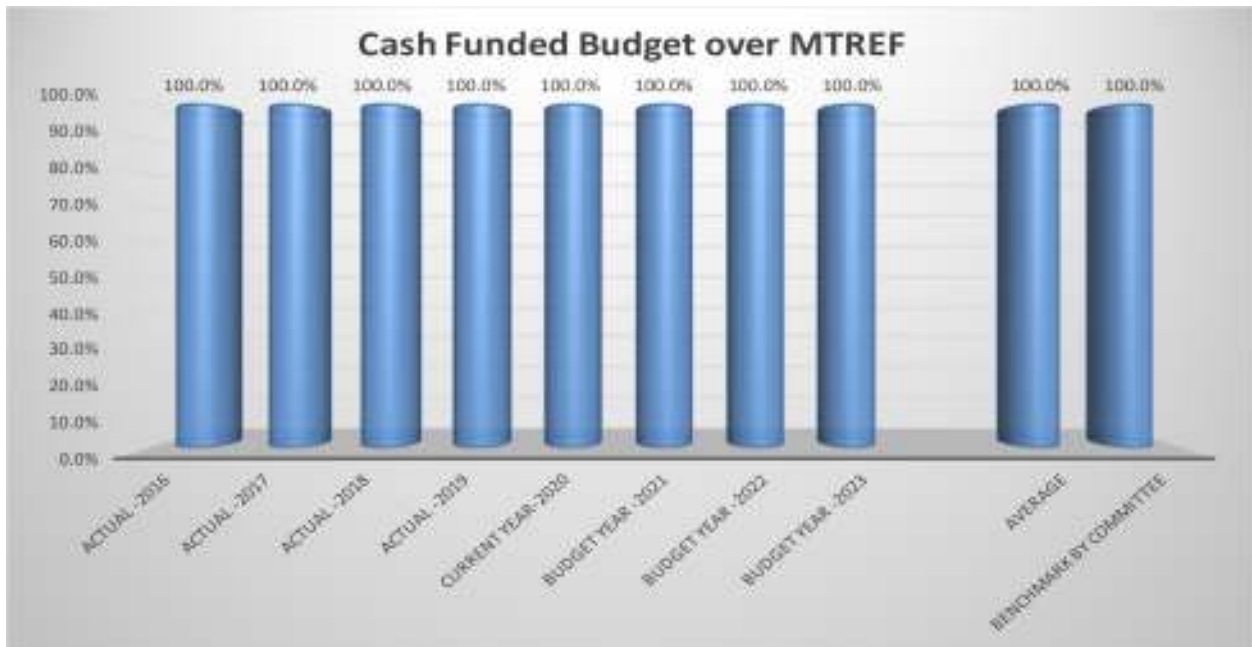


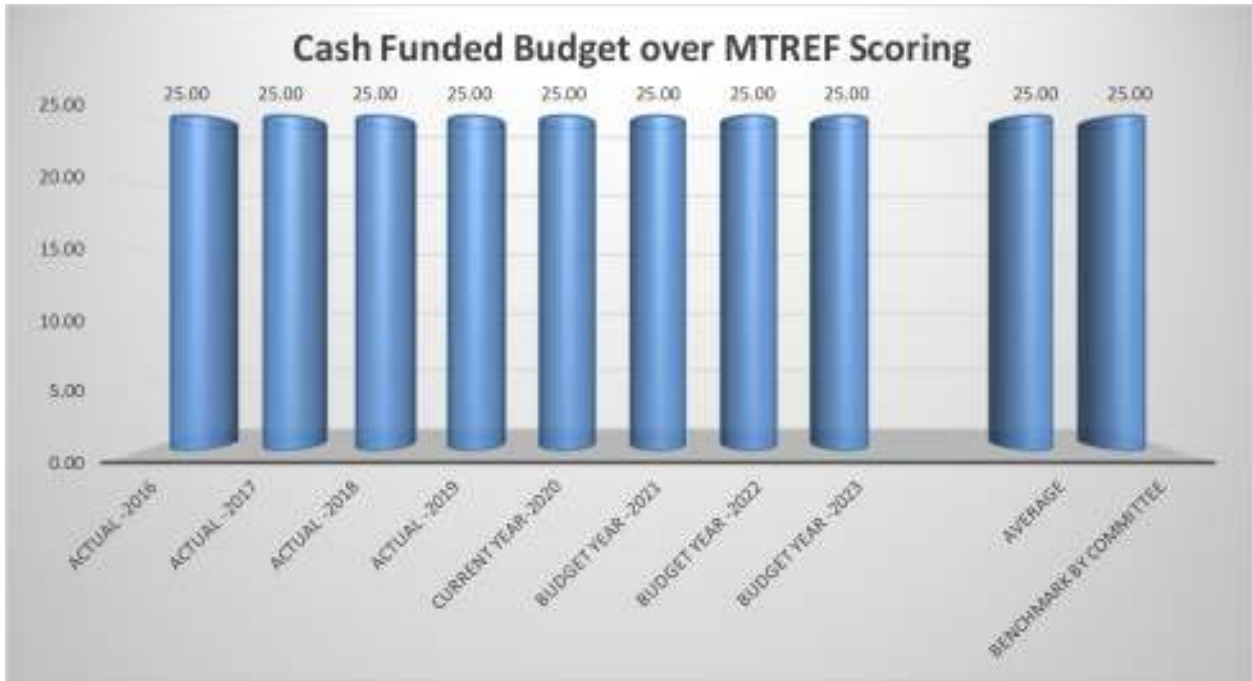
As cash resources decline and short-term liabilities increase, the scoring allocated to this indicator will drop to zero.



1.4.1.10 Cash Funded Budget over the MTREF

A cash funded budget is arguably the most important indicator for a credible budget that is aligned to the funding requirement in MFMA Section 18 and for this reason the indicator carries the largest weighting in the financial viability scoring model.





1.4.1.11 Total Viability Scoring

Based on the outcome of the 10 indicators above, it is expected that the viability scoring will regress over the MTREF when compared to the last audited year, being 2018/19. The municipality should strive to implement spending programs that contribute to the upward trend experienced in total viability in recent years.



1.5 Operating Revenue Framework

Section 18 of the Municipal Finance Management Act, 2003, which deals with the funding of expenditure, states as follows:

- (1) “An annual budget may only be funded from –
- (a) Realistically anticipated revenue to be collected from the approved sources of revenue;
 - (b) Cash-backed accumulated funds from previous financial years’ surpluses not committed for other purposes; and
 - (c) Borrowed funds, but only for the capital budget referred to in section 17(2).
- (2) Revenue projections in the budget must be realistic, taking into account –
- (a) projected revenue for the current year based on collection levels to date; and
 - (b) actual revenue collected in previous years.”

The following table is a summary of the 2020/21 MTREF (classified by main revenue source):

Summary of revenue classified by main revenue source

Description R thousand	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source				
Property rates	69 193	74 061	79 271	84 847
Service charges - electricity revenue	126 232	136 457	143 553	156 329
Service charges - water revenue	28 204	30 178	32 291	34 551
Service charges - sanitation revenue	11 840	12 669	13 556	14 505
Service charges - refuse revenue	17 798	19 041	20 370	21 791
Rental of facilities and equipment	1 961	1 200	1 284	1 374
Interest earned - external investments	3 201	3 300	3 531	3 778
Interest earned - outstanding debtors	1 719	1 839	1 968	2 105
Fines, penalties and forfeits	11 590	12 419	13 288	14 218
Licences and permits	67	25	27	29
Agency services	2 917	3 121	3 340	3 573
Transfers and subsidies	100 680	75 102	65 201	67 102
Other revenue	10 056	10 633	11 235	11 998
Gains	5 000	–	–	–
Total Revenue (excluding capital transfers and contributions)	390 457	380 044	388 912	416 201

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

Summary of revenue classified by municipal vote

Vote Description R thousand	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote				
Vote 1 - Executive and Council	36 627	36 384	36 851	38 993
Vote 2 - Financial Services & ICT	84 548	81 968	86 950	92 933
Vote 4 - Management Services	84 750	61 415	52 242	54 698
Vote 5 - Engineering Services	203 799	214 666	226 291	244 242
Total Revenue by Vote	409 724	394 433	402 334	430 866

Percentage growth in revenue base by main revenue source

Description R thousand	2019/20		2020/21 Medium Term Revenue & Expenditure Framework					
	Full Year Forecast	%	Budget Year 2020/21	%	Budget Year +1 2021/22	%	Budget Year +2 2022/23	%
Revenue By Source								
Property rates	69 193	18%	74 061	19%	79 271	20%	84 847	20%
Service charges - electricity revenue	126 232	32%	136 457	36%	143 553	37%	156 329	38%
Service charges - water revenue	28 204	7%	30 178	8%	32 291	8%	34 551	8%
Service charges - sanitation revenue	11 840	3%	12 669	3%	13 556	3%	14 505	3%
Service charges - refuse revenue	17 798	5%	19 041	5%	20 370	5%	21 791	5%
Rental of facilities and equipment	1 961	1%	1 200	0%	1 284	0%	1 374	0%
Interest earned - external investments	3 201	1%	3 300	1%	3 531	1%	3 778	1%
Interest earned - outstanding debtors	1 719	0%	1 839	0%	1 968	1%	2 105	1%
Fines, penalties and forfeits	11 590	3%	12 419	3%	13 288	3%	14 218	3%
Licences and permits	67	0%	25	0%	27	0%	29	0%
Agency services	2 917	1%	3 121	1%	3 340	1%	3 573	1%
Transfers and subsidies	100 680	26%	75 102	20%	65 201	17%	67 102	16%
Other revenue	10 056	3%	10 633	3%	11 235	3%	11 998	3%
Gains	5 000	1%	-	0%	-	0%	-	0%
Total Revenue (excluding capital transfers and contributions)	390 457	100%	380 044	100%	388 912	100%	416 201	100%
Rates and Services Contribution	253 267	65%	272 406	72%	289 040	74%	312 024	75%

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise between 65 and 75 percent of the total revenue mix.

The municipality remains highly dependent on internal revenue sources to fund the budget, with transfers and grants only contributing between 16% and 26% to the operating revenue basket. Approximately 9% of the revenue basket can be attributed to equitable share.

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

Operating Transfers and Grant Receipts

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
EXPENDITURE:				
Operating expenditure of Transfers and Grants				
National Government:	37 752	37 359	37 930	39 340
Local Government Equitable Share	29 908	32 155	34 741	37 276
Energy Efficiency and Demand-side [Schedule 5B]	840	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 740	2 026	-	-
Local Government Financial Management Grant [Schedule 5B]	1 550	1 257	1 140	1 118
Municipal Infrastructure Grant [Schedule 5B]	1 914	1 571	1 699	596
Municipal Systems Improvement Grant [Schedule 5B]	1 800	-	-	-
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	-	350	350	350
Provincial Government:	62 928	37 743	27 271	27 762
Human Settlement Development	56 114	30 889	20 452	20 784
Library Service Conditional Grant	6 003	6 307	6 673	6 832
Community Development Workers (CDW)	112	56	56	56
Financial Management Support (WC_FMGSG)	233	401	-	-
Roads Subsidy	78	90	90	90
Regional Social Economic Projects	388	-	-	-
Total operating expenditure of Transfers and Grants:	100 680	75 102	65 201	67 102

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 4.6 per cent, which is the current projected inflation rate for 2020/21.

The municipality budgets for the non-payment of accounts based on past experience of recovery rates, also taking into account recovery rates achieved in the 2019/20 year to date. The municipality applies its Credit Control Policy stringently but there are always situations where there are defaults on payment. The recovery rate which is usually about 95.00%, was lowered to 90% during the 2020/2021 year to incorporate the potential negative affect associated with COVID 19 pandemic on recovery rates.

1.5.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

An increase of 7 per cent in the Property Rates tariff is proposed for 2020/21 financial year. This above inflation increase is required to ensure that the funding gap between Operating Revenue and Operating Expenditure for all services (excluding trading services – Electricity, Water, Sanitation and Refuse) is reduced over time. The current shortfall can be illustrated as follows:

Other Services (Excluding Trading Services) R thousand	2016/17	2017/18	2018/19	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating Revenue	108 306	157 903	182 018	220 062	181 254	178 694	188 567
Operating Expenditure	(140 801)	(158 844)	(175 617)	(240 583)	(221 014)	(216 852)	(227 789)
Surplus/(Deficit)	(32 495)	(941)	6 401	(20 522)	(39 759)	(38 159)	(39 223)
Profit %	-30.00%	-0.60%	3.52%	-9.33%	-21.94%	-21.35%	-20.80%

1.5.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure cost reflective tariffs are achieved.

An increase of 7 per cent in the Water tariff is proposed for 2020/21 financial year.

The following projections are applicable to the water service:

Water Services R thousand	2016/17	2017/18	2018/19	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating Revenue	25 362	23 354	26 842	28 207	30 182	32 294	34 555
Operating Expenditure	(16 245)	(16 873)	(20 262)	(20 096)	(22 604)	(23 623)	(24 862)
Surplus/(Deficit)	9 117	6 481	6 580	8 111	7 578	8 672	9 693
Profit %	35.95%	27.75%	24.51%	28.76%	25.11%	26.85%	28.05%

Although this service is running at a profit and the tariff increases are expected to be in excess of the upper inflation limits, the following should also be taken into account when coming to a final conclusion with regards to the service provided:

- The increase in the tariff is aligned to the Long Term financial plan of the municipality. It is imperative that the service generates a surplus not only to provide the required funding needed for capital purposes, but also to increase the cash reserves of the municipality that will ensure that the basic services are provided on a sustainable manner.

- The service should be reviewed in conjunction with the provision of Sewerage and Sanitation Services. It is estimated that 70% of all water consumption eventually filters through into the sewerage systems of the municipality. In order to ensure that the level of services in the municipal area are maintained from a sewerage point of view, it is only considered fair that the large water consumers contribute to the needs of the Sewerage Infrastructure requirements of the municipality. The sewerage service is currently at “break-even” from an operating perspective. Thus, the service is not contribution any funds towards the infrastructure requirements, which will have to be upgraded in the near future to provide sufficiently for the growing demand in the municipal area.

Full details regarding the tariffs are included as Appendix A to this document.

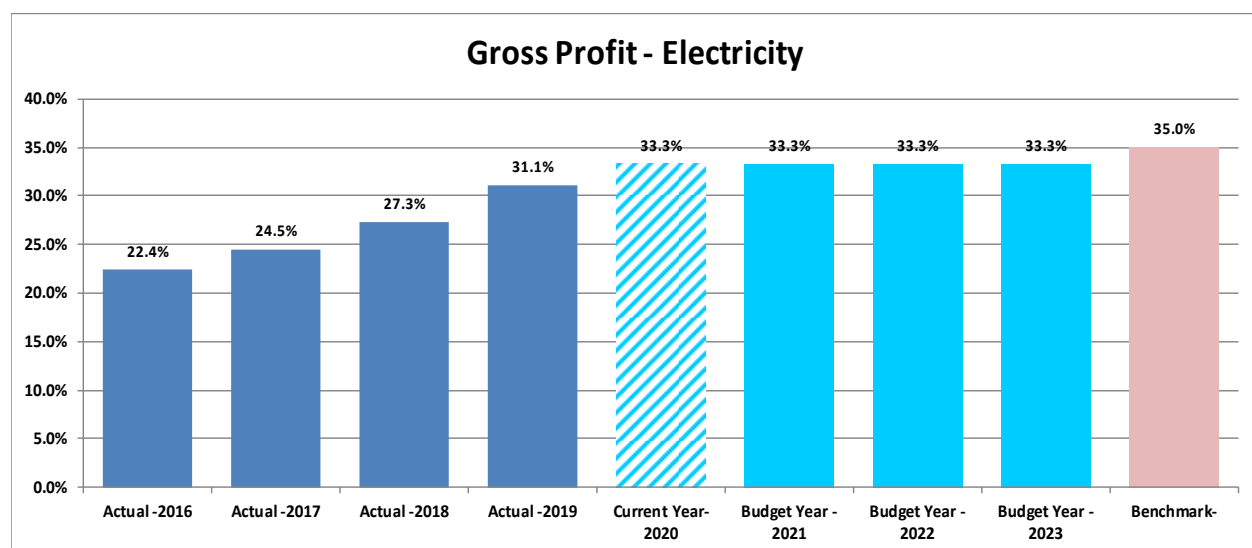
1.5.3 Sale of Electricity and Impact of Tariff Increases

An 8.1% increase in Electricity tariffs are currently factored into the projections below. This increase is based on approval from NERSA during March 2019 and could potentially still be adjusted based on final determinations by NERSA.

The following projections are applicable to the electricity service:

Electricity Services	2016/17	2017/18	2018/19	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating Revenue	97 967	105 424	118 269	132 307	136 888	143 988	156 771
Operating Expenditure	(83 915)	(86 790)	(89 599)	(102 298)	(106 613)	(112 145)	(121 514)
Surplus/(Deficit)	14 051	18 634	28 670	30 009	30 275	31 842	35 257
Profit %	14.34%	17.67%	24.24%	22.68%	22.12%	22.11%	22.49%

This above inflation increase is required to ensure that the “profitability” of the service remains intact in order to meet the capital demands associated with delivering the service.



Full details regarding the tariffs are included as Appendix A to this document.

1.5.4 Sanitation and Impact of Tariff Increases

An average increase of 7 per cent in the Sanitation tariff is proposed for 2020/21 financial year. This is required to ensure that the service is running at break-even.

The following projections are applicable to the sewerage service:

Sanitation Services	2016/17	2017/18	2018/19	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating Revenue	11 672	10 628	11 979	11 850	12 679	13 567	14 517
Operating Expenditure	(10 070)	(10 120)	(12 068)	(11 915)	(11 960)	(12 563)	(13 200)
Surplus/(Deficit)	1 602	508	(89)	(65)	719	1 004	1 317
Profit %	13.72%	4.78%	-0.74%	-0.55%	5.67%	7.40%	9.07%

Full details regarding the tariffs are included as Appendix A to this document.

1.5.5 Waste Removal and Impact of Tariff Increases

An average increase of 7 per cent in the Refuse Removal tariff is proposed for 2020/21 financial year. The service is currently being operated at a deficit (also taking into account the municipality's obligation to rehabilitate landfill sites) and the increase in excess of the inflation upper limit is required to ensure that the shortfall is reduced over time.

The following projections are applicable to the refuse service:

Refuse Services	2016/17	2017/18	2018/19	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Operating Revenue	16 983	15 674	19 008	17 798	19 041	20 370	21 791
Operating Expenditure	(17 043)	(14 932)	(16 191)	(20 863)	(23 433)	(24 550)	(25 984)
Surplus/(Deficit)	(60)	741	2 817	(3 065)	(4 392)	(4 181)	(4 193)
Profit %	-0.35%	4.73%	14.82%	-17.22%	-23.07%	-20.52%	-19.24%

1.5.6 Overall impact of tariff increases on households

Information on the impact on households can be illustrated below.

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	Budget Year 2020/21 % incr.	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	683.48	553.00	591.74	636.08	636.08	636.08	7.0%	680.61	728.25	779.23
Electricity : Basic levy	233.60	240.00	256.00	291.20	291.20	291.20	8.1%	314.79	336.82	360.40
Electricity : Consumption	1 474.01	1 453.35	1 564.57	1 772.25	1 772.25	1 772.25	8.1%	1 915.80	2 049.90	2 193.40
Water: Basic levy	104.24	115.00	130.00	138.00	138.00	138.00	7.0%	147.66	148.73	149.80
Water: Consumption	149.78	163.10	174.60	189.26	189.26	189.26	7.0%	202.51	216.68	231.85
Sanitation	104.24	114.50	125.50	145.00	145.00	145.00	7.0%	155.15	166.01	177.63
Refuse removal	114.40	125.50	138.00	160.00	160.00	160.00	7.0%	171.20	183.18	196.01
Other	-	-	-	-	-	-	-	-	-	-
sub-total	2 863.75	2 764.45	2 980.41	3 331.79	3 331.79	3 331.79	(100.0%)	-	-	-
VAT on Services	305.24	309.60	358.30	404.36	404.36	404.36		436.07	465.20	496.36
Total large household bill:	3 168.99	3 074.05	3 338.71	3 736.14	3 736.14	3 736.14	(100.0%)	-	-	-
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	265.39	272.29	291.36	313.20	313.20	313.20	7.0%	335.12	358.58	383.68
Electricity : Basic levy	233.60	240.00	256.00	291.20	291.20	291.20	8.1%	314.79	336.82	360.40
Electricity : Consumption	586.44	582.76	622.82	697.48	697.48	697.48	8.1%	753.98	806.75	863.23
Water: Basic levy	104.24	115.00	130.00	138.00	138.00	138.00	7.0%	147.66	148.73	149.80
Water: Consumption	117.23	128.46	130.00	148.46	148.46	148.46	7.0%	158.85	169.97	181.87
Sanitation	104.24	114.50	125.50	145.00	145.00	145.00	7.0%	155.15	166.01	177.63
Refuse removal	114.40	125.50	138.00	160.00	160.00	160.00	7.0%	171.20	183.18	196.01
Other	-	-	-	-	-	-	-	-	-	-
sub-total	1 525.54	1 578.51	1 693.68	1 893.34	1 893.34	1 893.34	(100.0%)	-	-	-
VAT on Services	176.42	182.87	210.35	237.02	237.02	237.02		255.24	271.72	289.34
Total small household bill:	1 701.96	1 761.38	1 904.03	2 130.36	2 130.36	2 130.36	(100.0%)	-	-	-
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates	22.43	23.03	24.63	26.48	26.48	26.48	7.0%	28.33	30.31	32.43
Electricity : Basic levy	-	-	-	-	-	-	-	-	-	-
Electricity : Consumption	-	42.79	42.79	47.82	47.82	47.82	8.1%	51.69	55.31	59.18
Water: Basic levy	20.85	115.00	130.00	138.00	138.00	138.00	7.0%	147.66	148.73	149.80
Water: Consumption	-	-	-	-	-	-	-	-	-	-
Sanitation	20.84	114.50	125.50	145.00	145.00	145.00	7.0%	155.15	166.01	177.63
Refuse removal	22.88	125.50	138.00	160.00	160.00	160.00	7.0%	171.20	183.18	196.01
Other	-	-	-	-	-	-	-	-	-	-
sub-total	87.00	420.82	460.92	517.30	517.30	517.30	(100.0%)	-	-	-
VAT on Services	9.04	55.69	65.44	73.62	73.62	73.62		78.86	82.99	87.39
Total small household bill:	96.04	476.51	526.36	590.92	590.92	590.92	(100.0%)	-	-	-

1.6 Operating Expenditure Framework

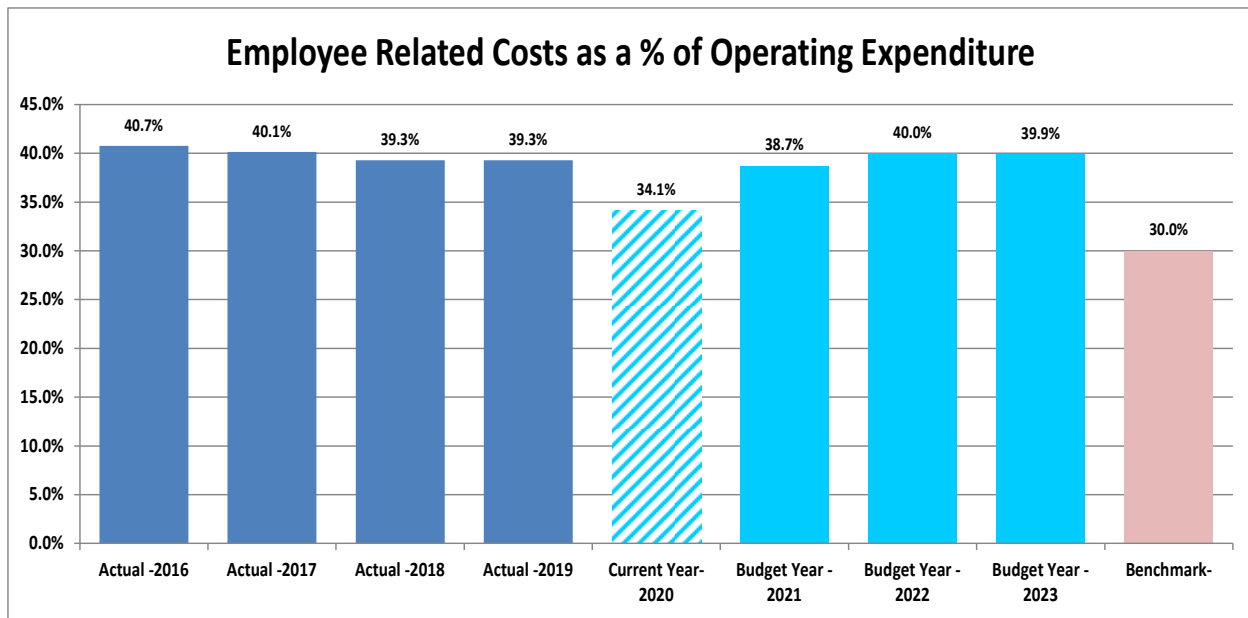
Municipalities are still urged to implement the cost containment measures on six focus areas namely, consultancy fees, no credit cards, travel and related costs, advertising, catering, events costs and accommodation. With the implementation of cost containment measures, municipalities must control unnecessary spending on nice-to-have items and non-essential and non-priority activities.

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

Table 1 Summary of operating expenditure by standard classification item

Description	2019/20		2020/21 Medium Term Revenue & Expenditure Framework					
	Full Year Forecast	%	Budget Year 2020/21	%	Budget Year +1 2021/22	%	Budget Year +2 2022/23	%
Expenditure By Type								
Employee related costs	135 052	34.1%	149 348	38.73%	156 055	40.04%	164 985	39.91%
Remuneration of councillors	5 764	1.46%	6 034	1.56%	6 324	1.62%	6 632	1.60%
Debt impairment	11 267	2.85%	9 904	2.57%	10 470	2.69%	11 072	2.68%
Depreciation & asset impairment	11 025	2.79%	11 369	2.95%	11 919	3.06%	12 495	3.02%
Finance charges	13 254	3.35%	13 963	3.62%	14 782	3.79%	15 682	3.79%
Bulk purchases	84 404	21.33%	91 250	23.66%	95 995	24.63%	104 530	25.29%
Other materials	79 110	19.99%	56 336	14.61%	46 958	12.05%	48 514	11.74%
Contracted services	24 623	6.22%	14 955	3.88%	14 950	3.84%	15 549	3.76%
Transfers and subsidies	2 571	0.65%	4 071	1.06%	2 605	0.67%	2 641	0.64%
Other expenditure	28 684	7.25%	28 392	7.36%	29 676	7.61%	31 249	7.56%
Total Expenditure	395 755	100.00%	385 623	100.00%	389 734	100.00%	413 349	100.00%

The budgeted allocation for employee related costs for the 2020/21 financial year totals R149.348 million, which equals 38.73 per cent of the total operating expenditure. This percentage is set to remain very constant over the two outer years of the MTREF at 40.04 per cent and 39.91 per cent respectively. However, before the municipality reaches any conclusions with regards to levels of employee related costs of the municipality, the municipality should assess the impact of any items that could distort these figures. The municipality should for example exclude any material conditional grant expenditure that can fluctuate significantly year-on year.



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

The provision of debt impairment was determined based on an annual collection rate of between 90.00 to 95.00 per cent and the Debt Write-off Policy of the Municipality. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality’s realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality’s Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption.

Bulk purchases are largely informed by the purchase of electricity from Eskom, which is projected to increase by 8.1%. Although the municipality is not in control of the increase in the cost of bulk purchases, the municipality could still implement measures to reduce distribution losses as well as internal consumption.

Other expenditure and Other materials comprise of various line items relating to the daily operations of the municipality (including repairs and maintenance as well as operating grant expenditure). These items should be reviewed by the municipality to ensure that all non-priority expenditure is eliminated.

1.6.1 Priority given to repairs and maintenance

National Treasury observed that budget appropriations for asset renewal as part of the capital programme and operational repairs and maintenance of existing asset infrastructure is still not receiving adequate priority by municipalities, regardless of guidance supplied in previous Budget Circulars. Asset management is a strategic imperative for any municipality and needs to be prioritised as a spending objective in the budget of municipalities.

For the 2020/21 budgets and MTREF's, municipalities must ensure they prioritise asset management and take into consideration the following:

- 1) 40 per cent of its 2020/21 to 2022/23 Capital Budget should be allocated to the renewal/upgrade of existing assets it.
- 2) Operational repairs and maintenance should not be less than 8 per cent of the asset value (write down value) of the municipality's Property Plant and Equipment (PPE).

The municipality have made great strides to achieve both these benchmarks. A large contributing factor to reaching the required levels of repairs and maintenance can be attributed to the costing system of the municipality where employee related and other costs directly related to repairs and maintenance projects now accurately being allocated to this line item as follows:

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Repairs and Maintenance by Expenditure Item				
Employee related costs	42 544	47 108	48 864	51 685
Other materials	17 143	18 994	19 766	20 678
Contracted Services	855	309	157	165
Other Expenditure	5 136	5 451	5 878	6 346
Total Repairs and Maintenance Expenditure	65 678	71 861	74 666	78 875

Repairs and maintenance per asset class

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
EXPENDITURE OTHER ITEMS	76 703	83 230	86 585	91 369
<u>Depreciation</u>	11 025	11 369	11 919	12 495
<u>Repairs and Maintenance by Asset Class</u>	65 678	71 861	74 666	78 875
<i>Roads Infrastructure</i>	11 928	12 463	13 075	13 842
<i>Electrical Infrastructure</i>	8 776	9 950	10 484	11 051
<i>Water Supply Infrastructure</i>	11 756	13 777	14 345	15 108
<i>Sanitation Infrastructure</i>	7 768	7 513	7 906	8 323
<i>Solid Waste Infrastructure</i>	2 593	3 111	3 042	3 200
Infrastructure	42 821	46 813	48 851	51 523
Community Facilities	5 679	6 045	6 140	6 486
Sport and Recreation Facilities	3 062	3 625	3 612	3 792
Community Assets	8 741	9 670	9 753	10 278
Operational Buildings	4 847	5 168	5 194	5 495
Other Assets	4 847	5 168	5 194	5 495
Licences and Rights	3 651	3 980	4 330	4 715
Intangible Assets	3 651	3 980	4 330	4 715
Computer Equipment	198	185	202	222
Furniture and Office Equipment	197	49	50	50
Machinery and Equipment	591	549	576	604
Transport Assets	4 633	5 446	5 710	5 988
TOTAL EXPENDITURE OTHER ITEMS	76 703	83 230	86 585	91 369
<i>Renewal and upgrading of Existing Assets as % of total capex</i>	71.7%	82.2%	51.8%	67.2%
<i>Renewal and upgrading of Existing Assets as % of deprecn</i>	277.4%	451.7%	157.8%	193.7%
<i>R&M as a % of PPE</i>	16.1%	15.7%	15.4%	15.6%
<i>Renewal and upgrading and R&M as a % of PPE</i>	21.0%	24.0%	18.0%	19.0%

1.6.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement).

The cost of the social package of the registered indigent households is financed by the municipality self and largely by utilising the municipality's unconditional equitable share grant, allocated in terms of the Constitution to local government, and received in terms of the annual

Division of Revenue Act. The cost associated with indigent subsidies amounts to R11.600 million in 2020/21 and increases to R 12.388 million and R13.234 million in the 2 outer years respectively. These figures do not include the 50 kWh electricity provided to indigents.

1.7 Capital expenditure

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

2020/21 Medium-term capital budget per vote

Vote Description R thousand	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure - Vote				
Multi-year expenditure to be appropriated				
Vote 2 - Financial Services & ICT	1 380	2 000	2 500	2 750
Vote 4 - Management Services	100	60	250	290
Vote 5 - Engineering Services	15 215	9 489	23 909	23 303
Capital multi-year expenditure sub-total	16 695	11 549	26 659	26 343
Single-year expenditure to be appropriated				
Vote 1 - Executive and Council	3 255	2 035	500	–
Vote 2 - Financial Services & ICT	1 485	873	635	1 298
Vote 4 - Management Services	4 066	2 830	1 880	545
Vote 5 - Engineering Services	17 159	45 202	6 663	7 806
Capital single-year expenditure sub-total	25 964	50 941	9 678	9 649
Total Capital Expenditure - Vote	42 659	62 490	36 337	35 992

The following table provides more information on the breakdown of the capital budget.

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
CAPITAL EXPENDITURE				
<u>Total New Assets</u>	12 076	11 133	17 526	11 793
<i>Roads Infrastructure</i>	800	–	–	–
<i>Storm water Infrastructure</i>	–	20	20	–
<i>Electrical Infrastructure</i>	3 742	2 279	11 395	8 292
<i>Water Supply Infrastructure</i>	500	–	–	–
<i>Sanitation Infrastructure</i>	–	250	250	250
Infrastructure	5 042	2 549	11 665	8 542
Community Facilities	1 258	–	100	–
Sport and Recreation Facilities	1 550	3 200	1 100	–
Community Assets	2 808	3 200	1 200	–
Operational Buildings	–	–	32	–
Other Assets	–	–	32	–
Computer Equipment	169	15	50	73
Furniture and Office Equipment	174	146	115	67
Machinery and Equipment	3 883	5 223	3 784	3 111
Transport Assets	–	–	680	–
<u>Total Renewal of Existing Assets</u>	13 325	39 036	4 635	7 444
<i>Roads Infrastructure</i>	1 350	1 500	2 250	4 750
<i>Water Supply Infrastructure</i>	3 050	3 600	850	1 850
<i>Sanitation Infrastructure</i>	5 122	32 561	500	–
Infrastructure	9 522	37 661	3 600	6 600
Sport and Recreation Facilities	–	40	–	–
Community Assets	–	40	–	–
Licences and Rights	151	–	–	–
Intangible Assets	151	–	–	–
Computer Equipment	154	433	501	678
Furniture and Office Equipment	119	238	229	167
Machinery and Equipment	603	435	75	–
Transport Assets	2 775	230	230	–

1.8 Annual Budget Tables

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2020/21 budget and MTREF to be approved by the Council.

Table A1 - Budget Summary

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands				
Financial Performance				
Property rates	69 193	74 061	79 271	84 847
Service charges	184 074	198 345	209 769	227 176
Investment revenue	3 201	3 300	3 531	3 778
Transfers recognised - operational	100 680	75 102	65 201	67 102
Other own revenue	33 309	29 236	31 140	33 297
Total Revenue (excluding capital transfers and contributions)	390 457	380 044	388 912	416 201
Employee costs	135 052	149 348	156 055	164 985
Remuneration of councillors	5 764	6 034	6 324	6 632
Depreciation & asset impairment	11 025	11 369	11 919	12 495
Finance charges	13 254	13 963	14 782	15 682
Materials and bulk purchases	163 515	147 587	142 953	153 043
Transfers and grants	2 571	4 071	2 605	2 641
Other expenditure	64 574	53 251	55 097	57 871
Total Expenditure	395 755	385 623	389 734	413 349
Surplus/(Deficit)	(5 298)	(5 579)	(822)	2 852
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	19 267	14 389	13 421	14 665
Surplus/(Deficit) after capital transfers & contributions	13 969	8 810	12 600	17 517
Surplus/(Deficit) for the year	13 969	8 810	12 600	17 517
Capital expenditure & funds sources				
Capital expenditure	42 659	62 490	36 337	35 992
Transfers recognised - capital	19 267	14 389	13 421	14 665
Borrowing	10 241	36 183	6 462	3 655
Internally generated funds	13 150	11 917	16 453	17 671
Total sources of capital funds	42 659	62 490	36 337	35 992

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands				
<u>Financial position</u>				
Total current assets	110 177	99 218	99 430	104 355
Total non current assets	452 003	503 116	527 526	551 015
Total current liabilities	65 446	66 108	68 889	72 673
Total non current liabilities	94 613	125 295	134 537	141 649
Community wealth/Equity	402 121	410 931	423 530	441 048
<u>Cash flows</u>				
Net cash from (used) operating	23 030	2 579	18 285	31 993
Net cash from (used) investing	(37 651)	(62 482)	(36 329)	(35 984)
Net cash from (used) financing	(5 122)	22 239	29	(3 009)
Cash/cash equivalents at the year end	63 996	26 332	8 316	1 316
<u>Cash backing/surplus reconciliation</u>				
Cash and investments available	63 996	26 332	8 316	1 316
Application of cash and investments	40 852	(3 967)	(36 328)	(52 134)
Balance - surplus (shortfall)	23 144	30 299	44 644	53 450
<u>Asset management</u>				
Asset register summary (WDV)	451 826	502 947	527 364	550 861
Depreciation	11 025	11 369	11 919	12 495
Renewal and Upgrading of Existing Assets	30 583	51 357	18 811	24 198
Repairs and Maintenance	65 678	71 861	74 666	78 875
<u>Free services</u>				
Cost of Free Basic Services provided	9 692	10 375	11 103	11 887
Revenue cost of free services provided	1 168	1 225	1 285	1 348
<u>Households below minimum service level</u>				
Water:	-	-	-	-
Sanitation/sewerage:	-	-	-	-
Energy:	-	-	-	-
Refuse:	-	-	-	-

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The accumulated surplus is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget.

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

Functional Classification Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	R thousand	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22
Revenue - Functional				
Governance and administration	128 773	127 465	134 619	143 637
Executive and council	29 940	32 185	34 771	37 306
Finance and administration	98 659	95 280	99 848	106 331
Internal audit	174	–	–	–
Community and public safety	82 175	58 298	48 749	50 957
Community and social services	6 695	6 734	6 951	7 333
Sport and recreation	7 539	8 040	8 173	8 745
Public safety	11 655	12 460	13 172	14 094
Housing	56 286	31 064	20 452	20 784
Economic and environmental services	8 614	7 231	6 097	5 989
Planning and development	5 698	4 110	2 757	2 415
Road transport	2 917	3 121	3 340	3 573
Trading services	190 162	201 439	212 869	230 284
Energy sources	132 307	139 038	146 638	159 421
Water management	28 207	30 682	32 294	34 555
Waste water management	11 850	12 679	13 567	14 517
Waste management	17 798	19 041	20 370	21 791
Total Revenue - Functional	409 724	394 433	402 334	430 866
Expenditure - Functional				
Governance and administration	108 001	107 460	110 536	116 392
Executive and council	16 138	16 955	16 089	16 791
Finance and administration	90 291	88 977	92 839	97 909
Internal audit	1 571	1 528	1 608	1 693
Community and public safety	98 585	77 983	69 083	72 107
Community and social services	11 268	11 385	11 894	12 589
Sport and recreation	12 402	13 496	13 706	14 472
Public safety	16 503	19 089	19 917	20 971
Housing	58 412	34 014	23 565	24 075
Economic and environmental services	32 220	32 395	34 034	35 911
Planning and development	12 178	11 342	11 930	12 553
Road transport	19 968	20 976	22 023	23 273
Environmental protection	74	77	81	85
Trading services	155 172	164 610	172 881	185 560
Energy sources	102 298	106 613	112 145	121 514
Water management	20 096	22 604	23 623	24 862
Waste water management	11 915	11 960	12 563	13 200
Waste management	20 863	23 433	24 550	25 984
Other	1 778	3 176	3 199	3 379
Total Expenditure - Functional	395 755	385 623	389 734	413 349
Surplus/(Deficit) for the year	13 969	8 810	12 600	17 517

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

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 16 mSCOA functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note that as a general principle the revenues for the Trading Services should exceed their expenditures.
3. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources.
4. The table includes capital grant revenue, but excludes internal charges between various departments such as electricity, water, sanitation and refuse. These items, although correctly included/excluded, should also be taken into account before coming to any conclusion with regards to the cost reflectiveness of tariffs and fees raised by the municipality.

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

Vote Description R thousand	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote				
Vote 1 - Executive and Council	36 627	36 384	36 851	38 993
Vote 2 - Financial Services & ICT	84 548	81 968	86 950	92 933
Vote 4 - Management Services	84 750	61 415	52 242	54 698
Vote 5 - Engineering Services	203 799	214 666	226 291	244 242
Total Revenue by Vote	409 724	394 433	402 334	430 866
Expenditure by Vote to be appropriated				
Vote 1 - Executive and Council	48 740	47 891	48 251	50 773
Vote 2 - Financial Services & ICT	61 591	61 788	64 406	67 771
Vote 4 - Management Services	107 243	87 802	79 465	83 106
Vote 5 - Engineering Services	178 181	188 143	197 612	211 700
Total Expenditure by Vote	395 755	385 623	389 734	413 349
Surplus/(Deficit) for the year	13 969	8 810	12 600	17 517

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

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

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

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
Revenue By Source				
Property rates	69 193	74 061	79 271	84 847
Service charges - electricity revenue	126 232	136 457	143 553	156 329
Service charges - water revenue	28 204	30 178	32 291	34 551
Service charges - sanitation revenue	11 840	12 669	13 556	14 505
Service charges - refuse revenue	17 798	19 041	20 370	21 791
Rental of facilities and equipment	1 961	1 200	1 284	1 374
Interest earned - external investments	3 201	3 300	3 531	3 778
Interest earned - outstanding debtors	1 719	1 839	1 968	2 105
Fines, penalties and forfeits	11 590	12 419	13 288	14 218
Licences and permits	67	25	27	29
Agency services	2 917	3 121	3 340	3 573
Transfers and subsidies	100 680	75 102	65 201	67 102
Other revenue	10 056	10 633	11 235	11 998
Gains	5 000	-	-	-
Total Revenue (excluding capital transfers and contributions)	390 457	380 044	388 912	416 201
Expenditure By Type				
Employee related costs	135 052	149 348	156 055	164 985
Remuneration of councillors	5 764	6 034	6 324	6 632
Debt impairment	11 267	9 904	10 470	11 072
Depreciation & asset impairment	11 025	11 369	11 919	12 495
Finance charges	13 254	13 963	14 782	15 682
Bulk purchases	84 404	91 250	95 995	104 530
Other materials	79 110	56 336	46 958	48 514
Contracted services	24 623	14 955	14 950	15 549
Transfers and subsidies	2 571	4 071	2 605	2 641
Other expenditure	28 684	28 392	29 676	31 249
Total Expenditure	395 755	385 623	389 734	413 349
Surplus/(Deficit)	(5 298)	(5 579)	(822)	2 852
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	19 267	14 389	13 421	14 665
Surplus/(Deficit) for the year	13 969	8 810	12 600	17 517

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

1. Table A4 represents the revenue per source as well as the expenditure per type. This classification is aligned to the GRAP disclosures in the annual financial statements of the municipality as well as the mSCOA reporting framework.

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

Vote Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	R thousand Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure - Vote				
<u>Multi-year expenditure to be appropriated</u>				
Vote 2 - Financial Services & ICT	1 380	2 000	2 500	2 750
Vote 4 - Management Services	100	60	250	290
Vote 5 - Engineering Services	15 215	9 489	23 909	23 303
Capital multi-year expenditure sub-total	16 695	11 549	26 659	26 343
<u>Single-year expenditure to be appropriated</u>				
Vote 1 - Executive and Council	3 255	2 035	500	–
Vote 2 - Financial Services & ICT	1 485	873	635	1 298
Vote 4 - Management Services	4 066	2 830	1 880	545
Vote 5 - Engineering Services	17 159	45 202	6 663	7 806
Capital single-year expenditure sub-total	25 964	50 941	9 678	9 649
Total Capital Expenditure - Vote	42 659	62 490	36 337	35 992

Vote Description R thousand	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional				
<i>Governance and administration</i>	4 243	3 302	3 282	4 148
Executive and council	12	–	–	–
Finance and administration	4 080	3 302	3 282	4 148
Internal audit	151	–	–	–
<i>Community and public safety</i>	2 961	2 201	1 953	710
Community and social services	50	62	40	300
Sport and recreation	2 443	2 105	1 095	290
Public safety	465	31	818	120
Housing	3	4	–	–
<i>Economic and environmental services</i>	10 356	11 907	14 826	17 958
Planning and development	1 553	2 006	500	–
Road transport	8 623	9 831	14 256	17 958
Environmental protection	180	70	70	–
<i>Trading services</i>	23 563	45 080	16 276	13 176
Energy sources	10 996	6 329	14 366	10 326
Water management	4 458	3 660	1 160	2 600
Waste water management	6 559	32 911	750	250
Waste management	1 550	2 180	–	–
<i>Other</i>	1 535	–	–	–
Total Capital Expenditure - Functional	42 659	62 490	36 337	35 992
Funded by:				
National Government	14 251	11 833	12 881	14 415
Provincial Government	5 016	2 556	540	250
Transfers recognised - capital	19 267	14 389	13 421	14 665
Borrowing	10 241	36 183	6 462	3 655
Internally generated funds	13 150	11 917	16 453	17 671
Total Capital Funding	42 659	62 490	36 337	35 992

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

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations.
3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are

indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.

4. The capital program is funded from National, Provincial and Other grants and transfers, borrowing and internally generated funds from current and prior year surpluses.

MBRR Table A6 - Budgeted Financial Position

Description	R thousand	2020/21 Medium Term Revenue & Expenditure Framework		
		Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22
ASSETS				
Current assets				
Cash	13 996	16 332	8 316	1 316
Call investment deposits	50 000	10 000	–	–
Consumer debtors	36 731	61 735	77 989	87 639
Other debtors	7 780	9 481	11 455	13 729
Current portion of long-term receivables	8	8	8	8
Inventory	1 662	1 662	1 662	1 662
Total current assets	110 177	99 218	99 430	104 355
Non current assets				
Long-term receivables	177	169	161	154
Investment property	40 191	40 182	40 173	40 163
Property, plant and equipment	407 104	458 559	483 327	507 191
Intangible	4 531	4 206	3 865	3 507
Total non current assets	452 003	503 116	527 526	551 015
TOTAL ASSETS	562 180	602 334	626 955	655 369
LIABILITIES				
Current liabilities				
Borrowing	6 559	6 750	7 000	7 250
Consumer deposits	4 978	5 277	5 594	5 929
Trade and other payables	40 614	39 989	41 357	43 659
Provisions	13 295	14 093	14 938	15 835
Total current liabilities	65 446	66 108	68 889	72 673
Non current liabilities				
Borrowing	20 790	42 539	42 002	38 407
Provisions	73 823	82 755	92 535	103 243
Total non current liabilities	94 613	125 295	134 537	141 649
TOTAL LIABILITIES	160 059	191 403	203 425	214 322
NET ASSETS	402 121	410 931	423 530	441 048
COMMUNITY WEALTH/EQUITY				
Accumulated Surplus/(Deficit)	367 121	390 931	418 530	441 048
Reserves	35 000	20 000	5 000	–
TOTAL COMMUNITY WEALTH/EQUITY	402 121	410 931	423 530	441 048

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table A6 is supported by an extensive table of notes (SA3) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

MBRR Table A7 - Budgeted Cash Flow Statement

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	65 445	66 655	74 119	81 453
Service charges	174 104	178 510	196 134	218 089
Other revenue	18 025	18 213	19 391	20 760
Transfers and Subsidies - Operational	100 614	75 102	65 201	67 102
Transfers and Subsidies - Capital	19 116	13 889	13 421	14 665
Interest	4 826	4 955	5 371	5 799
Payments				
Suppliers and employees	(353 174)	(347 027)	(348 738)	(368 831)
Finance charges	(3 356)	(3 648)	(4 008)	(4 404)
Transfers and Grants	(2 571)	(4 071)	(2 605)	(2 641)
NET CASH FROM/(USED) OPERATING ACTIVITIES	23 030	2 579	18 285	31 993
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	5 000	–	–	–
Decrease (increase) in non-current receivables	8	8	8	8
Payments				
Capital assets	(42 659)	(62 490)	(36 337)	(35 992)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(37 651)	(62 482)	(36 329)	(35 984)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Borrowing long term/refinancing	–	28 440	6 462	3 655
Increase (decrease) in consumer deposits	282	299	317	336
Payments				
Repayment of borrowing	(5 404)	(6 500)	(6 750)	(7 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(5 122)	22 239	29	(3 009)
NET INCREASE/ (DECREASE) IN CASH HELD	(19 743)	(37 664)	(18 016)	(7 000)
Cash/cash equivalents at the year begin:	83 739	63 996	26 332	8 316
Cash/cash equivalents at the year end:	63 996	26 332	8 316	1 316

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

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

MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
<u>Cash and investments available</u>				
Cash/cash equivalents at the year end	63 996	26 332	8 316	1 316
Cash and investments available:	63 996	26 332	8 316	1 316
<u>Application of cash and investments</u>				
Unspent conditional transfers	854	354	354	354
Unspent borrowing	7 743	–	–	–
Other working capital requirements	(2 745)	(24 321)	(41 682)	(52 488)
Reserves to be backed by cash/investments	35 000	20 000	5 000	–
Total Application of cash and investments:	40 852	(3 967)	(36 328)	(52 134)
Surplus(shortfall)	23 144	30 299	44 644	53 450

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

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. As part of the budgeting and planning guidelines that informed the compilation of the 2020/21 MTREF the end objective of the medium-term framework is to ensure the budget is funded and aligned to section 18 of the MFMA.

MBRR Table A9 - Asset Management

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
CAPITAL EXPENDITURE				
<u>Total New Assets</u>	12 076	11 133	17 526	11 793
<i>Roads Infrastructure</i>	800	–	–	–
<i>Storm water Infrastructure</i>	–	20	20	–
<i>Electrical Infrastructure</i>	3 742	2 279	11 395	8 292
<i>Water Supply Infrastructure</i>	500	–	–	–
<i>Sanitation Infrastructure</i>	–	250	250	250
Infrastructure	5 042	2 549	11 665	8 542
Community Facilities	1 258	–	100	–
Sport and Recreation Facilities	1 550	3 200	1 100	–
Community Assets	2 808	3 200	1 200	–
Operational Buildings	–	–	32	–
Other Assets	–	–	32	–
Computer Equipment	169	15	50	73
Furniture and Office Equipment	174	146	115	67
Machinery and Equipment	3 883	5 223	3 784	3 111
Transport Assets	–	–	680	–
<u>Total Renewal of Existing Assets</u>	13 325	39 036	4 635	7 444
<i>Roads Infrastructure</i>	1 350	1 500	2 250	4 750
<i>Water Supply Infrastructure</i>	3 050	3 600	850	1 850
<i>Sanitation Infrastructure</i>	5 122	32 561	500	–
Infrastructure	9 522	37 661	3 600	6 600
Sport and Recreation Facilities	–	40	–	–
Community Assets	–	40	–	–
Licences and Rights	151	–	–	–
Intangible Assets	151	–	–	–
Computer Equipment	154	433	501	678
Furniture and Office Equipment	119	238	229	167
Machinery and Equipment	603	435	75	–
Transport Assets	2 775	230	230	–

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
		Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22
R thousand				
<u>Total Upgrading of Existing Assets</u>	17 258	12 321	14 176	16 754
<i>Roads Infrastructure</i>	6 249	7 461	11 221	12 283
<i>Storm water Infrastructure</i>	–	500	700	900
<i>Electrical Infrastructure</i>	6 555	1 510	1 636	1 823
<i>Water Supply Infrastructure</i>	–	60	310	750
<i>Solid Waste Infrastructure</i>	850	–	–	–
Infrastructure	13 654	9 530	13 867	15 755
Community Facilities	2 545	300	–	250
Sport and Recreation Facilities	252	–	200	240
Community Assets	2 797	300	200	490
Operational Buildings	796	135	50	–
Other Assets	796	135	50	–
Computer Equipment	9	359	59	509
Furniture and Office Equipment	3	67	–	–
Machinery and Equipment	–	130	–	–
Transport Assets	–	1 800	–	–
<u>Total Capital Expenditure</u>	42 659	62 490	36 337	35 992
<i>Roads Infrastructure</i>	8 399	8 961	13 471	17 033
<i>Storm water Infrastructure</i>	–	520	720	900
<i>Electrical Infrastructure</i>	10 297	3 789	13 030	10 115
<i>Water Supply Infrastructure</i>	3 550	3 660	1 160	2 600
<i>Sanitation Infrastructure</i>	5 122	32 811	750	250
<i>Solid Waste Infrastructure</i>	850	–	–	–
Infrastructure	28 218	49 741	29 132	30 897
Community Facilities	3 803	300	100	250
Sport and Recreation Facilities	1 801	3 240	1 300	240
Community Assets	5 604	3 540	1 400	490
Operational Buildings	796	135	82	–
Other Assets	796	135	82	–
Licences and Rights	151	–	–	–
Intangible Assets	151	–	–	–
Computer Equipment	332	806	610	1 260
Furniture and Office Equipment	296	450	344	234
Machinery and Equipment	4 487	5 788	3 859	3 111
Transport Assets	2 775	2 030	910	–
TOTAL CAPITAL EXPENDITURE - Asset class	42 659	62 490	36 337	35 992

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
		Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22
R thousand				
ASSET REGISTER SUMMARY - PPE (WDV)	451 826	502 947	527 364	550 861
<i>Roads Infrastructure</i>	69 094	76 658	88 666	104 165
<i>Storm water Infrastructure</i>	40 747	40 633	40 689	40 893
<i>Electrical Infrastructure</i>	62 878	64 997	76 278	84 558
<i>Water Supply Infrastructure</i>	37 393	39 927	39 906	41 268
<i>Sanitation Infrastructure</i>	49 143	80 247	79 209	77 585
<i>Solid Waste Infrastructure</i>	7 759	6 268	4 706	3 068
Infrastructure	267 014	308 731	329 454	351 537
Community Assets	34 105	37 375	38 491	38 684
Investment properties	40 191	40 182	40 173	40 163
Other Assets	74 588	74 234	73 803	73 265
Intangible Assets	4 531	4 206	3 865	3 507
Computer Equipment	4 186	4 639	4 878	5 748
Furniture and Office Equipment	4 603	4 316	3 887	3 310
Machinery and Equipment	10 768	16 245	19 779	22 548
Transport Assets	11 839	13 018	13 035	12 098
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	451 826	502 947	527 364	550 861
EXPENDITURE OTHER ITEMS	76 703	83 230	86 585	91 369
<u>Depreciation</u>	11 025	11 369	11 919	12 495
<u>Repairs and Maintenance by Asset Class</u>	65 678	71 861	74 666	78 875
<i>Roads Infrastructure</i>	11 928	12 463	13 075	13 842
<i>Electrical Infrastructure</i>	8 776	9 950	10 484	11 051
<i>Water Supply Infrastructure</i>	11 756	13 777	14 345	15 108
<i>Sanitation Infrastructure</i>	7 768	7 513	7 906	8 323
<i>Solid Waste Infrastructure</i>	2 593	3 111	3 042	3 200
Infrastructure	42 821	46 813	48 851	51 523
Community Facilities	5 679	6 045	6 140	6 486
Sport and Recreation Facilities	3 062	3 625	3 612	3 792
Community Assets	8 741	9 670	9 753	10 278
Operational Buildings	4 847	5 168	5 194	5 495
Other Assets	4 847	5 168	5 194	5 495
Licences and Rights	3 651	3 980	4 330	4 715
Intangible Assets	3 651	3 980	4 330	4 715
Computer Equipment	198	185	202	222
Furniture and Office Equipment	197	49	50	50
Machinery and Equipment	591	549	576	604
Transport Assets	4 633	5 446	5 710	5 988
TOTAL EXPENDITURE OTHER ITEMS	76 703	83 230	86 585	91 369

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE. The Municipality does not meet both these recommendations.

MBRR Table A10 - Basic Service Delivery Measurement

To be Included

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

POLITICAL OVERSIGHT OF THE BUDGET PROCESS

Section 53 (1) (a) of the MFMA (no 56 of 2003) stipulates that the Mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

Political oversight of the budget process is necessary to ensure that the needs and priorities of the community, as set out in the IDP, are properly linked to the municipality's spending plans. The mayoral committee is one of the key elements in accomplishing the linkage between the IDP and the Budget of a municipality.

SCHEDULE OF KEY DEADLINES RELATING TO THE BUDGET PROCESS

The mayor must, according to the MFMA, co-ordinate the processes for preparing the annual budget and for reviewing the municipality's IDP and budget-related policies. The mayor therefore tabled a schedule of key deadlines with regards to the budgetary process and the review of the municipality's IDP. These key dates are available on the website of the municipality

PURPOSE OF THE BUDGET AND IDP PROCESS PLAN

The purpose of the process plan is to indicate the various planned activities and strategies on which the municipality will embark to compose its Integrated Development Plan for the five year cycle (2017/2018-2021/2022) and the budget for the 2020/2021 financial year and the two outer years.

The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget. It fulfils the role of an operational framework for the IDP and Budget process outlining the manner in which this process was undertaken. In addition, it identifies the activities in the processes around the key statutory annual operational processes of the budget and IDP compilation, performance management implementation and the adoption of the municipality's annual report.

2.1.1 IDP and Service Delivery and Budget Implementation Plan

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

2.1.2 Community Consultation

A consultation process was carried out during April 2020 in line with COVID 19 regulations. During this process members of the community were afforded the opportunity to provide inputs and comments on the draft budget presented to them. The comments and inputs were reviewed and where viable, the proposals were incorporated into the final budget presented for approval.

2.2 Overview of alignment of annual budget with IDP

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

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

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

The 2020/21 MTREF has therefore been directly informed by the IDP process and the following tables provide the reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	Goal Code	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
			Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	30 114	32 185	34 771	37 306
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	-	-	-	-
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	9 014	9 023	9 460	10 122
SO4: To create an enabling environment for economic growth and development	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO4	4 735	3 276	500	-
SO5: To promote tourism in the Municipal Area	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO5	-	-	-	-
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	84 548	81 968	86 950	92 933
SO7: Provision of equitable quality basic services to all households	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO7	(9 692)	(10 375)	(11 103)	(11 887)
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	211 438	222 867	235 584	254 192
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	6 169	6 534	6 895	7 277
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	58 301	33 174	22 709	23 199
SO10: Development of sustainable vibrant human settlements	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA5/SG6/SO10	-	-	-	-
SO11: To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	526	200	56	56
SO12: To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	14 572	15 581	16 512	17 668
Total Revenue (excluding capital transfers and contributions)			409 724	394 433	402 334	430 866

Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	Goal Code	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
			Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	18 194	18 781	19 091	20 086
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	533	533	533	533
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	40 821	42 210	43 885	46 600
SO4: To create an enabling environment for economic growth and development	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO4	1 570	-	-	-
SO5: To promote tourism in the Municipal Area	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO5	2 313	3 711	3 734	3 914
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	51 441	49 719	51 513	53 987
SO7: Provision of equitable quality basic services to all households	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO7	411	448	470	492
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	167 161	177 011	185 922	199 169
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	9 063	9 432	9 986	10 581
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	67 304	41 961	31 925	32 871
SO10: Development of sustainable vibrant human settlements	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA5/SG6/SO10	-	-	-	-
SO11: To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	6 607	7 483	6 699	6 975
SO12: To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	30 339	34 334	35 975	38 142
Total Expenditure			395 755	385 623	389 734	413 349

Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

Strategic Objective	Goal	Goal Code	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
			Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand						
SO1: To create a culture of good governance	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO1	1 712	2 000	500	-
SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	SG1: To ensure good governance and institutional sustainability	KPA1/SG1/SO2	4	-	-	-
SO3: To create an administration capable of delivering on service excellence.	SG2: To ensure institutional sustainability	KPA2/SG2/SO3	6 452	5 347	4 360	4 434
SO4: To create an enabling environment for economic growth and development	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO4	-	-	-	-
SO5: To promote tourism in the Municipal Area	SG3: To promote local economic development in the Cape Agulhas Municipal Area	KPA3/SG3/SO5	1 535	-	-	-
SO6: To provide effective financial, asset and procurement management	SG4: To improve the financial viability of the Municipality and ensure its long term financial sustainability	KPA4/SG4/SO6	30	32	7	4
SO7: Provision of equitable quality basic services to all households	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO7	-	-	-	-
SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO8	30 829	52 525	30 572	31 108
SO9: To provide community facilities and services	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO9	20	66	50	250
SO10: Development of sustainable vibrant human settlements	SG5: To ensure access to equitable affordable and sustainable municipal services for all citizens	KPA5/SG5/SO10	7	9	-	-
SO10: Development of sustainable vibrant human settlements	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA5/SG6/SO10	-	-	-	-
SO11: To promote social and youth development	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO11	-	6	-	-
SO12: To create and maintain a safe and healthy environment	SG6: To create a safe and healthy environment for all citizens and visitors to the Cape Agulhas Municipality	KPA6/SG6/SO12	2 070	2 506	848	195
Total Capital Expenditure			42 659	62 490	36 337	35 992

Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality target, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

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

The following table sets out the municipality's main performance objectives and benchmarks for the 2020/21 MTREF.

MBRR Table SA7 Measurable performance objectives and indicators

To be included

MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
		Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Borrowing Management</u>					
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	4.7%	5.3%	5.5%	5.5%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	6.4%	6.7%	6.7%	6.5%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	59.1%	28.2%	17.1%
<u>Safety of Capital</u>					
Gearing	Long Term Borrowing/ Funds & Reserves	59.4%	212.7%	840.0%	-27433426968.9%
<u>Liquidity</u>					
Current Ratio	Current assets/current liabilities	1.7	1.5	1.4	1.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	1.7	1.5	1.4	1.4
Liquidity Ratio	Monetary Assets/Current Liabilities	1.0	0.4	0.1	0.0
<u>Revenue Management</u>					
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	94.6%	94.6%	90.0%	93.5%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		94.6%	90.0%	93.5%	96.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.4%	18.8%	23.0%	24.4%
<u>Creditors Management</u>					
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		48.5%	117.3%	388.0%	2626.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	34.6%	39.3%	40.1%	39.6%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	36.1%	40.9%	41.8%	41.2%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	16.8%	18.9%	19.2%	19.0%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	6.2%	6.7%	6.9%	6.8%
<u>IDP regulation financial viability indicators</u>					
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	27.6	25.2	25.3	27.3
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	17.4%	26.0%	30.8%	32.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	2.4	1.0	0.3	0.0

Performance indicators and benchmarks

2.2.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position.

2.2.1.2 Safety of Capital

The gearing ratio is a measure of the total long-term borrowings over funds and reserves.

2.2.1.3 Liquidity

Current ratio is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a limit of 2, hence at no point in time should this ratio be less than 2.

The liquidity ratio is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

2.2.1.4 Revenue Management

As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection. Payment levels and credit control is considered to be favorable.

2.2.1.5 Creditors Management

The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice or statement. This has had a favorable impact on suppliers' perceptions of risk of doing business with the Municipality, which is expected to benefit the Municipality in the form of more competitive pricing of tenders, as suppliers compete for the Municipality's business.

2.2.1.6 Other Indicators

Employee costs is one of the main cost drivers in any municipality. Any increase in this balance should be carefully considered.

Repairs and maintenance as percentage of operating revenue is showing improved levels when compared to previous budget cycles. This is mainly due to improved cost allocations, where items such as Employee Related Costs and Contracted Services are now being more accurately allocated to maintenance projects.

2.3 Overview of budget related-policies

There are no amendments made to any budget related policies during the current year.

2.4 Overview of budget assumptions

2.4.1 External factors

The recovery rate of service debtors and rates are anticipated to decrease to approximately 90 per cent during 2020/2021 due the expected adverse effects as a result of the COVID 19 pandemic. The recovery rate is expected to recover during 2021/2022 and 2022/2023. The recovery rate of fines, which is also considered a significant revenue source is approximately 27%.

2.4.2 General inflation outlook and its impact on the municipal activities

The inflation outlook for South Africa is indicated below and has been taken into consideration in the compilation of the 2020/21 MTREF.

Table 1 Macroeconomic performance and projections

Percentage change	2019	2020	2021	2022
	Estimate	Forecast		
Real GDP growth	0.3	0.9	1.3	1.6
CPI inflation	4.1	4.5	4.6	4.6

Source: 2020 Budget Review.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

2.4.3 Credit rating outlook

The credit outlook of South Africa remained under pressure and all ratings agencies lowering the investment status to below junk status. Given current economic environment, further downgrades remain a strong possibility.

Interest rates for borrowing and investment of funds

Interest rates are at the lowest level in recent years to support consumer spending in the current economic conditions.

2.4.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate slightly higher than CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage of annual billings. Cash flow is assumed to be 90.00 per cent of billings for 2020/2021. This lower percentage compared

to recent actuals are the result of the anticipated adverse effect that the COVID 19 pandemic will have on the collection rate. The performance of any increased collections or arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored.

2.4.5 Growth or decline in tax base of the municipality

Debtor's revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

2.4.6 Salary increases

The Salary and Wage Collective Agreement for the period 01 July 2018 to 30 June 2021 dated 15 August 2018 through the South African Local Government Bargaining Council Circular No. 6 of 2018 was used when budgeting for employee related costs for the 2019 MTREF. Municipalities are encouraged to perform an annual head count and payroll verification process by undertaking a once a year manual salary disbursement, in order to root out ghost employees.

2.4.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Too few people work;
- The quality of school education for black people is poor;
- Infrastructure is poorly located, inadequate and under-maintained;
- Spatial divides hobble inclusive development;
- The economy is unsustainably resource intensive;
- The public health system cannot meet demand or sustain quality;
- Public services are uneven and often of poor quality;
- Corruption levels are high; and
- South Africa remains a divided society.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.4.8 Ability of the municipality to spend and deliver on the programmes

It is estimated, based on prior year's performance and current spending trends, that both capital and operating expenditure will be no less than 95 per cent of the budgeted amounts.

2.5 Overview of budget funding

2.5.1 Medium-term outlook: operating revenue

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

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousands				
Financial Performance				
Property rates	69 193	74 061	79 271	84 847
Service charges	184 074	198 345	209 769	227 176
Investment revenue	3 201	3 300	3 531	3 778
Transfers recognised - operational	100 680	75 102	65 201	67 102
Other own revenue	33 309	29 236	31 140	33 297
Total Revenue (excluding capital transfers and contributions)	390 457	380 044	388 912	416 201

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

Investment revenue contributes marginally to the revenue base of the Municipality. It needs to be noted that these allocations have been conservatively estimated and as part of the cash backing of reserves and provisions. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

2.5.2 Cash Flow Management

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

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

MBRR Table A7 - Budget cash flow statement

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	65 445	66 655	74 119	81 453
Service charges	174 104	178 510	196 134	218 089
Other revenue	18 025	18 213	19 391	20 760
Transfers and Subsidies - Operational	100 614	75 102	65 201	67 102
Transfers and Subsidies - Capital	19 116	13 889	13 421	14 665
Interest	4 826	4 955	5 371	5 799
Payments				
Suppliers and employees	(353 174)	(347 027)	(348 738)	(368 831)
Finance charges	(3 356)	(3 648)	(4 008)	(4 404)
Transfers and Grants	(2 571)	(4 071)	(2 605)	(2 641)
NET CASH FROM/(USED) OPERATING ACTIVITIES	23 030	2 579	18 285	31 993
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	5 000	–	–	–
Decrease (increase) in non-current receivables	8	8	8	8
Payments				
Capital assets	(42 659)	(62 490)	(36 337)	(35 992)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(37 651)	(62 482)	(36 329)	(35 984)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Borrowing long term/refinancing	–	28 440	6 462	3 655
Increase (decrease) in consumer deposits	282	299	317	336
Payments				
Repayment of borrowing	(5 404)	(6 500)	(6 750)	(7 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(5 122)	22 239	29	(3 009)
NET INCREASE/ (DECREASE) IN CASH HELD	(19 743)	(37 664)	(18 016)	(7 000)
Cash/cash equivalents at the year begin:	83 739	63 996	26 332	8 316
Cash/cash equivalents at the year end:	63 996	26 332	8 316	1 316

2.5.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

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

- What are the predicted cash and investments that are available at the end of the budget year?

- How are those funds used?
- What is the net funds available or funding shortfall?

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

MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
Cash and investments available				
Cash/cash equivalents at the year end	63 996	26 332	8 316	1 316
Cash and investments available:	63 996	26 332	8 316	1 316
Application of cash and investments				
Unspent conditional transfers	854	354	354	354
Unspent borrowing	7 743	–	–	–
Other working capital requirements	(2 745)	(24 321)	(41 682)	(52 488)
Reserves to be backed by cash/investments	35 000	20 000	5 000	–
Total Application of cash and investments:	40 852	(3 967)	(36 328)	(52 134)
Surplus(shortfall)	23 144	30 299	44 644	53 450

The municipality will be cash funded for the entire MTREF. It is however very important for the municipality to increase cash levels in order to allow for a contribution to the capital replacement reserve and support the financial viability of the municipality as a whole.

Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year.

The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. High levels of debtor non-payment and receipt delays will have a greater requirement for working capital, resulting in cash flow challenges.

2.5.4 Funding compliance measurement

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

MBRR SA10 – Funding compliance measurement

Description	MFMA section	2016/17	2017/18	2018/19	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
		Funding measures						
Cash/cash equivalents at the year end - R'000	18(1)b	24 361	47 768	83 739	63 996	26 332	8 316	1 316
Cash + investments at the yr end less applications - R'000	18(1)b	3 613	22 745	22 785	23 144	30 299	44 644	53 450
Cash year end/monthly employee/supplier payments	18(1)b	1.2	2.2	3.6	2.4	1.0	0.3	0.0
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	3 031	25 422	44 379	13 969	8 810	12 600	17 517
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	2.8%	3.9%	(6.0%)	1.6%	0.1%	2.0%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	88.7%	91.8%	85.4%	91.5%	87.3%	90.5%	92.8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	5.6%	8.5%	10.1%	4.4%	3.6%	3.6%	3.5%
Capital payments % of capital expenditure	18(1)c;19	96.9%	74.9%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	1.6%	88.9%	102.6%	0.0%	59.1%	28.2%	17.1%
Grants % of Govt. legislated/gazetted allocations	18(1)a					100.6%	100.0%	100.0%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	(11.2%)	2.1%	0.0%	60.0%	25.6%	13.3%
Long term receivables % change - incr(decr)	18(1)a	N.A.	7.9%	(12.8%)	0.0%	(4.3%)	(4.5%)	(4.8%)
R&M % of Property Plant & Equipment	20(1)(v i)	7.8%	15.9%	15.5%	16.1%	15.7%	15.4%	15.6%
Asset renewal % of capital budget	20(1)(v i)	51.6%	21.3%	9.1%	31.2%	62.5%	12.8%	20.7%

2.5.4.1 Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

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

2.5.4.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in the previous page. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

2.5.4.3 Monthly average payments covered by cash or cash equivalents

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

2.5.4.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term.

It needs to be noted that a surplus or deficit does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

2.5.4.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 3 - 6 per cent). The result is intended to be an approximation of the real increase in revenue.

2.5.4.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. The percentage in the above table includes direct receipts for services being paid in cash such as agency services and permits. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

2.5.4.7 Debt impairment expense as a percentage of billable revenue

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

2.5.4.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. It can be seen that a 100 per cent payments has been factored into the cash position forecasted over the entire financial year.

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

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers and therefore no percentage is being shown as outstanding.

2.5.4.10 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the Municipality's policy of settling debtors accounts within 30 days.

2.5.4.11 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. .

2.5.4.12 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets.

2.6 Expenditure on grants and reconciliations of unspent funds

MBRR SA18 and 19 – Receipts and Expenditure on transfers and grant programmes

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
RECEIPTS:				
<u>Operating Transfers and Grants</u>				
National Government:	37 752	37 359	37 930	39 340
Local Government Equitable Share	29 908	32 155	34 741	37 276
Energy Efficiency and Demand-side [Schedule 5B]	840	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 740	2 026	-	-
Local Government Financial Management Grant [Schedule 5B]	1 550	1 257	1 140	1 118
Municipal Infrastructure Grant [Schedule 5B]	1 914	1 571	1 699	596
Municipal Systems Improvement Grant [Schedule 5B]	1 800	-	-	-
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	-	350	350	350
Provincial Government:	62 862	37 743	27 271	27 762
Human Settlement Development	56 114	30 889	20 452	20 784
Library Service Conditional Grant	6 003	6 307	6 673	6 832
Community Development Workers (CDW)	112	56	56	56
Financial Management Support (WC_FMGSG)	210	401	-	-
Roads Subsidy	78	90	90	90
Regional Social Economic Projects	345	-	-	-
Total Operating Transfers and Grants	100 614	75 102	65 201	67 102
<u>Capital Transfers and Grants</u>				
National Government:	14 251	11 833	12 881	14 415
Municipal Infrastructure Grant [Schedule 5B]	9 091	9 390	9 821	11 333
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	-	2 150	2 650	2 650
Local Government Financial Management Grant [Schedule 5B]	-	293	410	433
Energy Efficiency and Demand-side [Schedule 5B]	5 160	-	-	-
Provincial Government:	4 865	2 056	540	250
Library Service Conditional Grant	-	56	40	250
Regional Social Economic Projects	3 295	2 000	500	-
Financial Management Support (WC_FMGSG)	1 070	-	-	-
Western Cape Drought	500	-	-	-
Total Capital Transfers and Grants	19 116	13 889	13 421	14 665
TOTAL RECEIPTS OF TRANSFERS & GRANTS	119 730	88 991	78 622	81 767

Description	2020/21 Medium Term Revenue & Expenditure Framework			
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
EXPENDITURE:				
<u>Operating expenditure of Transfers and Grants</u>				
National Government:	37 752	37 359	37 930	39 340
Local Government Equitable Share	29 908	32 155	34 741	37 276
Energy Efficiency and Demand-side [Schedule 5B]	840	–	–	–
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 740	2 026	–	–
Local Government Financial Management Grant [Schedule 5B]	1 550	1 257	1 140	1 118
Municipal Infrastructure Grant [Schedule 5B]	1 914	1 571	1 699	596
Municipal Systems Improvement Grant [Schedule 5B]	1 800	–	–	–
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	–	350	350	350
Provincial Government:	62 928	37 743	27 271	27 762
Human Settlement Development	56 114	30 889	20 452	20 784
Library Service Conditional Grant	6 003	6 307	6 673	6 832
Community Development Workers (CDW)	112	56	56	56
Financial Management Support (WC_FMGSG)	233	401	–	–
Roads Subsidy	78	90	90	90
Regional Social Economic Projects	388	–	–	–
Total operating expenditure of Transfers and Grants:	100 680	75 102	65 201	67 102
<u>Capital expenditure of Transfers and Grants</u>				
National Government:	14 251	11 833	12 881	14 415
Municipal Infrastructure Grant [Schedule 5B]	9 091	9 390	9 821	11 333
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	–	2 150	2 650	2 650
Local Government Financial Management Grant [Schedule 5B]	–	293	410	433
Energy Efficiency and Demand-side [Schedule 5B]	5 160	–	–	–
Provincial Government:	5 016	2 556	540	250
Library Service Conditional Grant	–	56	40	250
Regional Social Economic Projects	3 295	2 000	500	–
Financial Management Support (WC_FMGSG)	1 221	500	–	–
Western Cape Drought	500	–	–	–
Total capital expenditure of Transfers and Grants	19 267	14 389	13 421	14 665
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	119 947	89 491	78 622	81 767

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

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
<u>Operating transfers and grants:</u>				
National Government:				
Balance unspent at beginning of the year	–	–	–	–
Current year receipts	37 752	37 359	37 930	39 340
Conditions met - transferred to revenue	37 752	37 359	37 930	39 340
Conditions still to be met - transferred to liabilities	–	–	–	–
Provincial Government:				
Balance unspent at beginning of the year	168	102	102	102
Current year receipts	62 862	37 743	27 271	27 762
Conditions met - transferred to revenue	62 928	37 743	27 271	27 762
Conditions still to be met - transferred to liabilities	102	102	102	102
Other grant providers:				
Balance unspent at beginning of the year	209	209	209	209
Current year receipts	–	–	–	–
Conditions met - transferred to revenue	–	–	–	–
Conditions still to be met - transferred to liabilities	209	209	209	209
Total operating transfers and grants revenue	100 680	75 102	65 201	67 102
Total operating transfers and grants - CTBM	311	311	311	311
<u>Capital transfers and grants:</u>				
National Government:				
Balance unspent at beginning of the year	–	–	–	–
Current year receipts	14 251	11 833	12 881	14 415
Conditions met - transferred to revenue	14 251	11 833	12 881	14 415
Conditions still to be met - transferred to liabilities	–	–	–	–
Provincial Government:				
Balance unspent at beginning of the year	694	543	43	43
Current year receipts	4 865	2 056	540	250
Conditions met - transferred to revenue	5 016	2 556	540	250
Conditions still to be met - transferred to liabilities	543	43	43	43
Total capital transfers and grants revenue	19 267	14 389	13 421	14 665
Total capital transfers and grants - CTBM	543	43	43	43
TOTAL TRANSFERS AND GRANTS REVENUE	119 947	89 491	78 622	81 767
TOTAL TRANSFERS AND GRANTS - CTBM	854	354	354	354

2.7 Allocations and Grants made by the municipality

The following contributions are projected over the MTREF:

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
Cash Transfers to Groups of Individuals				
<i>BURSARIES (NON-EMPLOYEES)</i>	120	120	120	120
<i>COMMUNITY SERVICES - FEEDING SCHEME</i>	166	166	174	182
<i>COMMUNITY SERVICES - SOCIAL DEVELOPMENT</i>	550	550	576	604
<i>CONTRIBUTION - ELIM COMMUNITY</i>	814	815	815	815
<i>CONTRIBUTION - KASSIEBAAI COMMUNITY</i>	120	120	120	120
<i>CONTRIBUTION - ONS HUIS</i>	50	50	50	50
<i>CONTRIBUTION - OVERBERG RADIO</i>	120	120	120	120
<i>CONTRIBUTION - SAVE HOUSE</i>	100	100	100	100
<i>CONTRIBUTION - SHIPWRECK MUSEUM</i>	70	70	70	70
<i>OTHER DONATIONS AND SOCIAL SUPPORT</i>	430	1 930	430	430
<i>Public Funded Grants</i>	32	30	30	30
Total Cash Transfers To Groups Of Individuals:	2 571	4 071	2 605	2 641
TOTAL TRANSFERS AND GRANTS	2 571	4 071	2 605	2 641

2.8 Councilor and employee benefits

MBRR SA22 - Summary of councilor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Councillors (Political Office Bearers plus Other)				
Basic Salaries and Wages	3 388	3 600	3 825	4 064
Pension and UIF Contributions	639	693	751	815
Medical Aid Contributions	55	60	66	73
Motor Vehicle Allowance	1 193	1 193	1 193	1 193
Cellphone Allowance	488	488	488	488
Sub Total - Councillors	5 764	6 034	6 324	6 632
% increase	-	4.7%	4.8%	4.9%
Senior Managers of the Municipality				
Basic Salaries and Wages	4 622	4 483	4 764	5 061
Pension and UIF Contributions	180	5	6	6
Medical Aid Contributions	111	121	133	147
Performance Bonus	313	308	328	348
Motor Vehicle Allowance	192	252	252	252
Cellphone Allowance	32	32	32	32
Other benefits and allowances	40	40	43	45
Sub Total - Senior Managers of Municipality	5 490	5 243	5 557	5 892
% increase	-	(4.5%)	6.0%	6.0%
Other Municipal Staff				
Basic Salaries and Wages	87 848	100 477	104 984	111 375
Pension and UIF Contributions	14 775	17 162	18 209	19 338
Medical Aid Contributions	4 976	6 036	6 640	7 304
Overtime	3 699	3 670	3 656	3 651
Performance Bonus	150	206	219	232
Motor Vehicle Allowance	5 781	6 062	6 062	6 062
Cellphone Allowance	389	621	478	479
Housing Allowances	1 163	1 181	1 256	1 334
Other benefits and allowances	5 708	5 268	5 573	5 897
Payments in lieu of leave	1 652	-	-	-
Long service awards	661	661	661	661
Post-retirement benefit obligations	2 761	2 761	2 761	2 761
Sub Total - Other Municipal Staff	129 561	144 106	150 497	159 093
% increase	-	11.2%	4.4%	5.7%
TOTAL MANAGERS AND STAFF	135 052	149 348	156 055	164 985

Table 2 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum							
Councillors							
Speaker		498 000	79 200	203 600			780 800
Chief Whip		-	-	-			-
Executive Mayor		599 100	123 800	243 400			966 300
Deputy Executive Mayor		434 000	149 800	203 600			787 400
Executive Committee		1 105 800	172 900	387 200			1 665 900
Total for all other councillors		962 800	227 300	643 800			1 833 900
Total Councillors	-	3 599 700	753 000	1 681 600			6 034 300
Senior Managers of the Municipality							
Municipal Manager (MM)		1 470 100	100 000	90 000	-		1 660 100
Chief Finance Officer		1 246 200	64 800	134 400	161 000		1 606 400
Director: Management Services		798 400	-	60 000	66 500		924 900
Director: Engineering Services		968 700	1 900	-	80 700		1 051 300
Total Senior Managers of the Municipality	-	4 483 400	166 700	284 400	308 200		5 242 700

MBRR SA24 – Summary of personnel numbers

Summary of Personnel Numbers Number	2018/19			Current Year 2019/20			Budget Year 2020/21		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities									
Councillors (Political Office Bearers plus Other Councillors)	11	11	-	11	11	-	11	11	-
Board Members of municipal entities	-	-	-	-	-	-	-	-	-
Municipal employees									
Municipal Manager and Senior Managers	5	-	4	4	-	4	4	-	4
Other Managers	18	15	-	15	15	-	15	15	-
Professionals	151	151	13	164	151	13	164	151	13
<i>Finance</i>	26	26	5	31	26	5	31	26	5
<i>Spatial/town planning</i>	9	9	-	9	9	-	9	9	-
<i>Information Technology</i>	1	1	1	2	1	1	2	1	1
<i>Roads</i>	35	35	2	37	35	2	37	35	2
<i>Electricity</i>	18	18	-	18	18	-	18	18	-
<i>Water</i>	29	29	5	34	29	5	34	29	5
<i>Sanitation</i>	33	33	-	33	33	-	33	33	-
<i>Refuse</i>	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
Technicians	-	-	-	-	-	-	-	-	-
<i>Finance</i>	-	-	-	-	-	-	-	-	-
<i>Spatial/town planning</i>	-	-	-	-	-	-	-	-	-
<i>Information Technology</i>	-	-	-	-	-	-	-	-	-
<i>Roads</i>	-	-	-	-	-	-	-	-	-
<i>Electricity</i>	-	-	-	-	-	-	-	-	-
<i>Water</i>	-	-	-	-	-	-	-	-	-
<i>Sanitation</i>	-	-	-	-	-	-	-	-	-
<i>Refuse</i>	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
Clerks (Clerical and administrative)	56	56	2	58	56	2	58	56	2
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agricultural and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades	42	42	-	42	42	-	42	42	-
Plant and Machine Operators	-	-	-	-	-	-	-	-	-
Elementary Occupations	79	79	5	96	91	5	76	71	5
TOTAL PERSONNEL NUMBERS	362	354	24	390	366	24	370	346	24

2.9 Monthly targets for revenue, expenditure and cash flow MBRR SA25 - Budgeted monthly revenue and expenditure

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source															
Property rates	22 218	4 713	4 713	4 713	4 713	4 713	4 713	4 713	4 713	4 713	4 713	4 713	74 061	79 271	84 847
Service charges - electricity revenue	11 412	11 990	12 482	12 224	11 149	12 303	10 033	10 721	11 135	11 277	12 424	9 307	136 457	143 553	156 329
Service charges - water revenue	2 298	2 360	2 407	2 381	2 484	2 823	2 599	2 767	2 893	2 649	2 652	1 866	30 178	32 291	34 551
Service charges - sanitation revenue	1 029	1 036	1 079	1 056	1 112	1 237	915	1 007	1 018	1 127	1 055	996	12 669	13 556	14 505
Service charges - refuse revenue	1 579	1 579	1 579	1 579	1 578	1 578	1 628	1 592	1 579	1 579	1 579	1 611	19 041	20 370	21 791
Rental of facilities and equipment	46	64	171	237	80	96	238	46	68	71	42	38	1 200	1 284	1 374
Interest earned - external investments	84	230	271	269	281	121	380	305	276	386	446	251	3 300	3 531	3 778
Interest earned - outstanding debtors	72	129	136	147	159	176	170	178	184	147	173	168	1 839	1 968	2 105
Fines, penalties and forfeits	1 078	901	1 067	529	865	1 119	1 316	1 424	1 141	807	742	1 428	12 419	13 288	14 218
Licences and permits	2	2	2	3	2	2	2	2	2	2	2	2	25	27	29
Agency services	312	210	261	394	186	300	128	286	302	202	245	295	3 121	3 340	3 573
Transfers and subsidies	18 429	2 208	2 208	2 208	18 429	2 208	2 208	2 208	18 429	2 208	2 208	2 151	75 102	65 201	67 102
Other revenue	324	1 645	952	972	1 114	1 459	910	426	388	504	1 049	889	10 633	11 235	11 998
Total Revenue (excluding capital transfers and contributions)	58 885	27 068	27 328	26 710	42 153	28 136	25 241	25 676	42 128	25 672	27 329	23 717	380 044	388 912	416 201
Expenditure By Type															
Employee related costs	12 446	12 446	12 446	12 446	12 446	12 446	12 446	12 446	12 446	12 446	12 446	12 446	149 348	156 055	164 985
Remuneration of councillors	503	503	503	503	503	503	503	503	503	503	503	503	6 034	6 324	6 632
Debt impairment	825	825	825	825	825	825	825	825	825	825	825	825	9 904	10 470	11 072
Depreciation & asset impairment	947	947	947	947	947	947	947	947	947	947	947	947	11 369	11 919	12 495
Finance charges	1 164	1 164	1 164	1 164	1 164	1 164	1 164	1 164	1 164	1 164	1 164	1 164	13 963	14 782	15 682
Bulk purchases	7 604	7 592	7 611	7 623	7 587	7 614	7 602	7 589	7 613	7 586	7 616	7 614	91 250	95 995	104 530
Other materials	3 517	3 928	3 602	4 451	4 405	6 812	2 595	4 372	4 207	6 731	5 115	6 599	56 336	46 958	48 514
Contracted services	187	927	1 185	2 093	955	2 075	1 244	1 325	1 352	1 487	1 937	188	14 955	14 950	15 549
Transfers and subsidies	329	329	329	329	329	329	329	329	329	329	329	447	4 071	2 605	2 641
Other expenditure	1 773	1 979	1 816	2 243	2 220	3 433	1 308	2 203	2 120	3 392	2 578	3 326	28 392	29 676	31 249
Total Expenditure	29 296	30 640	30 428	32 625	31 382	36 148	28 964	31 704	31 507	35 410	33 460	34 059	385 623	389 734	413 349
Surplus/(Deficit)	29 590	(3 573)	(3 100)	(5 914)	10 771	(8 012)	(3 723)	(6 028)	10 622	(9 738)	(6 130)	(10 342)	(5 579)	(822)	2 852
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	235	510	1 085	868	449	1 353	279	1 299	2 965	1 140	1 266	2 938	14 389	13 421	14 665
Surplus/(Deficit)	29 825	(3 062)	(2 015)	(5 046)	11 220	(6 659)	(3 444)	(4 730)	13 587	(8 598)	(4 864)	(7 405)	8 810	12 600	17 517

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote															
Vote 1 - Executive and Council	10 944	233	373	400	11 034	370	316	278	11 344	279	296	517	36 384	36 851	38 993
Vote 2 - Financial Services & ICT	22 721	5 278	5 296	5 298	5 550	5 223	5 422	5 347	5 579	5 395	5 516	5 343	81 968	86 950	92 933
Vote 4 - Management Services	8 439	4 270	4 000	3 623	8 684	4 449	4 092	3 975	8 552	3 339	3 711	4 281	61 415	52 242	54 698
Vote 5 - Engineering Services	17 018	17 797	18 743	18 258	17 334	19 448	15 690	17 374	19 619	17 799	19 074	16 513	214 666	226 291	244 242
Total Revenue by Vote	59 120	27 578	28 413	27 579	42 602	29 489	25 521	26 975	45 094	26 813	28 596	26 655	394 433	402 334	430 866
Expenditure by Vote to be appropriated															
Vote 1 - Executive and Council	3 554	3 794	3 812	4 155	3 869	4 484	3 684	3 955	3 938	4 328	4 210	4 106	47 891	48 251	50 773
Vote 2 - Financial Services & ICT	4 553	4 861	4 846	5 314	4 994	5 929	4 597	5 086	5 050	5 749	5 446	5 363	61 788	64 406	67 771
Vote 4 - Management Services	6 303	6 738	6 579	7 341	7 061	8 903	5 924	7 120	7 016	8 720	7 747	8 350	87 802	79 465	83 106
Vote 5 - Engineering Services	14 884	15 247	15 192	15 815	15 458	16 832	14 759	15 543	15 503	16 613	16 056	16 240	188 143	197 612	211 700
Surplus/(Deficit)	29 825	(3 062)	(2 015)	(5 046)	11 220	(6 659)	(3 444)	(4 730)	13 587	(8 598)	(4 864)	(7 405)	8 810	12 600	17 517

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional															
Governance and administration	34 127	5 825	6 315	6 239	17 136	6 350	5 980	6 382	18 789	6 351	6 531	7 440	127 465	134 619	143 637
Executive and council	10 719	5	3	3	10 721	4	3	1	10 719	1	3	3	32 185	34 771	37 306
Finance and administration	23 408	5 821	6 312	6 237	6 414	6 346	5 977	6 381	8 070	6 349	6 528	7 438	95 280	99 848	106 331
Community and public safety	8 155	4 055	3 724	3 206	8 519	4 141	3 941	3 692	8 276	3 136	3 466	3 987	58 298	48 749	50 957
Community and social services	1 176	358	355	355	1 186	360	354	349	1 188	348	353	351	6 734	6 951	7 333
Sport and recreation	305	1 200	706	722	871	1 067	678	327	352	383	773	657	8 040	8 173	8 745
Public safety	1 096	901	1 066	532	884	1 117	1 312	1 419	1 158	808	744	1 423	12 460	13 172	14 094
Housing	5 578	1 597	1 597	1 597	5 578	1 597	1 597	1 597	5 578	1 597	1 597	1 556	31 064	20 452	20 784
Economic and environmental services	410	606	600	708	469	776	348	552	792	462	628	880	7 231	6 097	5 989
Planning and development	98	396	339	314	283	477	219	266	490	259	384	585	4 110	2 757	2 415
Road transport	312	210	261	394	186	300	128	286	302	202	245	295	3 121	3 340	3 573
Trading services	16 428	17 092	17 773	17 426	16 479	18 222	15 253	16 349	17 237	16 865	17 970	14 347	201 439	212 869	230 284
Energy sources	11 513	12 096	12 670	12 379	11 287	12 535	10 100	10 937	11 644	11 469	12 639	9 770	139 038	146 638	159 421
Water management	2 306	2 379	2 445	2 412	2 500	2 870	2 609	2 813	2 996	2 689	2 696	1 968	30 682	32 294	34 555
Waste water management	1 030	1 038	1 080	1 057	1 113	1 239	916	1 007	1 018	1 128	1 056	997	12 679	13 567	14 517
Waste management	1 579	1 579	1 579	1 579	1 578	1 578	1 628	1 592	1 579	1 579	1 579	1 611	19 041	20 370	21 791
Total Revenue - Functional	59 120	27 578	28 413	27 579	42 602	29 489	25 521	26 975	45 094	26 813	28 596	26 655	394 433	402 334	430 866
Expenditure - Functional															
Governance and administration	8 084	8 519	8 478	9 153	8 724	10 111	8 088	8 844	8 786	9 866	9 368	9 437	107 460	110 536	116 392
Executive and council	1 304	1 351	1 341	1 419	1 379	1 552	1 286	1 389	1 381	1 528	1 451	1 571	16 955	16 089	16 791
Finance and administration	6 662	7 044	7 013	7 602	7 220	8 422	6 680	7 327	7 278	8 204	7 784	7 742	88 977	92 839	97 909
Internal audit	117	123	124	133	125	138	123	127	127	134	133	124	1 528	1 608	1 693
Community and public safety	5 527	5 943	5 790	6 520	6 252	8 014	5 164	6 308	6 209	7 840	6 908	7 508	77 983	69 083	72 107
Community and social services	894	920	917	958	933	1 019	892	940	936	1 004	972	998	11 385	11 894	12 589
Sport and recreation	1 056	1 086	1 077	1 129	1 107	1 229	1 035	1 112	1 106	1 215	1 155	1 187	13 496	13 706	14 472
Public safety	1 389	1 522	1 560	1 729	1 536	1 771	1 551	1 598	1 600	1 670	1 715	1 447	19 089	19 917	20 971
Housing	2 187	2 414	2 236	2 703	2 675	3 996	1 685	2 658	2 568	3 950	3 066	3 875	34 014	23 565	24 075
Economic and environmental services	2 392	2 574	2 599	2 850	2 618	3 037	2 530	2 690	2 682	2 912	2 872	2 640	32 395	34 034	35 911
Planning and development	757	884	922	1 081	894	1 107	919	954	957	1 009	1 064	795	11 342	11 930	12 553
Road transport	1 630	1 685	1 673	1 763	1 718	1 920	1 607	1 729	1 719	1 893	1 802	1 836	20 976	22 023	23 273
Environmental protection	5	5	5	6	6	9	4	6	6	9	7	9	77	81	85
Trading services	13 042	13 350	13 308	13 839	13 527	14 696	12 942	13 601	13 571	14 504	14 041	14 188	164 610	172 881	185 560
Energy sources	8 765	8 804	8 805	8 906	8 837	9 080	8 719	8 846	8 858	9 031	8 947	9 015	106 613	112 145	121 514
Water management	1 697	1 770	1 729	1 867	1 837	2 198	1 589	1 840	1 818	2 174	1 957	2 129	22 604	23 623	24 862
Waste water management	913	943	922	984	976	1 144	854	975	964	1 136	1 028	1 122	11 960	12 563	13 200
Waste management	1 668	1 833	1 851	2 082	1 877	2 274	1 779	1 940	1 931	2 164	2 110	1 923	23 433	24 550	25 984
Other	250	256	252	262	261	290	240	261	259	288	270	286	3 176	3 199	3 379
Total Expenditure - Functional	29 296	30 640	30 428	32 625	31 382	36 148	28 964	31 704	31 507	35 410	33 460	34 059	385 623	389 734	413 349
Surplus/(Deficit)	29 825	(3 062)	(2 015)	(5 046)	11 220	(6 659)	(3 444)	(4 730)	13 587	(8 598)	(4 864)	(7 405)	8 810	12 600	17 517

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand															
Multi-year expenditure to be appropriated															
Vote 2 - Financial Services & ICT	33	71	151	121	62	188	39	181	412	159	176	408	2 000	2 500	2 750
Vote 4 - Management Services	1	2	5	4	2	6	1	5	12	5	5	12	60	250	290
Vote 5 - Engineering Services	155	337	716	573	296	893	184	857	1 956	752	835	1 937	9 489	23 909	23 303
Capital multi-year expenditure sub-total	189	410	871	697	360	1 086	224	1 042	2 380	915	1 017	2 358	11 549	26 659	26 343
Single-year expenditure to be appropriated															
Vote 1 - Executive and Council	33	72	153	123	63	191	39	184	419	161	179	415	2 035	500	-
Vote 2 - Financial Services & ICT	14	31	66	53	27	82	17	79	180	69	77	178	873	635	1 298
Vote 4 - Management Services	46	100	213	171	88	266	55	255	583	224	249	578	2 830	1 880	545
Vote 5 - Engineering Services	739	1 603	3 408	2 728	1 410	4 252	877	4 080	9 315	3 583	3 979	9 229	45 202	6 663	7 806
Capital single-year expenditure sub-total	832	1 807	3 841	3 074	1 589	4 791	988	4 598	10 498	4 037	4 484	10 400	50 941	9 678	9 649
Total Capital Expenditure	1 021	2 216	4 712	3 771	1 950	5 878	1 212	5 640	12 878	4 953	5 500	12 758	62 490	36 337	35 992

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

Description	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital Expenditure - Functional															
<i>Governance and administration</i>	54	117	249	199	103	311	64	298	681	262	291	674	3 302	3 282	4 148
Finance and administration	54	117	249	199	103	311	64	298	681	262	291	674	3 302	3 282	4 148
<i>Community and public safety</i>	36	78	166	133	69	207	43	199	454	174	194	449	2 201	1 953	710
Community and social services	1	2	5	4	2	6	1	6	13	5	5	13	62	40	300
Sport and recreation	34	75	159	127	66	198	41	190	434	167	185	430	2 105	1 095	290
Public safety	1	1	2	2	1	3	1	3	6	2	3	6	31	818	120
Housing	0	0	0	0	0	0	0	0	1	0	0	1	4	-	-
<i>Economic and environmental services</i>	195	422	898	719	372	1 120	231	1 075	2 454	944	1 048	2 431	11 907	14 826	17 958
Planning and development	33	71	151	121	63	189	39	181	413	159	177	410	2 006	500	-
Road transport	161	349	741	593	307	925	191	887	2 026	779	865	2 007	9 831	14 256	17 958
Environmental protection	1	2	5	4	2	7	1	6	14	6	6	14	70	70	-
<i>Trading services</i>	737	1 599	3 399	2 720	1 407	4 240	875	4 069	9 290	3 573	3 968	9 204	45 080	16 276	13 176
Energy sources	103	224	477	382	197	595	123	571	1 304	502	557	1 292	6 329	14 366	10 326
Water management	60	130	276	221	114	344	71	330	754	290	322	747	3 660	1 160	2 600
Waste water management	538	1 167	2 482	1 986	1 027	3 096	639	2 971	6 782	2 608	2 897	6 719	32 911	750	250
Waste management	36	77	164	132	68	205	42	197	449	173	192	445	2 180	-	-
Total Capital Expenditure - Functional	1 021	2 216	4 712	3 771	1 950	5 878	1 212	5 640	12 878	4 953	5 500	12 758	62 490	36 337	35 992
Funded by:															
National Government	193	420	892	714	369	1 113	230	1 068	2 439	938	1 042	2 416	11 833	12 881	14 415
Provincial Government	42	91	193	154	80	240	50	231	527	203	225	522	2 556	540	250
Transfers recognised - capital	235	510	1 085	868	449	1 353	279	1 299	2 965	1 140	1 266	2 938	14 389	13 421	14 665
Borrowing	591	1 283	2 728	2 184	1 129	3 403	702	3 266	7 457	2 868	3 185	7 387	36 183	6 462	3 655
Internally generated funds	195	423	899	719	372	1 121	231	1 076	2 456	945	1 049	2 433	11 917	16 453	17 671
Total Capital Funding	1 021	2 216	4 712	3 771	1 950	5 878	1 212	5 640	12 878	4 953	5 500	12 758	62 490	36 337	35 992

Table MBRR SA30 - Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2020/21												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand															
Cash Receipts By Source															
Property rates	4 242	4 242	19 996	4 242	4 242	4 242	4 242	4 242	4 242	4 242	4 242	4 242	66 655	74 119	81 453
Service charges - electricity revenue	10 234	10 234	10 234	10 234	10 234	10 234	10 234	10 234	10 234	10 234	10 234	10 234	122 811	134 222	150 076
Service charges - water revenue	2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	2 263	27 161	30 192	33 169
Service charges - sanitation revenue	950	950	950	950	950	950	950	950	950	950	950	950	11 402	12 675	13 924
Service charges - refuse revenue	1 428	1 428	1 428	1 428	1 428	1 428	1 428	1 428	1 428	1 428	1 428	1 428	17 137	19 046	20 920
Rental of facilities and equipment	90	90	90	90	90	90	90	90	90	90	90	90	1 080	1 200	1 319
Interest earned - external investments	275	275	275	275	275	275	275	275	275	275	275	275	3 300	3 531	3 778
Interest earned - outstanding debtors	138	138	138	138	138	138	138	138	138	138	138	138	1 655	1 840	2 021
Fines, penalties and forfeits	280	280	280	280	280	280	280	280	280	280	280	280	3 355	3 589	3 841
Licences and permits	2	2	2	2	2	2	2	2	2	2	2	2	25	27	29
Agency services	260	260	260	260	260	260	260	260	260	260	260	260	3 121	3 340	3 573
Transfers and Subsidies - Operational	25 034	-	-	-	25 034	-	-	-	25 034	-	-	-	75 102	65 201	67 102
Other revenue	886	886	886	886	886	886	886	886	886	886	886	886	10 633	11 235	11 998
Cash Receipts by Source	46 082	21 048	36 803	21 048	46 082	21 048	21 048	21 048	46 082	21 048	21 048	21 048	343 436	360 215	393 204
Other Cash Flows by Source															
Transfers and subsidies - capital	4 630	-	-	-	4 630	-	-	-	4 630	-	-	-	13 889	13 421	14 665
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	28 440	28 440	6 462	3 655
Increase (decrease) in consumer deposits	25	25	25	25	25	25	25	25	25	25	25	25	299	317	336
Decrease (increase) in non-current receivables	1	1	1	1	1	1	1	1	1	1	1	1	8	8	8
Total Cash Receipts by Source	50 737	21 074	36 829	21 074	50 737	21 074	21 074	21 074	50 737	21 074	21 074	49 514	386 071	380 423	411 867
Cash Payments by Type															
Employee related costs	11 533	11 533	11 533	11 533	23 067	11 533	11 533	11 533	11 533	11 533	11 533	11 533	149 933	156 203	164 659
Remuneration of councillors	503	503	503	503	503	503	503	503	503	503	503	503	6 034	6 324	6 632
Finance charges	-	-	-	-	-	1 824	-	-	-	-	-	1 824	3 648	4 008	4 404
Bulk purchases - Electricity	7 593	7 593	7 593	7 593	7 593	7 593	7 593	7 593	7 593	7 593	7 593	7 593	91 117	94 998	102 966
Bulk purchases - Water & Sewer	17	17	17	17	17	17	17	17	17	17	17	17	204	212	222
Other materials	4 696	4 696	4 696	4 696	4 696	4 696	4 696	4 696	4 696	4 696	4 696	4 696	56 356	46 740	48 154
Contracted services	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	1 247	14 967	14 828	15 349
Transfers and grants - other	339	339	339	339	339	339	339	339	339	339	339	339	4 071	2 605	2 641
Other expenditure	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	2 368	28 414	29 434	30 848
Cash Payments by Type	28 297	28 297	28 297	28 297	39 830	30 121	28 297	28 297	28 297	28 297	28 297	30 121	354 745	355 352	375 876
Other Cash Flows/Payments by Type															
Capital assets	1 021	2 216	4 712	3 771	1 950	5 878	1 212	5 640	12 878	4 953	5 500	12 758	62 490	36 337	35 992
Repayment of borrowing	-	-	-	-	-	3 250	-	-	-	-	-	3 250	6 500	6 750	7 000
Total Cash Payments by Type	29 318	30 513	33 009	32 068	41 780	39 249	29 509	33 937	41 175	33 250	33 797	46 129	423 735	398 438	418 867
NET INCREASE/(DECREASE) IN CASH HELD	21 419	(9 440)	3 820	(10 994)	8 957	(18 175)	(8 436)	(12 864)	9 562	(12 176)	(12 723)	3 385	(37 664)	(18 016)	(7 000)
Cash/cash equivalents at the month/year begin:	63 996	85 415	75 975	79 795	68 801	77 758	59 583	51 147	38 284	47 846	35 670	22 947	63 996	26 332	8 316
Cash/cash equivalents at the month/year end:	85 415	75 975	79 795	68 801	77 758	59 583	51 147	38 284	47 846	35 670	22 947	26 332	26 332	8 316	1 316

2.10 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

Schedule SA35 is not applicable at the municipality.

2.11 Capital expenditure details

The following four tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets, then the upgrading of assets, then the repair and maintenance of assets and finally the depreciation per asset class.

MBRR SA34a - Capital expenditure on new assets by asset class

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>				
<u>Infrastructure</u>	5 042	2 549	11 665	8 542
Roads Infrastructure	800	-	-	-
<i>Road Structures</i>	800	-	-	-
Storm water Infrastructure	-	20	20	-
<i>Storm water Conveyance</i>	-	20	20	-
Electrical Infrastructure	3 742	2 279	11 395	8 292
<i>LV Networks</i>	3 742	2 279	11 395	8 292
Water Supply Infrastructure	500	-	-	-
<i>Boreholes</i>	500	-	-	-
Sanitation Infrastructure	-	250	250	250
<i>Reticulation</i>	-	250	250	250
<u>Community Assets</u>	2 808	3 200	1 200	-
Community Facilities	1 258	-	100	-
<i>Halls</i>	1 000	-	-	-
<i>Testing Stations</i>	-	-	100	-
<i>Public Open Space</i>	258	-	-	-
Sport and Recreation Facilities	1 550	3 200	1 100	-
<i>Outdoor Facilities</i>	1 550	3 200	1 100	-
<u>Other assets</u>	-	-	32	-
Operational Buildings	-	-	32	-
<i>Workshops</i>	-	-	32	-
<u>Computer Equipment</u>	169	15	50	73
Computer Equipment	169	15	50	73
<u>Furniture and Office Equipment</u>	174	146	115	67
Furniture and Office Equipment	174	146	115	67
<u>Machinery and Equipment</u>	3 883	5 223	3 784	3 111
Machinery and Equipment	3 883	5 223	3 784	3 111
<u>Transport Assets</u>	-	-	680	-
Transport Assets	-	-	680	-
Total Capital Expenditure on new assets	12 076	11 133	17 526	11 793

MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
Capital expenditure on renewal of existing assets by Asset Class/Sub-class				
Infrastructure	9 522	37 661	3 600	6 600
Roads Infrastructure	1 350	1 500	2 250	4 750
<i>Roads</i>	1 000	1 500	2 250	4 750
<i>Road Furniture</i>	350	-	-	-
Water Supply Infrastructure	3 050	3 600	850	1 850
<i>Boreholes</i>	1 550	-	-	-
<i>Water Treatment Works</i>	-	100	350	350
<i>Bulk Mains</i>	1 500	3 500	500	1 500
Sanitation Infrastructure	5 122	32 561	500	-
<i>Pump Station</i>	-	500	500	-
<i>Reticulation</i>	-	500	-	-
<i>Waste Water Treatment Works</i>	5 122	31 561	-	-
Community Assets	-	40	-	-
Sport and Recreation Facilities	-	40	-	-
<i>Outdoor Facilities</i>	-	40	-	-
Intangible Assets	151	-	-	-
Licences and Rights	151	-	-	-
<i>Computer Software and Applications</i>	151	-	-	-
Computer Equipment	154	433	501	678
Computer Equipment	154	433	501	678
Furniture and Office Equipment	119	238	229	167
Furniture and Office Equipment	119	238	229	167
Machinery and Equipment	603	435	75	-
Machinery and Equipment	603	435	75	-
Transport Assets	2 775	230	230	-
Transport Assets	2 775	230	230	-
Total Capital Expenditure on renewal of existing assets	13 325	39 036	4 635	7 444
Renewal of Existing Assets as % of total capex	31.2%	62.5%	12.8%	20.7%
Renewal of Existing Assets as % of deprecn"	120.9%	343.3%	38.9%	59.6%

MBRR SA34e - Capital expenditure on the upgrading of existing assets by asset class

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework			
	R thousand	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class					
Infrastructure	13 654	9 530	13 867	15 755	
Roads Infrastructure	6 249	7 461	11 221	12 283	
<i>Roads</i>	5 749	6 961	11 221	12 283	
<i>Road Furniture</i>	500	500	–	–	
Storm water Infrastructure	–	500	700	900	
<i>Storm water Conveyance</i>	–	500	700	900	
Electrical Infrastructure	6 555	1 510	1 636	1 823	
<i>MV Networks</i>	503	536	571	639	
<i>LV Networks</i>	6 052	974	1 065	1 184	
Water Supply Infrastructure	–	60	310	750	
<i>Reservoirs</i>	–	–	250	250	
<i>Bulk Mains</i>	–	60	60	500	
Solid Waste Infrastructure	850	–	–	–	
<i>Landfill Sites</i>	850	–	–	–	
Community Assets	2 797	300	200	490	
Community Facilities	2 545	300	–	250	
<i>Testing Stations</i>	350	–	–	–	
<i>Libraries</i>	–	–	–	250	
<i>Public Open Space</i>	–	300	–	–	
<i>Public Ablution Facilities</i>	700	–	–	–	
<i>Markets</i>	1 495	–	–	–	
Sport and Recreation Facilities	252	–	200	240	
<i>Outdoor Facilities</i>	252	–	200	240	
Other assets	796	135	50	–	
Operational Buildings	796	135	50	–	
<i>Municipal Offices</i>	796	100	–	–	
<i>Yards</i>	–	35	–	–	
<i>Stores</i>	–	–	50	–	
Computer Equipment	9	359	59	509	
Computer Equipment	9	359	59	509	
Furniture and Office Equipment	3	67	–	–	
Furniture and Office Equipment	3	67	–	–	
Machinery and Equipment	–	130	–	–	
Machinery and Equipment	–	130	–	–	
Transport Assets	–	1 800	–	–	
Transport Assets	–	1 800	–	–	
Total Capital Expenditure on upgrading of existing assets	17 258	12 321	14 176	16 754	
Upgrading of Existing Assets as % of total capex	40.5%	19.7%	39.0%	46.6%	
Upgrading of Existing Assets as % of deprecn"	156.5%	108.4%	118.9%	134.1%	

MBRR SA34c - Repairs and maintenance expenditure by asset class

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
Repairs and maintenance expenditure by Asset Class/Sub-class				
Infrastructure	42 821	46 813	48 851	51 523
Roads Infrastructure	11 928	12 463	13 075	13 842
<i>Roads</i>	11 698	12 263	12 865	13 622
<i>Road Furniture</i>	230	200	210	220
Electrical Infrastructure	8 776	9 950	10 484	11 051
<i>LV Networks</i>	8 776	9 950	10 484	11 051
Water Supply Infrastructure	11 756	13 777	14 345	15 108
<i>Distribution</i>	11 756	13 777	14 345	15 108
Sanitation Infrastructure	7 768	7 513	7 906	8 323
<i>Reticulation</i>	7 768	7 513	7 906	8 323
Solid Waste Infrastructure	2 593	3 111	3 042	3 200
<i>Landfill Sites</i>	2 593	3 111	3 042	3 200
Community Assets	8 741	9 670	9 753	10 278
Community Facilities	5 679	6 045	6 140	6 486
<i>Halls</i>	157	100	105	110
<i>Cemeteries/Crematoria</i>	855	889	941	997
<i>Public Open Space</i>	4 668	5 056	5 094	5 380
Sport and Recreation Facilities	3 062	3 625	3 612	3 792
<i>Outdoor Facilities</i>	3 062	3 625	3 612	3 792
Other assets	4 847	5 168	5 194	5 495
Operational Buildings	4 847	5 168	5 194	5 495
<i>Municipal Offices</i>	4 847	5 168	5 194	5 495
Intangible Assets	3 651	3 980	4 330	4 715
Licences and Rights	3 651	3 980	4 330	4 715
<i>Computer Software and Applications</i>	3 651	3 980	4 330	4 715
Computer Equipment	198	185	202	222
Computer Equipment	198	185	202	222
Furniture and Office Equipment	197	49	50	50
Furniture and Office Equipment	197	49	50	50
Machinery and Equipment	591	549	576	604
Machinery and Equipment	591	549	576	604
Transport Assets	4 633	5 446	5 710	5 988
Transport Assets	4 633	5 446	5 710	5 988
Total Repairs and Maintenance Expenditure	65 678	71 861	74 666	78 875
R&M as a % of PPE	16.1%	17.7%	16.3%	16.3%
R&M as % Operating Expenditure	16.6%	18.2%	19.4%	20.2%

MBRR SA34d - Depreciation by asset class

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	R thousand Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Depreciation by Asset Class/Sub-class				
Infrastructure	7 679	8 023	8 409	8 814
Roads Infrastructure	1 331	1 397	1 464	1 534
<i>Roads</i>	1 238	1 298	1 361	1 426
<i>Road Structures</i>	18	19	19	20
<i>Road Furniture</i>	76	80	84	88
Storm water Infrastructure	604	634	664	696
<i>Drainage Collection</i>	389	408	428	449
<i>Storm water Conveyance</i>	215	225	236	248
Electrical Infrastructure	1 592	1 670	1 750	1 834
<i>MV Substations</i>	159	167	175	183
<i>MV Networks</i>	550	577	605	634
<i>LV Networks</i>	883	926	971	1 017
Water Supply Infrastructure	1 073	1 126	1 181	1 238
<i>Dams and Weirs</i>	36	37	39	41
<i>Boreholes</i>	141	148	156	163
<i>Reservoirs</i>	299	314	329	345
<i>Pump Stations</i>	47	49	52	54
<i>Bulk Mains</i>	42	44	46	48
<i>Distribution</i>	509	533	560	587
Sanitation Infrastructure	1 657	1 707	1 788	1 874
<i>Pump Station</i>	504	529	554	580
<i>Reticulation</i>	427	448	469	492
<i>Waste Water Treatment Works</i>	709	713	747	783
<i>Outfall Sewers</i>	1	1	1	1
<i>Toilet Facilities</i>	16	17	18	19
Solid Waste Infrastructure	1 421	1 491	1 562	1 637
<i>Landfill Sites</i>	1 421	1 491	1 562	1 637
Community Assets	270	270	283	297
Community Facilities	183	183	192	202
<i>Halls</i>	96	96	101	105
<i>Clinics/Care Centres</i>	1	1	1	1
<i>Libraries</i>	67	67	70	74
<i>Cemeteries/Crematoria</i>	1	1	1	1
<i>Public Open Space</i>	19	19	20	21
Sport and Recreation Facilities	87	87	91	96
<i>Outdoor Facilities</i>	87	87	91	96
Investment properties	9	9	9	10
Revenue Generating	9	9	9	10
<i>Improved Property</i>	9	9	9	10
Other assets	489	489	513	538
Operational Buildings	489	489	513	538
<i>Municipal Offices</i>	489	489	513	538
Intangible Assets	325	325	341	358
Licences and Rights	325	325	341	358
<i>Computer Software and Applications</i>	325	325	341	358
Computer Equipment	354	354	371	389
Computer Equipment	354	354	371	389
Furniture and Office Equipment	737	737	773	811
Furniture and Office Equipment	737	737	773	811
Machinery and Equipment	311	311	326	342
Machinery and Equipment	311	311	326	342
Transport Assets	851	851	893	937
Transport Assets	851	851	893	937
Total Depreciation	11 025	11 369	11 919	12 495

MBRR SA35 - Future financial implications of the capital budget

No future implications identified on the capital budget beyond the MTREF period.

MBRR SA36 - Detailed capital budget per municipal vote

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class	2020/21 Medium Term Revenue & Expenditure Framework				
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Council Administration	CUPBOARD - Cnr EUROPA	N	SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	-
	Municipal Manager	Desk	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	-
	Municipal Manager	chairs	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	-
	Municipal Manager	Desk	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	1	1	-	-	-
	Municipal Manager	Table (x2)	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	10	2	-	-	-
	Municipal Manager	Chairs	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	14	3	-	-	-
	Municipal Manager	Laminating Machine (A3)	N	SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	-
	Municipal Manager	Yskas	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	3	-	-	-	-
	Municipal Manager	Microwave	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Municipal Manager	Urn (10 Litre) X2	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	-
	Internal Audit	Teammate Audit papers (software)	R	SO1	Intangible Assets	Computer Software and Applications	-	151	-	-	-
	Internal Audit	Whiteboard Magnetic Aluminium Frame 1200mm X 1500mm	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Strategic Services	RSEP (DPLG) - LED Construction (Buildings/Kiosk)	N	SO1	Community Assets	Halls	-	1 000	-	-	-
	Strategic Services	Led Construction (Buildings / Kiosk)	N	SO1	Community Assets	Outdoor Facilities	-	500	-	-	-
	Strategic Services	RSEP (DPLG) - Annene Booysen braai facilities & development	N	SO1	Community Assets	Outdoor Facilities	-	-	2 000	500	-
	Strategic Services	Wall Banner	N	SO1	Furniture and Office Equipment	Furniture and Office Equipment	6	-	-	-	-
	Strategic Services	White board	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Town Planning	White board	R	SO10	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Strategic Services	Camera with Accessories	N	SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	40	-	-	-
	Strategic Services	Office Chair	N	SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	-
	Strategic Services	Cabinet with Drawers	N	SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	-
	Strategic Services	Visitors Chairs	N	SO1	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	-
	Strategic Services	Panel Heaters (3)	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Strategic Services	Laminating machine (A3)	R	SO1	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Strategic Services	Pull-up banners X6	N	SO1	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Socio & Economic Development	RSEP Grant - Informal Trading Area 272/2015	N	SO11	Community Assets	Markets	832	-	-	-	-
	Town Planning	Laptop	R	SO10	Computer Equipment	Computer Equipment	11	-	-	-	-
	Town Planning	Visitor Chairs (x2)	R	SO10	Furniture and Office Equipment	Furniture and Office Equipment	4	-	-	-	-

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class	2020/21 Medium Term Revenue & Expenditure Framework				
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Town Planning	Office Chairs (x 1)	R	SO10	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	-
	Town Planning	Voice Recorder	R	SO10	Furniture and Office Equipment	Furniture and Office Equipment	5	-	-	-	-
	Council Administration	Collab - Software	U	SO2	Intangible Assets	Computer Software and Applications	145	-	-	-	-
	Administration	Chair	R	SO3	Furniture and Office Equipment	Furniture and Office Equipment	4	4	4	-	-
	Human Settlements	Chair	N	SO10	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Administration	Community Centre - Stand 891, Struisbaai	N	SO3	Community Assets	Halls	551	-	-	-	-
	Administration	Improvements on recording system (council chambers)	U	SO3	Furniture and Office Equipment	Furniture and Office Equipment	-	-	25	-	-
	Human Resources & Organisational	Big Capacity Urn	U	SO2	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	-
	Human Resources & Organisational	White Board	N	SO2	Furniture and Office Equipment	Furniture and Office Equipment	-	1	-	-	-
	Socio & Economic Development	Plastic Chairs for Thusong Hall	R	SO11	Furniture and Office Equipment	Furniture and Office Equipment	6	-	-	-	-
	Socio & Economic Development	Tables for Thusong Hall	R	SO11	Furniture and Office Equipment	Furniture and Office Equipment	6	-	-	-	-
	Socio & Economic Development	Outdoor Benches *2 for Thusong centre	N	SO11	Furniture and Office Equipment	Furniture and Office Equipment	6	-	6	-	-
	Tourism	Airconditioners x4	N	SO5	Furniture and Office Equipment	Furniture and Office Equipment	-	40	-	-	-
	Tourism	DEAT (DPLG) - Lesedi LED Containers units	U	SO5	Community Assets	Markets	-	1 495	-	-	-
	Director: Financial Services & ICT	Vesta - Financial System	U	SO6	Intangible Assets	Computer Software and Applications	250	-	-	-	-
	Revenue Management	Steel cabinet 4 drawers (X2)	R	SO6	Furniture and Office Equipment	Furniture and Office Equipment	4	4	-	-	-
	Revenue Management	Note counter (cashiers) {added to traffic dept}	N	SO6	Furniture and Office Equipment	Furniture and Office Equipment	-	5	-	-	-
	Revenue Management	Desk Calculator (x2)	R	SO6	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Revenue Management	Office Chairs (x2)	R	SO6	Furniture and Office Equipment	Furniture and Office Equipment	5	18	-	-	-
	Revenue Management	3x Chairs	R	SO6	Furniture and Office Equipment	Furniture and Office Equipment	-	-	5	3	-
	Supply Chain Management	Heavy Duty Highback chair	R	SO6	Furniture and Office Equipment	Furniture and Office Equipment	-	3	-	-	-
	Supply Chain Management	Airconditioners (Struisbaai Stores)	R	SO6	Furniture and Office Equipment	Furniture and Office Equipment	8	-	-	-	-
	Supply Chain Management	Heavy Duty Highback chair	R	SO6	Furniture and Office Equipment	Furniture and Office Equipment	5	-	-	-	-
	Supply Chain Management	Steel Shelving	U	SO6	Furniture and Office Equipment	Furniture and Office Equipment	-	-	27	-	-
	Supply Chain Management	4X Stationary Steel Cupboard	N	SO6	Furniture and Office Equipment	Furniture and Office Equipment	-	-	-	4	4
	Workshop	Toolboxes	N	SO8	Machinery and Equipment	Machinery and Equipment	-	10	-	-	-
	Workshop	Industrial Wet & Dry Vacuum Cleaner	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	5	-	-
	Workshop	Pneumatic Equipment (Air Tools)	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	15	-	-

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class	2020/21 Medium Term Revenue & Expenditure Framework				
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Information Systems	Office Equipment - Air Conditioner	N	SO3	Furniture and Office Equipment	Furniture and Office Equipment	14	-	-	-	-
	Information Systems	New PC's	N	SO3	Computer Equipment	Computer Equipment	8	165	15	50	65
	Information Systems	Time Attendance and Access Control - Boomgates	N	SO3	Machinery and Equipment	Machinery and Equipment	120	-	-	-	-
	Information Systems	UPS small (Offices)	R	SO3	Computer Equipment	Computer Equipment	15	21	10	9	15
	Information Systems	Access Points - Network	R	SO3	Computer Equipment	Computer Equipment	39	-	-	-	-
	Information Systems	Network Replacement LAN	R	SO3	Computer Equipment	Computer Equipment	149	-	-	-	-
	Information Systems	Replacement - UPS (40 kVa 3 Phase)	R	SO3	Furniture and Office Equipment	Furniture and Office Equipment	135	-	-	-	-
	Information Systems	Furniture - Cabinet	N	SO3	Furniture and Office Equipment	Furniture and Office Equipment	3	-	-	-	-
	Information Systems	Computer Equipment - Annene Skills Centre	N	SO3	Computer Equipment	Computer Equipment	177	-	-	-	-
	Information Systems	Furniture - Chair	N	SO3	Furniture and Office Equipment	Furniture and Office Equipment	6	-	-	-	-
	Information Systems	Rack mount UPS	R	SO3	Furniture and Office Equipment	Furniture and Office Equipment	19	13	-	-	17
	Information Systems	Smart city project	N	SO3	Machinery and Equipment	Machinery and Equipment	749	905	-	-	-
	Information Systems	Smart city project	N	SO3	Machinery and Equipment	Machinery and Equipment	-	475	2 000	2 500	2 750
	Information Systems	Provincial Grant (Smart city project)	N	SO3	Machinery and Equipment	Machinery and Equipment	-	1 070	-	-	-
	Information Systems	New Laptops	U	SO3	Computer Equipment	Computer Equipment	11	-	-	-	-
	Information Systems	New Laptops	U	SO3	Computer Equipment	Computer Equipment	-	-	56	50	50
	Information Systems	Projector	R	SO3	Computer Equipment	Computer Equipment	-	21	-	7	-
	Information Systems	External HDD	U	SO3	Computer Equipment	Computer Equipment	-	9	8	9	9
	Information Systems	Switch POE	U	SO3	Computer Equipment	Computer Equipment	122	-	75	-	150
	Information Systems	Switch Cabinet (x2)	N	SO3	Computer Equipment	Computer Equipment	-	4	-	-	8
	Information Systems	Two Way Radios	N	SO3	Furniture and Office Equipment	Furniture and Office Equipment	66	29	14	16	15
	Information Systems	Small Tools	N	SO3	Furniture and Office Equipment	Furniture and Office Equipment	-	2	2	3	3
	Information Systems	Replacement PC's	R	SO3	Computer Equipment	Computer Equipment	30	-	-	-	-
	Information Systems	Replacement PC's	R	SO3	Computer Equipment	Computer Equipment	-	-	225	340	370
	Information Systems	Screens Replace	R	SO3	Computer Equipment	Computer Equipment	18	-	-	-	-
	Information Systems	Screens Replace	R	SO3	Computer Equipment	Computer Equipment	-	-	13	20	13
	Information Systems	Replacement Laptops	R	SO3	Computer Equipment	Computer Equipment	-	112	185	125	280
	Information Systems	Upgrade Server room DR Site	U	SO3	Computer Equipment	Computer Equipment	110	-	-	-	-

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class			2020/21 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Information Systems	Servers	U	SO3	Computer Equipment	Computer Equipment	-	-	220	-	300
	Protective Services	Replacement LDV (Environmental Protection)	R	SO12	Transport Assets	Transport Assets	-	243	-	-	-
	Protective Services	Zippels	U	SO12	Furniture and Office Equipment	Furniture and Office Equipment	100	-	-	-	-
	Protective Services	Projector & Screen	N	SO12	Furniture and Office Equipment	Furniture and Office Equipment	-	-	-	-	20
	Protective Services	Cordless answer set	N	SO12	Furniture and Office Equipment	Furniture and Office Equipment	-	-	2	-	-
	Protective Services	Fencing: Test Yard	N	SO12	Community Assets	Testing Stations	-	-	-	100	-
	Protective Services	4x Drawers Filing Cabinet (L/L & D/L)	N	SO12	Furniture and Office Equipment	Furniture and Office Equipment	-	-	4	-	-
	Protective Services	10L URN	N	SO12	Furniture and Office Equipment	Furniture and Office Equipment	-	-	5	-	-
	Protective Services	20 Chairs & 20 Tables (replacement)	N	SO12	Furniture and Office Equipment	Furniture and Office Equipment	-	-	20	20	-
	Protective Services	Container - Social assistance (Disaster mgt)	N	SO12	Machinery and Equipment	Machinery and Equipment	-	-	-	-	100
	Protective Services	Hands Free Answering Headset	N	SO12	Furniture and Office Equipment	Furniture and Office Equipment	-	-	-	3	-
	Traffic & Law Enforcement	Vehicles x1 Sedan Replacement (Traffic/Law Enforcement)	R	SO12	Transport Assets	Transport Assets	-	222	-	-	-
	Traffic & Law Enforcement	Vehicles: x1 Mini-Bus (Law Enforcement)	N	SO12	Transport Assets	Transport Assets	-	-	-	450	-
	Traffic & Law Enforcement	1x Bicycle Trailer (Law Enforcement)	N	SO12	Transport Assets	Transport Assets	-	-	-	150	-
	Traffic & Law Enforcement	1x Roadblock Trailer (Traffic)	N	SO12	Transport Assets	Transport Assets	-	-	-	80	-
	Traffic & Law Enforcement	2x Generators (Roadblock & Kiosk Trailers)	N	SO12	Machinery and Equipment	Machinery and Equipment	-	-	-	15	-
	Traffic Licencing & Vehicle Testing S	Note Counter	N	SO12	Furniture and Office Equipment	Furniture and Office Equipment	2	5	5	5	-
	Traffic Licencing & Vehicle Testing S	Hydraulic Play Detector Plates	U	SO12	Machinery and Equipment	Machinery and Equipment	-	-	130	-	-
	Traffic Licencing & Vehicle Testing S	Renovating of Vehicle testing area	U	SO12	Other assets	Yards	-	-	35	-	-
	Traffic Licencing & Vehicle Testing S	Buildings - Renovation of reception area (Entrance)	U	SO12	Other assets	Municipal Offices	-	-	100	-	-
	Traffic Licencing & Vehicle Testing S	Two Way Radios	N	SO12	Furniture and Office Equipment	Furniture and Office Equipment	-	-	25	25	25
	Environmental Services	Animal Control Project - Fencing Etc.	N	SO12	Community Assets	Outdoor Facilities	-	50	-	-	-
	Environmental Services	Mobile Animal Dip Bath - trailer	N	SO12	Machinery and Equipment	Machinery and Equipment	-	-	-	-	50
	Human Settlements	Cupboard	N	SO10	Furniture and Office Equipment	Furniture and Office Equipment	2	-	-	-	-
	Human Settlements	Chairs (x2)	N	SO10	Furniture and Office Equipment	Furniture and Office Equipment	-	2	-	-	-
	Human Settlements	Desk	N	SO10	Furniture and Office Equipment	Furniture and Office Equipment	-	2	-	-	-
	Human Settlements	Chair	R	SO10	Furniture and Office Equipment	Furniture and Office Equipment	-	-	4	-	-
	Public Services	Office Equipment / Furniture	N	SO9	Furniture and Office Equipment	Furniture and Office Equipment	8	20	10	10	-

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class			2020/21 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Buildings and Commonage	Extension of Safeguarding Office - Napier Office	U	SO3	Other assets	Municipal Offices	-	60	-	-	-
	Buildings and Commonage	ONS HUIS - Wash Basins & Taps 9 Rooms	U	SO3	Other assets	Municipal Offices	-	60	-	-	-
	Buildings and Commonage	Furniture - Community Halls	R	SO3	Furniture and Office Equipment	Furniture and Office Equipment	12	-	-	-	-
	Buildings and Commonage	CARPET EXTRACTION UNIT	R	SO3	Machinery and Equipment	Machinery and Equipment	-	3	-	-	-
	Buildings and Commonage	PIT - Traffic Department	U	SO3	Community Assets	Testing Stations	-	350	-	-	-
	Buildings and Commonage	Fencing - Simunye/Tussen Treine	U	SO3	Other assets	Municipal Offices	-	76	-	-	-
	Buildings and Commonage	Napier Ablutions - Old Clinic	U	SO3	Other assets	Municipal Offices	-	600	-	-	-
	Buildings and Commonage	Airconditioners (Replacement) x 3	R	SO3	Furniture and Office Equipment	Furniture and Office Equipment	30	30	30	30	-
	Buildings and Commonage	Furniture - Community Halls (replacement)	R	SO3	Furniture and Office Equipment	Furniture and Office Equipment	-	-	100	100	100
	Buildings and Commonage	Carpet Extraction Unit	R	SO3	Furniture and Office Equipment	Furniture and Office Equipment	-	-	-	7	-
	Buildings and Commonage	Avanza minibus / "Similar" - Cleaning services	N	SO3	Machinery and Equipment	Machinery and Equipment	-	-	260	-	-
	Parks and Sports Facilities	MS382 Chainsaw	N	SO3	Machinery and Equipment	Machinery and Equipment	-	12	-	-	-
	Parks and Sports Facilities	Chipper Model 12XP	N	SO3	Machinery and Equipment	Machinery and Equipment	580	-	-	-	-
	Parks and Sports Facilities	Playpark - Public Open spaces (Hibicuslaan)	N	SO3	Community Assets	Public Open Space	129	258	-	-	-
	Parks and Sports Facilities	Rugsak Spuite X2	R	SO3	Machinery and Equipment	Machinery and Equipment	3	-	-	-	-
	Parks and Sports Facilities	3 x FS450 Brushcutter	R	SO3	Machinery and Equipment	Machinery and Equipment	8	175	165	-	-
	Parks and Sports Facilities	Beautification of entrance to towns	U	SO3	Community Assets	Public Open Space	200	-	300	-	-
	Parks and Sports Facilities	Sport facility - Fencing of Klipdale sportgrond	N	SO3	Community Assets	Outdoor Facilities	55	-	-	-	-
	Parks and Sports Facilities	Floodlight - Struisbaai Sport complex	N	SO3	Community Assets	Outdoor Facilities	106	-	-	-	-
	Parks and Sports Facilities	Sport facility: Fencing Park Street Sport complex	N	SO3	Community Assets	Outdoor Facilities	26	-	-	-	-
	Parks and Sports Facilities	Sport facility - Waenhuiskrans	N	SO3	Community Assets	Outdoor Facilities	1 010	250	-	-	-
	Parks and Sports Facilities	Upgrading Hockey Field Nets	U	SO3	Community Assets	Outdoor Facilities	-	26	-	-	-
	Parks and Sports Facilities	Construction Soccer Field (Napier)	N	SO3	Community Assets	Outdoor Facilities	-	600	1 200	600	-
	Parks and Sports Facilities	200 Seater Wooden Pavillian - Struisbaai	N	SO3	Community Assets	Outdoor Facilities	-	150	-	-	-
	Parks and Sports Facilities	UPGR SPORT FACILITIES ACADEMY	U	SO3	Community Assets	Indoor Facilities	410	-	-	-	-
	Parks and Sports Facilities	1 x FS450 Brushcutter (weed)	R	SO3	Machinery and Equipment	Machinery and Equipment	-	-	-	15	-
	Parks and Sports Facilities	Blower Mower & "Bossie slaner"	R	SO3	Machinery and Equipment	Machinery and Equipment	-	-	110	-	-
	Parks and Sports Facilities	Goalpost nets - Zwelitsha	R	SO3	Community Assets	Outdoor Facilities	-	-	40	-	-

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class	2020/21 Medium Term Revenue & Expenditure Framework				
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Beaches & Holiday Resorts	Access Control / Booms (All resorts)	U	SO3	Community Assets	Outdoor Facilities	230	-	-	-	-
	Beaches & Holiday Resorts	Furniture at Resorts	R	SO3	Furniture and Office Equipment	Furniture and Office Equipment	60	-	60	50	50
	Beaches & Holiday Resorts	Ablution facility - Suiderstrand	U	SO3	Community Assets	Public Ablution Facilities	-	700	-	-	-
	Beaches & Holiday Resorts	Safeguarding of Receptionist area (L Agulhas)	U	SO3	Community Assets	Outdoor Facilities	-	126	-	-	-
	Beaches & Holiday Resorts	Upgrading of Ablution facilities (Resorts / Camping sites)	U	SO3	Community Assets	Outdoor Facilities	62	100	-	-	-
	Beaches & Holiday Resorts	Safeguarding of Receptionist area (Struisbay)	U	SO3	Other assets	Municipal Offices	76	-	-	-	-
	Beaches & Holiday Resorts	ABLUTION FACILITY SBAAI	N	SO3	Community Assets	Public Ablution Facilities	180	-	-	-	-
	Beaches & Holiday Resorts	Upgrading of Large Tidel Pool	U	SO3	Community Assets	Outdoor Facilities	514	-	-	-	-
	Beaches & Holiday Resorts	Beach Wheelchair (Blue Flag Beach)	N	SO3	Machinery and Equipment	Machinery and Equipment	-	47	-	-	-
	Beaches & Holiday Resorts	Replace vehicle - Waenhuiskrans Resort	R	SO3	Transport Assets	Transport Assets	-	-	-	230	-
	Beaches & Holiday Resorts	Replace vehicle - L'Agulhas Resort	R	SO3	Transport Assets	Transport Assets	-	-	230	-	-
	Beaches & Holiday Resorts	Upgrading of steps at swim area - Bikini Beach	U	SO3	Community Assets	Outdoor Facilities	-	-	-	200	240
	Cemetery	Fencing Scrapping of new road - New Napier cemetery	N	SO9	Community Assets	Cemeteries/Crematoria	119	-	-	-	-
	Library Services	Laminating Machine	N	SO9	Furniture and Office Equipment	Furniture and Office Equipment	1	-	-	-	-
	Library Services	Rapairs Building Library - Napier	U	SO9	Community Assets	Libraries	71	-	-	-	-
	Library Services	Aircon - Struisbaai	R	SO9	Furniture and Office Equipment	Furniture and Office Equipment	-	-	-	40	-
	Library Services	Fencing Galvanised - Elm	U	SO9	Community Assets	Libraries	-	-	-	-	250
	Library Services	Extra shelving, furniture Arniston	U	SO9	Furniture and Office Equipment	Furniture and Office Equipment	-	-	15	-	-
	Library Services	Klein yskasse Proteem & Klipdale	N	SO9	Furniture and Office Equipment	Furniture and Office Equipment	-	-	6	-	-
	Library Services	Furniture Hall chairs and tables (Bredasdorp)	R	SO9	Furniture and Office Equipment	Furniture and Office Equipment	-	-	15	-	-
	Library Services	Aircon Nuwerus	R	SO9	Furniture and Office Equipment	Furniture and Office Equipment	-	-	20	-	-
	Director: Engineering Services	Chair/Furniture	R	SO8	Furniture and Office Equipment	Furniture and Office Equipment	-	8	-	-	-
	Water: Distribution	Trailers (6ft) - X6	N	SO8	Machinery and Equipment	Machinery and Equipment	100	-	-	-	-
	Water: Distribution	Replacement LDV CS15640	R	SO8	Transport Assets	Transport Assets	-	291	-	-	-
	Water: Distribution	Replacement LDV CS15643	R	SO8	Transport Assets	Transport Assets	-	291	-	-	-
	Water: Distribution	Replacement LDV CS4580	R	SO8	Transport Assets	Transport Assets	-	291	-	-	-
	Water: Distribution	AIRCONDITIONER (WATER MGR OFFICE)	R	SO8	Furniture and Office Equipment	Furniture and Office Equipment	-	20	-	-	-
	Water: Distribution	Equipment for boreholes in Napier and Suiderstrand	R	SO8	Water Supply Infrastructure	Boreholes	500	750	-	-	-

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class			2020/21 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Water: Distribution	Boreholes monitoring equipment	N	SO8	Water Supply Infrastructure	Boreholes	-	500	-	-	-
	Water: Distribution	Equipment for boreholes in Struisbaai	R	SO8	Water Supply Infrastructure	Boreholes	-	800	-	-	-
	Water: Distribution	Replace old Water Mains	R	SO8	Water Supply Infrastructure	Bulk Mains	569	1 500	500	500	1 500
	Water: Distribution	Bulk Water Meters - Replacement	R	SO8	Water Supply Infrastructure	Bulk Mains	-	-	500	-	-
	Water: Distribution	Telemetry - Bredasdorp reservoirs	R	SO8	Water Supply Infrastructure	Reservoirs	149	-	-	-	-
	Water: Distribution	GRASS CUTTER (WATER TREATMENT PLANT)	R	SO8	Machinery and Equipment	Machinery and Equipment	-	15	-	-	-
	Water: Distribution	Reservoir and Pump Station Safety [Fencing]	U	SO8	Water Supply Infrastructure	Reservoirs	-	-	-	250	250
	Water: Distribution	Refurbishment of Bredasdorp WTW	R	SO8	Water Supply Infrastructure	Water Treatment Works	-	-	-	350	350
	Water: Distribution	Water Treatment Instrumentation	R	SO8	Water Supply Infrastructure	Water Treatment Works	-	-	100	-	-
	Water: Distribution	Replacement of Rising Main in L'Agulhas	R	SO8	Water Supply Infrastructure	Bulk Mains	-	-	2 500	-	-
	Water: Distribution	Upgrade Struisbaai Bulk Water Infrastructure	U	SO8	Water Supply Infrastructure	Bulk Mains	-	-	-	-	500
	Water: Distribution	Upgrade and replace Bulk Water Meters	U	SO8	Water Supply Infrastructure	Bulk Mains	-	-	60	60	-
	Sewerage Services	Sewerage Truck	R	SO8	Transport Assets	Transport Assets	-	1 437	-	-	-
	Water: Distribution	Reservoir Roof Napier (Replacement & Fencing)	U	SO8	Water Supply Infrastructure	Reservoirs	137	-	-	-	-
	Water: Distribution	Telemetry - Sewer pumpstation (B/dorp & Napier)	N	SO8	Sanitation Infrastructure	Pump Station	130	-	-	-	-
	Sewerage Services	Sewerage pipe replacement	R	SO8	Sanitation Infrastructure	Reticulation	-	-	500	-	-
	Sewerage Services	Refurbishment of Struisbaai Noord Sewer Pumpstation	R	SO8	Sanitation Infrastructure	Pump Station	-	-	-	500	-
	Sewerage Services	Bredasdorp, Struisbaai, Napier and Amiston Sewer Screen Structure at	N	SO8	Sanitation Infrastructure	Reticulation	-	-	250	250	250
	Sewerage Services	Refurbish Sewer Pumpstation Napier and associated works	R	SO8	Sanitation Infrastructure	Pump Station	-	-	500	-	-
	Sewerage Services	Replacement Vacuum Tank - CS1577	R	SO8	Machinery and Equipment	Machinery and Equipment	-	-	100	-	-
	Sewerage Services: Treatment	Rehab Waste Water Treatm Works	R	SO8	Sanitation Infrastructure	Waste Water Treatment Works	766	5 122	4 479	-	-
	Sewerage Services: Treatment	Rehab Waste Water Treatment Works	R	SO8	Sanitation Infrastructure	Waste Water Treatment Works	-	-	27 081	-	-
	Refuse Removal Services	Wheelie Bins	N	SO12	Machinery and Equipment	Machinery and Equipment	2 573	700	-	-	-
	Refuse Removal Services	Wheelie bins	N	SO12	Machinery and Equipment	Machinery and Equipment	-	-	380	-	-
	Refuse Removal Services: Landfill	Compactor	U	SO12	Transport Assets	Transport Assets	-	-	1 800	-	-
	Refuse Removal Services: Landfill	Land Fill Site - Stormwater Collection Pond	U	SO12	Solid Waste Infrastructure	Landfill Sites	-	850	-	-	-
	Streets & Stormwater	Airconditioners (x2)	R	SO8	Furniture and Office Equipment	Furniture and Office Equipment	-	14	-	-	-
	Streets & Stormwater	Bomag (X1)	N	SO8	Machinery and Equipment	Machinery and Equipment	-	205	-	-	-

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class	2020/21 Medium Term Revenue & Expenditure Framework				
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Streets & Stormwater	Grinders (X4)	N	SO8	Machinery and Equipment	Machinery and Equipment	7	-	-	-	-
	Streets & Stormwater	Drill (X4)	N	SO8	Machinery and Equipment	Machinery and Equipment	6	-	-	-	-
	Streets & Stormwater	Generator (X2)	R	SO8	Machinery and Equipment	Machinery and Equipment	25	-	-	-	-
	Streets & Stormwater	Sidewalks - Bredasdorp (Parkstreet)	R	SO8	Roads Infrastructure	Road Furniture	-	250	-	-	-
	Streets & Stormwater	Sidewalks - Struisbaai (1st Avenue)	R	SO8	Roads Infrastructure	Road Furniture	-	100	-	-	-
	Streets & Stormwater	Bdorp RDP - Upgrade Roads	U	SO8	Roads Infrastructure	Roads	3 411	3 720	4 911	9 821	11 333
	Streets & Stormwater	Upgrade Road (SBN Camping Site)	U	SO8	Roads Infrastructure	Roads	-	141	-	-	-
	Streets & Stormwater	Protem Roads	R	SO8	Roads Infrastructure	Roads	201	-	-	-	-
	Streets & Stormwater	CAM Raised intersections X4	U	SO8	Roads Infrastructure	Road Furniture	242	-	-	-	-
	Streets & Stormwater	Bdorp RDP - Upgrade Suiderstrand Road	U	SO8	Roads Infrastructure	Roads	54	-	-	-	-
	Streets & Stormwater	RSEP (DPLG) - Pedestrian Bridge (Ou Meuleweg)	N	SO8	Roads Infrastructure	Road Structures	-	800	-	-	-
	Streets & Stormwater	Construction Mossel Street Struisbaai	U	SO8	Roads Infrastructure	Roads	-	-	-	200	-
	Streets & Stormwater	Construction Re-unie Street Napier	U	SO8	Roads Infrastructure	Roads	-	-	-	600	600
	Streets & Stormwater	Construction Viljoen Street Bredasdorp	U	SO8	Roads Infrastructure	Roads	-	-	-	300	-
	Streets & Stormwater	Construction Roux Street Bredasdorp	U	SO8	Roads Infrastructure	Roads	-	-	500	-	-
	Streets & Stormwater	Stormwater Rand / Sabat str- Bredasdorp	U	SO8	Storm water Infrastructure	Storm water Conveyance	-	-	500	-	-
	Streets & Stormwater	CAM Area Bus Shelters X4	N	SO8	Roads Infrastructure	Road Furniture	76	-	-	-	-
	Streets & Stormwater	Stormwater - Master pl - Napier	U	SO8	Storm water Infrastructure	Storm water Conveyance	-	-	-	-	200
	Streets & Stormwater	Storm Water Master pl - SBay	U	SO8	Storm water Infrastructure	Storm water Conveyance	-	-	-	200	250
	Streets & Stormwater	Stormwater Master pl - Bdorp	U	SO8	Storm water Infrastructure	Storm water Conveyance	-	-	-	500	250
	Streets & Stormwater	Stormwater Master pl - Agulhas	U	SO8	Storm water Infrastructure	Storm water Conveyance	-	-	-	-	200
	Streets & Stormwater	SIDEWALKS SBAAI/LA	U	SO8	Roads Infrastructure	Road Furniture	1 099	500	-	-	-
	Streets & Stormwater	Furniture (Manager Supervisor)	R	SO8	Furniture and Office Equipment	Furniture and Office Equipment	12	-	-	-	-
	Streets & Stormwater	Upgrade Suiderstrand Road	U	SO8	Roads Infrastructure	Roads	-	989	-	-	-
	Streets & Stormwater	Reseal of Roads CAM	R	SO8	Roads Infrastructure	Roads	417	1 000	1 500	1 500	2 000
	Streets & Stormwater	Sidewalks - Bredasdorp (Wards)	U	SO8	Roads Infrastructure	Road Furniture	427	-	-	-	-
	Streets & Stormwater	Industrial Road Struisbay	U	SO8	Roads Infrastructure	Roads	747	-	-	-	-
	Streets & Stormwater	Struisbay Industrial Services (Roads/Stormwater)	U	SO8	Roads Infrastructure	Roads	-	900	800	-	-

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class			2020/21 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Streets & Stormwater	Upgrade Road to Landfill Site Bredasdorp & Struisbay	U	SO8	Roads Infrastructure	Roads	-	-	300	300	-
	Streets & Stormwater	Stormwater pipeline - Area F	N	SO8	Storm water Infrastructure	Storm water Conveyance	7 325	-	-	-	-
	Streets & Stormwater	Klipdale Roads	U	SO8	Roads Infrastructure	Roads	1 237	-	-	-	-
	Streets & Stormwater	Rehabilitation of Buitekant Street, Bredasdorp	R	SO8	Roads Infrastructure	Roads	-	-	-	-	2 000
	Streets & Stormwater	Construction of Gazania Crescent, SB	U	SO8	Roads Infrastructure	Roads	-	-	-	-	350
	Streets & Stormwater	2x Paving breakers	N	SO8	Storm water Infrastructure	Storm water Conveyance	-	-	20	20	-
	Streets & Stormwater	10x Portable Radios	N	SO8	Furniture and Office Equipment	Furniture and Office Equipment	-	-	25	25	-
	Streets & Stormwater	2x Concrete Mixers	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	10	10	-
	Streets & Stormwater	Barriers and stabilisation Spookdraai	U	SO8	Roads Infrastructure	Roads	-	-	250	-	-
	Streets & Stormwater	1x Cutter	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	20	-	-
	Streets & Stormwater	Rehabilitation of lower Long Street	R	SO8	Roads Infrastructure	Roads	-	-	-	750	750
	Streets & Stormwater	Informal trading area [Dirkie Uys / Plainstr]	U	SO8	Roads Infrastructure	Roads	-	-	200	-	-
	Streets & Stormwater	Sidewalks [SBN]	U	SO8	Roads Infrastructure	Road Furniture	-	-	500	-	-
	Electricity Services	Extend Concrete washbay surface at store	U	SO8	Other assets	Stores	-	-	-	50	-
	Electricity Services	Bredasdorp	N	SO8	Electrical Infrastructure	LV Networks	575	720	-	3 660	1 380
	Refuse Removal Services	Office furniture	N	SO8	Furniture and Office Equipment	Furniture and Office Equipment	9	-	-	-	-
	Electricity Services	OFFICE FURNITURE	N	SO8	Furniture and Office Equipment	Furniture and Office Equipment	4	3	16	4	-
	Electricity Services	Airconditioner (x1)	N	SO8	Furniture and Office Equipment	Furniture and Office Equipment	-	7	-	-	-
	Electricity Services	Master Plan *Struisbaai	N	SO8	Electrical Infrastructure	LV Networks	-	500	-	1 630	1 060
	Electricity Services	Fluke Multimeters	N	SO8	Machinery and Equipment	Machinery and Equipment	8	-	-	6	6
	Electricity Services	20kv Megger	N	SO8	Machinery and Equipment	Machinery and Equipment	72	-	-	-	-
	Electricity Services	500kv Meggers *2	N	SO8	Machinery and Equipment	Machinery and Equipment	9	-	-	-	-
	Electricity Services	Quality of Supply Meters	N	SO8	Machinery and Equipment	Machinery and Equipment	-	95	56	112	118
	Electricity Services	Generator	R	SO8	Machinery and Equipment	Machinery and Equipment	129	350	-	-	-
	Electricity Services	Thermal Imager	N	SO8	Machinery and Equipment	Machinery and Equipment	-	92	-	129	-
	Electricity Services	Switching Suits	N	SO8	Machinery and Equipment	Machinery and Equipment	71	-	-	28	52
	Electricity Services	Electrification - Informal Set	N	SO8	Electrical Infrastructure	LV Networks	97	122	129	138	156
	Electricity Services	*Napier	N	SO8	Electrical Infrastructure	LV Networks	-	1 000	-	2 132	1 219

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class	2020/21 Medium Term Revenue & Expenditure Framework				
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Electricity Services	*Napier	N	SO8	Electrical Infrastructure	LV Networks	453	-	-	-	-
	Electricity Services: Street Lights	EEDM Grant - Streetlighting	N	SO8	Electrical Infrastructure	LV Networks	4 781	-	-	-	-
	Electricity Services	Tools	N	SO8	Machinery and Equipment	Machinery and Equipment	17	25	28	35	35
	Electricity Services	CABLE LOCATOR	N	SO8	Machinery and Equipment	Machinery and Equipment	-	127	-	133	-
	Electricity Services	Master Plan *L'Agulhas	N	SO8	Electrical Infrastructure	LV Networks	-	470	-	400	627
	Electricity Services	Dora Project	N	SO8	Electrical Infrastructure	LV Networks	1 826	-	-	-	-
	Electricity Services	Change Transformers Minisubs	U	SO8	Electrical Infrastructure	MV Networks	442	503	-	-	-
	Electricity Services	Change Transformers Minisubs	U	SO8	Electrical Infrastructure	MV Networks	-	-	536	571	639
	Electricity Services	Replace Med/Low Volt Overheadl	U	SO8	Electrical Infrastructure	LV Networks	832	593	641	692	775
	Electricity Services	Master Plan *Waenhuiskrans / Arniston	N	SO8	Electrical Infrastructure	LV Networks	-	930	-	785	1 200
	Electricity Services	Dora Project	N	SO8	Electrical Infrastructure	LV Networks	34	-	-	-	-
	Electricity Services	Integrated National Electrification Programme	N	SO8	Electrical Infrastructure	LV Networks	-	-	2 150	2 650	2 650
	Electricity Services	Diesel bower with pump ans meter 1000L	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	69	-	-
	Electricity Services	Generator: Borehole 4-8 Struisbaai including booster pumps and one ac	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	367	-	-
	Electricity Services	Generator: Borehole 1-3 Struisbaai: 65KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	245	-	-
	Electricity Services	Generator: Booster Pumps L'Agulhas: 50KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	220	-	-
	Electricity Services	Generator: Boreholes L'Agulhas: 60KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	245	-	-
	Electricity Services	Generator: Boreholes Suiderstrand: 25KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	135	-	-
	Electricity Services	Generator: Napier Sewer Pumps: 120KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	367	-	-
	Electricity Services	Generator: Ou Meule Sewer Pumps: 25KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	135	-	-
	Electricity Services	Generator: Bredasdorp Water Treatment Works: 120KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	367	-	-
	Electricity Services	Generator: Sewer Pumpstation 10 Struisbaai: 25KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	135	-	-
	Electricity Services	Generator: Mobile: 40KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	-	300	-
	Electricity Services	Generator: Mobile: 60KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	-	345	-
	Electricity Services	Generator: Tourism Office: 20KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	-	135	-
	Electricity Services	Generator: Struisbaai Office: 30KVA	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	155	-	-
	Electricity Services	Battery Cable Cutter	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	-	27	-
	Electricity Services	Office: Workshop for Superintendents	N	SO8	Other assets	Workshops	-	-	-	32	-

R thousand	Function	Project Description	Type	Own Strategic Objectives	Asset Class	Asset Sub-Class			2020/21 Medium Term Revenue & Expenditure Framework		
							Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Electricity Services: Street Lights	Street Lights - New	U	SO8	Electrical Infrastructure	LV Networks	-	299	333	373	408
	Electricity Services: Street Lights	EEDSM LED Streetlights / Projects	U	SO8	Electrical Infrastructure	LV Networks	-	5 160	-	-	-
	Building Control	High Back Chair	N	SO10	Furniture and Office Equipment	Furniture and Office Equipment	-	2	3	-	-
	Building Control	Cupboard	N	SO10	Furniture and Office Equipment	Furniture and Office Equipment	-	2	3	-	-
	Air Quality	Air Quality Measuring Equipment	N	SO8	Machinery and Equipment	Machinery and Equipment	-	120	-	-	-
	Air Quality	Sensors (Replacement)	R	SO8	Machinery and Equipment	Machinery and Equipment	-	60	60	60	-
	Air Quality	Noise measuring equipment	N	SO8	Machinery and Equipment	Machinery and Equipment	-	-	10	10	-
	Total Capital expenditure						37 246	42 659	62 490	36 337	35 992

MBRR SA38 – Operating Projects per Strategic Objective per Vote

R thousand	Function	Project Description	Project Number	Prior year outcomes		2020/21 Medium Term Revenue & Expenditure Framework		
				Audited Outcome 2018/19	Current Year 2019/20 Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	Community and Social Services	SO9: To provide community facilities and services	KPA5/SG5/SO9	7 862	6 701	6 954	7 373	7 821
	Community and Social Services	SO11: To promote social and youth development	KPA6/SG6/SO11	4 069	3 424	3 130	3 147	3 316
	Community and Social Services	SO12: To create and maintain a safe and healthy environment	KPA6/SG6/SO12	1 072	1 144	1 301	1 375	1 453
	Energy Sources	SO7: Provision of equitable quality basic services to all households	KPA5/SG5/SO7	417	411	448	470	492
	Energy Sources	SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	KPA5/SG5/SO8	89 182	101 887	106 165	111 676	121 022
	Environmental protection	SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	KPA5/SG5/SO8	184	74	77	81	85
	Executive and Council	SO1: To create a culture of good governance	KPA1/SG1/SO1	11 655	13 176	13 135	13 162	13 855
	Executive and Council	SO2: To create a culture of public participation and empower communities to participate in the affairs of the Municipality	KPA1/SG1/SO2	97	533	533	533	533
	Executive and Council	SO5: To promote tourism in the Municipal Area	KPA3/SG3/SO5	487	535	535	535	535
	Executive and Council	SO11: To promote social and youth development	KPA6/SG6/SO11	993	1 895	2 751	1 860	1 868
	Finance and Administration	SO1: To create a culture of good governance	KPA1/SG1/SO1	93	549	724	751	781
	Finance and Administration	SO3: To create an administration capable of delivering on service excellence.	KPA2/SG2/SO3	23 407	28 938	28 714	30 178	32 128
	Finance and Administration	SO4: To create an enabling environment for economic growth and development	KPA3/SG3/SO4	1 838	662	-	-	-
	Finance and Administration	SO6: To provide effective financial, asset and procurement management	KPA4/SG4/SO6	50 901	51 441	49 719	51 513	53 987
	Finance and Administration	SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	KPA5/SG5/SO8	4 063	5 051	5 741	6 090	6 462
	Finance and Administration	SO9: To provide community facilities and services	KPA5/SG5/SO9	1 377	2 362	2 478	2 613	2 760
	Finance and Administration	SO11: To promote social and youth development	KPA6/SG6/SO11	1 255	1 288	1 601	1 693	1 791
	Housing	SO10: Development of sustainable vibrant human settlements	KPA5/SG5/SO10	2 017	58 412	34 014	23 565	24 075
	Internal Audit	SO1: To create a culture of good governance	KPA1/SG1/SO1	1 317	1 571	1 528	1 608	1 693
	Other	SO5: To promote tourism in the Municipal Area	KPA3/SG3/SO5	609	1 778	3 176	3 199	3 379
	Planning and Development	SO1: To create a culture of good governance	KPA1/SG1/SO1	3 081	2 898	3 394	3 571	3 757
	Planning and Development	SO4: To create an enabling environment for economic growth and development	KPA3/SG3/SO4	-	388	-	-	-
	Planning and Development	SO10: Development of sustainable vibrant human settlements	KPA5/SG5/SO10	5 479	8 892	7 948	8 360	8 796
	Public Safety	SO12: To create and maintain a safe and healthy environment	KPA6/SG6/SO12	22 764	16 503	19 089	19 917	20 971
	Road Transport	SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	KPA5/SG5/SO8	15 038	15 997	16 813	17 619	18 611
	Road Transport	SO12: To create and maintain a safe and healthy environment	KPA6/SG6/SO12	3 336	3 971	4 163	4 405	4 662
	Sport and Recreation	SO3: To create an administration capable of delivering on service excellence.	KPA2/SG2/SO3	12 103	11 882	13 496	13 706	14 472
	Sport and Recreation	SO4: To create an enabling environment for economic growth and development	KPA3/SG3/SO4	520	520	-	-	-
	Waste Management	SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	KPA5/SG5/SO8	12 102	12 141	13 651	14 272	14 927
	Waste Management	SO12: To create and maintain a safe and healthy environment	KPA6/SG6/SO12	4 089	8 722	9 781	10 279	11 057
	Waste Water Management	SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	KPA5/SG5/SO8	12 068	11 915	11 960	12 563	13 200
	Water Management	SO8: To maintain infrastructure and undertake development of bulk infrastructure to ensure sustainable service delivery.	KPA5/SG5/SO8	20 262	20 096	22 604	23 623	24 862
	Parent Operational expenditure			313 738	395 755	385 623	389 734	413 349

2.12 Legislation compliance status

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

1. Service Delivery and Implementation Plan
The detail SDBIP document is at a draft stage and attached as Appendix B to be finalised after approval of the 2020/21 MTREF at least 30 days before the start of the next financial year directly aligned and informed by the 2019/20 MTREF.
2. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the Municipality's website.
3. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed 3 interns undergoing training in various divisions of the Financial Services Department. Currently a further 2 vacancies are in process of being filled.
4. Budget and Treasury Office
The Budget and Treasury Office has been established and a Manager have been appointed during September 2015 in accordance with the MFMA. The unit needs to be further capacitated in order to fulfill its legislative objective and to be fully effective to deliver in terms of its mandate accordingly.
5. Audit Committee
An Audit Committee has been established and is fully functional.
6. Annual Report
Annual report is compiled in terms of the MFMA and National Treasury requirements.
7. MFMA Training
No MFMA training is currently underway. Skills Competency training is currently in progress at the municipality with only a few individuals in the final stages of the programme.
8. Policies
Budget related policies will be reviewed and updated if required for final submission with the approval of the 2020/21 MTREF & outer two years.

2.13 Other supporting documents

All other supporting schedules not specifically addressed in this document are included below.

MBRR SA1 - Supporting detail to 'Budgeted Financial Performance'

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
REVENUE ITEMS:				
<u>Property rates</u>				
Total Property Rates	70 361	75 286	80 556	86 195
<i>less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>	1 168	1 225	1 285	1 348
Net Property Rates	69 193	74 061	79 271	84 847
<u>Service charges - electricity revenue</u>				
Total Service charges - electricity revenue	126 332	136 565	143 666	156 452
<i>less Cost of Free Basis Services (50 kwh per indigent household per month)</i>	100	108	113	123
Net Service charges - electricity revenue	126 232	136 457	143 553	156 329
<u>Service charges - water revenue</u>				
Total Service charges - water revenue	30 657	32 803	35 100	37 557
<i>less Cost of Free Basis Services (6 kilolitres per indigent household per month)</i>	2 453	2 625	2 809	3 005
Net Service charges - water revenue	28 204	30 178	32 291	34 551
<u>Service charges - sanitation revenue</u>				
Total Service charges - sanitation revenue	15 074	16 129	17 258	18 466
<i>less Cost of Free Basis Services (free sanitation service to indigent households)</i>	3 234	3 460	3 702	3 962
Net Service charges - sanitation revenue	11 840	12 669	13 556	14 505
<u>Service charges - refuse revenue</u>				
Total refuse removal revenue	21 703	23 223	24 848	26 588
<i>less Cost of Free Basis Services (removed once a week to indigent households)</i>	3 905	4 182	4 479	4 796
Net Service charges - refuse revenue	17 798	19 041	20 370	21 791

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
<u>Other Revenue by source</u>				
<i>Other Revenue</i>	10 056	10 633	11 235	11 998
Total 'Other' Revenue	10 056	10 633	11 235	11 998
<u>EXPENDITURE ITEMS:</u>				
<u>Employee related costs</u>				
Basic Salaries and Wages	92 469	104 961	109 748	116 436
Pension and UIF Contributions	14 955	17 168	18 214	19 344
Medical Aid Contributions	5 087	6 157	6 773	7 450
Overtime	3 699	3 670	3 656	3 651
Performance Bonus	463	514	546	580
Motor Vehicle Allowance	5 973	6 314	6 314	6 314
Cellphone Allowance	422	653	511	512
Housing Allowances	1 163	1 181	1 256	1 334
Other benefits and allowances	5 748	5 308	5 615	5 942
Payments in lieu of leave	1 652			
Long service awards	661	661	661	661
Post-retirement benefit obligations	2 761	2 761	2 761	2 761
Total Employee related costs	135 052	149 348	156 055	164 985
<u>Depreciation & asset impairment</u>				
Depreciation of Property, Plant & Equipment	11 025	11 369	11 919	12 495
Total Depreciation & asset impairment	11 025	11 369	11 919	12 495
<u>Bulk purchases</u>				
Electricity Bulk Purchases	84 224	91 046	95 781	104 305
Water Bulk Purchases	180	204	214	225
Total bulk purchases	84 404	91 250	95 995	104 530

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
<u>Transfers and grants</u>				
Cash transfers and grants	2 571	4 071	2 605	2 641
Total transfers and grants	2 571	4 071	2 605	2 641
<u>Contracted services</u>				
<i>Outsourced Services</i>	6 821	4 546	4 712	4 887
<i>Consultants and Professional Services</i>	14 336	8 030	7 936	8 276
<i>Contractors</i>	3 466	2 380	2 302	2 386
Total contracted services	24 623	14 955	14 950	15 549
<u>Other Expenditure By Type</u>				
Audit fees	3 185	3 250	3 409	3 576
<i>Other Expenditure</i>	25 499	25 142	26 267	27 673
Total 'Other' Expenditure	28 684	28 392	29 676	31 249
<u>Repairs and Maintenance by Expenditure Item</u>				
Employee related costs	42 544	47 108	48 864	51 685
Other materials	17 143	18 994	19 766	20 678
Contracted Services	855	309	157	165
Other Expenditure	5 136	5 451	5 878	6 346
Total Repairs and Maintenance Expenditure	65 678	71 861	74 666	78 875

MBRR SA2 - Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description	Vote 1 - Executive and Council	Vote 2 - Financial Services & ICT	Vote 4 - Management Services	Vote 5 - Engineering Services	Total
R thousand					
Revenue By Source					
Property rates	-	74 061	-	-	74 061
Service charges - electricity revenue	-	-	-	136 457	136 457
Service charges - water revenue	-	-	-	30 178	30 178
Service charges - sanitation revenue	-	-	-	12 669	12 669
Service charges - refuse revenue	-	-	-	19 041	19 041
Rental of facilities and equipment	1 001	-	199	-	1 200
Interest earned - external investments	-	3 300	-	-	3 300
Interest earned - outstanding debtors	-	1 839	-	-	1 839
Fines, penalties and forfeits	-	80	12 339	-	12 419
Licences and permits	20	-	5	-	25
Agency services	-	-	3 121	-	3 121
Other revenue	434	638	7 773	1 788	10 633
Transfers and subsidies	32 929	1 757	37 923	2 493	75 102
Total Revenue (excluding capital transfers and contributions)	34 384	81 675	61 359	202 626	380 044
Expenditure By Type					
Employee related costs	26 152	29 658	39 212	54 327	149 348
Remuneration of councillors	6 034	-	-	-	6 034
Debt impairment	-	1 600	7 364	940	9 904
Depreciation & asset impairment	-	3 346	-	8 023	11 369
Finance charges	81	8 390	405	5 088	13 963
Bulk purchases	-	-	-	91 250	91 250
Other materials	513	464	35 212	20 148	56 336
Contracted services	3 639	4 002	3 405	3 910	14 955
Transfers and subsidies	4 021	-	50	-	4 071
Other expenditure	7 452	14 329	2 155	4 456	28 392
Total Expenditure	47 891	61 788	87 802	188 143	385 623
Surplus/(Deficit)	(13 507)	19 887	(26 442)	14 483	(5 579)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	2 000	293	56	12 040	14 389
Surplus/(Deficit) after capital transfers & contributions	(11 507)	20 180	(26 386)	26 523	8 810

MBRR SA3 - Supporting detail to 'Budgeted Financial Position'

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
ASSETS				
<u>Consumer debtors</u>				
Consumer debtors	70 623	98 167	117 166	129 786
<u>Less: Provision for debt impairment</u>	(33 891)	(36 431)	(39 177)	(42 147)
Total Consumer debtors	36 731	61 735	77 989	87 639
<u>Debt impairment provision</u>				
Balance at the beginning of the year	28 852	33 891	36 431	39 177
Contributions to the provision	5 039	2 540	2 746	2 970
Bad debts written off	–	–	–	–
Balance at end of year	33 891	36 431	39 177	42 147
<u>Property, plant and equipment (PPE)</u>				
PPE at cost/valuation (excl. finance leases)	530 314	592 803	629 140	665 131
Leases recognised as PPE	1 178	1 178	1 178	1 178
<u>Less: Accumulated depreciation</u>	124 387	135 423	146 991	159 119
Total Property, plant and equipment (PPE)	407 104	458 559	483 327	507 191
LIABILITIES				
<u>Current liabilities - Borrowing</u>				
Current portion of long-term liabilities	6 559	6 750	7 000	7 250
Total Current liabilities - Borrowing	6 559	6 750	7 000	7 250
<u>Trade and other payables</u>				
Trade Payables	31 023	30 898	32 266	34 568
Other creditors	7 111	7 111	7 111	7 111
Unspent conditional transfers	854	354	354	354
VAT	1 626	1 626	1 626	1 626
Total Trade and other payables	40 614	39 989	41 357	43 659
<u>Non current liabilities - Borrowing</u>				
Borrowing	20 790	42 539	42 002	38 407
Total Non current liabilities - Borrowing	20 790	42 539	42 002	38 407
<u>Provisions - non-current</u>				
Retirement benefits	48 623	52 972	57 709	62 870
Refuse landfill site rehabilitation	25 200	29 784	34 826	40 373
Total Provisions - non-current	73 823	82 755	92 535	103 243
CHANGES IN NET ASSETS				
<u>Accumulated Surplus/(Deficit)</u>				
Accumulated Surplus/(Deficit) - opening balance	353 152	367 121	390 931	418 530
Restated balance	353 152	367 121	390 931	418 530
Surplus/(Deficit)	13 969	8 810	12 600	17 517
Transfers to/from Reserves	–	15 000	15 000	5 000
Accumulated Surplus/(Deficit)	367 121	390 931	418 530	441 048
<u>Reserves</u>				
Capital replacement	35 000	20 000	5 000	–
Total Reserves	35 000	20 000	5 000	–
TOTAL COMMUNITY WEALTH/EQUITY	402 121	410 931	423 530	441 048

MBRR SA9 - Social, economic and demographic statistics and assumptions

To be included

MBRR SA11 - Property rates summary

Description	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Valuation:				
Date of valuation:				
Financial year valuation used		2017		
Municipal by-laws s6 in place? (Y/N)		Yes		
Municipal/assistant valuer appointed? (Y/N)		No		
Municipal partnership s38 used? (Y/N)				
No. of assistant valuers (FTE)		–	–	–
No. of data collectors (FTE)		1	1	1
No. of internal valuers (FTE)		–	–	–
No. of external valuers (FTE)		1	1	1
No. of additional valuers (FTE)		–	–	–
Valuation appeal board established? (Y/N)				
Implementation time of new valuation roll (mths)				
No. of properties	12 572	12 572	12 572	12 572
No. of sectional title values	195	195	195	195
No. of unreasonably difficult properties s7(2)				
No. of supplementary valuations	12	12	12	12

MBRR SA12a - Property rates by category (current year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Current Year 2019/20																
Valuation:																
No. of properties	9 986	-	462	1 073	230	452	-	-	-	-	-	-	-	-	60	-
No. of sectional title property values	195	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Frequency of valuation (select)	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Method of valuation used (select)	Market	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Base of valuation (select)	Land & impr.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)	Yes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flat rate used? (Y/N)	No	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Is balance rated by uniform rate/variable rate?	Variable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	10 685	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	10 685	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rating:																
Average rate	0.007749	0.008437	0.008437	0.001938	0.008437	-	0.007419	0.007749	0.007749	0.007749	0.007412	0.007749	0.007749	0.007749	-	na
Rate revenue budget (R '000)	63 981	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rate revenue expected to collect (R'000)	59 895	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected cash collection rate (%)	93.6%	93.6%	93.6%	93.6%	93.6%	na	93.6%	93.6%	93.6%	93.6%	93.6%	93.6%	93.6%	93.6%	na	na
Special rating areas (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	161	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - bona fide farm. (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rebates, exemptions - other (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total rebates, exemptions, reductions, discounts (R'000)																

MBRR SA12b - Property rates by category (Budget year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2020/21																
Valuation:																
No. of properties	9 986	-	462	1 073	230	452	-	-	-	-	-	-	-	-	60	-
No. of sectional title property values	195	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary valuation (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of valuation roll amendments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of objections by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of appeals by rate-payers finalised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of successful objections > 10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimated no. of properties not valued	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Years since last valuation (select)	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Frequency of valuation (select)	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Method of valuation used (select)	Market	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Base of valuation (select)	Land & impr.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Combination of rating types used? (Y/N)	Yes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flat rate used? (Y/N)	No	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Is balance rated by uniform rate/variable rate?	Variable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	52	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total valuation reductions:																
Total value used for rating (Rm)	11 942	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total value of improvements (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total market value (Rm)	11 942	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rating:																
Average rate	0.007749	0.008437	0.008437	0.001938	0.008437	-	0.007419	0.007749	0.007749	0.007749	0.007412	0.007749	0.007749	0.007749	-	na
Rate revenue budget (R '000)	63 981															
Rate revenue expected to collect (R'000)	59 895															
Expected cash collection rate (%)	93.6%	93.6%	93.6%	93.6%	93.6%	na	93.6%	93.6%	93.6%	93.6%	93.6%	93.6%	93.6%	93.6%	na	na
Special rating areas (R'000)																
Rebates, exemptions - indigent (R'000)																
Rebates, exemptions - pensioners (R'000)																
Rebates, exemptions - bona fide farm. (R'000)																
Rebates, exemptions - other (R'000)																
Phase-in reductions/discounts (R'000)																
Total rebates,exemptns,eductns,discs (R'000)																

MBRR SA13a - Service Tariffs by category

Description	Provide description of tariff structure where appropriate	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
			Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<u>Property rates (rate in the Rand)</u>					
	Residential & Agriculture	0.0072	0.0077	0.0084	0.0091
Residential properties	Residential				
Residential properties - vacant land	Residential & Other	0.0072	0.0077	0.0084	0.0091
Farm properties - used	Farming - Bona Fide	0.0018	0.0019	0.0021	0.0023
Farm properties - not used	Agriculture Other	0.0018	0.0077	0.0084	0.0091
Industrial properties	Industrial	0.0078	0.0084	0.0092	0.0099
Business and commercial properties	Business & Agriculture	0.0078	0.0084	0.0092	0.0099
State-owned properties	Business		0.0019	0.0021	0.0023
Public service infrastructure	Public Benefit Organisations	0.0078	0.0074	0.0080	0.0087
Protected areas			0.0075	0.0081	0.0088
National monuments properties			0.0075	0.0081	0.0088
<u>Exemptions, reductions and rebates (Rands)</u>					
<i>Residential properties</i>					
R15 000 threshold rebate		15 000	15 000	15 000	15 000
Indigent rebate or exemption		<100,000	<100,000	<100,000	<100,000
Pensioners/social grants rebate or exemption		40%/80%	40%/80%	40%/80%	40%/80%
<u>Water tariffs</u>					
<i>Domestic</i>					
Basic charge/fix ed fee (Rands/month)		130	138	150	162
Service point - vacant land (Rands/month)		130	138	150	162
Water usage - flat rate tariff (c/kl)	Infrastructure levy (new)		10	10	10
Water usage - Block 1 (c/kl)	Huishoudelik (< 6kl.)				
Water usage - Block 2 (c/kl)	Huish.: 7 - 20	8	9	10	10
Water usage - Block 3 (c/kl)	21 - 40	9	9	10	11
Water usage - Block 4 (c/kl)	41 - 60	11	12	13	14
<i>Other</i>	61 - 80	13	14	16	17
<u>Waste water tariffs</u>					
<i>Domestic</i>					
Basic charge/fix ed fee (Rands/month)	Besigheid		184	200	217
Service point - vacant land (Rands/month)	Besigh: 0 - 50	8	9	10	11
Waste water - flat rate tariff (c/kl)	51 - 100kl	8	10	10	11
Volumetric charge - Block 1 (c/kl)	101 - 150kl	8	10	11	12
Volumetric charge - Block 2 (c/kl)	151 - 200kl	9	11	12	13
Volumetric charge - Block 3 (c/kl)	201 - 300kl	10	13	14	15
Volumetric charge - Block 4 (c/kl)	301 - 400kl		14	16	17
<i>Other</i>					

Description	Provide description of tariff structure where appropriate	Current Year 2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
			Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Electricity tariffs					
Domestic					
Basic charge/fix ed fee (Rands/month)	Single Phase		145	163	179
Service point - vacant land (Rands/month)	Three Phase			-	-
FBE	Infrastructure lev y (new)		10	10	10
Life-line tariff - meter	(how is this targeted?)			-	-
Life-line tariff - prepaid	(describe structure)			-	-
Flat rate tariff - meter (c/kwh)	(describe structure)			-	-
Flat rate tariff - prepaid(c/kwh)	-			-	-
Meter - IBT Block 1 (c/kwh)	Tarrif C	1		-	-
Meter - IBT Block 2 (c/kwh)	kWh (< 50 kWh)	1		-	-
Meter - IBT Block 3 (c/kwh)	Bo 50 kWh tot 350 Kw h	2	1	2	2
Meter - IBT Block 4 (c/kwh)	Bo 350 kwh tot 600 kw h	2	2	2	3
Meter - IBT Block 5 (c/kwh)	Bo 650 Kw h	1	2	3	3
Prepaid - IBT Block 1 (c/kwh)	0.0-50.0 KWh	1		-	-
Prepaid - IBT Block 2 (c/kwh)	50.0-350.0 KWh	2		-	-
Prepaid - IBT Block 3 (c/kwh)	350.0-600.0 KWh	2		-	-
Prepaid - IBT Block 4 (c/kwh)	above 600.0 KWh			-	-
Prepaid - IBT Block 5 (c/kwh)	(fill in thresholds)			-	-
Other					
Waste management tariffs					
Domestic					
Street cleaning charge		150	165	179	194
Basic charge/fix ed fee	Infrastructure lev y (new)		10	10	10
80l bin - once a week					
250l bin - once a week					

MBRR SA13b - Service Tariffs by category – explanatory

To be included

MBRR SA15 - Investment particulars by type

Investment type	2019/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
Deposits - Bank	50 000	10 000	-	-
Total:	50 000	10 000	-	-

MBRR SA16 - Investment particulars by maturity

Investments by Maturity	Opening balance	Partial / Premature Withdrawal	Closing Balance
Name of institution & investment ID			
Call Investments	50 000	(40 000)	10 000
TOTAL INVESTMENTS AND INTEREST	50 000	(40 000)	10 000

MBRR SA17 – Borrowing

Borrowing - Categorised by type	2009/20	2020/21 Medium Term Revenue & Expenditure Framework		
	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
R thousand				
<u>Parent municipality</u>				
Annuity and Bullet Loans	20 790	42 539	42 002	38 407
Total Borrowing	20 790	42 539	42 002	38 407
Unspent Borrowing - Categorised by type				
Long-Term Loans (annuity/reducing balance)	7 743			
Total Unspent Borrowing	7 743	-	-	-

2.14 Manager's quality certificate

I, Municipal Manager of Cape Agulhas 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: _____

Municipal Manager of Cape Agulhas Municipality

Signature: _____

Date: _____

Part 3 – Appendices

3.1 Appendix A – Tariff Listing

Attached.

3.2 Appendix B – SDBIP

Attached.

3.3 Appendix C – Service Level Standards

Attached.

3.4 Appendix D – Procurement Plan

Attached.